a force for good.

2019 ANNUAL REPORT

CONTENTS

This document serves as universal registration document and annual financial report.

KEY DATA

GROUP

REVENUE[1]

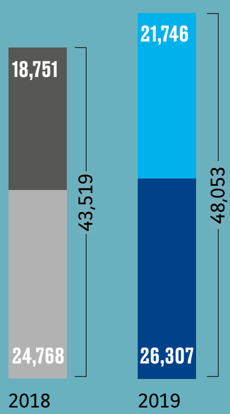
€48.1 billion

NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

€3,260 million

REVENUE[1]

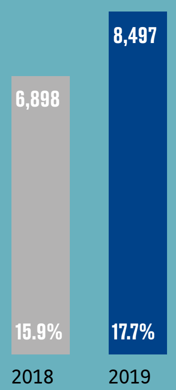
(in €m)



France International

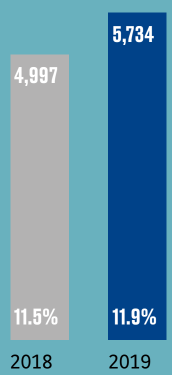
EBITDA[3]

(in €m and as a percentage of revenue[1])



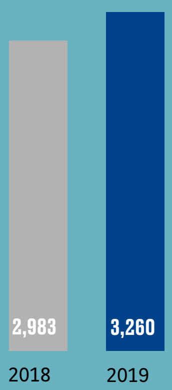
OPERATING INCOME FROM ORDINARY ACTIVITIES

(in €m and as a percentage of revenue[1])



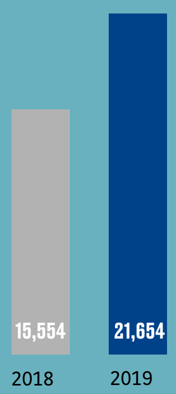
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in €m)



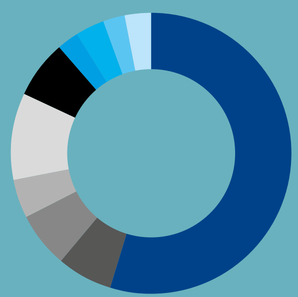
NET FINANCIAL DEBT AT 31 DECEMBER

(in €m)



REVENUE[1] BY GEOGRAPHICAL AREA

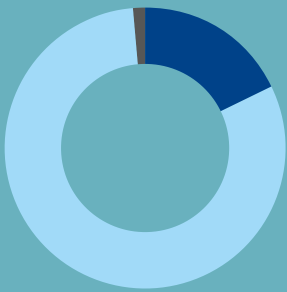
(in €m and as a percentage)



France	26,307	54.7%
Germany	3,140	6.5%
United Kingdom	3,002	6.2%
Central and Eastern Europe	2,219	4.6%
Rest of Europe	4,745	9.9%
North America	3,166	6.6%
Central and South America	1,264	2.6%
Africa	1,603	3.3%
Russia, Asia and Middle East	1,248	2.6%
Oceania	1,359	2.8%

REVENUE[1] BY BUSINESS

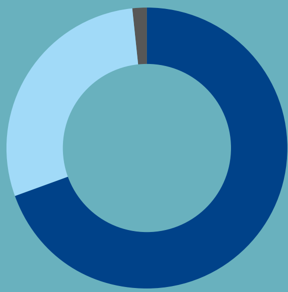
(in €m and as a percentage)



Concessions	8,544	17.8%
Contracting	38,884	80.9%
Property and intragroup eliminations	625	1.3%

OPERATING INCOME FROM ORDINARY ACTIVITIES BY BUSINESS

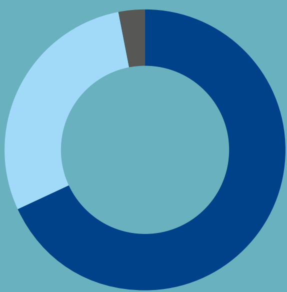
(in €m and as a percentage)



Concessions	3,989	69.6%
Contracting	1,654	28.8%
Property and holding companies	92	1.6%

EBITDA[3] BY BUSINESS

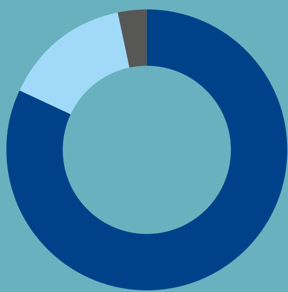
(in €m and as a percentage)



Concessions	5,796	68.2%
Contracting	2,446	28.8%
Property and holding companies	254	3.0%

CAPITAL EMPLOYED[2]

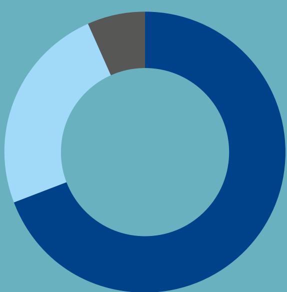
(in €m and as a percentage)



Concessions	41,030	82.0%
Contracting	7,426	14.9%
Property and holding companies	1,545	3.1%

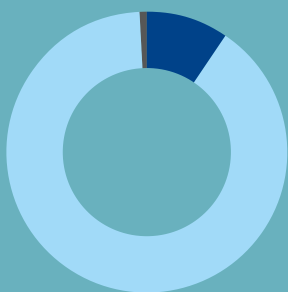
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT BY BUSINESS

(in €m and as a percentage)



Concessions	2,255	69.2%
Contracting	792	24.3%
Property and holding companies	213	6.5%

WORKFORCE[2]



Concessions	21,342	9.6%
Contracting	199,711	89.8%
Property and holding companies	1,344	0.6%

(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (2019: €699m). See glossary (page 375).
(2) At 31 December 2019.

(3) Cash flows from operations before tax and financing costs including IFRS 16 impact of €575m in 2019.
See glossary (page 375).

GROUP

MARKET CAPITALISATION AT 31 DECEMBER 2019
€60 billion

BUSINESS UNITS[1]
3,200

WORKSITES [1]
290,000

OPERATIONS IN
120 countries

EMPLOYEES WORLDWIDE[2]
222,397

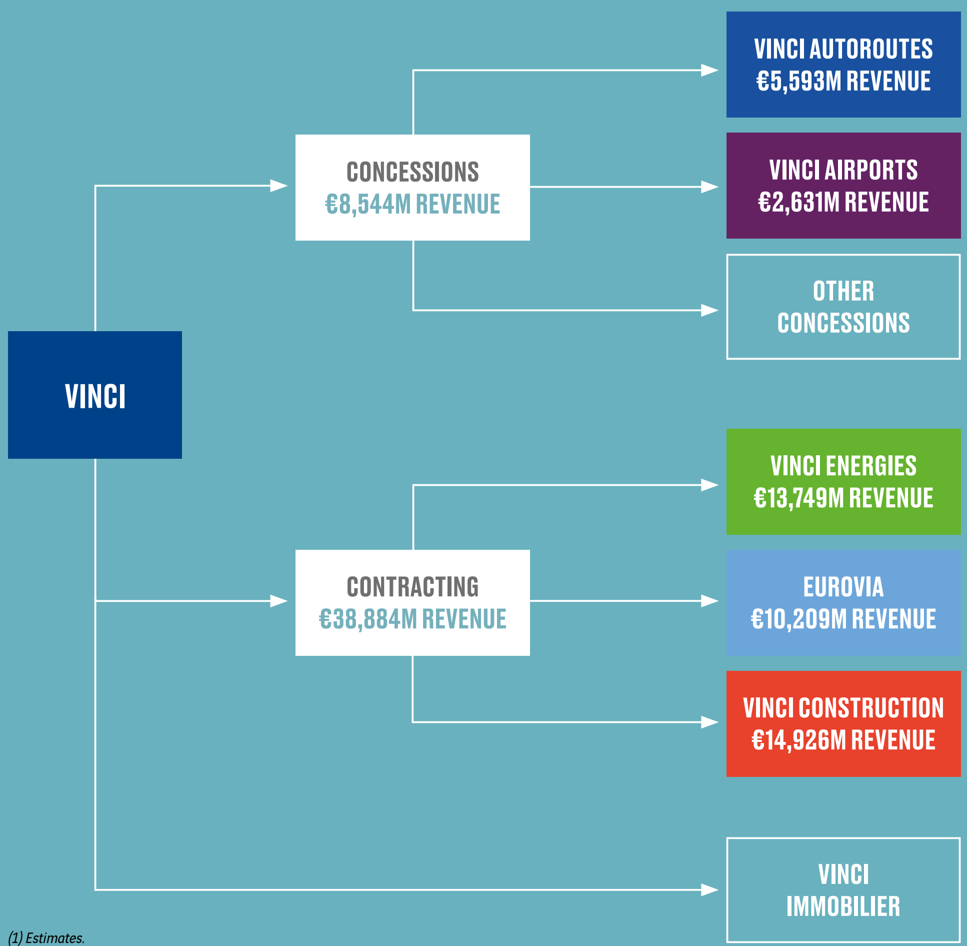
130-year
HISTORY

72% GROUP COMPANIES WITH NO LOST-TIME WORKPLACE ACCIDENTS[2]

Credit ratings
STANDARD & POOR'S:
A–/A2 POSITIVE OUTLOOK
MOODY'S:
A3/P1 STABLE OUTLOOK

World leader
IN CONCESSIONS AND CONSTRUCTION

SIMPLIFIED ORGANISATION CHART



(1) Estimates.
(2) At 31 December 2019.

CREATION OF VALUE SHARED WITH THE GROUP'S STAKEHOLDERS

VINCI CREATES LONG-TERM VALUE FOR ITS CLIENTS, SHAREHOLDERS, EMPLOYEES AND PARTNERS, AND SHARES THE BENEFITS OF ITS PERFORMANCE WITH A LARGE NUMBER OF INTERNAL AND EXTERNAL STAKEHOLDERS IN ALL THE REGIONS WHERE THE GROUP OPERATES.

REVENUE[1]:
€48.1 billion

TOTAL TAXES PAID[1][2]:
€2.8 billion
VINCI IS ONE OF THE FIVE BIGGEST TAXPAYERS IN FRANCE

EMPLOYEE SHAREHOLDERS[3]:
8.8% OF SHARE CAPITAL
REPRESENTING 142,000 FORMER AND CURRENT EMPLOYEES, OF WHOM 31,000 OUTSIDE FRANCE

EMPLOYEE REMUNERATION[1]:
€10.8 billion

DIVIDENDS PAID[1]:
€1.8 billion

PURCHASES MADE[1]:
€27.0 billion

VINCI'S CONTRIBUTION TO FRENCH GDP[4]:
€35 billion

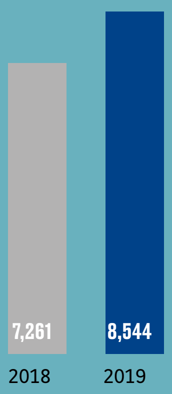
(1) In 2019.
(2) Taxes and other obligatory payments on operating income and income tax expense.
(3) At 31 December 2019.
(4) Utopies study, 31 December 2018. See page 210.

KEY DATA

CONCESSIONS

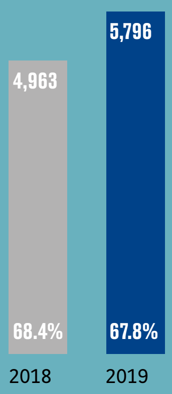
REVENUE[1]

(in €m)



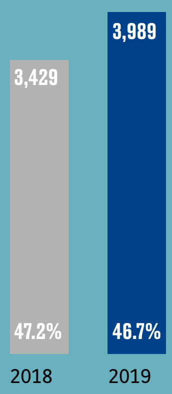
EBITDA[2]

(in €m and as a percentage of revenue[1])



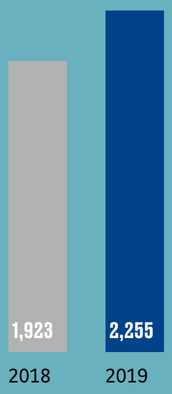
OPERATING INCOME FROM ORDINARY ACTIVITIES

(in €m and as a percentage of revenue[1])



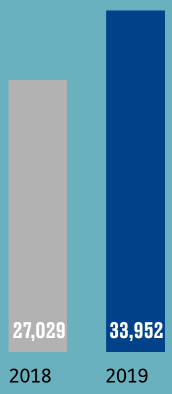
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in €m)



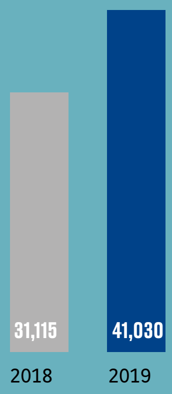
NET FINANCIAL DEBT[3]

(in €m)



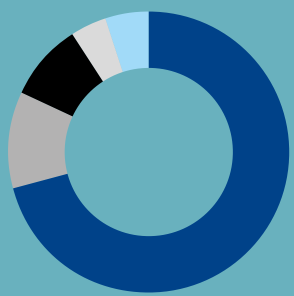
CAPITAL EMPLOYED[3]

(in €m)



REVENUE[1] BY GEOGRAPHICAL AREA

(as a percentage)



France	71%
Portugal	11%
United Kingdom	9%
Americas	4%
Rest of the world	5%

(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies. See glossary (page 375).
(2) Cash flows from operations before tax and financing costs. See glossary (page 375).
(3) At 31 December.

PUBLIC-PRIVATE PARTNERSHIPS OF VINCI'S CONCESSIONS BUSINESS WORLDWIDE

The PPPs listed below are managed within the Concessions business of VINCI. Other PPPs (mainly buildings) are managed within VINCI's Contracting business.

INFRASTRUCTURE	DESCRIPTION	COUNTRY	SHARE CAPITAL HELD	END OF CONTRACT
Motorway and road infrastructure	**Network under concession**			
Arcos (A355 – western Strasbourg bypass)[1]	24 km	France	100%	2070
Arcour (A19)	101 km	France	100%	2070
ASF network (excl. Puymorens Tunnel)	2,731 km	France	100%	2036
Cofiroute network (excl. A86 Duplex Tunnel)	1,100 km	France	100%	2034
Escota network	471 km	France	99.5%	2032
Fredericton–Moncton highway[2]	195 km	Canada	25%	2028
Regina Bypass	61 km	Canada	38%	2049
Bogotá–Girardot motorway[1]	141 km[3]	Colombia	50%	2042
A4 motorway	45 km	Germany	50%	2037
A5 motorway	60 km	Germany	54%	2039
A7 motorway[1]	60 km	Germany	50%	2047
A9 motorway	47 km	Germany	50%	2031
Athens–Corinth–Patras motorway	201 km	Greece	30%	2038
Maliakos–Kleidi motorway	230 km	Greece	15%	2038
Lima expressway	25 km	Peru	100%	2049
Moscow–St Petersburg motorway (MSP0)	43 km (Moscow–Sheremetyevo)	Russia	50%	2040
Moscow–St Petersburg motorway (MSP7 and 8)	138 km (St Petersburg–Veliky Novgorod)	Russia	40%	2041
R1 (PR1BINA) expressway	51 km	Slovakia	50%	2041
Hounslow Borough road network[4]	432 km of roads and 762 km of pavements	United Kingdom	50%	2037
Isle of Wight road network[4]	821 km of roads and 767 km of pavements	United Kingdom	50%	2038
Newport Southern Distributor Road	10 km	United Kingdom	50%	2042
Road bridges and tunnels				
A86 Duplex Tunnel	Rueil Malmaison/Versailles–Jouy en Josas (11 km)	France	100%	2086
Prado Carénage Tunnel	Tunnel in Marseille (2.1 km)	France	33%	2032
Prado Sud Tunnel	Tunnel in Marseille (1.9 km)	France	59%	2055
Puymorens Tunnel	Tunnel in the Pyrenees (5.5 km)	France	100%	2037
Confederation Bridge	Prince Edward Island–mainland	Canada	20%	2032
Charilaos Trikoupis Bridge	Peloponnese–mainland	Greece	57%	2039
Tagus bridges	Two bridges in Lisbon	Portugal	41%	2030
Ohio River Bridges – East End Crossing	Bridges and a tunnel linking Kentucky to Indiana	United States	33%	2051
Airports				
Chambéry, Clermont Ferrand, Grenoble, Pays d'Ancenis[5]		France	100%	2025 to 2029
Lyon-Bron, Lyon – Saint Exupéry		France	31%	2047
Nantes Atlantique[6]		France	85%	2021
Saint Nazaire Montoir [6]		France	85%	2021
Rennes, Dinard[5]		France	49%	2024
Toulon Hyères		France	100%	2040
Salvador		Brazil	100%	2047
Phnom Penh, Siem Reap, Sihanoukville		Cambodia	70%	2040
Santiago de Chile[1]		Chile	40%	2035
Guanacaste		Costa Rica	45%	2030
Santo Domingo (Las Américas and La Isabela), Puerto Plata, Samaná (Presidente Juan Bosch and Arroyo Barril), Barahona		Dominican Republic	100%	2030
Kansai International, Osaka Itami, Kobe		Japan	40%	2060
Lisbon, Porto, Faro, Beja, Ponta Delgada, Horta, Flores, Santa Maria, Funchal, Porto Santo		Portugal	100%	2063
Belgrade (Nikola Tesla)		Serbia	100%	2043
Stockholm Skavsta		Sweden	90%	Freehold property
Belfast International		United Kingdom	100%	2993
London Gatwick		United Kingdom	50.01%	Freehold property
Atlantic City, New Jersey[7]		United States		2021
Hollywood Burbank, California[7]		United States		2020
Macon Downtown, Georgia[7]		United States		2022
Middle Georgia Regional, Georgia[7]		United States		2022
Orlando Sanford, Florida		United States	100%	2039
Rail infrastructure				
GSM-Rail	Wireless communication system over 16,000 km of rail line	France	70%	2025
Rhônexpress[8]	Light rail system (23 km) in Lyon	France	35%	2038
SEA HSL	High-speed rail line (302 km) between Tours and Bordeaux	France	33%	2061
Stadiums				
Bordeaux (Matmut Atlantique)	42,000 seats	France	50%	2045
Le Mans (MMArena)	25,000 seats	France	100%	2044
Nice (Allianz Riviera)	36,000 seats	France	50%	2041
Stade de France	80,000 seats	France	67%	2025
Other public amenities				
Automation of river dams (Bameo)[1]	31 dams on the Aisne and Meuse rivers	France	50%	2043
Car Rental Center, Nice-Côte d'Azur Airport	60,000 sq. metre building	France	100%	2040
Martinique BRT system	2.5 km	France	100%	2035
Public lighting in Goussainville		France	100%	2026
Public lighting in Rouen (Lucitea)		France	100%	2027

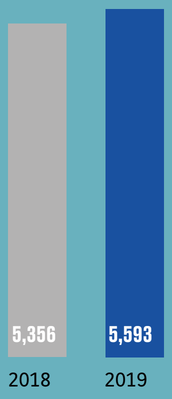
(1) Under construction.
(2) Maintenance contract.
(3) Including 65 km to be widened.
(4) Upgrade, maintenance and upkeep contract.
(5) Service, management or public service contracts.
(6) Cancellation for reasons of public interest decided on 24 October 2019, with the decision scheduled to take effect at the earliest on 15 December 2021.
(7) Service contract.
(8) Cancellation for reasons of public interest of the concession contract decided on 21 February 2020 by Sytral, the concession granting authority.

KEY DATA

VINCI AUTOROUTES

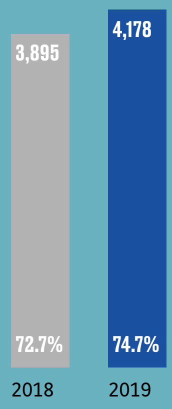
REVENUE[1]

(in €m)



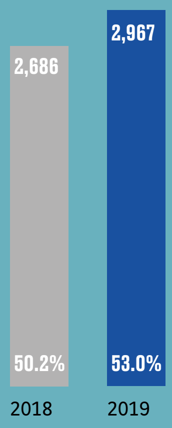
EBITDA[2]

(in €m and as a percentage of revenue[1])



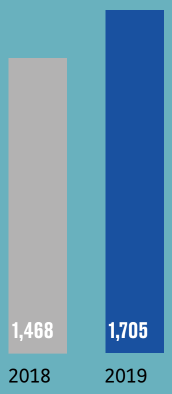
OPERATING INCOME FROM ORDINARY ACTIVITIES

(in €m and as a percentage of revenue[1])



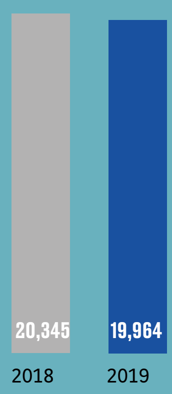
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in €m)



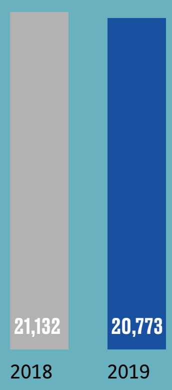
NET FINANCIAL DEBT[3]

(in €m)



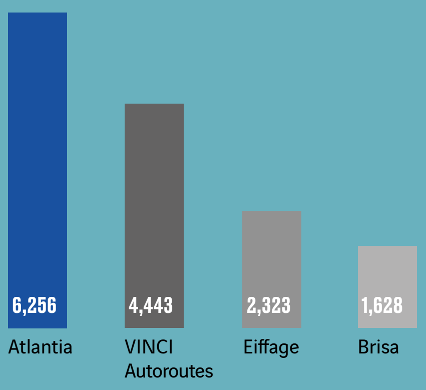
CAPITAL EMPLOYED[3]

(in €m)



VINCI AUTOROUTES' COMPETITIVE POSITION[4]

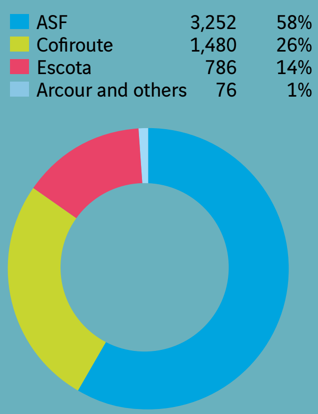
Motorway networks under concession in Europe (in km)



Source: internal studies, company literature.

REVENUE[1] BY NETWORK

(in €m and as a percentage)



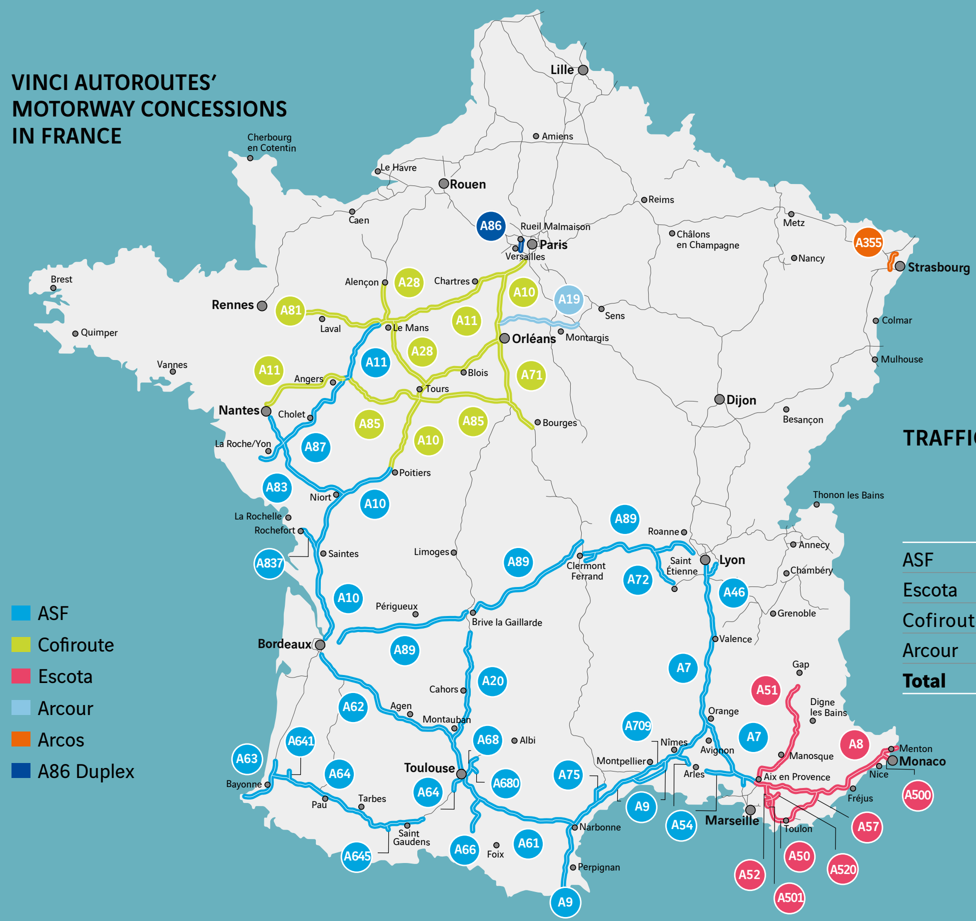
(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies. See glossary (page 375).

(2) Cash flows from operations before tax and financing costs. See glossary (page 375).

(3) At 31 December.

(4) Controlled company networks.

VINCI AUTOROUTES' MOTORWAY CONCESSIONS IN FRANCE



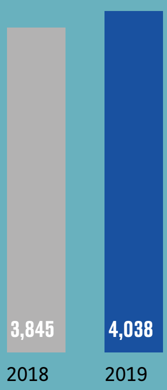
TRAFFIC

	2019 (in millions of kilometres travelled)	2019/2018 change
ASF	32,863	3.3%
Escota	7,276	3.2%
Cofiroute	12,016	1.5%
Arcour	353	1.4%
Total	**52,508**	**2.8%**

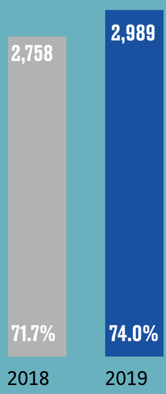
ASF GROUP (ASF AND ESCOTA)

(in €m and as a percentage of revenue[1])

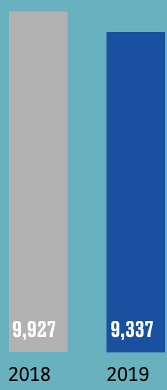
REVENUE[1]



EBITDA[2]



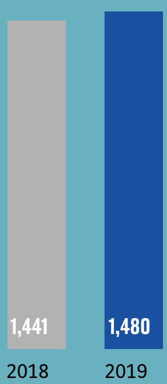
NET FINANCIAL DEBT[3]



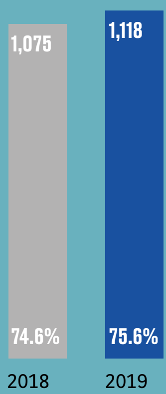
COFIROUTE

(in €m and as a percentage of revenue[1])

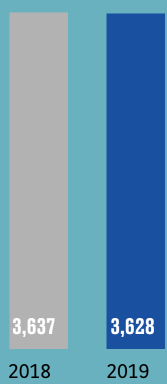
REVENUE[1]



EBITDA[2]



NET FINANCIAL DEBT[3]



(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies. See glossary (page 375).

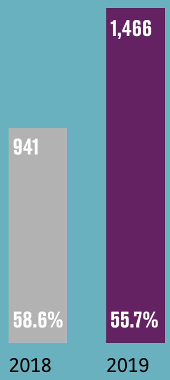
(2) Cash flows from operations before tax and financing costs. See glossary (page 375).
(3) At 31 December.

KEY DATA

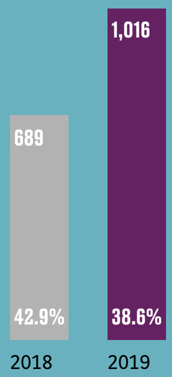
VINCI AIRPORTS

REVENUE[1]
(in €m)

EBITDA[2]
(in €m and as a percentage of revenue[1])

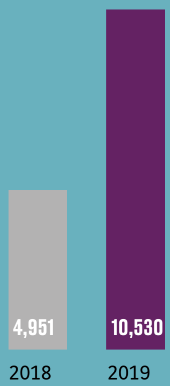


OPERATING INCOME FROM ORDINARY ACTIVITIES
(in €m and as a percentage of revenue[1])

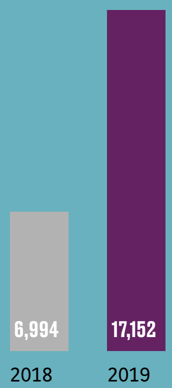


NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT
(in €m)

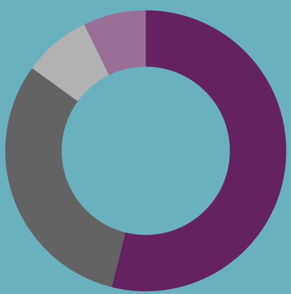
NET FINANCIAL DEBT[3]
(in €m)



CAPITAL EMPLOYED[3]
(in €m)

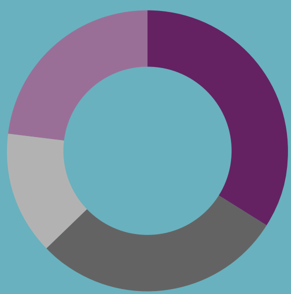


REVENUE[1] BY BUSINESS ACTIVITY
(as a percentage)



Aviation services	54%
Non-aviation services	31%
Security/assistance for PRM[4]	8%
Ground handling	7%

REVENUE[1] BY GEOGRAPHICAL AREA
(as a percentage)

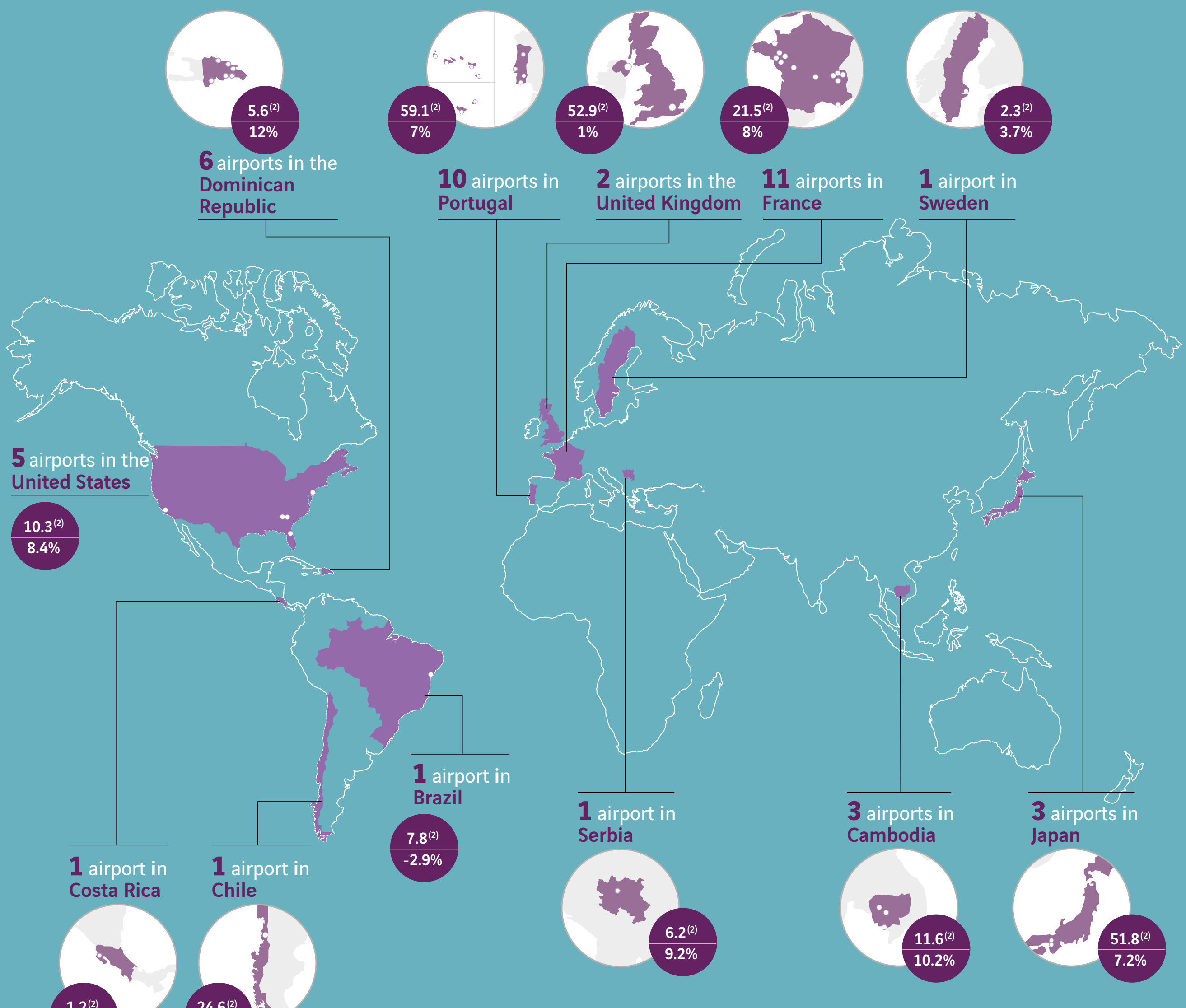


Portugal	34%
United Kingdom	29%
France	14%
Rest of the world	23%

(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies. See glossary (page 375).
(2) Cash flows from operations before tax and financing costs. See glossary (page 375).
(3) At 31 December.
(4) Persons with reduced mobility.

AIRPORTS AND PASSENGER TRAFFIC MANAGED

45 AIRPORTS, 255 MILLION PASSENGERS MANAGED IN 2019[1]



(1) Excluding ADP.
(2) Data in millions of passengers and 2019/2018 change.

COMPETITIVE POSITION

VINCI Airports is the leading private operator and the most geographically diversified, with 45 airports operated worldwide. It is the sector's second-largest international player in terms of passengers managed. The main listed airport operators are Aena, Groupe ADP and Fraport.

In Europe, VINCI Airports operates 10 airports in Portugal (59.1 million passengers) and 11 airports in France (21.5 million passengers), including Lyon – Saint Exupéry (11.7 million passengers). On 13 May 2019, having acquired a 50.01% interest, VINCI Airports consolidated London Gatwick Airport (46.6 million passengers).

VINCI Airports also operates Belfast International Airport in the United Kingdom (6.3 million passengers), Nikola Tesla Airport in Belgrade, Serbia (6.2 million passengers) and Stockholm Skavsta Airport in Sweden (2.3 million passengers).

In Asia, VINCI Airports operates the three airports in Cambodia (11.6 million passengers) and holds the concession, as part of a consortium with Japanese partners, for the three airports in the Kansai region of Japan (51.8 million passengers).

In Latin America, VINCI Airports holds concessions for the Salvador airport in Brazil (7.8 million passengers), Guanacaste airport in Costa Rica (1.2 million passengers) and six airports in the Dominican Republic (5.6 million passengers). In Chile, as part of a consortium with Groupe ADP and Astaldi, VINCI Airports operates Santiago Arturo Merino Benítez Airport (24.6 million passengers).

In the United States, VINCI Airports operates five airports under concession or management contracts (10.3 million passengers).

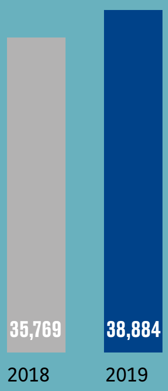
Source: internal studies, company literature.

KEY DATA

CONTRACTING

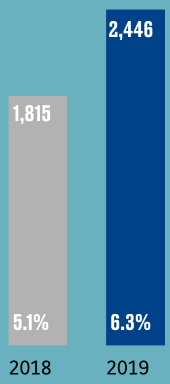
REVENUE

(in €m)



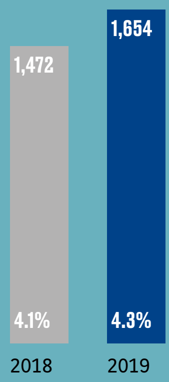
EBITDA[1]

(in €m and as a percentage of revenue)



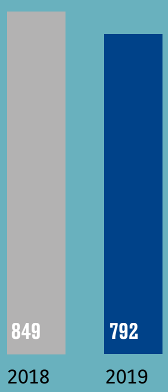
OPERATING INCOME FROM ORDINARY ACTIVITIES

(in €m and as a percentage of revenue)



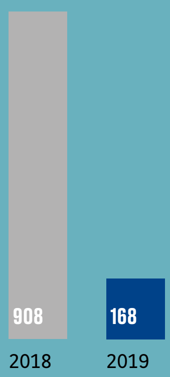
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in €m)



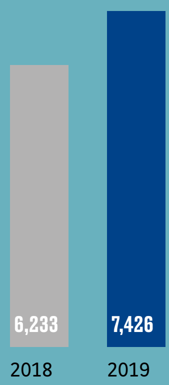
NET FINANCIAL DEBT[2]

(in €m)



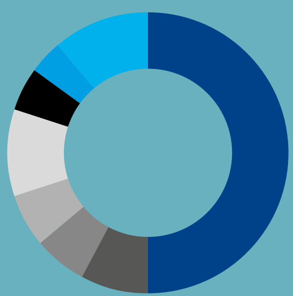
CAPITAL EMPLOYED[2]

(in €m)



REVENUE BY GEOGRAPHICAL AREA

(as a percentage)



France	50%
Germany	8%
United Kingdom	6%
Central and Eastern Europe	6%
Rest of Europe	10%
Americas	5%
Africa	4%
Rest of the world	11%

NB: data does not include VINCI Immobilier.
(1) Cash flows from operations before tax and financing costs. See glossary (page 375).
(2) At 31 December.

COMPETITIVE POSITIONS

VINCI ENERGIES

FRANCE

VINCI Energies is the leader in a fragmented market in which the top six players account for only around 50% of the market. Its main competitors are Engie Energie Services, Spie, Eiffage Énergie, Bouygues Energies & Services and SNEF.

EUROPE

VINCI Energies is a leading electrical engineering and installation company. It ranks among the top players in Germany, where it has a strong position (revenue of over €2 billion in 2019), Switzerland, Scandinavia (Sweden, Finland and Norway), Belgium, the Netherlands, Spain, Portugal and Romania. In the information and communication technologies sector, VINCI Energies operates mainly in France, Germany, the Netherlands, Portugal, Spain, Switzerland, Italy, Sweden, United Kingdom, Belgium, Austria and Poland.

OUTSIDE EUROPE

VINCI Energies operates in Africa, where it is market leader in Morocco. It also operates in the Middle East, Asia and South America. VINCI Energies has a solid foothold in New Zealand and Australia. With the acquisition of PrimeLine Utility Services, VINCI Energies established a significant position in power transmission and distribution in the United States at the beginning of 2018.

Source: company literature.

EUROVIA

FRANCE

Eurovia is one of the leaders in the road and rail works market with Colas and Eiffage Infrastructures. The market is otherwise shared by a large number of local and regional contractors.
Eurovia is market leader in aggregates, where its competitors include roadworks companies and cement groups such as LafargeHolcim, GSM (HeidelbergCement Group) and Cemex, along with several hundred local producers.

GERMANY

Eurovia GmbH is one of the sector's main players with Strabag, in a market made up mainly of numerous regional players. In addition, Eurovia's rail works subsidiary ETF is expanding its business in Germany following the acquisition of THG Baugesellschaft GmbH.

UNITED KINGDOM

Eurovia UK, through its subsidiary Ringway, is a major player in long-term road maintenance contracts. Its main competitors are Amey (Ferrovial group), Kier and Balfour Beatty. Eurovia UK also operates in conventional roadworks in competition with Balfour Beatty and Tarmac (CRH Group), Aggregate Industries (LafargeHolcim), Hanson (Heidelberg) and Conway.

CZECH REPUBLIC

Eurovia CS is among the leaders in road and rail works. Its main competitors are Skanska, Metrostav and Strabag.

NORTH AMERICA

In Canada, Eurovia is one of the major players in road infrastructure works in Quebec, Alberta and British Columbia through subsidiaries Eurovia Québec Construction, Carmacks and BA Blacktop. Its main competitors are subsidiaries of Colas, CRH and LafargeHolcim, as well as local companies.
In the United States, Eurovia is a market leader in roadworks on the east coast, with operations in 12 states, and in Texas. For construction works, its main competitors are Archer Western Contractors (Walsh Group) and Lane Construction (Salini); for the manufacture and application of asphalt concrete, it competes against Preferred Materials (CRH) and a large number of regional players.

Source: company literature.

VINCI CONSTRUCTION

FRANCE

VINCI Construction is the leader in a market estimated to be worth revenue of around €200 billion, ahead of Bouygues Construction, Eiffage Construction, Fayat, NGE and Spie batignolles.
The remaining market is divided among several medium-sized regional companies (including Demathieu Bard and Léon Grosse) and a large number of small contractors.

UNITED KINGDOM

VINCI Construction UK is a medium-sized company in the United Kingdom's building and civil engineering sectors. Its main competitors are Balfour Beatty, Kier, Laing O'Rourke, Interserve and Sir Robert McAlpine. The British market is estimated to be worth revenue of around £150 billion.

CENTRAL EUROPE

VINCI Construction operates in the region through its medium-sized local subsidiaries, notably in Poland, Czech Republic and Slovakia. Its main competitors are Strabag, Skanska and Porr, as well as Budimex (Ferrovial group) in Poland and Metrostav in the Czech Republic.

AFRICA

Operating in 23 countries, Sogea-Satom is a major player in Central Africa, West Africa, Equatorial Africa and East Africa. Its main competitors are European, Asian (particularly Chinese) and African companies.

OCEANIA

VINCI Construction is a major player in New Zealand's infrastructure market through its subsidiary HEB Construction. Since the end of 2017, VINCI Construction has ramped up its presence in Australia with the acquisition of Seymour Whyte.

SPECIALIST MARKETS

Soletanche Freyssinet is world leader in specialist civil engineering, active on a very fragmented market. Its competitors include Trevi, Bauer and Keller in special foundations, and VSL (a Bouygues subsidiary) in prestressing and stay cable systems.
Entrepose is a global operator in the design and construction of complex industrial projects in the oil, gas and energy recovery sectors. Its main competitors include Saipem (ENI Group) and CB&I.

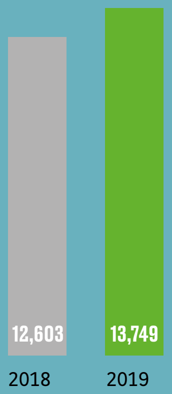
Source: Euroconstruct, November 2019 (market size); company literature.

KEY DATA

VINCI ENERGIES

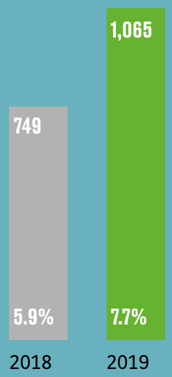
REVENUE

(in €m)



EBITDA[1]

(in €m and as a percentage of revenue)

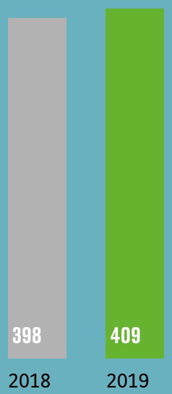


OPERATING INCOME FROM ORDINARY ACTIVITIES

(in €m and as a percentage of revenue)

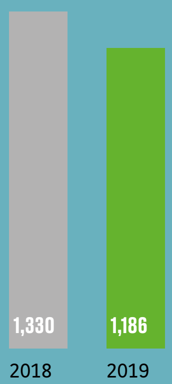
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in €m)



NET FINANCIAL DEBT[2]

(in €m)

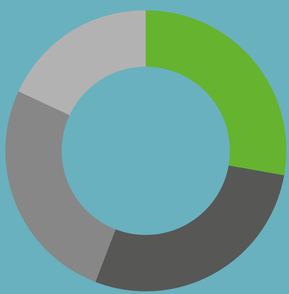


CAPITAL EMPLOYED[2]

(in €m)

REVENUE BY BUSINESS ACTIVITY

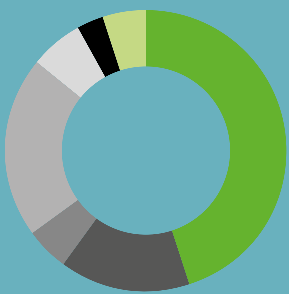
(as a percentage)



Industry	28%
Infrastructure	28%
Building Solutions	26%
Information and communication technologies	18%

REVENUE BY GEOGRAPHICAL AREA

(as a percentage)



France	45%
Germany	15%
Scandinavia	5%
Rest of Europe	21%
Americas	6%
Africa	3%
Rest of the world	5%

(1) Cash flows from operations before tax and financing costs. See glossary (page 375).
(2) At 31 December.

KEY DATA

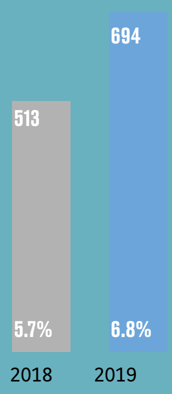
EUROVIA

REVENUE

(in €m)

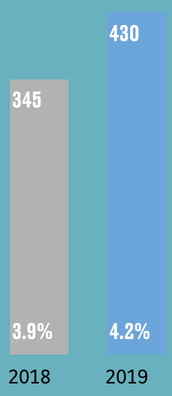
EBITDA[1]

(in €m and as a percentage of revenue)



OPERATING INCOME FROM ORDINARY ACTIVITIES

(in €m and as a percentage of revenue)

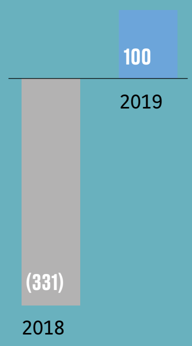


NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

(in €m)

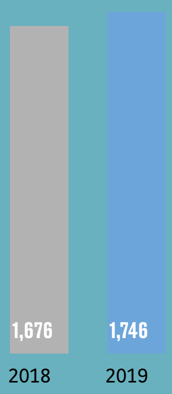
NET FINANCIAL SURPLUS[2]

(in €m)



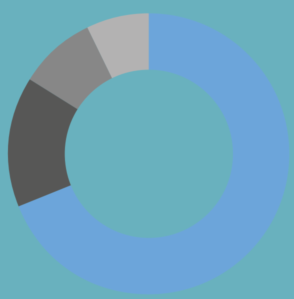
CAPITAL EMPLOYED[2]

(in €m)



REVENUE BY BUSINESS ACTIVITY

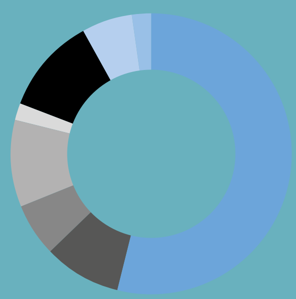
(as a percentage)



Works	69%
Industry	15%
Quarries	9%
Services	7%

REVENUE BY GEOGRAPHICAL AREA

(as a percentage)



France	54%
Germany	9%
United Kingdom	6%
Central and Eastern Europe	10%
Rest of Europe	2%
United States	11%
Canada	6%
Central and South America	2%

(1) Cash flows from operations before tax and financing costs.
See glossary (page 375).
(2) At 31 December.

VINCI CONSTRUCTION

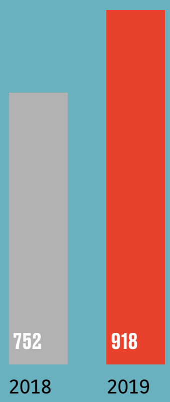
REVENUE
(in €m)

EBITDA(1)
(in €m and as a percentage of revenue)

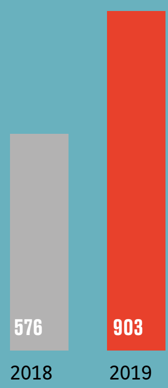
OPERATING INCOME FROM ORDINARY ACTIVITIES
(in €m and as a percentage of revenue)

NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT
(in €m)

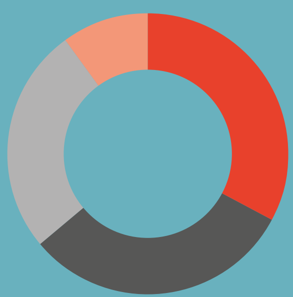
NET FINANCIAL SURPLUS(2)
(in €m)



CAPITAL EMPLOYED(2)
(in €m)



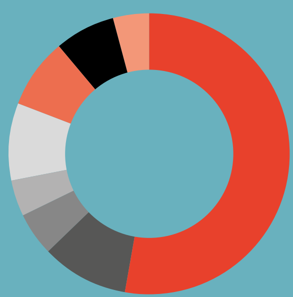
REVENUE BY BUSINESS ACTIVITY
(as a percentage)



Building	33%
Civil and hydraulic engineering	31%
Specialist activities	26%
Complex projects	10%

(1) Cash flows from operations before tax and financing costs. See glossary (page 375).
(2) At 31 December.

REVENUE BY GEOGRAPHICAL AREA
(as a percentage)



France	53%
United Kingdom	10%
Central and Eastern Europe	5%
Rest of Europe	4%
Americas	9%
Africa	8%
Oceania	7%
Rest of the world	4%

a force for good.

As an investor, builder and operator of buildings and infrastructure in more than 100 countries, VINCI plays a key role in the transformation of cities and regions.
The environment, community life and mobility are among the main challenges facing today's world. We aim to meet these challenges by being a force for good through our constructions and our work ethic, both day to day and over the long term.
Drawing on the dedication of our 222,000 employees, who share a single vision of all-round performance, we will help to build a more sustainable world and fully embrace our role as a private-sector partner working in the public interest.

a force for good.

INFRASTRUCTURE

MAKING LOCAL AUTHORITIES' PROJECTS A REALITY

In October 2019, after only four years of works, VINCI opened the bypass around Regina, capital of the province of Saskatchewan in Canada. The project, which was executed under a 30-year public-private partnership led by VINCI Concessions – the first infrastructure PPP for the province – represents an investment of C$1.9 billion. It covers 61 km of roads (37 km newly built and 24 upgraded), 12 new interchanges and 33 new bridges and viaducts. The works were performed under a joint venture led by local Eurovia subsidiary Carmacks, together with VINCI Construction Terrassement and VINCI Energies. The newly opened infrastructure makes traffic around the city smoother and safer. It will also help to boost the province's economic development by opening up fast and reliable access to several major routes.

a force for good.

SOCIAL INTEGRATION

REACHING OUT TO MIDDLE SCHOOL STUDENTS FROM UNDERPRIVILEGED AREAS

As part of the orientation component of the Give Me Five social integration programme launched in France at the end of 2018, VINCI is hosting students in their final year of middle school, all from underprivileged areas, in its business units for their compulsory work experience. Over a five-day period, students are given an overview of Group business activities, listen to employees talk about their career paths and passion for their job, and take part in site visits and workshops on topics such as stakeholder consultation. The programme, which has been recognised by France's Ministry of Education for its educational value, is stimulating a great deal of interest on the part of students as they discover the broad range of activities. VINCI entities continue to put a great deal of work into the programme, which will be extended to around 10 regions in France in 2020 with the aim of hosting 5,000 students by the end of the year.

a force for good.

REGIONS

PROMOTING ECO-MOBILITY ON THE ROADS

In November 2019, VINCI Autoroutes, operator of almost half of France's motorway network under concession, signed a partnership agreement with the Provence Alpes Côte d'Azur region in the south of the country in favour of low-carbon motorways. This is a new kind of alliance between a private industrial player and a major regional authority. Its aim is to accelerate the development of eco-mobility in all its forms, with special emphasis on increasing the coverage of electric vehicle charging station networks and developing multimodal and shared solutions such as public transport on motorways, carpool parking and park-and-ride facilities, as well as digital services that make travelling easier and support low-carbon mobility. Similar partnerships to meet local needs will be gradually proposed to other French regions.

a force for good.

AIRPORTS

A SUCCESSFUL ENVIRONMENTAL TRANSITION

VINCI Airports, the first airport operator to have developed a comprehensive environmental policy on a global scale, has initiated a range of actions across its network. At the Salvador airport in Brazil, for example, VINCI Airports completed a renovation and extension programme including environmental upgrades across the entire site at the end of 2019, less than two years after its full integration. Some 1,200 conventional light bulbs have been replaced by LEDs, and much of the equipment renewed. The whole air conditioning system has been replaced with a more energy-efficient alternative. A 4.2 MW solar farm currently being installed will cover 30% of the airport's electricity needs. The site has been equipped with a wastewater treatment plant to reuse treated water for air conditioning and washrooms. Lastly, the airport has its own waste sorting building, which should enable it to achieve the zero waste to landfill target by 2020. Just one year after receiving Level 1 certification, the Salvador airport was awarded Level 2 Airport Carbon Accreditation (ACA) certification at the beginning of 2020, confirming the reduction of its carbon footprint.

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INTRAPRENEURS

WASTE MARKETPLACE, AN IDEA THAT CREATED A MARKET

Leonard, VINCI's forward-looking innovation platform, is producing tangible results through its Intrapreneurs path. One illustration is Waste Marketplace, a startup created by Jérôme de Tomasi, an employee from VINCI Construction France who now heads this new Group subsidiary. Incubated and accelerated by Leonard, Waste Marketplace is a digital solution that facilitates management of construction waste and improves its recycling and traceability at the best possible cost. In four clicks on the application, a works supervisor on site can order a waste removal lorry. The app's algorithm chooses the best solution for each type of waste from among a network of partners. The recycling rate achieved is more than 80%. The system automatically generates a report at each stage and guarantees absolute traceability, simplifying such procedures as environmental labelling. In one year of operation, Waste Marketplace has already rolled out its integrated solution to around 100 construction sites, including some being executed by non-Group companies.

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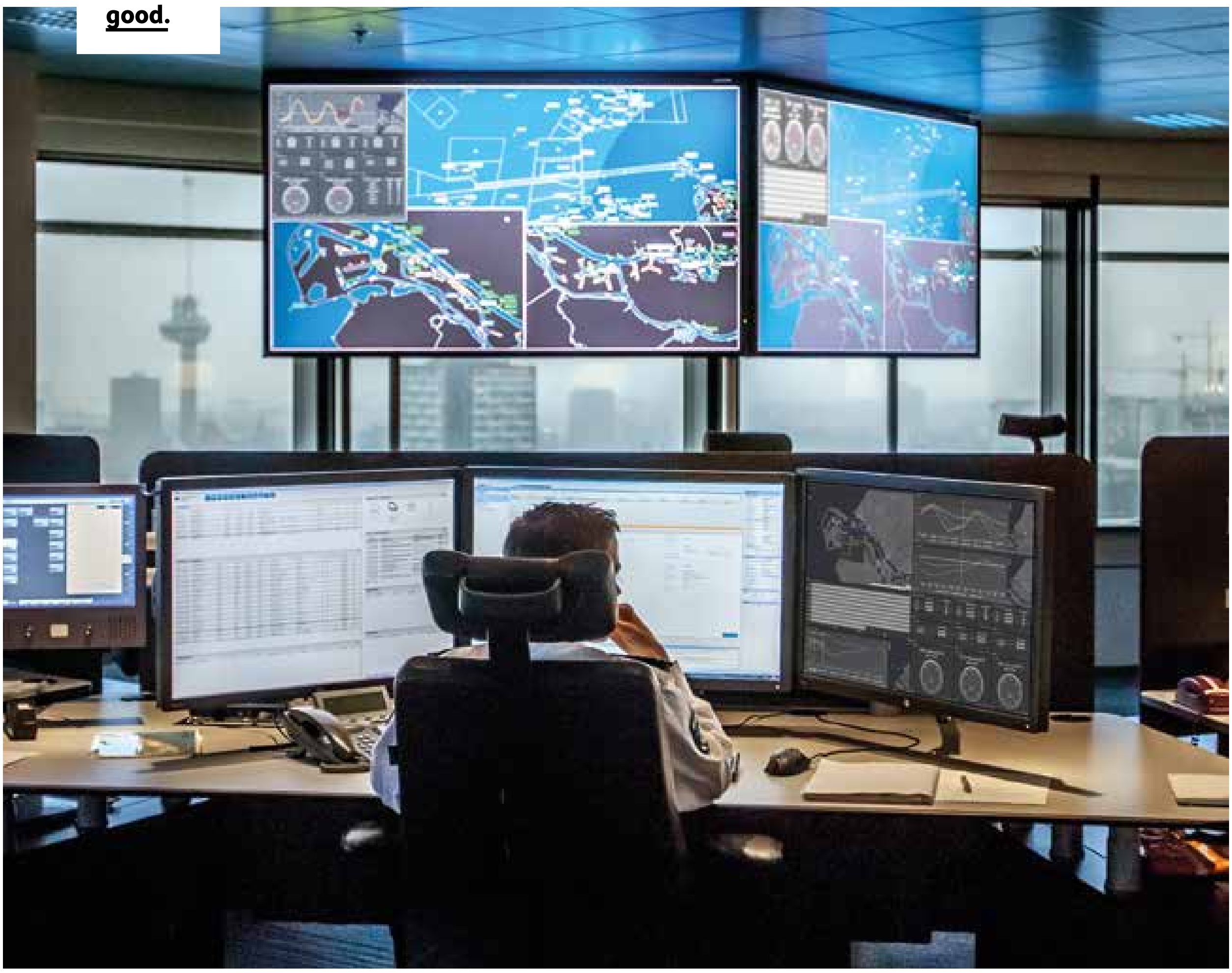
GREEN VALUE

TOWARDS LOW-CARBON BUILDINGS

VINCI Construction has been testing the production and use of low-carbon concretes for several years. The Group's new head office is now the demonstrator of an innovative concrete in which cement is almost entirely replaced with blast furnace slag, which gives the material the same hardness and strength as a conventional concrete. These properties make it suitable for use in structural works while reducing its carbon footprint by 60%. In 2020, the business line will launch its own range of very-low and ultra-low carbon concretes. VINCI Construction is also at the leading edge of testing in preparation for France's future environmental regulations, which will not only tighten the thresholds imposed in terms of thermal performance but will also take into account a building's carbon footprint throughout its life cycle. Several pilot projects are under way, some of which include the advanced timber construction solutions of the VINCI Construction subsidiary Arbonis.

a force
for
good.



DIGITAL TRANSFORMATION

OPTIMISED NAVIGATION IN THE PORT OF ROTTERDAM

Axians, the VINCI Energies information and communication technology brand, has teamed up with several expert partners in Rotterdam to install a unified digital platform that aggregates the formerly separate systems and lays the foundations for the port of the future. In the control tower, the platform uses artificial intelligence and IoT technology to gather all the real-time data needed for coordinating port operations. In addition to immediate benefits such as smoother and more secure access to information, the system is designed to ensure that all players throughout the logistics chain, including the ports of origin and destination of ships, can ultimately share data. New applications covering predictive maintenance, goods tracking and optimisation of navigation are also planned.

a force for good.

POWER ROAD®

THE ROAD THAT CAPTURES AND DISTRIBUTES RENEWABLE ENERGY

No longer a demonstrator but now in operation, the Power Road® solar heating technology developed by Eurovia is confirming its energy performance for all its various applications. In 2019, Power Road® was embedded in 650 sq. metres of a cinema car park in Feurs in central France, and will be used in pre-heating the water at a nearby swimming facility, which has a 50 metre pool and a teaching pool. By replacing the main gas heating system, the innovation will avoid the emission of 16 tonnes of CO_2 a year. In another new application, Inolya, the largest social housing operator in Calvados, Normandy, selected Power Road® to equip 1,420 sq. metres of roads in Fleury sur Orne as part of a programme to refurbish a social housing apartment block. This will cover 75% of the heating and hot water needs of 61 apartments and is expected to reduce CO_2 emissions by 75%.

“Our two beacons in a changing world are our long-term perspective and vision of all-round performance. And our aim is to serve as a force for good.”

XAVIER HUILLARD,
CHAIRMAN AND CEO

How would you sum up 2019 at VINCI?
2019 was yet another year of growth for VINCI. In France, we are leveraging our leadership positions in our long-standing business lines. Outside France, our activity continues to expand and is nearing 50% of our total revenue.
We are combining steady organic growth with strong momentum in external growth.
Our results have reached all-time-high levels, confirming our ability to set a virtuous course and follow it. As we prove year after year, our business model delivers performance. It does so thanks to the complementarity between our Concessions and Contracting activities. And it does so thanks to our strong management culture, which we are able to share with all our teams, including the ones that come aboard in the companies the Group acquires.

How did Concessions perform?
One of the year’s highlights was the takeover of London Gatwick Airport. That acquisition has given VINCI Airports a new dimension. We are now the world’s second-largest airport operator – and the largest private one – and have the most geographically diverse network. We are managing 45 airports in 12 countries in Europe, Asia and the Americas. The VINCI Airports network welcomed 255 million passengers in 2019. Our success in this sector is one illustration of the relevance of our business model, which integrates the expertise and resources we can pool as an investor in concessions, programme manager, builder and operator of infrastructure, and unlocks synergies between them. That success also stems from the lasting roots and close ties that all our business lines have built with the regions where we are supporting development day after day.

We take the same long-term approach in our motorway concessions. In France, we are constantly investing to modernise and extend our network, and upgrade its environmental performance. VINCI Autoroutes is also spurring new kinds of mobility – electric and shared mobility today, autonomous mobility tomorrow – and partnering with regions to promote low-carbon motorways. Outside France, we opened two large infrastructure assets to traffic: the Regina Bypass in Canada, which VINCI built and is managing under a public-private partnership, and the last two sections of the Moscow–St Petersburg motorway in Russia, where we are now operating a network spanning almost 1,000 km.

What about the three business lines in Contracting?
VINCI Energies pushed ahead on its development path. It took over about 30 companies in 2019, adding to the major acquisitions it integrated in 2018. This business line’s organic and external growth have practically tripled its size in 10 years! It is in an ideal position to tackle the big challenges in the energy transition and digital transformation, and is on its way to becoming the Group’s largest Contracting business line in the near future.

Eurovia had an excellent year. In France, its local bases in all markets for mobility infrastructure and urban development enabled it to take full advantage of substantial investment by local authorities. In the Americas, it became a leader in its sector on the east coast of the United States, where its annual revenue now exceeds €1 billion following the acquisition of Lane Construction’s industrial and roadworks division in December 2018.

VINCI Construction achieved solid organic growth. This was especially the case in the Greater Paris area, where the building market was strong and civil engineering projects for the future Grand Paris Express transport network ramped up. Abroad, our Major Projects Division has embarked on a new cycle of growth, winning large contracts in the United States, Canada, New Zealand and the United Kingdom. VINCI Construction's specialist subsidiaries are supplying expertise in a growing number of areas, working on hundreds of highly technical and complex projects.

What is VINCI's outlook for 2020?
In Concessions, we're expecting motorway traffic to continue to increase on VINCI Autoroutes' network, which plays an essential role facilitating mobility within regions as well as national and transnational connections, in particular between France and Spain then on to Portugal. We should also see further traffic growth in VINCI Airports' network, plus the first full-year contribution from London Gatwick. The pace of growth in both cases, however, will not be as brisk as in 2019 because the benchmarks are already high. In Contracting, our order books suggest revenue will increase.

So we're confident for 2020. We will continue to develop both our businesses, principally in international markets to further broaden our business model's footprint, all the while nurturing our domestic markets. We will continue to grow larger, not heavier, keeping our expansion and debt under control. Our activities' long-term prospects, however, also involve transforming our business lines, products and services, to provide innovative, sustainable solutions for the major challenges arising in today's world.

Precisely, how are you addressing the growing environmental challenges to deal with the climate emergency?
We're fully aware of the substantial impact that buildings and transport, meaning our two main areas of business, have on greenhouse gas emissions and global warming. But we're not just aware of the problem: we also know we're part of the solution. We have built an array of environmental expertise in all our business lines, ranging from protecting biodiversity in and around our infrastructure to improving energy efficiency in buildings, and on to implementing advanced recycling solutions for roadworks materials.

Our innovation policy has focused on this priority for several years. The results are now taking shape in new services with added environmental value, many of which have been incubated at Leonard, our forward-looking innovation platform. The goal now is to scale up these solutions, transfer them from their experimental phase to industrial implementation. For example, developing the use of low-carbon concrete at our worksites. Our overarching objective, on all our projects, is to harness our various areas of expertise, combine them with expertise from our partners in our ecosystem, and achieve an environmental optimum at the same time as technical and economic optima. We are one of the few groups in a position to do this on a significant scale.

This fact is at the core of our environmental policy. We want to do more than create green value in the solutions we implement for our customers: we also want to set an example by shrinking our own footprint. That is the point of the ambitious environmental commitments we recently made as regards reducing our CO_2 emissions in line with the objectives in the Paris Climate Agreement, fostering the circular economy and preserving natural environments. Those commitments will translate into concrete targets and action plans in each of our business lines and companies.

How would you sum up your view on the changes unfolding around the world today?
Our two beacons are our long-term perspective and vision of all-round performance.
Our activities are a driving force in the transformation of cities and regions, and our aim is to leverage them to make a positive contribution to that transformation – to serve as a force for good, as we say in our communication. In 2019, we embarked on an in-depth conversation, with many of our teams and all our stakeholders, about the meaning of our mission. Our goal was to home in on our ultimate purpose. We will be sharing that purpose with everyone in our ecosystem in 2020. This is something every company needs to do – especially a group as invested in working in the public interest as we are. Our ambitions reach across our business, our employees, society and the environment. We are aiming high. And VINCI will show that time and again this new decade!

Board of Directors

XAVIER HUILLARD
Chairman and Chief Executive Officer, VINCI

YVES-THIBAULT DE SILGUY
Vice-Chairman of the Board, VINCI

YANNICK ASSOUAD
Lead Director of the Board, VINCI;
Chief Executive Officer, Latécoère

ROBERT CASTAIGNE
Former Chief Financial Officer and former
member of the Executive Committee, Total

UWE CHLEBOS
Director representing employees;
insulation installer, G+H Isolierung GmbH

GRAZIELLA GAVEZOTTI
Chief Operating Officer, Southern Europe and Africa, Edenred

CAROLINE GRÉGOIRE SAINTE MARIE
Company director

MILOUD HAKIMI
Director representing employees;
project manager, ViE

JEAN-PIERRE LAMOURE (1)
Chairman of the Supervisory Board, Atlantic SFDT

MARIE-CHRISTINE LOMBARD
Chairman of the Executive Board, Geodis SA

RENÉ MEDORI
Non-executive Chairman, Petrofac Ltd

DOMINIQUE MULLER JOLY-POTTUZ
Director representing employee shareholders;
head of insurance, VINCI Construction France

ANA PAULA PESSOA
Chairman and Chief Strategy Officer, Kunumi AI

MICHAEL PRAGNELL (2)
Former founding Chief Executive Officer,
Chairman of the Executive Committee
and Director of the Board, Syngenta AG

PASCALE SOURISSE
Senior Executive Vice-President, International Development, Thales

QATAR HOLDING LLC
Company registered under Qatari law,
represented by Abdullah Hamad Al Attiyah

INDEPENDENCE

69%
INDEPENDENT DIRECTORS

GENDER PARITY

50%
WOMEN DIRECTORS

INTERNATIONALISATION

44%
FOREIGN NATIONALS

For further information, see paragraph 3.1, Composition of the Board of Directors, pages 138 to 141.

Audit Committee

This committee helps the Board monitor the accuracy and fair presentation of VINCI's consolidated and parent company financial statements, the quality of financial information and the effectiveness of risk management and internal control systems.

Composition:
René Medori (Chairman)
Yannick Assouad
Robert Castaigne
Graziella Gavezotti

Appointments and Corporate Governance Committee

This committee examines all candidacies for appointments to the Board, prepares recommendations on the appointment of executive company officers and succession planning, and ensures the rules of corporate governance are applied.

Composition:
Yannick Assouad (Chairman)
Robert Castaigne
Jean-Pierre Lamoure
Marie-Christine Lombard
Yves-Thibault de Silguy

Strategy and CSR Committee

This committee helps the Board develop the Group's strategy. It examines proposed multi-year contracts involving an investment, strategic investments and all acquisitions and disposals that could have a material impact on VINCI's consolidation scope, business activity, risk profile, results, balance sheet or share value. It also monitors all CSR issues.

Composition (3):
Yves-Thibault de Silguy (Chairman)
Uwe Chlebos
Dominique Muller Joly-Pottuz
Ana Paula Pessoa
Pascale Sourisse
The permanent representative of Qatar Holding LLC

Remuneration Committee

This committee proposes to the Board the terms and conditions of remuneration of company officers, and employee share ownership schemes such as long-term incentive plans for some employees.

Composition:
Marie-Christine Lombard (Chairman)
Caroline Grégoire Sainte Marie
Miloud Hakimi
Michael Pragnell
Pascale Sourisse

(1) Jean-Pierre Lamoure's term of office will expire at the close of the Shareholders' General Meeting of 9 April 2020.
(2) Commander of the Order of the British Empire.
(3) Permanent members. The Strategy and CSR Committee is open to any member of the Board who wishes to participate.

2020 Executive Committee(*)

The Executive Committee is responsible for managing VINCI. It met 22 times in 2019.

1 **XAVIER HUILLARD**
Chairman and Chief Executive Officer, VINCI

2 **PIERRE COPPEY**
Executive Vice-President, VINCI and Chairman, VINCI Autoroutes

3 **RICHARD FRANCIOLI**
Executive Vice-President, VINCI, in charge of Contracting

4 **CHRISTIAN LABEYRIE**
Executive Vice-President and Chief Financial Officer, VINCI

5 **PIERRE ANJOLRAS**
Chairman, Eurovia

6 **ARNAUD GRISON**
Chairman and Chief Executive Officer, VINCI Energies

7 **NICOLAS NOTEBAERT**
Chief Executive Officer, VINCI Concessions

8 **JÉRÔME STUBLER**
Chairman, VINCI Construction

9 **PIERRE DUPRAT**
Vice-President, Corporate Communications, VINCI

10 **CHRISTOPHE PÉLISSIÉ DU RAUSAS**
Vice-President, Business Development, VINCI

11 **PATRICK RICHARD**
General Counsel, VINCI
Secretary to the Board of Directors

12 **JOCELYNE VASSOILLE**
Vice-President, Human Resources, VINCI

2020 Management and Coordination Committee(*)

The Management and Coordination Committee brings together the members of the Executive Committee and senior VINCI executives. Its remit is to ensure broad discussion of VINCI's strategy and development. It met four times in 2019.

HERVÉ ADAM
Executive Vice-President of VINCI Energies, VINCI Energies France

ROBERT BELLO
Chief Executive Officer France, Eurovia

ALEXANDRA BOUTELIER
Chief Executive Officer, Consortium Stade de France, VINCI Stadium

PHILIPPE CHAVENT
Chief Executive Officer Rail and Specialities, Eurovia

JULIO DE ALMEIDA
General Manager Europe West, VINCI Energies

HUGUES FOURMENTRAUX
Chairman, VINCI Construction France

GILLES GODARD
Chairman, VINCI Construction International Network

PATRICK KADRI
Chairman, VINCI Construction Grands Projets

OLIVIER DE LA ROUSSIÈRE
Chairman, VINCI Immobilier

BENOÎT LECINQ
Chairman, Entrepose

JEAN-PIERRE PASERI
Chief Executive Officer Europe, Eurovia

MANUEL PELTIER
Chairman, Soletanche Freyssinet

REINHARD SCHLEMMER
General Manager Europe East, VINCI Energies

PATRICK SULLIOT
Chief Executive Officer Americas and UK, Eurovia

(*) At 27 February 2020.

A business model that generates virtuous growth

VINCI's business model, anchored in its history and identity, is based on the joint development of its two complementary core business – Concessions and Contracting – in terms of operation cycles, capital intensity and expertise. Rolled out over the years to new geographies and ever more extensive areas of expertise, the model is driving VINCI up a growth curve that has made it a world leader in its sector. Its resilience is illustrated over time in the progress made by results despite a changeable environment.
The model is underpinned by a managerial culture that combines strict management principles ensuring the Group's cohesion and a decentralised organisation based on autonomy and interaction between operational entities, making VINCI's companies agile in the face of changes in their markets and business activities.

Taking these fundamentals forward, VINCI will maintain the same growth strategy in 2020 in both its core businesses, particularly outside France, to expand the footprint of its business model. Although VINCI Airports, VINCI Highways and VINCI Energies already generate over 50% of their revenue internationally, that threshold should be reached at Group level within the coming years.

CONCESSIONS

The recent strong growth in the Concessions businesses confirms the sector's potential and VINCI's competitive advantage in integrating expertise as a concession infrastructure investor, builder and operator. VINCI Airports' spectacular growth over the past decade, which has made it the world's largest private operator in the sector, is a good illustration of this. This growth mirrors that of the motorway business in the 2000s, with the creation of VINCI Autoroutes, which now operates almost half the motorways under concession in France, as well as that of the Group's motorway concessions in the rest of Europe and in the Americas.

VINCI will continue to seek growth in concessions, with a special focus on airport and motorway infrastructure, by combining the takeover of existing companies or contracts (brownfield projects) and new (greenfield) projects, working with local entities of the Contracting business. This will continue to diversify the Group's concession portfolio and extend its maturity.

CONTRACTING

Starting from their long-standing bases in France, the Contracting business lines have built networks that now cover about 100 countries. Each of them develops its business activities through organic and external growth while contributing their expertise to the Group's multi-business projects.

This development dynamic will continue to be applied, particularly by VINCI Energies, which has undergone especially strong growth over recent years.

Benefiting from positive long-term business trends thanks to its expertise in energy transition and the digital transformation, VINCI Energies also has the advantage of operating in a sector where there is still scope for concentration in the international arena.

The other Contracting business lines will strengthen their networks both technologically and geographically, as illustrated by Eurovia's expansion in the United States, Canada and the Baltic countries. VINCI Construction has been steadily acquiring new areas of expertise in the building and civil engineering specialist segments.

The growth of each business line will also be boosted by innovation, where advances in technology and services will trigger the creation of new products and services, helping to refresh their business models.

VINCI'S INTEGRATED CONCESSION-CONSTRUCTION MODEL

THE VINCI MODEL IS BASED ON DEVELOPING SYNERGIES BETWEEN ITS TWO COMPLEMENTARY CORE BUSINESSES – CONCESSIONS AND CONTRACTING – IN TERMS OF OPERATION CYCLES, CAPITAL INTENSITY AND EXPERTISE.

CONCESSIONS

- Long cycles
- High capital employed
- Financing with leverage effect and limited recourse
- BtoC markets
  Public contracting authorities
- Project management expertise (development, financing, programme management and operation)
- Long-term management of contractual relations

CONTRACTING

- Short cycles
- Low capital employed
- BtoB markets
  Strong local presence
- **Expertise** (design, construction and maintenance)
- Financed by customer based on progress of project

STRATEGY

CONCESSIONS

- Extend the average maturity of the concession portfolio
- Growth targeted on transport infrastructure (airports and motorways)

CONTRACTING

- Priority on margins rather than business volume
- Disciplined risk management process
- Strengthen the Group's presence in high value-added segments

OBJECTIVES COMMON TO ALL GROUP ENTITIES

- Strengthen internal synergies to win new infrastructure projects
- Accelerate international growth
- Reduce the carbon footprint of VINCI's business activities by 2030 (–40%)
- Double the number of women serving on management committees

An innovation policy serving sustainable growth

VINCI's innovation policy supports and accelerates the transformation of its business activities, products and services in response to the issues of the city and sustainable mobility. This approach is supported at Group level by Leonard, the forward-looking innovation platform, together with think tank La Fabrique de la Cité and lab recherche environnement. Their cross-business approach to issues relating to VINCI business activities complements the innovation policies implemented by the individual business lines for their respective activities.

LEONARD

Leonard, VINCI's forward-looking innovation platform, expanded its activity by launching two new programmes to support startups. Through Seed, the first of these, Leonard hosts and supports seed-phase companies at the forefront of the construction, mobility and energy business activities and markets. The second programme, Catalyst, accelerates cooperation between VINCI companies and startups from France and around the world in their commercial rollout phase. In parallel, Leonard has developed the VINCI Intrapreneurs programme, which has already supported 42 projects in three years and enabled the creation of eight new subsidiaries and innovative activities within the Group.

In its forward-looking activity, Leonard has created "Everything as a service", a new work group focused on changes in markets that convert some products into services and some services into solutions. Findings from work groups formed to research new, electric and connected mobility has contributed to the "New Deal" project proposed by Leonard and its partners as part of the international consultation on the future of motorways and expressways in the Grand Paris programme. In addition, in an extension of the artificial intelligence (AI) work group, Leonard has launched a programme to accelerate eight projects from within Group entities with a view to testing the opportunities opened up by AI applications in their business activities.

In 2019, the base operated by Leonard and inaugurated in 2018 hosted over 20,000 visitors. Of these, 15,000 attended more than 200 events organised by Leonard teams and residents, VINCI companies and partners of the Group's innovation ecosystem. To support the expansion of its activities, Leonard has opened new spaces to accommodate innovative projects and now operates out of 4,500 sq. metres in central Paris, making it one of the biggest platforms of its kind in Europe.

LA FABRIQUE DE LA CITÉ

In 2019, the VINCI initiative think tank La Fabrique de la Cité issued 40 publications and organised 26 public meetings on changes in the contemporary urban environment. These focused on five areas: mobility, major projects and democracy, smart cities, regions and the growing power of major urban areas, and return of the city centre economy. As part of the Urban Expedition programme, La Fabrique de la Cité representatives and guests visited Singapore to study the urban innovation model applied to an area constrained in terms of space and resources. Another expedition was organised in Toronto, the large Canadian city chosen by Alphabet, Google's parent company, to test its urban projects. In addition, this year's publication "The end (of the end) of traffic congestion" reveals that digital technology alone cannot solve urban traffic congestion and looks at potential solutions in that field.

LAB RECHERCHE ENVIRONNEMENT

After 10 years of science sponsorship, which produced 30 projects on the energy performance of buildings, biodiversity and sustainable mobility, the partnership between VINCI and the three ParisTech engineering schools (Mines ParisTech, École des Ponts ParisTech, AgroParisTech) has been extended for the period 2019-2023, with a budget of €5 million. The roadmap of lab recherche environnement (formerly known as the Eco-Design of Buildings and Infrastructure Chair) sets out three goals in tune with the issues faced by VINCI's business activities: limiting environmental impacts (biodiversity offsets for infrastructure projects, reuse of materials, technical and economic optimisation of circular economy projects, and so forth); business digitisation, which looks at such topics as the link between energy simulation and Building Information Modelling (BIM); and solutions to improve user well-being, particularly in terms of comfort and health, including, for example, the reduction of urban heat islands.

Lab recherche environnement's mission is to build connections between science and industry. The VINCI-ParisTech partnership has already provided input on a number of environmental solutions developed by Group entities, such as Urbalia (urban biodiversity), Equo Vivo (ecological engineering) and Power Road® (the energy-generating road). Some of the tools are designed to be implemented on demonstrator projects. For example, as part of the Rêve de Scènes Urbaines (dream of urban scenes) programme in Saint Denis in the Greater Paris area, the life cycle of the Lumières district is analysed to obtain an accurate assessment of environmental impacts. In parallel, collaboration with Leonard enhances the scientific content of projects incubated through the Intrapreneurs programme.

In 2019, as part of the scientific partnership between VINCI and ParisTech, around 100 participants gathered in Marseille to think about how to develop the resilience of cities and infrastructure faced with climate change.

Sharp rise in shareholder return

A positive stock market performance
Social unrest in France at the end of 2018 disrupted VINCI Autoroutes' operations and negatively impacted the VINCI share price, which started 2019 at €72.02. The end of that unrest, good performances reported during the year and historically low interest rates drove the share price up significantly to €99 on 31 December 2019, representing a 37% increase over the year.

With the eighth-best performance in the CAC 40, our share outperformed that index, which rose 26% over the year, as well as the Euro Stoxx 50 index (up 25%). However, its performance was in line with that of the Stoxx Europe 600 Construction & Materials sector index (up 37%).

Although financial markets benefited overall from the more accommodative positioning of the central banks, they also showed some volatility due to ongoing trading tensions between the United States and China, and uncertainty due to Brexit.

At 31 December 2019, VINCI ranked tenth in the CAC 40 with a market capitalisation of €60 billion (*).

A solid return over the long term
Over the past five years, VINCI's share price increased 118%, while the CAC 40 recorded 40% growth over the same period. A VINCI shareholder who invested €1,000 on 31 December 2014 and reinvested all dividends received would have had an investment of €2,519 on 31 December 2019, representing an average annual return of 20.3%. That is the seventh-best performance in the CAC 40 for the period.

Dividend: €3.05 per share, up 14%
At its meeting on 4 February 2020, the Board of Directors decided to propose to the Shareholders' General Meeting of 9 April 2020 a total dividend of €3.05 per share in respect of 2019, a 14.2% increase on the previous year. This dividend represents a yield of 3.1% on the share price at 31 December 2019. After deducting the interim dividend of €0.79 paid in November 2019, the final dividend to be paid in cash on 23 April 2020 would be €2.26 per share if approved by the Shareholders' General Meeting.

The dividend has increased by an average of 6.5% a year over the past 10 years.

An international and diversified shareholder base
At 31 December 2019, 72.4% of VINCI's share capital was held by around 500 investment funds located in France, North America, the United Kingdom, the rest of continental Europe and Asia-Oceania. At that same date, Qatar Holding LLC, which became a VINCI shareholder in 2010 through Qatari Diar Real Estate Investment Company, held 3.7% of our share capital.

Sharing the benefits of VINCI's success with employees
Employee savings funds group together more than 140,000 former and current employees, of which around 110,000 are based in France. These funds owned 8.8% of VINCI's share capital at 31 December 2019, making employees our biggest shareholder. In December 2019, VINCI unilaterally paid out an exceptional employer contribution of €400 to each Group employee in France, totalling €40 million.
As a result, all VINCI employees in France are now shareholders.
An estimated 165,000 individual shareholders, excluding employee savings funds, accounted for 6.8% of our share capital at 31 December 2019. Lastly, treasury shares represented 8.3% of our share capital at the same date. Treasury shares are allocated to covering long-term incentive plans and employee share ownership plans outside France.
They may also be used as payment in external growth transactions, or they may be sold or cancelled.

INDIVIDUAL SHAREHOLDERS

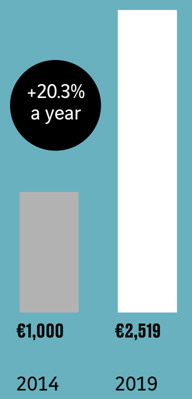
Supporting the all-round performance of a group at the heart of key issues of the future
Choosing to be a VINCI shareholder means investing in a resilient, long-term business model geared for all-round performance. Over and beyond its economic and financial results, VINCI has also set ambitious goals for the social, environmental and ethics performance of its businesses.

Clear, transparent information
Under the pact of trust that binds VINCI to its individual shareholders, transparency and knowledge-sharing are fundamental. Our Shareholder Relations Department strives constantly to improve the way we keep individual shareholders informed so that they have a better understanding of the Group's business activities and news.
Means of communication include our website with its dedicated shareholder section, a freephone number in France, the annual magazine *À plus d'un titre,* a quarterly newsletter, shareholder meetings and e-meetings.

(*) Based on the number of shares at 31 December 2019: 605,237,689.

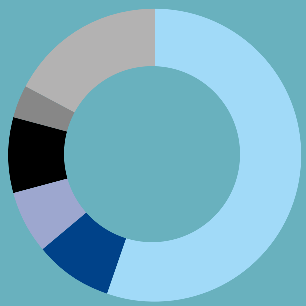
RETURN ON INVESTMENT IN VINCI SHARES OVER FIVE YEARS

A VINCI shareholder who invested €1,000 on 31 December 2014 and reinvested all the dividends received would have had an investment of €2,519 on 31 December 2019.
This represents an annual return of 20.3%.



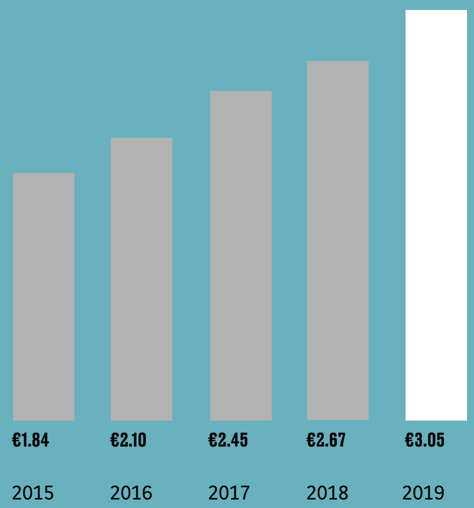
SHAREHOLDER BASE

- Institutional investors – outside France 55.3%
- Employees (savings plans) 8.8%
- Individual shareholders 6.8%
- Treasury shares 8.3%
- Qatar Holding LLC 3.7%
- Institutional investors – France 17.1%



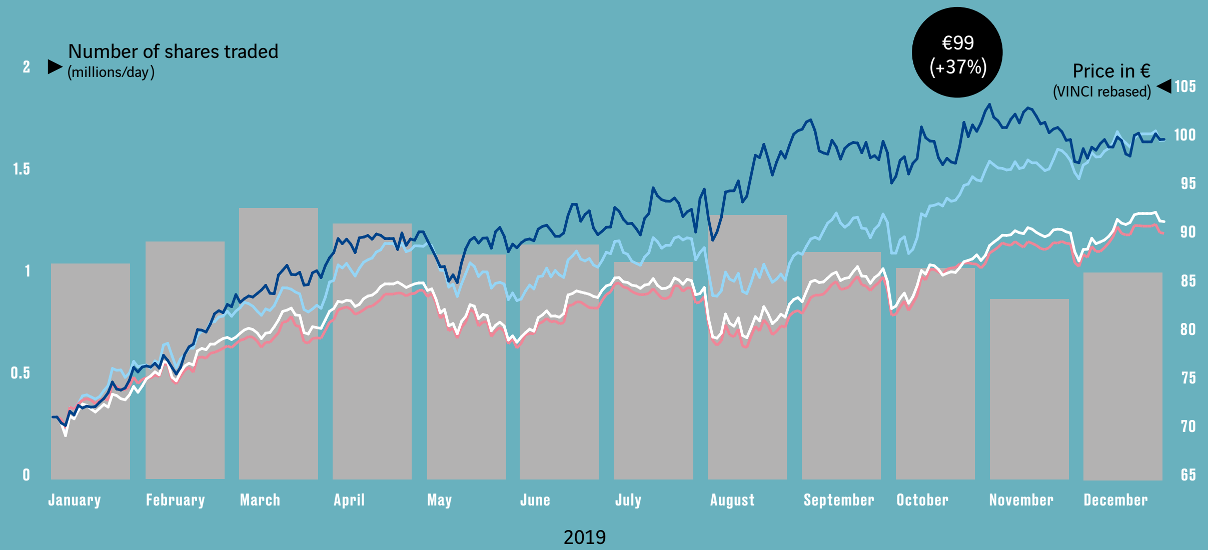
DIVIDEND PER SHARE UP 14%

The dividend proposed to the Shareholders' General Meeting of 9 April 2020 in respect of 2019 is €3.05 per share, a 14.2% increase on the dividend paid for 2018.



VINCI SHARE PERFORMANCE AND AVERAGE DAILY TRADING VOLUME

Market capitalisation at 31 December 2019: €60 billion based on a price of €99 per share, ranking VINCI tenth in the CAC 40. Between 31 December 2018 and 31 December 2019, the VINCI share increased by 37%, in line with the Stoxx Europe 600 Construction & Materials index, and outperformed the CAC 40 (up 26%) and Euro Stoxx 50 (up 25%). In 2019, a daily average of 1.1 million shares was traded on the Euronext market.



- VINCI
- CAC 40 (base: VINCI share price at 31 Dec. 2018, i.e. €72.02)
- Euro Stoxx 50 (base: VINCI share price at 31 Dec. 2018)
- Stoxx Europe 600 Construction & Materials (base: VINCI share price at 31 Dec. 2018)
- VINCI shares traded

WEBSITE AND SHAREHOLDER PUBLICATIONS

Our website features special pages for individual and institutional investors under the "Shareholders" and "Investors" tabs. Real-time share price, results, financial calendar, press releases, shareholder publications (in French only), videos and more: our www.vinci.com website keeps you connected to the Group's news.

SHAREHOLDER RELATIONS DEPARTMENT

1 cours Ferdinand de Lesseps
92851 Rueil Malmaison Cedex, France
Individual shareholders – Tel: 0 800 015 025
(freephone from a landline in France)
Institutional investors – Tel: +33 1 47 16 45 07/33 46

A dynamic club for individual shareholders to build closer ties
Our Shareholders' Club, which grouped together over 22,000 individual shareholders at 31 December 2019, organised about 20 exclusive events for its members during the year. These events included seven cruises to discover VINCI's business activities through its constructions in Paris, Marseille and Bordeaux. Visits were also organised to go behind the scenes at Lyon-Saint Exupéry Airport, discover the outstanding Testimonio II worksite in Monaco, watch a blasting operation at the Châteauneuf les Martigues quarry in the south of France and learn more about the mysteries of the MuCEM in Marseille.

In 2019, more than 4,000 Share–holders' Club members participated in the various events.

Meetings with Group executives
VINCI's Shareholders' Club organised the seventh edition of the "In private with VINCI" competition in 2019. The six winners were invited to meet two Group executives for lunch. Meetings of this type foster face-to-face discussions with senior management in a relaxed atmosphere and enable individual shareholders to better understand VINCI's strategic priorities, outlook and performance. More than 10,000 shareholders have taken part in this competition since its creation.

Eight new shareholders for the VINCI Ambassador Network
Launched in 2017, the VINCI Ambassador Network aims to extend the special relationship we have with our individual and employee shareholders by giving them the opportunity to be selected as ambassadors and gain greater insight into the Group's strategy and corporate values.

In 2019, the Group wanted to add fresh impetus to the Network. After receiving and reviewing more than 300 applications, VINCI selected eight new ambassadors. Their role will be to raise existing and new shareholders' awareness about the Group, participate in key events such as the Shareholders' General Meeting and worksite tours, reflect on VINCI's roles and issues in society and have regular discussions with VINCI management.

INSTITUTIONAL INVESTORS AND FINANCIAL ANALYSTS

VINCI's senior management and investor relations team keep the financial community informed of the Group's developments and financial performance throughout the year. In 2019, they met with more than 400 institutional investors, of which 171 were VINCI shareholders at the end of December 2019. Apart from the meetings and conference calls set up for the publication of our annual and quarterly results, we organised road shows totalling around 30 days in Europe, North America, Asia and Australia. The Group also participated in about 10 conferences organised by major financial institutions in London, New York, Lyon and Paris. In addition, frequent one-on-one meetings at our headquarters and conference calls were coordinated throughout the year. These actions enable us to keep close, continuous contact with the financial community. The meetings give our senior management the opportunity to present the Group's news, performance, strategy and corporate governance.

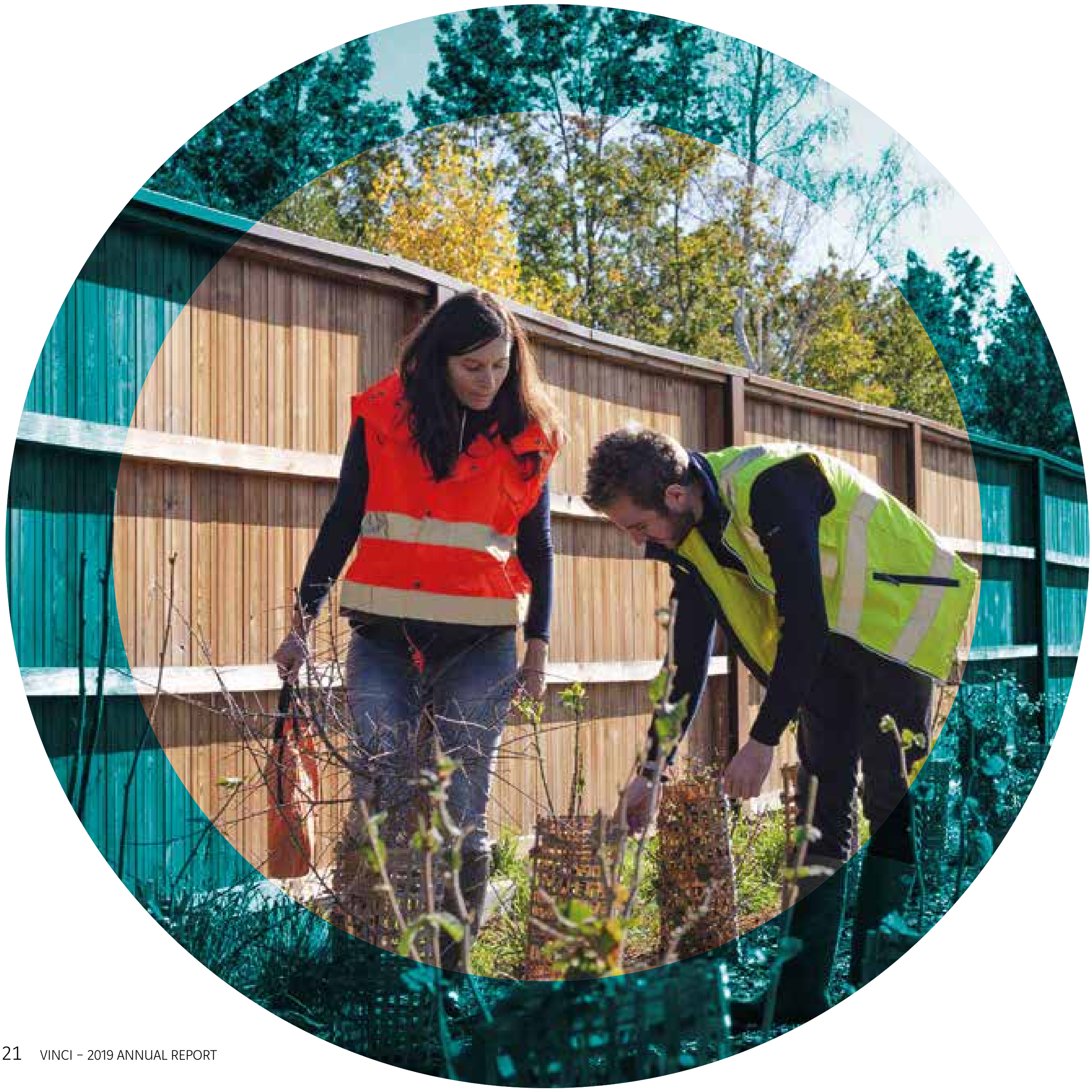
We also organised several site visits in 2019 with sell-side financial analysts:
– in September, a tour of the Grand Paris Express Line 15 worksite (works package T3C);
– in December, a visit to Leonard:Paris, the laboratory for the future of cities and infrastructure set up by the Group, preceded by a breakfast featuring a briefing on VINCI Airports.

The Shareholders' General Meeting brings together over 1,000 shareholders a year, creating opportunities to better understand VINCI and to engage in discussion with Group management.


2019
L'ANNÉE 2018

Aiming for all-round performance

Because its infrastructure has a major impact on cities, regions and their citizens, VINCI aims for technical, economic, environmental and social performance in its long-term relationships with all its stakeholders.



VINCI Manifesto and its sustainable development commitments

As a global company and leader in its sector, VINCI must lead by example in all of its businesses. This is reflected in its aim for all-round performance. Because its projects serve the public interest, VINCI strongly emphasises listening and dialogue with its stakeholders in all its businesses. In response to the major challenges facing the world today, VINCI aims to be a force for good by contributing to the development of attractive cities, efficient transport infrastructure and modern work spaces without compromising the environment.

This vision of all-round performance is outlined in the VINCI Manifesto, which sets out the values shared by all employees and lays down the Group's sustainable development commitments to all its stakeholders. Published in some 30 languages, the Manifesto forms a bond between all of VINCI's businesses and aims to coordinate how its operational entities and their teams act in all parts of the world.

Decentralised implementation

The Group has adopted a decentralised structure based on a network of subsidiaries operating autonomously. This structure requires a high level of accountability from managers and their teams, as they are best placed to identify local issues and problems, as well as the most appropriate solutions. In line with this structure, each entity is responsible – within a common framework set down by the Group – for establishing its own sustainable development guidelines and targets in light of its businesses and local issues.

Specific governance

At the highest level, the Board of Directors' Strategy and CSR Committee is responsible for social and environmental issues, and the Board of Directors ensures these issues are integrated into the Group's strategy *(see page 154)*. The Human Resources Department and its Social Responsibility Department are in charge of social and workforce-related policy, the Environment Department is responsible for environmental policy, and the Ethics and Vigilance Department for ethics policy under the authority of the Chairman and CEO. The Human Rights, Environment and Ethics and Vigilance committees meet regularly with the representatives of the business lines to promote the dissemination of best practices and stimulate collective intelligence around these topics.

Integration of sustainable development issues

VINCI closely tracks and analyses the key trends liable to impact its businesses in the short, medium and long term. The main trends addressed in recent years have been population growth and social changes in urban areas, globalisation and economic transformation, climate change and the environment, the digital transition and new uses. These shifts may involve risks, but also provide opportunities, in particular for the development of eco-efficient solutions. They are central to the work of VINCI's entities focused on forward-looking issues *(see page 16)*. The executive bodies and business lines also ensure they include these issues in their discussions and the policies they implement. In 2019, awareness of the climate emergency and the environment became more acute at the highest level of the Group. This led to the definition of new environmental goals for 2030 involving all VINCI entities.

The main environmental, social, societal and ethical ambitions are briefly addressed in the following pages. The policies and action plans for each area are detailed in the non-financial performance statement *(see page 192)* and the duty of vigilance plan *(see page 237)*.

TRENDS AND ISSUES IMPACTING VINCI'S BUSINESSES

Main trends	Analysis and issues
Population growth and social changes in urban areas	In 2030, 60% of the world's population will be living in cities, mostly in developing countries. Citizens increasingly want to be involved in development projects.
Globalisation and economic transformation	The rapid rise in innovative companies and the functionality and sharing economy are changing work methods and making way for the arrival of new digital players. Rapid transformations, economic tensions and strong competition with highly variable labour costs can disrupt long-term economic models.
Climate change and the environment	According to international benchmark scenarios, climate change risks having a profound effect on today's lifestyles. There is also growing pressure on natural resources and the environment, at times beyond their capacity to regenerate or adapt.
Digital transition	Data mining, the development of artificial intelligence and new technologies bring new solutions for development projects.
New uses	Societies seek out individual and collective well-being with the belief that urban development must also contribute to health and quality of life.

Recasting the Group's environmental ambition

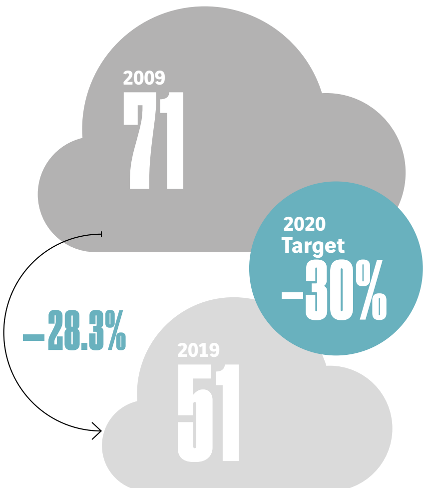
Offering customers solutions with environmental value while managing and reducing the impact of the Group's businesses on the climate, resources and natural environments.

Higher ambition and deeper commitments

In its Manifesto, VINCI committed to reducing the carbon intensity of its activities by 30% between 2009 and 2020 and to helping its customers improve their environmental performance. As this commitment is coming to a close and on track to being met, in 2019 VINCI, driven by its Executive Committee, launched a programme to set new goals under its environmental ambition that will involve all business lines and require strong engagement from all employees.

Aware of its responsibility as a major concessions and construction group, and of the need to respond to the climate and environmental urgency, VINCI is committed to developing solutions by 2030 that will contribute to improving the living environment and mobility while managing and reducing the direct impact of its businesses. This goal covers three areas: climate change, the circular economy and the natural environment.

CHANGE IN THE GROUP'S CARBON INTENSITY
(tCO_2eq/€m in revenue)



Align direct emissions with a 2°C trajectory

In response to the many reports about the deterioration of the climate published by the scientific community – in particular special reports by the United Nations' Intergovernmental Panel on Climate Change –, VINCI is committed to taking concrete action to reduce its direct greenhouse gas emissions (Scopes 1 and 2) in line with the 2°C scenario established in the Paris Climate Agreement. As a consequence, the Group aims to reduce its direct emissions by 40% by 2030 (against its historic scope as at 2018).

Achieving this goal relies on the implementation of action plans drawn up with the business lines and incorporated into their multi-year strategic plans, as these plans include an assessment of the investments needed. The Group is also working on quantifying the indirect impact of its businesses and identifying what action to take with regard to its stakeholders to reduce its footprint across the entire value chain: both upstream with suppliers and downstream with infrastructure customers and users. VINCI is also continuing its research and development efforts and forward-looking analysis to find solutions to achieve carbon neutrality by 2050.

Lastly, in order to adapt to the consequences of climate change, a working group reflecting all components of VINCI's businesses has been created at the Leonard innovation platform. This group addresses the subject of resilience so that this aspect can increasingly be included in projects, structures and the solutions implemented.

Circular economy to conserve resources

Given the growing scarcity of natural resources – some of which are essential for its businesses to operate –, VINCI has clearly expressed its commitment to working at sector level to prevent the consumption and limit the loss of these resources.
Action plans have been drawn up targeting three levels. The first is to

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limit the extraction of virgin materials in favour of recycled materials. For example, Eurovia has undertaken to double its offer of recycled materials by 2030. Second, to encourage the use of construction techniques and materials that economise on natural resources by, in particular, developing recycled and low-carbon concrete solutions. And the third is to improve waste sorting and recovery.

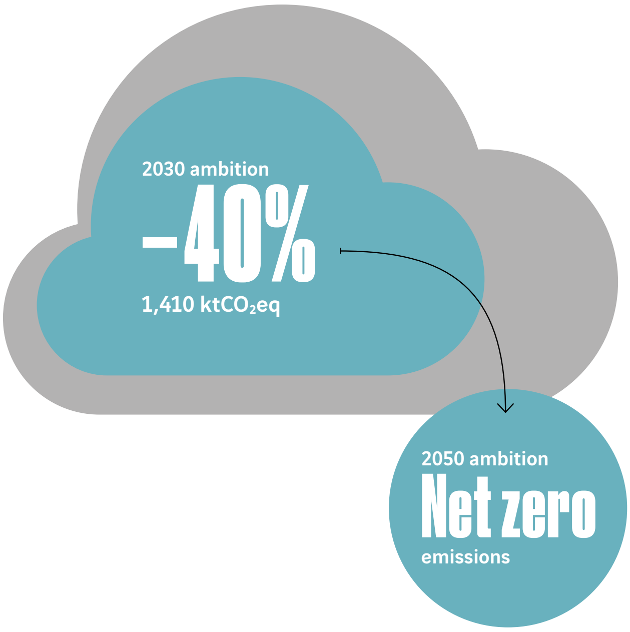
Protect natural environments

In its Manifesto, VINCI undertakes to actively protect biodiversity and extends that commitment to natural environments in response to issues involving local nuisances and water conservation. Three levels of action have been identified: assess and avoid environmental nuisances and incidents in the Group's businesses, both through environmental management systems and local nuisance prevention programmes; reduce water consumption, especially in areas of water stress; and establish a zero net loss approach to biodiversity, notably by applying the "avoid-reduce-offset" principle to construction projects, and finding alternative solutions to the use of phytosanitary products in operating infrastructure.

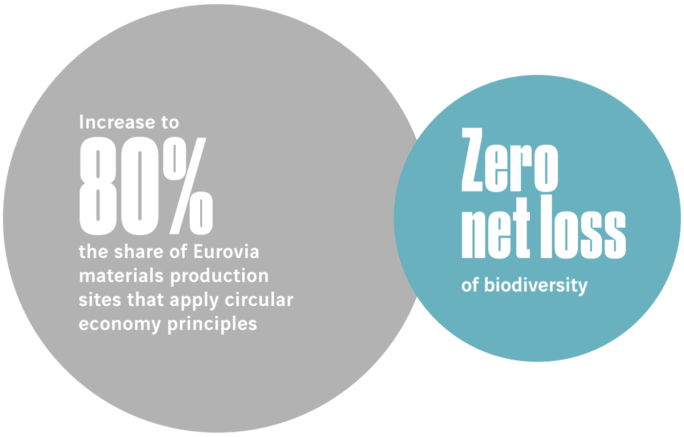
Develop environmentally valuable offers and solutions

In addition to reducing their environmental impact, Group companies are developing solutions to help their customers reduce their own footprint. These include VINCI Autoroutes' low-carbon motorway project to accelerate the development of carbon-free mobility over long distances; Eurovia's Granulat+ programme to increase the percentage of recycled materials used; the use of low-carbon concrete at VINCI Construction sites; the energy performance contracts offered by VINCI Energies; and VINCI Airports' systematic proposal to regulatory authorities of modulated airport tax charges based on environmental performance. As part of its new environmental ambition, VINCI will step up the development of offers combining economic and environmental value by integrating this concept as the focus of the work led by its innovation centres.

CLIMATE CHANGE AMBITION
Reduce direct greenhouse gas emissions



CIRCULAR ECONOMY AND NATURAL ENVIRONMENT GOALS



Externally, VINCI contributes to improving knowledge and disseminating best practices in its industry through the VINCI-ParisTech lab recherche environnement. The Group also engages its partners and suppliers in stepping up the development of environmental solutions to meet the challenges of climate change, the circular economy and protection of natural environments.

Employee and customer awareness

To support its new environmental ambition, VINCI will upscale its employee training and awareness actions in 2020 to encourage employees' personal and collective engagement. VINCI companies will also create awareness initiatives for their customers, such as the campaigns led annually by VINCI Autoroutes to encourage users to sort their waste at motorway rest areas and more generally to adopt more eco-responsible behaviour.

Encouraging inclusive growth

Promoting inclusive performance by being a responsible employer and partnering regional growth.

A strong socioeconomic footprint

VINCI companies are firmly rooted in their regions. They contribute to the growth of economic activity, employment and tax take, thereby aiding inclusive growth. An in-depth study was conducted in 2019 in France(*) to precisely measure this footprint. It shows that VINCI contributes 1.5% of the country's gross domestic product (GDP) through its direct and indirect impact across the entire value chain: one VINCI job supports an additional 4.2 jobs in France. The Group is also one of the top five taxpayers in France.

Diversity and integration

As part of its Manifesto commitments, VINCI seeks to promote equal opportunity and prevent all forms of discrimination in its businesses. To ensure the concrete application of this policy, the Group has created a network of diversity representatives totalling some 300 employees in France and internationally who, in addition to their day-to-day responsibilities, contribute to awareness actions in this area.

The promotion of diversity, especially at the management level, is also a priority. The number of women managers was 19.9% in 2018 and 20.3% in 2019 at the Group level, with 23.1% in France. Under the initiative of the Executive Committee, internal promotion procedures have evolved to double the number of women members on management and executive committees of VINCI business lines and divisions.
The Group is also engaged in actions targeting current and future female students to encourage them to pursue engineering professions in VINCI's areas of business, as part of its partnership with the organisation Elles Bougent.

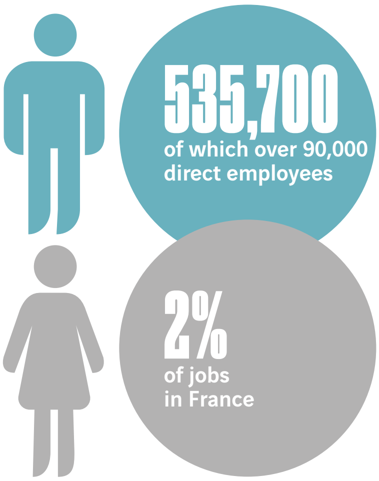
There were 4,097 disabled employees at the end of 2019.
In France the Trajeo'h programme has supported 829 people into a new professional path either within or outside the Group. In addition to redeploying and hiring employees with disabilities, Group companies subcontracted work to the sheltered sector for total revenue of €6 million in 2019.

VINCI also seeks to hire the long-term unemployed, in particular through its ViE social integration structure, which manages around three million integration hours annually in France, and specific units for major projects, such as the Grand Paris Express. The Liva joint venture created by VINCI and Ares (Association for economic and social integration) has developed its integration business around construction site logistics, for example the renovation of Roland Garros stadium in Paris.

Actions to promote integration have been extended since end-2018 with the Give Me Five programme in France. With the support of the French Ministry of National Education, VINCI has committed to bringing in 5,000 middle school students from underprivileged areas by the end of 2020 for five-day discovery internships in Group companies to encourage them to think about their future careers. This programme also includes internships, ranging from professional certificate level through to master's degrees, reserved for young people from these neighbourhoods, coupled with an integration programme to help long-time unemployed youth into sustainable employment through six-month fixed-term contracts.

VINCI'S CONTRIBUTION TO FRANCE'S GDP IN 2018(*)

NUMBER OF JOBS SUPPORTED BY THE GROUP IN FRANCE IN 2018(*)



(*) Utopies study, 31 December 2018. See page 210.

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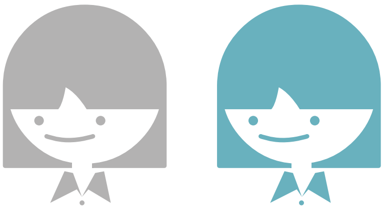
CHANGE IN THE PERCENTAGE OF WOMEN MANAGERS



2018 **19.9%**

2019 **20.3%**

INTEGRATION HOURS MANAGED BY THE VINCI INSERTION EMPLOI (ViE) SOCIAL COMPANY

2019

Almost 3 million

NUMBER OF MIDDLE SCHOOL STUDENTS IN THE GIVE ME FIVE INTEGRATION PROGRAMME

End-2020 target

5,000

Attractive long-term careers

The commitment to promoting inclusive performance is also expressed through the VINCI employer brand promise: "You will enjoy working with us". The Group aims to provide those who join its ranks with a range of opportunities to express the full diversity of their human qualities in a managerial environment attuned to the new generations' expectations, while at the same time supporting its businesses' internationalisation and digital transformation.

As the Group's performance is closely tied to its employees' expertise, VINCI makes sure it provides them with every opportunity for a rich, varied and long-term career. In 2019, employees had access to 4.4 million hours of training. In a context of increasing business internationalisation and the development of synergy between businesses, access to training, upskilling and skills sharing is made easier with the use of digital technologies. An e-learning platform includes all the training content available in Group companies. To support long-term employability, an artificial intelligence tool was trialled in 2019 at three VINCI Autoroutes regional divisions. The system develops professional guidelines that translate a position into skills, thereby opening up new career opportunities for employees within the company. It is currently being rolled out throughout the Group.

Redistribution systems

VINCI is attentive to sharing the benefits of its performance with its employees, and does so through employee savings and employee profit-sharing and incentive plans. The employee share ownership plan together with an employer contribution scheme encouraging more modest savings was extended to include four new countries in 2019. At the end of 2019, more than 140,000 current and former employees in France and internationally collectively owned nearly 9% of VINCI's share capital, making them the largest shareholder in the Group.

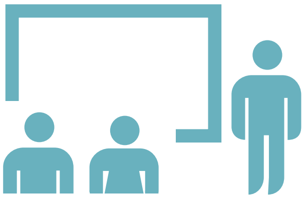
Respect for human rights

Consistent with its commitments, VINCI considers it has a responsibility to prevent breaches of human rights and a role to play in raising employment and working standards in the countries where it operates. This approach is steered by a Human Rights Committee comprising Group human resources managers from the business lines and divisions.

Five areas of human rights vigilance have been identified: recruitment practices and labour migration; working conditions; accommodation conditions; subcontractor and temporary employment agency practices; and relations with local communities. For each of these areas, guidelines have been included in VINCI's Guide on Human Rights. Distributed widely throughout the Group (available on its website), and translated into 22 languages, this reference document applies to all VINCI companies, businesses and locations. Additional tools are available to raise employee awareness and identify risks aligned with real operational conditions. Around 50 subsidiaries have undergone a specific assessment.

VINCI also conducts field operations in conjunction with recognised entities. In Qatar, the subsidiary QDVC is working with the International Labour Organisation on a pilot project to develop a migration

AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE



2019

20 hours

NUMBER OF CURRENT AND FORMER EMPLOYEES IN EMPLOYEE SAVINGS PLANS

2019

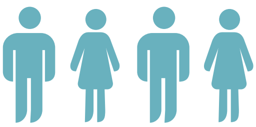
Over 140,000

AMOUNT OF AID PAID BY GROUP FOUNDATIONS TO COMBAT EXCLUSION AND SUPPORT INTEGRATION

2019

€5.6 million

NUMBER OF EMPLOYEES COVERED BY HUMAN RIGHTS ASSESSMENTS IN THE SUBSIDIARIES



2019

12,500

corridor, free of hiring costs, for workers from Bangladesh. The Qatari subsidiary has now held its second election for migrant worker representatives. In line with a framework agreement signed in 2017 with the international BWI union concerning workers' rights on its construction sites, an audit was conducted in 2019 to verify the application of all aspects of this agreement. The audit report signalled positive results and suggested areas for improvement. It pointed out the precursor nature of the actions introduced in Qatar and the best practices implemented in consultation with numerous stakeholders.

VINCI also focuses on ensuring there are no breaches of human rights throughout its supply chain by adopting responsible subcontractor management practices. In France, VINCI Construction is conducting several pilot projects in this area and has contracted an independent organisation to audit the labour-related aspects of its major construction sites in the Greater Paris area. This is a first in the construction sector. The aim is to extend this approach to other Group businesses and sites.

VINCI is one of the six founding members of the Building Responsibly collaborative initiative which promotes workers' rights in the construction industry.

Civic engagement

Employees' civic engagement, driven by support from the Group, is a key aspect of VINCI's identity. The Fondation VINCI pour la Cité supports non-profit projects presented by employees who want to use their expertise to help combat exclusion. The Parcours Citoyen (citizen leadership) programme provides employees with other ways of engaging with the community, such as working with the long-term unemployed or refugees.

In 2019, the Group's network of 13 foundations around the world supported 477 projects sponsored by almost 950 employees. Civic initiatives undertaken by the Group's business lines, divisions and companies are further examples of VINCI's engagement.

Guaranteeing safety

The zero accidents objective for all people working on our construction and operation sites remains the number one priority for the Group.

Promoting a safety culture

Due to the nature of its business activities, guaranteeing optimum health and safety for its employees is an absolute priority for VINCI. Achieving zero accidents remains VINCI's main goal in this area. Central to the Manifesto and reaffirmed in the 2017 statement on occupational health and safety, the Group focuses on creating a true safety culture from the highest executive levels down to managers and site teams. This goal applies to all individuals – employees, temporary staff or subcontractors – working on a VINCI worksite or operating site, as well as customers of managed infrastructure.

The Group's health and safety policy is overarching and aims to anticipate and prevent all occupational risks, covering hygiene, safety and health conditions along with quality of life in the workplace and psychosocial risks. It also refers to the redeployment of employees who have suffered a workplace accident or occupational illness.

Governance

At the Group level and under the Executive Committee's authority, this policy is managed by the health and safety coordination team, which brings together the heads of health and safety networks in all the business lines. It aims to foster the sharing of best practices and devise new ways of making progress. The accident prevention Pivot Clubs and internal collaborative platforms help disseminate and monitor health and safety measures for the community of health and safety coordinators and experts.

In the field, the accident prevention approach is managed by a network of over 2,000 health and safety employees and involves numerous actions, such as 15-minute safety sessions that bring together all individuals involved at a worksite, analysis of near misses and accidents, training for worksites employing multiple nationalities, drug and alcohol abuse prevention and road safety awareness. The Group companies implement strict procedures and numerous systems to ensure their employees' safety.

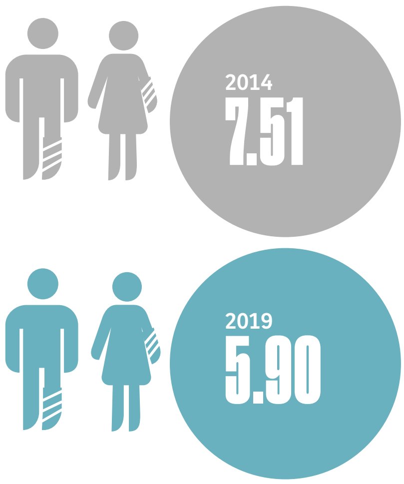
VINCI's health and safety policy is implemented under the direct responsibility of managers, who are in charge of disseminating safety culture day to day. They regularly receive training in prevention and undergo assessments to gauge their safety practices and performance. Employee representatives also play a key role in risk prevention, as health and safety issues are an integral part of the dialogue between management and employees.

Subcontracting and customer awareness

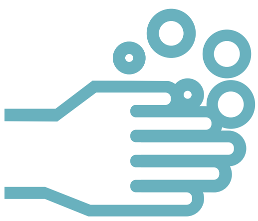
When VINCI companies act as the programme manager or general contractor, safety is a defining criterion when selecting partners. Accident prevention is a prerequisite included in relations with subcontractors, especially by sharing guidelines and best practices that often go beyond regulatory requirements.

Accident prevention operations also target the customers of infrastructure managed by the Group. The VINCI Autoroutes Foundation for Responsible Driving conducts actions year round to improve awareness of responsible driving and the risks associated with drowsiness at the wheel, which is the leading cause of motorway fatalities.

LOST-TIME WORKPLACE ACCIDENT FREQUENCY RATE



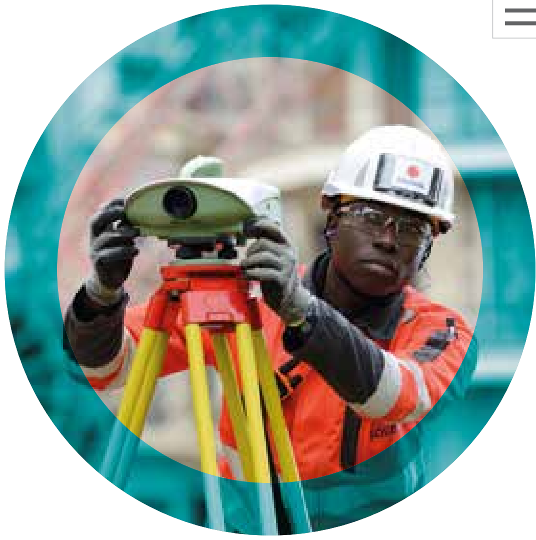
NUMBER OF HOURS TRAINING ON HEALTH AND SAFETY



2019
1.6 million

Respecting ethical principles

VINCI has adopted a stronger framework so that all its employees can contribute effectively to the Group's integrity and transparency requirements.

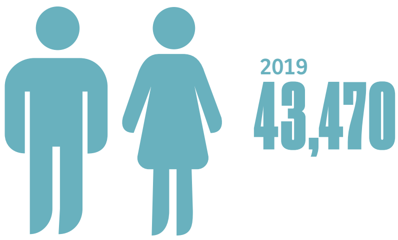


Ethics and compliance

VINCI has evolved around strong values that mould its culture and guide its actions. Ethics is at the heart of all VINCI's business relations with its stakeholders. The Group expects the highest standards of conduct from each of its employees based on a sense of honesty, loyalty, respect for dignity and individual rights. This commitment is reflected at the highest level in the Group.
Throughout the internal road show that led him to meet nearly 8,000 employees in 2018 and 2019, the Chairman and CEO, Xavier Huillard, systematically reaffirmed VINCI's ambitions for all-round performance and compliance.

The Code of Ethics and Conduct lays down all the principles of business ethics that apply in all circumstances, in all countries where the Group operates and to all companies and their employees.
It is used in tandem with the Anti-corruption Code of Conduct which details the rules concerning the prevention of all acts of corruption, notably identifying risks in business processes and defining conduct to be avoided.
These two documents are available in 30 languages on the Group intranet and website. They can therefore be accessed by almost 100% of employees in the official language of their country and are included in the new employee welcome kit.
The Group's 25,000 key managers have undertaken to comply with them and ensure they are applied within the scope of their responsibility.

EMPLOYEE TRAINING IN PREVENTION AND ANTI-CORRUPTION DETECTION



Training and information

To enable all employees to contribute effectively to preventing and detecting acts of corruption, at the level of their responsibilities, specific training programmes have been developed and deployed at all levels in the organisation. These modules complement the general e-learning training courses on the Group platform, such as the Anti-corruption – challenges and risks and Conflicts of Interest courses.

Partners and subcontractors

The integrity and transparency requirement does not just apply to Group companies and employees, but also to its partners and subcontractors. In addition to their technical expertise and ability to fulfil their duties, subcontractors are also assessed for their own commitment to respecting human rights and business ethics.

VINCI Integrity

After a favourable response from the European Works Council, the Group's whistleblowing system was extended on 1 January 2019 to include an online whistleblowing platform called VINCI Integrity. Available in five languages on the Group intranet and website, this secure system enables employees and stakeholders to report any inappropriate behaviour in the areas of human rights, business ethics, environmental risk prevention and health and safety. It guarantees full traceability and anonymity.

Governance

The Ethics and Vigilance Department reports to the Chairman and CEO. Working closely with the business line departments, corporate functions and the Group's Ethics and Vigilance Committee, and relying on both internal expertise (Legal, Audit and Human Resources departments, Ethics and Compliance Club, GDPR steering committee and Human Rights steering committee) and external expertise, it coordinates the implementation of the prevention system.

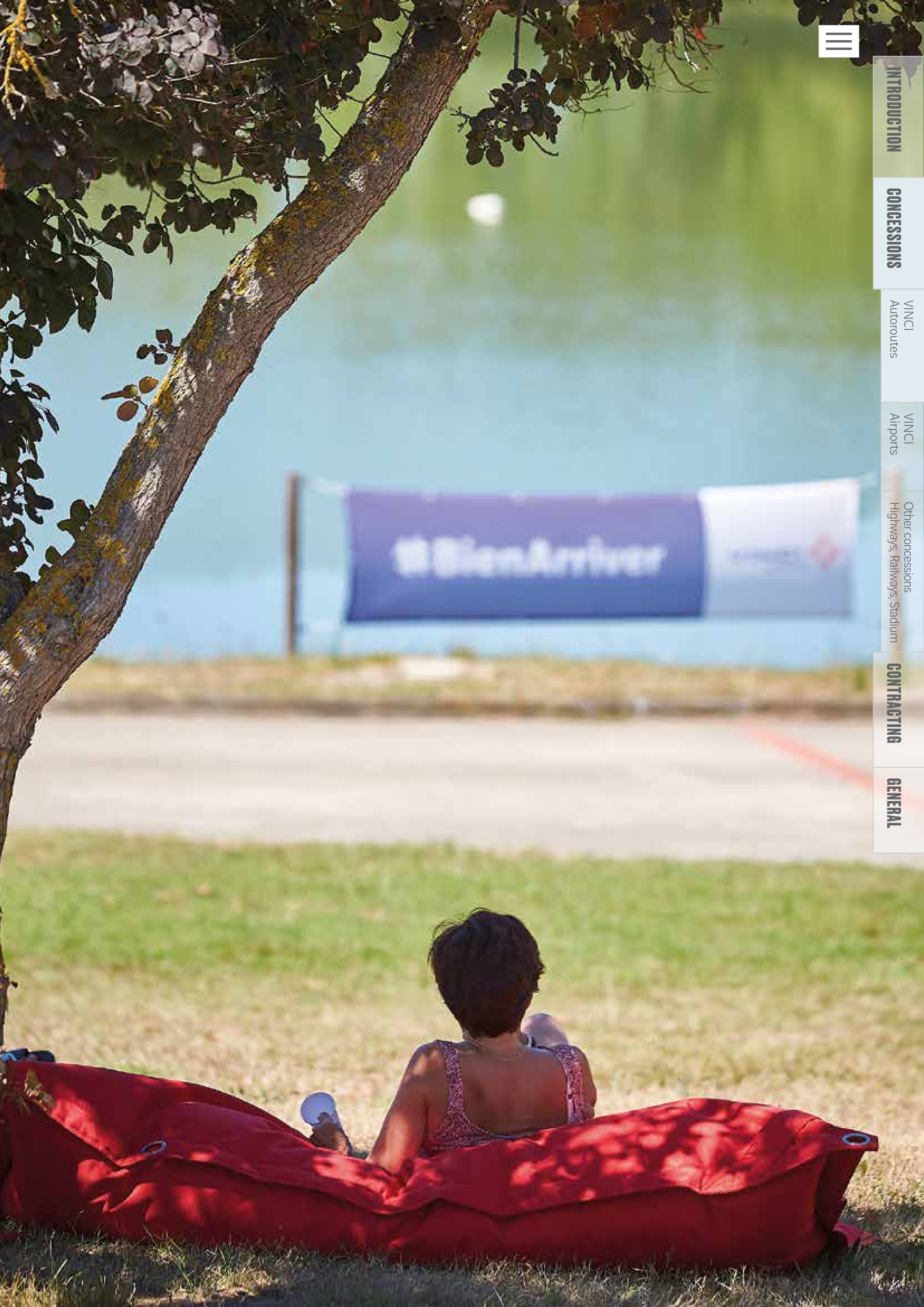
Created in 2018, the Ethics and Vigilance Committee has seven members, five of whom are also members of the VINCI Executive Committee. It is responsible for implementing and updating compliance systems covered by the Code of Ethics and Conduct, notably concerning the detection and prevention of acts of corruption and preventing serious breaches of human rights and basic freedoms, and the health and safety of people and the environment, attributable to the Group's businesses. It oversees changes to the Code of Ethics and Conduct and the Anti-corruption Code of Conduct.

CONCESSIONS

VINCI AUTOROUTES
VINCI AIRPORTS
OTHER CONCESSIONS

VINCI HIGHWAYS / VINCI RAILWAYS / VINCI STADIUM

In application of its integrated concession-construction business model, VINCI designs, finances, builds and operates transport infrastructure and public amenities. In France, VINCI is market leader in motorway concessions and stadium operation. It also built and now operates the South Europe Atlantic high-speed rail line. Internationally, the Group is the leading private-sector operator of airports and manages road infrastructure in around 10 countries.



VINCI AUTOROUTES

ENABLING COMMUNICATION

BETWEEN AUTONOMOUS VEHICLES AND INFRASTRUCTURE

In 2019, VINCI Autoroutes joined SAM (Sécurité et acceptabilité de la conduite et de la mobilité autonome – safety and acceptability of autonomous driving and mobility), a consortium of autonomous car and shuttle manufacturers and suppliers, mobility operators, research institutes and startups. SAM oversees 13 of the 16 experiments conducted between 2019 and 2022 as part of the French government's EVRA (autonomous road vehicle testing) call for projects. VINCI Autoroutes and car manufacturers PSA and Renault will test an I2V (Infrastructure-To-Vehicle) data exchange platform that communicates with Level 3 (conditional automation) and Level 4 (high automation) autonomous vehicles on several stretches of motorway (including the 10 km A86 Duplex Tunnel). Using lane surveillance cameras and image processing algorithms developed by the technology subsidiary Cyclope.ai, the infrastructure will send the vehicles qualified information on traffic conditions (vehicle positions and speeds) and incidents (stopped vehicles, accidents, etc.). This communication will expand the autonomous vehicle's perception range and therefore increase its autonomy.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ENCOURAGING
ECO-FRIENDLY PRACTICES

Recycling was one of the themes of the 2019 #BienArriver events held at VINCI Autoroutes service areas over the summer. VINCI Autoroutes organised creative waste reduction workshops with partner associations.
An Ipsos survey for the VINCI Autoroutes Foundation for Responsible Driving showed that while nine in ten French citizens claim they regularly sort their everyday waste, only 73% do so at motorway service areas, even though waste sorting bins are readily available. The survey also found that 37% of French citizens admit to occasionally throwing waste out of the car window on motorways. The VINCI Autoroutes Foundation raises traveller awareness about the dangers this kind of behaviour poses for the environment and for the safety of motorway users and employees.


9 000 tonnes
de déchets sauvages
sont ramassés chaque année
sur les réseaux autoroutiers*.
VINCI AUTOROUTES
Echantillons de déchets ramassés sur
500 mètres d'une plage en Méditerranée
Pour protéger la nature,
ne générez pas de déchets sauvages.
CENDRIER
CENDRIER DE POCHE

As a concession holder to the French government and a partner to local authorities, VINCI Autoroutes serves 10 regions in France, 45 administrative departments, 14 major cities, over 100 towns with a population of more than 10,000 and thousands of rural communities located near its motorway network under concession, which measures 4,443 km. By linking regions together and fostering new uses for motorways, VINCI Autoroutes is contributing to the development of clean, connected and safe mobility, a catalyst for economic and social cohesion.

VINCI Autoroutes continued to invest significantly in upgrading and extending its network, stepped up its digital transformation and overhauled its environmental policy to accelerate the transition to low-carbon motorways.

ECONOMIC DATA

TRAFFIC AND REVENUE

Revenue grew 4.4% to €5.6 billion. Traffic on the VINCI Autoroutes network increased 2.8% relative to the previous year, with light- and heavy-vehicle traffic up 2.8% and 3.1% respectively. Although social unrest in France continued to affect traffic at the beginning of 2019, it grew robustly at the end of the year, benefiting from a favourable comparison base. The protests in 2018 and 2019 affected VINCI Autoroutes, with a drop in toll revenue and damage to equipment and fittings.

INVESTMENT

Investment remained high at €799 million, and covers a construction programme so significant it makes VINCI Autoroutes one of France's major private programme managers for public works. Most investment went towards the future western Strasbourg bypass (A355) – currently France's largest motorway project –, upgrades, road widening and environmental performance improvements to existing networks under the motorway stimulus plan. For example, the widening of the A63 between Ondres and Saint Geours de Maremne and of the A9 between Le Boulou and Le Perthus. The motorway stimulus plan represents an investment of nearly €2 billion for VINCI Autoroutes, over 72% of which had been allocated at end-2019.

Additional investments allocated in 2019 as part of the motorway investment plan, which mainly financed interchanges as well as other projects, are aimed at improving access to major urban areas and facilitating mobility within regions. Financing agreements for complete and partial access points were signed with local authority partners and, after a three-year contractual process, the projects have now been launched.

1
A crossing for large animals over the A10 Motorway in La Lande forest in western France.

2
The Languedoc Roussillon regional traffic control centre in Narbonne, south-western France.


1


2

1

DEBT

At 31 December 2019, the net financial debt of VINCI Autoroutes' companies amounted to €20.0 billion. In February, ASF successfully issued a €1 billion 12-year bond. In a very favourable market environment, the bond was more than two times oversubscribed, enabling VINCI Autoroutes' largest concession company to continue to optimise the cost of its debt and extend its average maturity.

2

INFRASTRUCTURE

Six hundred projects were in the design or works phase during the year on the VINCI Autoroutes network. Together, they represent over 5.9 million hours of on-site work, or about 3,500 direct and indirect jobs (annual full-time equivalent).

WESTERN STRASBOURG BYPASS

VINCI's wholly owned subsidiary Arcos is the concession holder for the future A355, a 24 km infrastructure that will bypass Strasbourg to the west and separate transit traffic from local traffic, reducing daily congestion on the A35. Construction work is being carried out by a consortium of VINCI companies and has currently reached peak activity, with over 1,000 people employed on the project at the end of the year. The earthworks and civil engineering work (4 million cu. metres of earthworks, two viaducts, 34 engineering structures, and one cut-and-cover tunnel) were two-thirds complete by the end of the year. The project's unprecedented environmental measures have also been implemented. The A355 will boast 130 ecological transparency structures (purpose-built and refitted wildlife crossings over and under the motorway), for an average of one animal crossing every 200 metres. What is more, 1,315 hectares of land have been set aside as compensatory mitigation measures to protect biodiversity (i.e. an area five times greater than the project's land take).

1
The western Strasbourg bypass project includes unprecedented environmental measures to protect biodiversity.

2
Noise barriers are installed as part of works to widen the A63 between Ondres and Saint Geours de Maremne.

Measures to protect water resources are also unprecedented. For example, the infrastructure will be designed to withstand once-a-century rainfall events.

ROAD WIDENING

Road widening projects are mostly undertaken as part of the motorway stimulus plan. In 2019, they concerned a total of 227 km of motorways, notably:

- on the A9, the last section to be enlarged to three-lane dual carriageway between Le Boulou and the Spanish border, in south-east France. This project, which includes a significant social component *(see box opposite)*, is nearing completion;
- on the A63, a 27 km section in south-west France between Ondres and Saint Geours de Maremne. Some 600 people have worked on this project, which will be completed in 2020;
- on the A10, a 16 km section north of Orleans, and a 24 km section south of Tours, where the engineering structures are currently being built. Under the motorway stimulus plan, VINCI Autoroutes is also financing studies and procedures relating to the widening of this corridor between the A10/A85 junction and Poitiers;
- on the A61, the sections located between the A61/A66 junction and the Port Lauragais service areas and between the Lézignan–Corbières interchange and the A61/A9 junction at Narbonne. The mass concrete works have started, and the widened sections are due to be opened in 2023.

ENVIRONMENTAL UPGRADES

All motorway projects devote significant technical and financial resources and implement a range of suitable measures to prevent, restrict and, if necessary, offset their impact on natural habitats, biodiversity and water resources. For example, as part of the upgrades to the A63 in the Landes in western France, VINCI Autoroutes financed the construction of 26 water treatment ponds and the restoration of natural habitats for 92 protected animal and eight protected plant species. It also helped rehabilitate a minor riverbed so flooded areas could once again be used for pasture.

Alongside its motorway construction and upgrade projects, VINCI Autoroutes devotes funds specifically to conserve biodiversity and water resources. It invested in 140 projects of this type under the motorway stimulus plan. On the Cofiroute network, for example, 29 small animal crossings and structures to protect aquatic environments were completed by end-2019. Three eco-bridges will also be constructed under the motorway investment plan.

MOTORWAY PROJECTS
AND SOCIAL INTEGRATION

As part of the widening of the A9 between Le Boulou and the Spanish border, VINCI Autoroutes and the construction consortium companies initially committed to offering 24,000 work hours under social integration programmes. However, thanks to the efforts of the motorway project stakeholders and the public employment and training bodies, who formed a "Major Project" team, at end-November 2019, 187,000 work hours had been completed under integration contracts, or eight times the initial target. One hundred and thirty-two people were able to find employment through this social project — 24% of them were under 26 years old and 19% were senior workers. The support programme set up for them also helped 92 people find long-term jobs or training.

1

SUSTAINABLE MANAGEMENT OF MOTORWAY ASSETS

In 2019, VINCI Autoroutes started to roll out its full BIM (Building Information Modelling) programme. In addition to the now standard use of BIM at the design-build phase, it aims to develop a digital chain for the entire motorway infrastructure's life cycle. This programme developed with Sixense (VINCI Construction) merges around 20 existing digital tools and hundreds of millions of data records, which until now were managed by concession companies, into a central platform coordinated by a hypervisor and a geographical information system. All its activities, from programme management to operation, will have standardised, comprehensive information over space and time about all VINCI Autoroutes' engineering structures and equipment – over a million in total. This programme, which aims to optimise the management and maintenance of motorway assets over the long term, will cover 4,700 employees, or more than 75% of the company's workforce.

VINCI Autoroutes encourages the development of innovative road construction and upgrade techniques to help reduce the environmental impact of its infrastructure. For example, it recently conducted two experiments on its network in partnership with Eurovia. First, it trialled the "fully recycled road", where asphalt aggregates are completely recycled by a mobile plant located near the worksite. Then, it tested the thermal energy-generating Power Road® at the Saint Arnoult en Yvelines toll plaza, used to heat adjoining buildings.

LOW-CARBON MOBILITY

As well as managing its motorway assets sustainably, VINCI Autoroutes involves its clients and partners in initiatives to reduce the environmental impact of motorways, and also takes measures to reduce its own ecological footprint.

ELECTRIC MOBILITY

VINCI Autoroutes is installing charging stations at the main service areas on its network to encourage the use of electric vehicles for long-distance travel. At end-2019, 229 charging stations were in service – including 90 high-power stations – and 204 were being installed or planned. That means there will be a station every 80 km in 2020 on most of the network's corridors. Easy Charge, a subsidiary VINCI Autoroutes co-founded with VINCI Energies, also helps specialised operators (including Ionity, E.On and Allegro) install their charging stations on roads and motorways.

1
The VINCI Autoroutes Foundation raises driver awareness to the risks run by motorway maintenance employees, primarily through a billboard campaign.

2
Reserved lane for express buses on the A10 near the Briis sous Forges bus station.

3
The VINCI Autoroutes network has 34 carpooling parks like the one on the A62, near Agen in south-west France.

SHARED MOBILITY

VINCI Autoroutes encourages motorway users to carpool by offering them a special electronic toll collection subscription (zero management fee on the Ulys app, with a BlaBlaCar option for carpoolers), which has attracted 195,000 users since it was launched in 2015, and a network of carpool parking facilities at motorway entrances and exits. Thirty-four of these car parks providing over 2,700 parking spaces reserved for carpooling were in service at end-2019. The motorway investment plan will fund the creation of another 30 or so carpool parking facilities on the ASF and Escota networks. Their locations are currently being determined with the relevant regional authorities.

PERI-URBAN AND MULTIMODAL MOBILITY

VINCI Autoroutes is also working with local authorities to ensure a better fit with their multimodal transport systems. On the A10 in the Greater Paris area (Dourdan–Saint Arnoult en Yvelines exit), the company is financing the creation of a new multimodal hub at Longvilliers under the motorway stimulus plan. This hub will offer a wide range of services designed to encourage local residents to use the express bus links to the Massy transport hub and the Greater Paris public transport networks. VINCI Autoroutes is also working with the cities of Aix en Provence, Marseille, Lyon, Bordeaux and Toulouse to trial reserved bus and/or carpooling lanes on peri-urban motorways, and motorway bus stations like the one created about 10 years ago on the A10 in the direction of Paris at Briis sous Forges.

VINCI Autoroutes worked with Leonard, VINCI's forward-looking innovation platform, on the New Deal project, taking part in an international consultation on the future of motorways and expressways in the Grand Paris programme for 2024, 2030 and 2050.

NEW ENVIRONMENTAL COMMITMENTS

Aligning with the Group's environmental programme, VINCI Autoroutes overhauled its environmental policy in 2019 and identified the measures it must take to meet specific targets to reduce its footprint by 2030, which include halving its CO_2 emissions and recycling all its waste. The company intends to galvanise its teams behind ambitious commitments and also involve its clients and partners to foster low-carbon mobility.

2

3

EVERYDAY MOBILITY

SAFETY

Ensuring that users travel safely is a top priority for VINCI Autoroutes. Traveller safety is also the task of its maintenance and safety department's 2,000 employees, whose work is coordinated by 20 operations control centres using state-of-the-art equipment. Digital technology enhances the remote management of operations as it reports and processes information about incidents almost immediately. It also improves the safety of response teams on the motorway. These professionals are trialling new connected vans, equipped with cameras linked to the safety control centre and an image analysis system, which detect dangerous driving by people who do not comply with instructions to slow down and move over when approaching a temporary traffic management area. Drivers can also use the SOS feature on the Ulys app to report breakdowns directly to the VINCI Autoroutes teams.

SERVICE AREAS

Two-thirds (over 120) of the service areas on the VINCI Autoroutes network have been upgraded in recent years. As well as refurbishing the buildings, surrounding areas and relaxation spaces to encourage people to take a break, VINCI Autoroutes has expanded the range of retail outlets and services to better suit current consumer habits.

VINCI Autoroutes has introduced high-street retail brands at its service areas and also works hand-in-hand with local and regional players to promote their local specialities, tourist sites, and natural and cultural heritage.

The annual summer weekend #BienArriver events it organises at about 40 service areas encourage travellers to take regular breaks and relax during their trip. Some 500,000 holiday-makers benefited from the programme and were offered a range of activities. They could choose workshops on recycling, the environment, sport, reading, and napping – the latter, under the aegis of the VINCI Autoroutes Foundation for Responsible Driving, was designed to raise awareness of the dangers of drowsiness at the wheel, the leading cause of death on motorways in France.

4 million

VINCI Autoroutes electronic toll tags in service at end-2019. ETC now accounts for 55% of transactions on the VINCI Autoroutes network.

CONNECTED MOBILITY

TRAFFIC NEWS

News contributes to travel safety and enjoyment and is an essential part of motorway services. VINCI Autoroutes provides customers with a full range of media and information services to help them in their preparations and throughout their journeys: Radio VINCI Autoroutes (107.7), the benchmark for quality news and traffic information which launched Trafic Express, a new video traffic news service, in 2019; 3605, the 24/7 customer service help line; vinci-autoroutes.com; and the 13 Twitter traffic news accounts by major corridor.

In 2019, VINCI Autoroutes started to roll out Performance Info Trafic, a traffic news system that resembles the full BIM motorway management programme both in scale and its use of digital technology. The objective is to provide users with more reliable and more comprehensive information faster. To achieve that, VINCI Autoroutes is completely overhauling the systems and processes it uses to collect, process and disseminate information. New tools are being implemented for use by its motorway personnel (specialised smartphone app) and safety control centres. These tools will make it easier to feed consistent, detailed, geo-located information to the various motorway media services using multiple channels.

ELECTRONIC TOLL COLLECTION

The Ulys app *(see "Services for ETC subscribers" opposite)* has facilitated electronic toll collection subscriptions, adding 617,470 new customers in 2019 and raising the total number of VINCI Autoroutes transponders in service to 4 million. Electronic toll collection (ETC) now accounts for 55% of transactions on the VINCI Autoroutes network, compared with 45% for automatic toll collection and 0.001% for manual collection. After Ulys 30, the reduced-rate subscription for regular users, VINCI Autoroutes launched Ulys Europe in 2019, which allows drivers to use ETC lanes on motorways in Spain and Portugal with the same tag. It also launched a joint offer with Coyote, which combines the ETC transponder with the Coyote driving assistance app.

For the first time in France, VINCI Autoroutes is now offering a free-flow toll service which it trialled at the Tours Nord (A10) and Tonnay Charente (A837) pilot sites.

As well as improving traffic flow at toll plazas, these new toll collection solutions make the transaction system more reliable. For example, thanks to Tollsense, an artificial intelligence solution developed by Cyclope.ai, an algorithm now analyses images from surrounding cameras and automatically corrects classification errors at the toll station. As a result, operators no longer need to reprocess transactions manually – a tedious, time-consuming process. Tollsense was rolled out across the VINCI Autoroutes network in 2019 and has already processed over 140 million requests.

SERVICES FOR ETC SUBSCRIBERS

Launched in 2018, Ulys is both a brand and an app for subscribers that simplifies electronic toll collection and offers digital services that enhance the travel experience – traffic information including the Trafic Express video bulletin, the brands and products available at service areas, special deals and tips on the travellers' route, etc. In the summer, Ulys launched the first motorway "click and collect" restaurant service on the A7 and A9 corridors and added new benefits and rewards from service areas to its loyalty programme. VINCI Autoroutes will expand Ulys' features and services in the coming years and aims to use it to establish a personalised relationship with its subscribers by offering them the best in connected mobility.

INNOVATION AND OUTLOOK

Less than two years after it was created in VINCI Autoroutes' Digital Factory, Cyclope.ai has confirmed that it can deploy artificial intelligence technologies for road activities on an industrial scale. After launching Tollsense, the toll station vehicle classification tool, the company installed 96 cameras in the Toulon tunnel crossing on the Escota network with Tunnelwatch, an innovative automatic incident detection solution.

Cyclope.ai is also assessing traffic in reserved public transport lanes on the motorway route linking Aix en Provence to Marseille in south-east France for the Direction Interdépartementale des Routes Méditerranée (French interdepartmental directorate for Mediterranean roads). Lastly, it is currently developing a solution to detect the number of vehicle occupants to support the deployment of reserved carpooling lanes, as advocated by France's new Mobility Orientation Act.

DRONES AND LIVE TRAFFIC INFORMATION

On 6 July and 3 August, two of the busiest traffic days in the 2019 summer holiday season, VINCI Autoroutes' traffic information system included live images of traffic conditions filmed by drones at nine strategic locations on the network. The images were posted on VINCI Autoroutes' website and social media accounts and were also communicated to the national and regional media, where they were widely featured.

Taking a long-term approach, VINCI Autoroutes contributes to innovative mobility studies and experiments. The company is also an active contributor to foresight research conducted by Leonard, the VINCI innovation platform, on the role of road infrastructure in the deployment of autonomous, connected electric vehicles. It is notably a member of the SAM consortium *(see page 36)*, which, after several years of tests with car manufacturer PSA on the VINCI Autoroutes network, is now trialling autonomous vehicles on motorways in the Greater Paris area. In 2019, the trials involved a completely autonomous vehicle crossing a coned area and safely coming to a halt on the hard shoulder in real traffic conditions.

VINCI AIRPORTS

GATWICK
VINCI AIRPORTS TOUCHES DOWN IN LONDON

The main highlight of the year came in May 2019, when London Gatwick Airport joined the VINCI Airports network. Second-largest British airport in the London market, itself the world's largest, Gatwick welcomed 46.6 million passengers in 2019. Since finalisation of the deal, Gatwick has opened 22 new lines and improved the traffic mix between medium- and long-haul flights. The airport will benefit from VINCI Airports' expertise in programme management and commercial activities and in return bring the network its experience in managing aircraft flows – Gatwick operates the busiest single runway in the world, with up to 950 flights a day. In addition, it was the first European airport to achieve carbon neutrality, making it a good fit with VINCI Airports' environmental policy.


ck-in/bag drop
Check-in/bag drop

THE VALET ROBOT
TRANSFORMS AIRPORT PARKING

After a trial phase, VINCI Airports has rolled out a world first at Lyon – Saint Exupéry Airport: an outdoor car park managed entirely by robots. This innovative system, developed in partnership with Stanley Robotics, combines several advantages: simplicity and time savings for passengers, who can reserve their parking space online and drop off and pick up their vehicle at a single point, and space savings thanks to optimised management of parking areas, which will help absorb growth in traffic. Five hundred spaces are managed by four autonomous robots in the airport's P5+ car park, and the service will soon be expanded to cover an additional 2,000 spaces in the summer of 2020.

VINCI Airports crossed a major threshold in its development with the takeover of London Gatwick, the UK's second-largest airport, while simultaneously achieving robust growth in traffic at most of its other airports. As the world's leading private airport operator, VINCI Airports manages a diversified and attractive international network of 45 airports that contribute to development for both the region and its customers.

1

VINCI Airports' revenue rose almost 64% to €2.6 billion on the back of acquisitions and new contracts won over the recent period. Activity was boosted by the full-year contribution of the eight airports in the AWW portfolio (integrated in August 2018), Nikola Tesla Airport in Belgrade (integrated in December 2018) and, as of May 2019, London Gatwick Airport. Taking control of the UK's second-largest and Europe's eighth-largest airport strengthened VINCI Airports' leadership in the world market. Its network is now the most international and the most diversified, with 45 widely different sized airports spanning 12 countries.

On a like-for-like basis, revenue rose 8.6%, supported by continuing growth in traffic in almost all the network's airports. In 2019, 255 million passengers were welcomed across the network, an increase of 5.7%.

These positive trends primarily reflect VINCI Airports' expertise in commercial activities and traffic development. VINCI Airports works with each of its sites to develop connections – particularly international – through the relations it has built with several hundred partner companies and tour operators. Some 325 new routes were opened in 2019, several of them between network airports, including Lyon–Porto and Grenoble–Porto with Ryanair, and Salvador–Santiago between Brazil and Chile. VINCI Airports promotes pricing policies that encourage use of larger aircraft,

2

thereby ensuring better use of its infrastructure and reducing the carbon footprint per unit. At the same time and in line with the Group's long-term strategy, VINCI Airports establishes strong roots in all the countries and regions where it operates by forging close relations with local stakeholders. As a result, each airport fully contributes to the attractiveness and economic development of its region. This positive impact is furthered by investment in airport upgrades and extensions under its concession contracts.

VINCI Airports applies this same global and simultaneously local approach to its environmental policy. The first operator to have rolled out an integrated approach worldwide, VINCI Airports implemented its AirPact programme, which has already reduced the carbon footprint of the airports in its network by over 20%. The programme breaks down, for each airport, into multiple actions aimed at reducing energy consumption, developing production of low-carbon energy by installing solar panels for self-consumption, better management of water resources and waste, and protecting biodiversity. VINCI Airports capitalises on networking between airports to trial and later disseminate best practices. This environmental policy will become even more ambitious in the next few years as part of the Group's overall commitments.

1
London Gatwick Airport in the United Kingdom, which served over 46 million passengers in 2019, is internationally recognised for its operational efficiency and optimised aircraft queuing systems.

2
The Place des Lumières in terminal 1 of the Lyon – Saint Exupéry Airport on World Environment Day in June 2019.

EUROPE

UNITED KINGDOM

In May 2019, following on from the agreement signed in December 2018, VINCI Airports finalised its bid to take control of London Gatwick Airport by acquiring a 50.01% shareholding. Acquisition of this freehold property asset dovetails with the Group's strategy of long-term investment in concessions. VINCI Airports is now the owner and operator of the UK's second-largest airport in a London aviation market that is itself the largest in the world. In 2019, Gatwick welcomed 46.6 million passengers (up 1.1% in one year), serving 228 destinations – including more than 50 capital cities – in 74 countries.

On the operational level, the deal generates numerous synergies. London Gatwick will take advantage of VINCI Airports' expertise in programme management and global relations with airline companies. In return, London Gatwick will bring the network its experience in operational efficiency, notably in terms of air traffic flow management – it handles up to 950 aircraft movements a day on a single runway. Other promising synergies will come in sustainable development. London Gatwick was the first European airport to achieve carbon neutrality and obtain Carbon Trust accreditation for its zero waste to landfill policy, making it a good fit with VINCI Airports' environmental policy. To date, it is the only airport in the world that recycles airplane waste on site. London Gatwick is also an inclusive airport – in 2019, Airports Council International (ACI) named it the best airport in Europe in terms of accessibility for people with impaired mobility.

In the months following the acquisition, a five-year investment programme of £1.1 billion was launched to renovate the commercial areas, offer new services and optimise use of the infrastructure. As part of its long-term strategy, VINCI Airports is also studying the possibility of increasing Gatwick's capacity by converting part of the aircraft taxiways into a second runway.

Following the 2018 acquisition of Airports Worldwide (AWW), VINCI Airports became freehold owner and operator of Belfast International Airport in Northern Ireland. Traffic at this airport was stable over the year at 6.3 million passengers.

325

new routes opened in 2019, including Osaka–London, London–Shanghai, Santiago–Barcelona and 58 other long-haul flights.

PORTUGAL

Through its wholly-owned subsidiary ANA, VINCI Airports holds the concession for Portugal's 10 airports until 2063 – the contract took effect in 2013. In partnership with the public authorities in charge of transport and local economic stakeholders, VINCI Airports supports the economic development of Portugal, which has enjoyed a sharp rise in its appeal to tourists over the past decade. Traffic has increased markedly since acquisition of the concession, and rose again – by 6.9% across all the Portuguese airports – to almost 60 million passengers in 2019. Since the takeover of ANA, most of the airports have benefited from refurbishment programmes that increase their capacity and enhance the passenger experience. Francisco Sá Carneiro Airport in Porto, redesigned in 2016, was singled out in ACI's Airport Service Quality Awards in the 5-15 million passengers category.

Porto airport in Portugal, named Best Airport in Europe in the 5-15 million passengers category, will benefit from a new €15 million investment programme aimed at supporting growth and continued improvement in passenger services.

2019 was another year of strong growth, at 7.4%, for the international Humberto Delgado Airport in Lisbon, which crossed the threshold of 30 million passengers.

At the beginning of 2019, VINCI Airports signed a memorandum of understanding with the Portuguese government to extend Lisbon's airport capacity. It provides for upgrading the existing Humberto Delgado Airport and building a new civil airport on the Montijo Air base opposite the city at the eastern end of the Tagus estuary. VINCI Airports will invest €1.15 billion over the next 10 years in this two-pronged project.

Chosen as a centre of innovation excellence for the VINCI Airports network, along with Gatwick and Lyon – Saint Exupéry, the Lisbon airport will be equipped over the next few years with cutting-edge technologies in the field of passenger flow management. The innovations that emerge will later be rolled out to other airports in the network.

FRANCE

The 11 airports managed by VINCI Airports welcomed a total of 21.5 million passengers, i.e. 1.6 million more than in 2018. Growth in traffic was particularly strong for Nantes Atlantique (up 16.6%) and Lyon – Saint Exupéry (up 6.4%), boosted by development of international connections. In 2019, Nantes Atlantique Airport set up the new easyJet base, its sixth European base in the VINCI Airports network. Meanwhile, Volotea chose Lyon – Saint Exupéry to host its new French base in 2020. Thanks in part to the innovation and services strategy rolled out by VINCI Airports since 2016, Lyon – Saint Exupéry was the first French airport in 10 years to win the ACI Europe Best Airport award, in the 10-25 million passengers category. Alongside its operational performance, the jury highlighted the quality of the airport's environmental engagement, with ACA Level 3+ (Neutrality) certification.

VINCI Airports also launched works to upgrade Toulon Hyères Airport, which will benefit from the largest investment made since the airport was built in 1967. It is the first airport in France to test the Ground Power Unit, a zero-emission aircraft starter generator. Toulon Hyères is also one of the five French airports in the VINCI Airports network that obtained ISO 14001 certification in 2019, alongside Nantes Atlantique, Clermont Ferrand Auvergne, Chambéry and Grenoble Alpes Isère.

SERBIA

VINCI Airports became concession holder for Nikola Tesla Airport in Belgrade in December 2018, for a 25-year term. Collaboration with airline companies led to opening of 13 international connections in 2019, including a Paris–Belgrade link operated by Air France, back in Serbia after a six-year absence. The number of passengers rose 9.2% in 2019, to over 6 million.

CENTRES OF EXCELLENCE
AND NETWORKED INNOVATION

VINCI Airports set up a "centres of excellence" programme in 2019 to stimulate and structure its innovation drive.
Three airports in the network have been selected, each in their special field of expertise, to trial and develop innovations that can later be rolled out in other airports, depending on their needs. The airports are London Gatwick, for improving runway operations; Lyon – Saint Exupéry, for passenger experience; and Lisbon for passenger flow management. The projects in this programme have a strong new digital technology component.
For instance, at the Web Summit in Lisbon, sponsored by VINCI Airports, participants were able to test the most advanced solutions in biometrics, automation and artificial intelligence applied to airport operations.

INTRODUCTION
CONCESSIONS
VINCI Autoroutes
VINCI Airports
Other concessions Highways, Railways, Stadium
CONTRACTING
GENERAL

1

An airport modernisation programme was officially launched by the President of the Republic of Serbia, Aleksandar Vučić, and French President Emmanuel Macron on 16 July, on the occasion of Mr Macron's official visit to Serbia. The works carried out in collaboration with VINCI Construction Grands Projets are part of a €730 million investment programme spanning the term of the concession.

SWEDEN

In September 2018, VINCI Airports became full owner and manager of Stockholm Skavsta Airport near the Swedish capital. Used primarily by low-cost airline companies, it welcomed 2.3 million passengers in 2019, a rise of 3.7%.

AMERICAS

UNITED STATES

Acquisition of the Airports Worldwide (AWW) portfolio gave VINCI Airports full management responsibilities for five airports in the United States. They are the Orlando Sanford International Airport in Florida (100%-owned concession with a residual term of 20 years), and four airports under full management contracts: Hollywood Burbank Airport in California, Atlantic City International Airport in New Jersey, and Macon Downtown Airport and Middle Georgia Regional Airport in Georgia. The portfolio also includes three partial management contracts, at Ontario International Airport (California) and Raleigh-Durham International Airport (North Carolina), and Atlanta International Airport (Georgia), the world's largest in terms of traffic, where VINCI Airports manages part of the international terminal.

2

Traffic in the five airports fully managed by VINCI Airports rose 8.4% to 10.3 million passengers in 2019.

BRAZIL

Less than two years after taking full responsibility for operation of Deputado Luís Eduardo Magalhães Airport in Salvador under a 30-year concession contract at the beginning of 2018, VINCI Airports completed its extensive modernisation programme at the end of 2019. The works, which represented an investment of €160 million, were executed in collaboration with VINCI Energies. They have expanded the airport's capacity from 10 to 15 million passengers a year, thanks to renovation and extension of the terminal and construction of a new pier with six jet bridges. Upgrading of the runways, installation of new sales offices for airlines and the redesign of check-in counters have helped improve operational performance. Passenger experience has been enhanced by a new baggage handling system, a broader array of retail offerings, in particular regional products, in the commercial area, and new services, including a free high-speed Wi-Fi network. Another objective of the upgrade was to bring the airport in line with the best VINCI Airports environmental standards *(see page 5)*.

Since the start of the concession, the airport has welcomed eight new lines, including direct flights to Miami, Panama, Salt Island and Santiago. Successful collaboration with local partners inspired other companies to take over almost all the Avianca Brazil routes after the airline company filed for bankruptcy in May 2019.

CHILE

VINCI Airports has been concession holder since 2015, with ADP and the Italian construction group Astaldi, of Santiago Arturo Merino Benítez Airport, where it is leading a vast renovation and extension programme that involves building a new terminal for international flights and renovating the existing terminal for domestic flights. The programme, which covers a total area of 300,000 sq. metres, reached two important milestones in 2019 with pier C and later pier E brought into service at the new international terminal. The works are executed, without any disruption to operations, by a joint venture between VINCI Construction Grands Projets and Astaldi. The airport welcomed 24.6 million passengers (up 5.7% over a year). On completion of the works, scheduled for end-2021, its capacity will be increased to 38 million passengers.

DOMINICAN REPUBLIC

Since 2016, VINCI Airports has been operating six of the country's nine airports through the Aerodom company, including the Las Américas Airport serving the capital Santo Domingo, currently undergoing modernisation and extension works to turn it into a hub serving the Caribbean. Traffic rose 12.2% to 5.6 million passengers in one year.

The six airports have initiated a programme to reduce their CO_2 emissions, including the installation of solar panels for self-consumption, with total power capacity of 4.7 MWp, in 2019. The Santo Domingo airport is also deploying a comprehensive waste management programme, with an on-site sorting centre that began operating at the end of the year.

COSTA RICA

VINCI Airports has a 45% shareholding in the concession company operating Daniel Oduber Quirós International Airport in Guanacaste province, gateway to the wealth of natural treasures on Costa Rica's Pacific coast. Passenger numbers rose 8.8% to 1.2 million in 2019. The first airport in the region to achieve carbon neutrality, it won ACI's Best Airport in Latin America and the Caribbean Award (under 2 million passengers category) for its quality of service.

1
Nikola Tesla Airport in Belgrade, Serbia, destined to become a major hub in Southeast Europe.

2
With more than 3 million passengers a year, Orlando Sanford International Airport in the United States is a major gateway to the city's numerous attractions, one of the most visited being Universal Studios.

1

ASIA

JAPAN

With Orix and other Japanese partners, VINCI Airports manages the three main airports in the Kansai region (Kansai International, Osaka Itami and Kobe). Traffic for the three airports increased 7.2% to over 50 million passengers in 2019, thanks primarily to growth in tourism and the major events hosted in the region (G20 summit in Osaka, the Rugby World Cup). Kansai International Airport demonstrated great resilience when it returned to a high level of activity after the damage caused by Typhoon Jebi in September 2018. Growth was also spurred by the many new international links opened in 2019. Kansai International won many awards, including Best Low-Cost Airline Terminal and Best Baggage Delivery in the Skytrax 2019 World Airport Awards.

Osaka Itami airport is undergoing a major renovation programme, the biggest in 50 years. The goal, in the run-up to the Osaka 2025 Universal Exhibition, is to offer passengers an experience that meets the best international standards, while showcasing the region's specific cultural resources.

CAMBODIA

VINCI Airports, historically a major player in the Cambodian airport sector, is concession holder for the country's three international airports. It has continued to invest steadily in extension and modernisation works to support the country's economic growth, of which tourism is one of the major drivers. The number of passengers welcomed at these three airports has more than doubled in five years and risen tenfold since 1995. It grew 10.2% in 2019, for a total of 11.6 million passengers. The Phnom Penh airport reported strong growth (11.2%), while the Sihanoukville airport broke all records with a growth surge of 158%. Originally a small aerodrome, it benefited from an investment programme of over $100 million, which will continue into 2020, in collaboration with VINCI Construction Terrassement and VINCI Construction Grands Projets. With its renovated and expanded terminal (an 80% increase in area), the airport contributes to the growing attractiveness of Sihanoukville, which has become Cambodia's main seaside resort and is now open to international tourism thanks to the renovation programme.

VINCI Airports also helps promote Cambodia as a key destination by making its three international airports showcases for local culture and resources and through its direct involvement in the development of Khmer craftsmanship.

1
Extension and modernisation works at Santiago Arturo Merino Benítez Airport to boost its capacity to 38 million passengers in 2021.

2
A connected space with a modern design at Osaka Itami in Japan, to enhance traveller comfort.

3
Kansai International Airport in Japan features local culture in a wide array of shops selling traditional souvenirs.

2

3


EAST
Winnipeg
46
WEST
Regina
Balgonie
Edenwold
EXIT
80
km/h

VINCI HIGHWAYS VINCI RAILWAYS VINCI STADIUM

VINCI HIGHWAYS

VINCI Highways designs, builds, finances and operates 3,695 km of motorways, bridges, tunnels and urban roads in 14 countries. Key events in 2019 include the completion and commissioning of two major infrastructure projects: sections 7 and 8 of the M11 motorway in Russia, and the new Regina Bypass in Canada, built in synergy with the Group's Contracting business lines.

EUROPE

GERMANY

VINCI Highways is the leading motorway concession operator in Germany, with a network of 212 km of motorways under four public-private partnerships (A4, A5, A9, A7-2). Works executed by a joint venture led by Eurovia continued on the A7-2 in 2019. To support the sharp growth in traffic (70,000 vehicles/day, including over 10,000 heavy vehicles), VINCI Highways is undertaking a complete upgrade of the asset, investing a total of €438 million, as well as its operation and maintenance. The works cover widening a 29 km section to three-lane dual carriageway and building a latest-generation animal crossing. It is the first major full BIM (Building Information Modelling) road project in Germany. Deployment of this system, together with sensors embedded in the road surface, will enable use of data on the infrastructure throughout its life cycle and will optimise long-term maintenance.

GREECE

VINCI Highways holds the concessions for the Athens–Corinth–Patras motorway (201 km) on the east-west corridor across the country, and the Maliakos–Kleidi motorway (230 km) along the east coast. These two motorways are of strategic importance for the development of the Peloponnese, western Greece and Epirus in the north-west. They were completed and fully in operation in 2017 after works to bring them up to the best European standards for safety and traffic flow.

The commissioning of this motorway, on which traffic rose 5% in 2019, supports the country's economic and tourist growth. It also improves traffic flow and safety for users and provides the associated services (new shops and restaurants at service areas, charging stations for electric vehicles, predictive traffic information, and more).

VINCI Highways is also the concession holder for the Charilaos Trikoupis Bridge. Built by the Group, this almost 3 km long engineering structure – which celebrated its 15th anniversary in 2019 – links the Peloponnese to the mainland, between the cities of Rion and Antirion. Its positive impact is reflected in the growth of tourist activity in western Greece over the past 10 years, with a further 6% rise in traffic in 2019.

— **IN OTHER EUROPEAN UNION COUNTRIES,** VINCI Highways operates the following structures:

- **in France,** the Prado Carénage and Prado Sud tunnels in Marseille, both built by VINCI;
- **in Portugal,** two bridges over the Tagus River in Lisbon, including the Vasco da Gama Bridge built by VINCI;
- **in Slovakia,** the PR1BINA expressway and the Banská Bystrica northern ring road, both built by VINCI;
- **in the United Kingdom,** the London Borough of Hounslow and Isle of Wight road networks, in collaboration with Eurovia's British subsidiary, as well as the Newport Southern Distributor Road in Wales;
- **in the Republic of Ireland,** VINCI Highways was awarded a management contract in 2019 for all-inclusive free-flow transaction services and customer relations on the Dublin ring road (M50 motorway), in partnership with the Irish company Abtran. The section serves 150,000 vehicles per day on average and is the most heavily trafficked corridor of Ireland's national roads network.

RUSSIA

Sections 7 and 8 of the new M11 motorway between Moscow and St Petersburg were delivered in 2019. They were brought into service on 3 September and 27 November respectively, marking completion of the 669 km motorway that now provides a safe and reliable link between the country's two major cities and reduces travel time between them to 5½ hours, compared to 9 hours on the alternative route, the M10. The two new sections link the cities of Novgorod and Tosno, in the Leningrad region, continuing on to the St Petersburg ring road. They cover a total of 137 km and include 62 engineering structures, 12 service areas and four toll plazas. Construction was completed in four years despite harsh weather conditions, for a total investment of €1.6 billion.

VINCI Highways also holds the concession to operate the first section of the M11 motorway, between the Moscow ring road and Sheremetyevo International Airport, which was brought into service in 2014.

Apart from its Concessions business, VINCI Highways is also the leading private motorway operator in Russia through its subsidiary UTS, which manages a network of more than 1,000 km with a workforce of over 2,000 people. It applies the highest road safety and service quality standards: training and deploying Russia's first safety patrol teams, applying uniform response procedures and equipment across the entire network, and implementing the first emergency call numbers.

VINCI Highways has applied its expertise in digital services under its partnership with Avtodor, the state company in charge of the motorways, by rolling out a system ensuring interoperability of toll systems across the various Russian motorway networks. The system is currently being extended outside Russia, enabling car and heavy-vehicle drivers to use a single tag for their journeys between Russia and the European Union.

NORTH AMERICA

CANADA

Another milestone in 2019 was the opening of the new bypass around Regina, capital of Saskatchewan, on 28 October. This first transport infrastructure public-private partnership in the province represents an investment of C$1.9 billion (around €1.3 billion). The major construction programme comprising 61 km of road (of which 37 km newly built and 24 upgraded), 12 interchanges and 33 engineering structures was completed in just four years. The works were carried out by a joint venture led by Carmacks, Eurovia's Canadian subsidiary, and also involved VINCI Construction and VINCI Energies.

The new infrastructure makes traffic smoother and safer on the outskirts of the capital and will support the province's economic development by providing rapid and reliable access to several major road networks (the Trans-Canada highway and highways 6 and 11). Management and maintenance will be handled for 30 years by VINCI Highways and Carmacks.

VINCI Highways also participates, through dedicated concession companies, in operating the Fredericton–Moncton highway in New Brunswick (195 km) and the Confederation Bridge, which links the province to Prince Edward Island. This 13 km structure, built by VINCI at the end of the 1990s, is the world's longest bridge over a stretch of ice-covered water.

The commissioning of sections 7 and 8 of the new M11 motorway in Russia in 2019 allows drivers to travel between Moscow and St Petersburg in 5½ hours.

UNITED STATES

Under the terms of the Group's first public-private partnership in the United States, VINCI Highways, in a consortium with its local partner BBGI, operates the Lewis and Clark Bridge over the Ohio River. The infrastructure lies on the new motorway linking Indiana and Kentucky, which was commissioned at the end of 2016.

VINCI Highways also provides road services via its subsidiary Cofiroute USA. In 1995, it started installing one of the world's first free-flow toll systems on the SR-91 express lane in Orange County, California. Back in 2011, VINCI Highways demonstrated its capacity to adapt to customer requirements and to technological progress by integrating the latest innovations in terms of operational efficiency, revenue management and customer service quality on this 16 km section. The system was further improved in 2017 with integration of an almost 30 km section on the SR-91 in Riverside County, designed mainly to reduce congestion through the application of dynamic pricing.

VINCI Highways' expertise in free-flow toll systems is also deployed in Texas, through two contracts won in 2018. The first contract, signed by Cofiroute USA in partnership with TollPlus for the software component, covers five free-flow toll motorways and expressways in Austin and Tyler, which generate around 42 million video transactions a year. The second, won by TollPlus, a company in which VINCI Highways acquired a strategic stake in 2016, covers development and maintenance of the new free-flow toll management system of the North Texas Tollway Authority, which handles 6 million transactions a day.

SOUTH AMERICA

COLOMBIA

VINCI Highways has been the concession holder for the motorway between Bogotá and Girardot since 2016. The 141 km toll corridor, the country's busiest road in terms of traffic, connects the capital to the Pacific coast. Under the terms of a 30-year contract, which represents a total of 4,200 billion Colombian pesos (€1.3 billion), the concession joint venture will carry out a major renovation programme over the entire motorway, including construction of a third lane over 65 km and four 2 km tunnels. An 11 km section that had been refurbished, and in part widened, between the towns of Soacha and Sibaté in the Bogotá urban area, was opened to traffic in 2019.

PERU

As concession holder of the Lima expressway since 2016, VINCI Highways carried out major construction work on section 2 of the infrastructure, in collaboration with VINCI Construction and VINCI Energies. The 9 km section, which includes nine viaducts, two interchanges and a 2 km tunnel – the longest of its type in Peru – under the River Rímac, has appreciably improved traffic conditions and journey times in the Lima urban area, the fifth largest in Latin America.

The express lanes covering a total of 25 km meet the highest standards of safety and service quality thanks to the implementation of new equipment (including 120 surveillance cameras connected to two control centres operating 24/7) and efficient operational procedures, with the effective transfer of VINCI Highways expertise to local teams. Digitalisation has increased the infrastructure's capacity by improving management of traffic flows and allowed a sharp increase in electronic toll collection (ETC). Over a one-year period, traffic grew 15.4% and the number of ETC subscribers 31.6%.

VINCI Highways contributes to smooth integration of the expressway into its urban fabric through social responsibility initiatives including a road safety campaign in schools, the refurbishment of public spaces in underprivileged areas and support for communities through social, educational and sports programmes.

JAMAICA

In December 2019, VINCI Highways sold its holdings in TJH, the concession company for the TransJamaican highway, but retains a 51% share in the operating company JIO, whose contract has been renewed for another five years.

1

75 million

free-flow transactions managed by VINCI Highways in the United States in 2019.

1
New systems were deployed in Texas, United States, to optimise payment solutions for drivers.

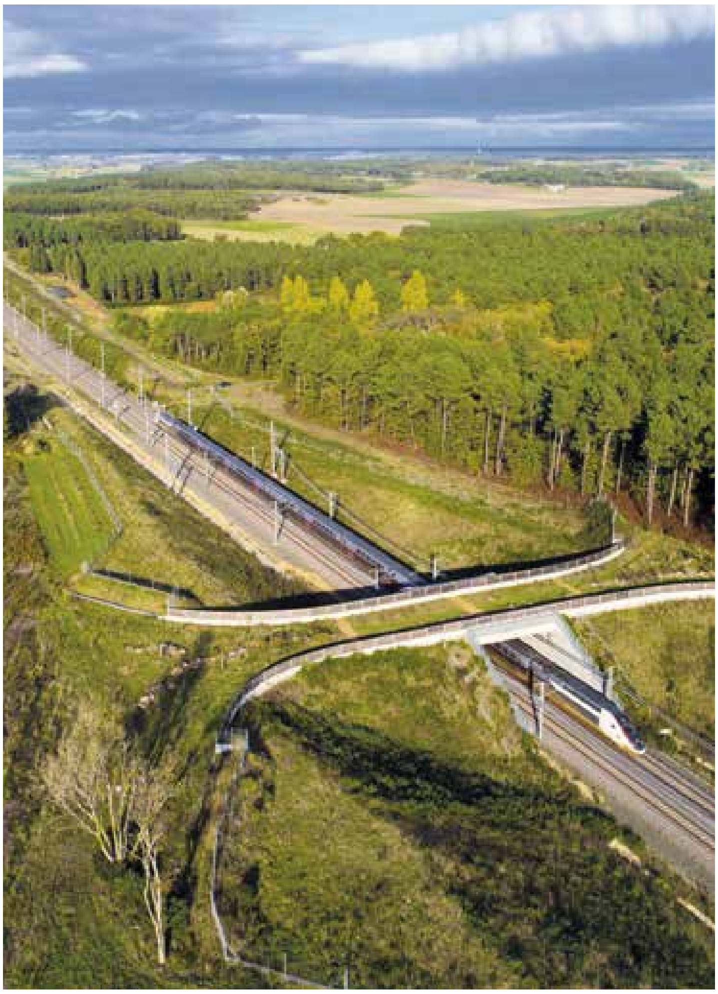
2
Traffic flow and safety are continuously improving on the Lima expressway, where the number of accidents has fallen 38% since 2017.

2

VINCI RAILWAYS

The South Europe Atlantic high-speed rail line between Tours and Bordeaux is an emblematic achievement for VINCI and its integrated concession-construction model. With passenger numbers continuing to grow in 2019, the new line confirmed its role as a driver of economic development in the regions it serves.

1



SOUTH EUROPE ATLANTIC HIGH-SPEED LINE

During its second full year of operation, the South Europe Atlantic high-speed rail line (SEA HSL), designed, financed, built and operated by VINCI and its partners under a concession contract running until 2061, carried more than 20 million passengers. On average, 85 trains a day run on the line, which connects Bordeaux and Paris in two hours and boasts a 97% regularity rate. At the SEA HSL socioeconomic observatory meetings in February 2019, LISEA, the concession company and a VINCI Concessions subsidiary, presented an interim review on completion of the first 18 months of operation. Alain Juppé, mayor of Bordeaux, and Alain Rousset, president of the Nouvelle Aquitaine regional council, took the opportunity to highlight the positive impact of the high-speed line on the attractiveness and economic development of the Bordeaux urban area and the region, both in terms of tourist numbers and the arrival of new companies. In addition to the sharp growth in interaction between Paris and Bordeaux, the creation of the high-speed line has also led to a 10% increase in regional express train (TER) traffic in Nouvelle Aquitaine.

Commercial development of the line continued in 2019, with Thalys opening a new direct summer link connecting Bordeaux and Brussels in just four hours. Furthermore, the twinning of the Bordeaux Saint Jean and London St Pancras railway stations in October 2019 marked an important step in the plan to create a direct cross-Channel link.

Technical maintenance of the line to particularly stringent standards of safety and reliability is handled by MESEA, a 70%-owned subsidiary of VINCI Concessions. The company pursued its strategy of using innovation to drive performance by developing new digital tools for processing track geometry data (SEA Cloud), real-time monitoring of incidents and management of technician and machinery movements (TIME application).

In its environmental management of the line, LISEA continued to implement compensatory mitigation measures in partnership with government services, environmental non-profits, scientific experts and farming sector stakeholders. These measures, which are unprecedented in their scope, concern 350 sites covering a total of 3,800 hectares along the line. They bring together owners, farmers and organisations responsible for the conservation of natural spaces to collaborate closely in order to adapt cultivation methods to the ecological requirements of protected species. Some 223 such species have been identified around the line as a whole.

1
Along the 302 km of the Tours–Bordeaux high-speed line, 800 wildlife crossings have been built.

2
The first section of the right-of-way public transportation line in Martinique links Fort de France to Lamentin.

3
With the GSM-Rail ground-to-train telecommunications system, most of the French rail network now has access to safer and more effective technology.

An environmental observatory created at the start of the concession monitors avoidance and offset measures and consolidates the data gathered to provide feedback, in liaison with partner organisations. In parallel, since 2012, the LISEA Biodiversity Foundation and the LISEA Carbon Foundation have supported almost 200 local projects aimed at preserving and enhancing the environment close to the infrastructure.

RHÔNEXPRESS

Built and managed by a joint venture led by VINCI Concessions, Rhônexpress is the first light rail shuttle dedicated to airport to city-centre transport in France. It carries passengers between the Lyon – Saint Exupéry Airport, managed by VINCI Airports, and the Lyon Part Dieu railway station in under 30 minutes. Almost 11 million people have used it since it was brought into service in 2010, with passenger numbers rising by almost 6% in 2019. The high user satisfaction rate (90% in 2019) reflects the utility and reliability of this rapid link. Rhônexpress also stands out for its high level of service, which includes an onboard agent tasked with providing passenger information, free Wi-Fi, and distribution of water on very hot days. Among the innovations, VINCI Airports and Eelway teamed up to provide a luggage service, enabling airport passengers to travel to the centre of Lyon without their bags, which are sent directly to their final destination. Last year, in partnership with Atlantide, Rhônexpress also launched a first onboard game for smartphones – "Reconnexion" –, which is free, designed specifically for passengers and requires only a simple browser.

GSM-RAIL

By acquiring the 10% stake held by TDF, the Group bolstered its positions in Synerail, a company now 70% owned by VINCI Concessions and 30% by SFR. Under a public-private partnership contract with SNCF Réseau, Synerail first deployed and now operates the Global System for Mobile communications – Railways, or GSM-Rail. This wireless telecommunications standard, for the ground-to-train link on the national rail system, is improving network performance and safety compared to the former analogue technology. The deployment works were carried out primarily by VINCI Energies. As of 2018, the system covers the full scope of the contract, i.e. 16,000 km of track.

In 2019, Synerail and SNCF Réseau used the same technology to set up a new cross-border alert system that improves interconnection between the French, Belgian and Luxembourg networks.

2

3

RIGHT-OF-WAY PUBLIC TRANSPORTATION IN MARTINIQUE

Under a public-private partnership contract, Caraibus, a VINCI Concessions subsidiary, built the new right-of-way public transportation system in Martinique and is in charge of its maintenance until 2035. The line was brought into service in August 2018.

VINCI STADIUM

VINCI Stadium welcomed 99 events and almost 2.2 million(*) spectators in the network's four venues. Also in 2019, the Stade de France renewed its tradition of producing music events.

Soccer accounted for 80% of the events and 60% of the spectators that the VINCI Stadium network welcomed in 2019. This high percentage partly reflects the presence of resident clubs – in three of its four stadiums – but also the many additional events scheduled as part of last year's soccer programme.

In addition, the Stade de France renewed its tradition of producing music events with the Rockin'1000 concert. On 29 June, 1,000 amateur musicians and rock fans selected from a video casting performed in front of 50,000 spectators, and the stadium already plans to host the 2020 edition. On 19 September 2020, 17 years after it was last performed at the Stade de France, the venue will once again feature the opera Carmen, with Roberto Alagna, Aleksandra Kurzak and Béatrice Uria-Monzon, accompanied by the Île de France National Orchestra.

Activity at each of the four stadiums is described below.

- **THE STADE DE FRANCE (SAINT DENIS)** welcomed over 1 million spectators at 19 events, including three France rugby team matches, the final of the Top 14 rugby competition, five French national soccer team matches, the final of the Coupe de France soccer competition, one motorised sports event and eight concerts.

- **THE MATMUT ATLANTIQUE (BORDEAUX)** attracted almost 533,000 spectators at 28 events, including 18 French Ligue 1 matches, two Coupe de la Ligue soccer games, one Coupe de France soccer match and a friendly played by resident soccer club FC Girondins de Bordeaux. It also hosted a French women's national soccer team match, a Top 14 Union Bordeaux-Bègles rugby match, the two Top 14 semi-finals, and concerts by Ed Sheeran and Muse.

The first Ligue 2 match, on 27 July 2019, between Le Mans FC and RC Lens at the MMArena.

- **THE ALLIANZ RIVIERA (NICE)** brought in almost 385,000 spectators at 27 events, including 20 French Ligue 1 matches played by its resident soccer club OGC Nice, six Women's Football World Cup matches and a French national rugby team match in the run-up to the 2019 Rugby World Cup in Japan.

- **THE MMARENA (LE MANS)** welcomed over 207,000 spectators at 25 events. The stadium doubled its attendance figures in 2019 thanks to promotion to Ligue 2 of its resident club Le Mans FC, with 10 third-division fixtures, 10 French Ligue 2 games, two Coupe de la Ligue matches and a Coupe de France match. The MMArena also hosted a French national under-21 soccer team match and an electronic music concert.

(*) Tickets distributed.

OUTLOOK

VINCI's concessions and public-private partnerships are expected to continue to grow in 2020.

Growth will mainly be driven by VINCI Airports, boosted by full-year revenue from London Gatwick Airport, along with organic growth of the other airports in operation. Operating on both a global and local scale, VINCI Airports will draw on the resources of its network worldwide to support each airport in the growth of its own business. VINCI Highways' motorway business outside France will benefit from the opening of recent infrastructure, as well as traffic growth in most of the countries where it operates. Rail business, operated by VINCI Railways, will be able to leverage the attractiveness of the South Europe Atlantic high-speed rail line, which has been growing steadily since it opened.

Further traffic growth is expected on VINCI Autoroutes' motorways in France, a network that is essential for mobility throughout French regions and for the development of national and cross-border trade within the European Union. Investment will remain high, with the worksites operating on the western Strasbourg bypass, and under the motorway stimulus plan and motorway investment plan.

VINCI will continue to deploy its integ concession-construction business mo both in programme management – w programmes associated with the airp concessions in Chile, Serbia and Portu and motorways in France, Germany a Colombia – and growth. VINCI's strate combines building new infrastructure over existing concessions and acquiri concessions, will focus primarily on th and motorway sectors, as in many cou these types of infrastructure are incre being privatised and coming under pu private partnerships. Implemented co and resolutely for many years, this str aims to bring a fresh dynamic to the C concession portfolio while expanding geographical footprint and extending portfolio's average maturity.

Taking the same long-term appr VINCI pledges to make a positive contribution in all its Concessions b to the local communities in which it infrastructure and users are based. Mindful of this objective, the Group develop its partnerships with region authorities and innovation policy, fo particular on new digital applicatio mobility experience. VINCI will act t promote sustainable mobility by red environmental footprint of its infras and by fostering the transition to m low-carbon mobility.

CONTRACTING

VINCI ENERGIES
EUROVIA
VINCI CONSTRUCTION

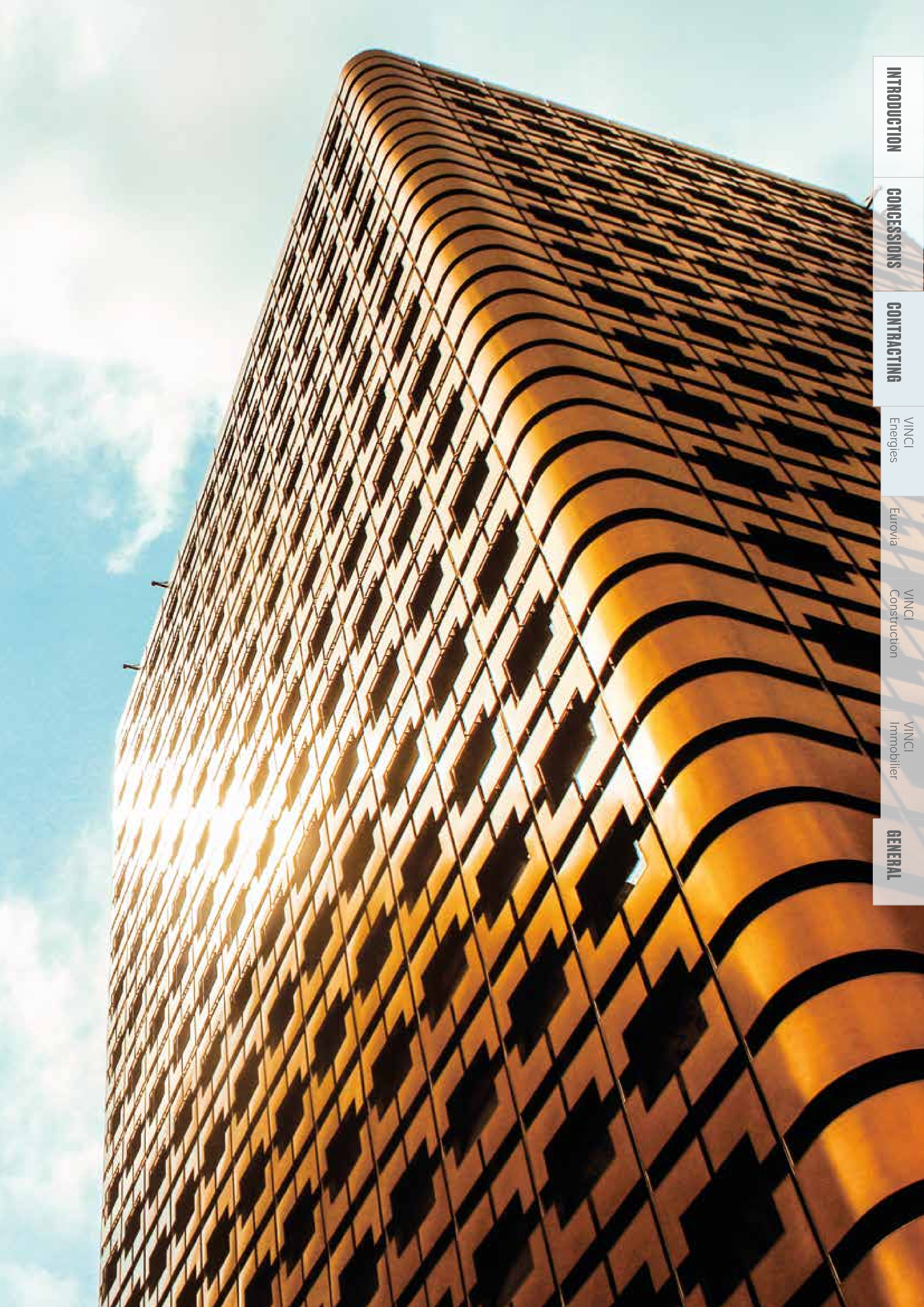
The Contracting business brings together an unrivalled array of expertise in energy and information technology, road and rail works, and building and civil engineering. With more than 3,100 business units and nearly 200,000 employees in some 100 countries, VINCI Energies, Eurovia and VINCI Construction are among the world leaders in their sectors and carry out more than 290,000 projects every year.

VINCI ENERGIES

TOWERS IN ABIDJAN

RENOVATION

In 2019, VINCI Energies completed the modernisation of more than 38,000 sq. metres of office space in Abidjan's administrative district, where towers A and B dated from the 1970s. Teams from Cegelec Côte d'Ivoire, working in synergy with their counterparts from Cegelec Maroc, took on all the works packages involving utility fluids (air conditioning, plumbing, smoke extraction) and installed a building management system (BMS) that remotely coordinates each building's technical installations (alarms, meters, controls, temperature settings, etc.). This data can be used to trigger preventative maintenance, monitor each installation's status or generate operating statistics.




Heiligenstadt
U4
Floridsdorf
Leopoldau
U1
Michelbeuern AKH
U6
Elterleinplatz
Arne-Carlsson-Park
Frankhplatz
Rathaus
Neubaug.
Volks-theater
Museums-quartier
U5
Karlsplatz
Pilgram-gasse
Reinprechts-dorfer-straße
Matzleinsdorfer Platz
Simmering
U3
Gußriegel-straße
Wienerberg
U2
Oberlaa

VIENNA METRO
NEW STATIONS

Cegelec City Solutions Vienna (VINCI Energies) is working on the huge project designed to extend the Austrian capital's metro system, subject to tight restrictions on underground construction works in the city centre. Its teams are in charge of the cabling and electrical systems for nine new stations on the extension to Line U2 and the new Line U5, which will be the Vienna U-Bahn's first fully automated line. This project will provide additional interconnections between the U-Bahn and the S-Bahn (suburban rail network), enabling new routes that will shorten journey times.

In a constantly changing world, VINCI Energies focuses on connections, performance, energy efficiency and data to fast-track the rollout of new technologies and support two major changes: digital transformation and the energy transition. With their strong regional roots, agile organisational structure and innovative drive, VINCI Energies' 1,800 business units in 56 countries are making energy, transport and communication infrastructure, factories, buildings and information systems more reliable, safer, more efficient and greener day after day.

For VINCI Energies, 2019 was another year of expansion, the result of brisk external growth and solid organic growth. It is now carrying out more than half its activity outside France, and benefited from positive trends in each of its business activities.

Following a very buoyant year in 2018, VINCI Energies' growth continued in 2019, as revenue rose 9.1% to €13.7 billion. At constant scope, growth came in at 5% thanks to strong momentum in European markets and increasing activity in the rest of the world. Drawing on its culture, management model and capacity to integrate acquisitions, VINCI Energies continued to roll out its external growth strategy. Thirty-four new companies with combined full year revenue of €800 million joined the business line to enhance its expertise in each of its business activities. These new business units, together with the major acquisitions in recent years, have given VINCI Energies a firm foothold in the United States and Singapore, and expanded its existing positions in Germany and Northern Europe. VINCI Energies' growth strategy combines strong local presence and wider networks, with most of the newly acquired business units joining one of its brands. This strategy, which allows the company to step up its development on the European and overseas markets where the growth potential remains significant, enabled VINCI Energies to generate 55% of its revenue outside France in 2019.

1

2

1
Actemium is designing a new automatic pipe welding system for a specialist making steel parts for mobile cranes, enabling the manufacturer to optimise every step in the process.

2
Improving the reliability of the Swedish national electrical grid to make it more weather-resistant and minimise downtime and power cuts.

INFRASTRUCTURE

Revenue in this segment totalled €3.9 billion (up 15%) in 2019.

In energy infrastructure, VINCI Energies continued to grow in markets driven by the energy transition, renewable energies and smart grids. Under the Omexom brand, which specialises in this area, VINCI Energies now operates in 36 countries worldwide.

— **IN POWER TRANSMISSION AND DISTRIBUTION GRIDS,** activity again increased in France, the business line's longest- standing market. With strong positions in every segment of this market (engineering, substations, overhead and underground power lines, monitoring and control), VINCI Energies continued to work for public transmission and distribution system operators RTE and Enedis to modernise their grids and digitalise their equipment. Upstream of this electricity transmission and distribution chain, VINCI Energies business units worked on the extensive programme to reinforce the interconnection between the French and British grids (IFA2 project). Downstream, they worked on numerous contracts with local authorities to maintain their distribution grids.

Elsewhere in Europe, the main projects and contracts won included: in the United Kingdom, construction of new electricity transmission infrastructure in Scotland (160 km of lines); in Sweden, reliability upgrade of the national electrical distribution grid to make it more weather-resistant; and in Norway, renovation of operator Hafslund Nett's high voltage network in the Greater Oslo area. In the rest of the world, activity remained buoyant in West Africa – with large projects in Senegal (contract to reinforce the national electricity transmission and distribution grid) and Côte d'Ivoire (electrification of 28 municipalities), and in Brazil (new high voltage lines in the states of Pará, Bahia and Rio Grande do Norte). In the Gulf states, VINCI Energies renewed its contract to maintain operator GCCIA's extra-high-voltage overhead lines. In Asia-Pacific, it is upgrading and maintaining grids for operators in Indonesia, Australia and New Zealand under recurring contracts.

— **IN RENEWABLE ENERGIES,** VINCI Energies benefited from the sector's growth thanks to its broad spectrum of activities. These mainly involve the connection of wind or solar farms and the reconfiguration of transmission and distribution grids to accommodate these new sources of electricity. It worked on numerous energy transition projects in Germany (reinforcing high voltage lines for transmission of wind energy), Brazil (lines connecting wind farms) and France (connecting the future Saint Nazaire and Yeu–Noirmoutier offshore wind farms). The business line is also designing and setting up solar farms, such as those built to serve isolated areas in Senegal *(see box, page 83)*; in Brazil, on islands near the Tucuruí dam in the Amazon rainforest; and in France, at Mouterre sur Blourde in the Vienne department. In Belgium and the Netherlands, VINCI Energies strengthened its position in the market for photovoltaic systems by acquiring the specialist company Izen.

— **IN URBAN LIGHTING AND EQUIPMENT,** activity increased in France (Citeos brand), thanks to expansion in the energy performance markets, with 17 new contracts of this type signed in 2019. VINCI Energies manages 1.6 million light points, 4,700 traffic light intersections and 1,500 cameras in France. It also supplies similar solutions, combining reduced energy consumption with the fine-tuning of lighting networks, outside France. The major contracts involved the cities of Oslo (operation and maintenance of 70,000 light points, half of which are remotely managed), Auckland (north and west areas) and Canberra. Also in the Australian capital, it implemented a hypervisor, a single management platform for lighting systems that gathers data from 80,000 light points, which has simplified lighting management while reducing the city's operating budget.

— **IN THE NUCLEAR SECTOR,** activity remained particularly strong in France, due to EDF's Grand Carénage refit programme, which aims to extend the lifespan and enhance the operating safety of the country's fleet of nuclear plants. VINCI Energies business units also worked at the Alternative Energies and Atomic Energy Commission (CEA) Marcoule site (nuclear ventilation) and for the ITER experimental project at the Cadarache research centre (constructing heavy doors for the biological containment of the fusion reactor). Lastly, in Belgium, VINCI Energies is helping ensure three nuclear reactors in the Tihange and Doel power stations remain standards compliant, to prolong their operational lifetime.

In transport infrastructure, activity is being driven both by the expansion of urban public transport networks, with extensive works related to construction of new lines, and by the modernisation of road transport infrastructure. This was particularly true of the Greater Paris area. VINCI Energies is working on the extension of RER Line E (Eole) and, as part of the Grand Paris Express programme, will be creating the whole electrical architecture of the future Line 15 South, which will be 35 km long and run entirely underground.

Through its Mobility Crossway offer, VINCI Energies is developing advanced solutions for mobility systems (signalling, flow management, safety, etc.). These have been implemented on numerous tramway lines in France (Nice, Caen and Toulouse), Belgium (the Société des Transports

In Melbourne, 55,000 lights have been fitted with LEDs to reduce the Australian city's electricity bill.

1.6 million

light points managed by VINCI Energies in France through its Citeos brand under energy performance contracts with local authorities.

Intercommunaux de Bruxelles' new tram depot) and Luxembourg. In Sweden, VINCI Energies is providing maintenance services on the Stockholm North railway network, along with technical equipment for two new underground stations for the Västlänken under Gothenburg. In the road sector, these mobility solutions were implemented in the tunnel at Neuchâtel in Switzerland, and to provide the Walloon region of Belgium with a new traffic management system.

VINCI Energies is at the heart of developing electric mobility. Its leading positions in the European market for charging infrastructure have been reinforced by new contracts, in Germany with Porsche to roll out and maintain high-power charging stations in 20 European countries, and in France to expand and operate a network of nearly 1,000 charging points in Brittany. As part of their contracts with operators Ionity and E.On, VINCI Energies and VINCI Autoroutes, through their joint subsidiary Easy Charge, are setting up ultra-fast charging stations across the French motorway network.

Lastly, in the airport sector, VINCI Energies handled the renovation of electrical installations and systems at the airport in Salvador de Bahia, Brazil, part of VINCI Airports' modernisation programme.

INDUSTRY

Activity in this sector continued to grow (6% to €3.9 billion), driven by acquisitions during the year (12 companies joined the Actemium network, which now operates in 40 countries) and upward trends in all industrial markets. VINCI Energies combines solutions and services suited to each production process, delivered by specialist subsidiaries, with multi-technical and multi-site solutions, delivered by Actemium business units. This approach promotes optimal market coverage, whether that involves working with high-volume customers on their various sites around the world, or increasing core business activity by forging close relationships with customers in each local market or industrial site, for example to provide maintenance services on their installations.

As it is positioned as a technology integrator for its customers, Actemium is attuned to two major issues facing the industrial sector, which generated a growing number of projects in 2019. The first concerns improvements in environmental performance, an issue that Actemium addresses by developing eco-efficient solutions and services that reduce the energy consumption and carbon footprint of a production site throughout its life cycle. The second concerns leveraging digital technologies to enhance all industrial activities. Here, Actemium draws on the dedicated expertise of Axians to provide solutions that optimise its customers' organisations and production systems.

For instance, the emergence of predictive functionality, powered by artificial intelligence, is bound to considerably transform the way industrial assets are designed, operated and maintained.

Against this background, and thanks to a good level of industrial investment, activity has increased in most of the sectors in which VINCI Energies operates. The year's major contracts were:
- in the automotive sector, with Volkswagen in Germany and Renault in France (adapting lines for electric vehicle production and robotisation), Daimler in France (new unit at its site in Hambach), PSA in Algeria (assembly shop for a new factory in Oran) and Ford in Spain (battery assembly for electric vehicles);

PROVIDING RENEWABLE ENERGY FOR AFRICA'S ISOLATED REGIONS

In Senegal, to bring electricity to isolated areas and reduce their reliance on the fossil fuels used in thermal power plants, Omexom's teams built and commissioned seven hybrid power plants with total output of 2 MWp. These autonomous sites (three of which were designed for possible connection to the national grid) allow optimal use of solar and thermal energy, prioritising the former and in some cases adding the flexibility of electricity storage. An interconnected 23 MWp photovoltaic power plant was installed in Diass, east of Dakar, to help power the capital city.

- in chemicals, with DSM in the Netherlands (analysis of production data with a view to improving processes), Inovyn in Sweden (new chlorinated products factory in Stenungsund) and Solvay in France (modernisation of its production site in Dombasle);
- in food processing, automation of a new Mars Petcare factory in Thailand and a seed plant for the Unéal agricultural cooperative in France;
- in pharmaceuticals, creation of a vaccine production facility for Pfizer in Belgium;
- in the paper industry, engineering and installation of a new cardboard packaging machine for BillerudKorsnäs in Sweden;
- in the defence sector, comprehensive maintenance of infrastructure and the industrial process at three Nexter sites in France;
- in the space sector, operation and maintenance of Ariane and Soyuz payload preparation and launch facilities in Kourou, French Guiana;
- in water treatment, replacement of electrical and automation equipment in one of the drinking water production units at the plant at Choisy le Roi, south of Paris.

In the oil and gas sector, buoyant maintenance activity offset declining investment in new installations to keep revenue stable. In the upstream (production) segment, VINCI Energies renewed major contracts with ExxonMobil in Nigeria (a four-year extension of the maintenance contract at the Usan offshore field) and with Total in the Republic of the Congo (for the Likouf floating production unit, Moho Nord project). It also worked on the new Gallaf project in Qatar (development of the Al Shaheen field) and the Zinia 2 development project offshore Angola (installing monitoring equipment for the nine new wells tied to the Pazflor floating production, storage and offloading vessel). In Brazil, the agreement with Petrobras covering heavy maintenance of offshore and onshore platforms was extended to include its Rio de Janeiro Petrochemical Complex. In the downstream (refining) segment, VINCI Energies renewed substantial contracts with its long-term customers and handled the migration of all piping systems at a major refining site in France.

BUILDING SOLUTIONS

VINCI Energies develops integrated solutions combining engineering and works with maintenance and operations to cover the entire building life cycle. In 2019, this activity increased by 8% to €3.5 billion, driven by strong demand and external growth. Following the acquisition of Wah Loon Engineering in Singapore in 2018, international expansion continued with the takeover of Bosman Bedrijven in the Netherlands. In France, several recent acquisitions have further enriched VINCI Energies' expertise in its core businesses (electrical and HVAC engineering) as well as niche specialities (connected building solutions and office development).

— **ENGINEERING AND WORKS** benefited from major commercial projects in the Grand Paris programme, often in synergy with VINCI Construction France. In this market, VINCI Energies is leveraging its ability to take on all technical works packages for increasingly complex projects and to meet ever higher requirements in terms of energy performance, connectivity and user comfort. Its business units have been entrusted with technical works packages for the new DUO buildings and the HEKLA tower, which exemplify the Grand Paris programme's architectural vision. In the Hauts de Seine department west of Paris, they are also working on restructuring the Kupka building in La Défense, on construction of l'archipel, VINCI's future head office in Nanterre, and on the Symbiose project in Bagneux. They are also involved in the WaVE and To-Lyon projects developed by VINCI Immobilier in Lille and Lyon respectively. Outside France, the main projects were: in Luxembourg, the Infinity building complex with a total floor area of 33,000 sq. metres; in Sweden, the 22-storey Quality Hotel Mölndal; in Morocco, the Royal Mansour Casablanca hotel and the OCP Group's regional headquarters in Ben Guerir, two ongoing projects in partnership with VINCI Construction; and in Singapore, data centres built for Equinix, China Mobile and Amazon Web Services.

— **IN MAINTENANCE AND FACILITIES MANAGEMENT,** activity also continued to grow. In this market, business units under the VINCI Facilities brand deliver solutions and services that combine multi-technical maintenance, as an extension to the projects completed by the construction business units, and global facilities management solutions. Drawing on its own expertise and on specific tools developed by its Building Data Factory, such as the Hypervision interface, VINCI Facilities is meeting its customers' expectations with regard to digitalisation of services, energy management and optimised management of building spaces. Its solutions are implemented within its multi-site contracts, for example the one awarded by MAIF for its entire French property portfolio, which encompasses more than 200 sites in metropolitan and overseas France. Other major contracts were won or renewed in France with SNCF (multi-technical maintenance of 149 business properties and social housing buildings in northern and eastern France, and of 625 industrial and rail sites in central France), Occitanie regional authorities (72 buildings), Grands Chais de France (80,000 sq. metres of buildings), Viparis for five event and exhibition venues in and around Paris (Espace Champerret, Paris Expo Porte de Versailles, Paris Le Bourget, Paris Nord Villepinte and Hôtel Salomon de Rothschild) and the Centre Hospitalier de la Polynésie Française in Pirae. Lastly, Opal, VINCI Facilities' hospitality management business unit, has increased its revenue fivefold in two years.

Outside France, VINCI Facilities is especially active in Morocco, Belgium and Germany, and in the latter two countries won a new contract for the maintenance of some 40 schools for the United States Armed Forces.

STATISTICS AND ENERGY RENOVATION OF BUILDINGS WITH HELIOS EXCHANGE

To work with customers on energy renovation projects in their buildings, VINCI Energies has devised Helios Exchange, an integrated platform that analyses and manages data to assess projects, run scenarios and support the production stage. It can also estimate the cost of works, calculate performance risk, and monitor and verify actions taken. The tool thus suggests solutions by combining economic analysis and energy performance gains.

INFORMATION AND COMMUNICATION TECHNOLOGIES

VINCI Energies' ICT activity increased again in 2019 (6% to €2.4 billion) as a result of strong external growth. Twelve new business units, representing full year revenue of €260 million, joined its dedicated Axians brand network, boosting its expertise in areas such as telecommunications infrastructure, cybersecurity and data analytics. Over the past three years, acquisitions have generated additional revenue of €600 million in this activity. VINCI Energies is now a major European player in ICT, operating in 23 countries, with 66% of its activity outside France. The sector offers numerous opportunities for further growth, through consolidation and the emergence of new solutions and services.

Activity remained solid in France and Germany, Axians' two main markets, but also in the Netherlands, Belgium and Switzerland. In all its markets, Axians' integration expertise meets growing customer demand for solutions that combine infrastructure, networks, services and data processing. Data is the key factor shaping its solutions and services, with Axians collecting, transporting, structuring and protecting the data that is now vitally important to companies and other organisations, and rendering it actionable. Axians' expertise also fosters vertical business solutions created in synergy with other VINCI Energies brands, given the increasing role of digital technology in the operation of energy and transport infrastructure, factories and buildings.

To strengthen its expertise, VINCI Energies acquired the Dutch company Koning & Hartman in 2019.

There was robust growth in activity linked to telecommunications infrastructure, both in the wired sector with fibre-optic rollout and upgrades to local authority and operator networks, and in mobile infrastructure as 5G-related operations ramp up. Axians is thus playing an active role in France's national high-speed broadband plan, namely in connecting 750,000 homes in 27 administrative departments by 2022 and working with the leading operators on the rollout and maintenance of their networks. The acquisition of the Sysoco company enabled it to grow its position in the promising market for critical-response mobile networks, which support ultra-secure communications for fire brigades, civil protection services, airports, railways, etc. Axians also installed 4G infrastructure in some 30 metro and suburban railway stations in the Greater Paris area, and fibre-optic cable on several Grand Paris Express projects.

In Germany, with the acquisition of OFM, Axians stepped up cooperation with Deutsche Telekom on the operator's new wired and mobile network projects, including fibre-optic and radio equipment rollout in stadiums, tunnels and urban infrastructure. New contracts were also won in Poland, for implementation of a 600 km optical fibre network connecting 68 schools and 11,000 homes in the south of the country; and in Qatar, for upgrade of the telecommunications network belonging to Kahramaa, the country's water and electricity company.

Axians also applied its wide range of expertise to a variety of projects in other ICT sectors. In France, it completed implementation of new data storage infrastructure for Sanofi, overhaul of the Nouvelle Aquitaine region's supercomputers, and creation of an audiovisual system for VIP areas in Saint-Gobain's future headquarters in Paris (auditorium, boardroom, committee rooms) using a dedicated IP network. In Italy, it completely equipped three Virgin Voyages cruise ships (telecommunications and data infrastructure, video surveillance, Wi-Fi, etc.). In the Netherlands, it set up a unified digital platform for operation management in the Port of Rotterdam *(see page 8)*.

CONNECTING HOMES
TO HIGH SPEED BROADBAND IN GERMANY

OFM, which joined the Axians network in 2019, is working with Deutsche Telekom to roll out optical fibre and high-speed broadband internet in Germany. A pilot project connected more than 6,000 homes and businesses in the towns of Hildburghausen and Bad Staffelstein, bringing them internet access at speeds of up to 1 Gbit/s. OFM has developed a method to dig trenches and lay cables five times faster than standard construction techniques, at a 20% lower cost.

For the Italian city of Vicenza, Axians manages a 24/7 network control room that monitors data and forecasts requirements for technical work.

OUTLOOK

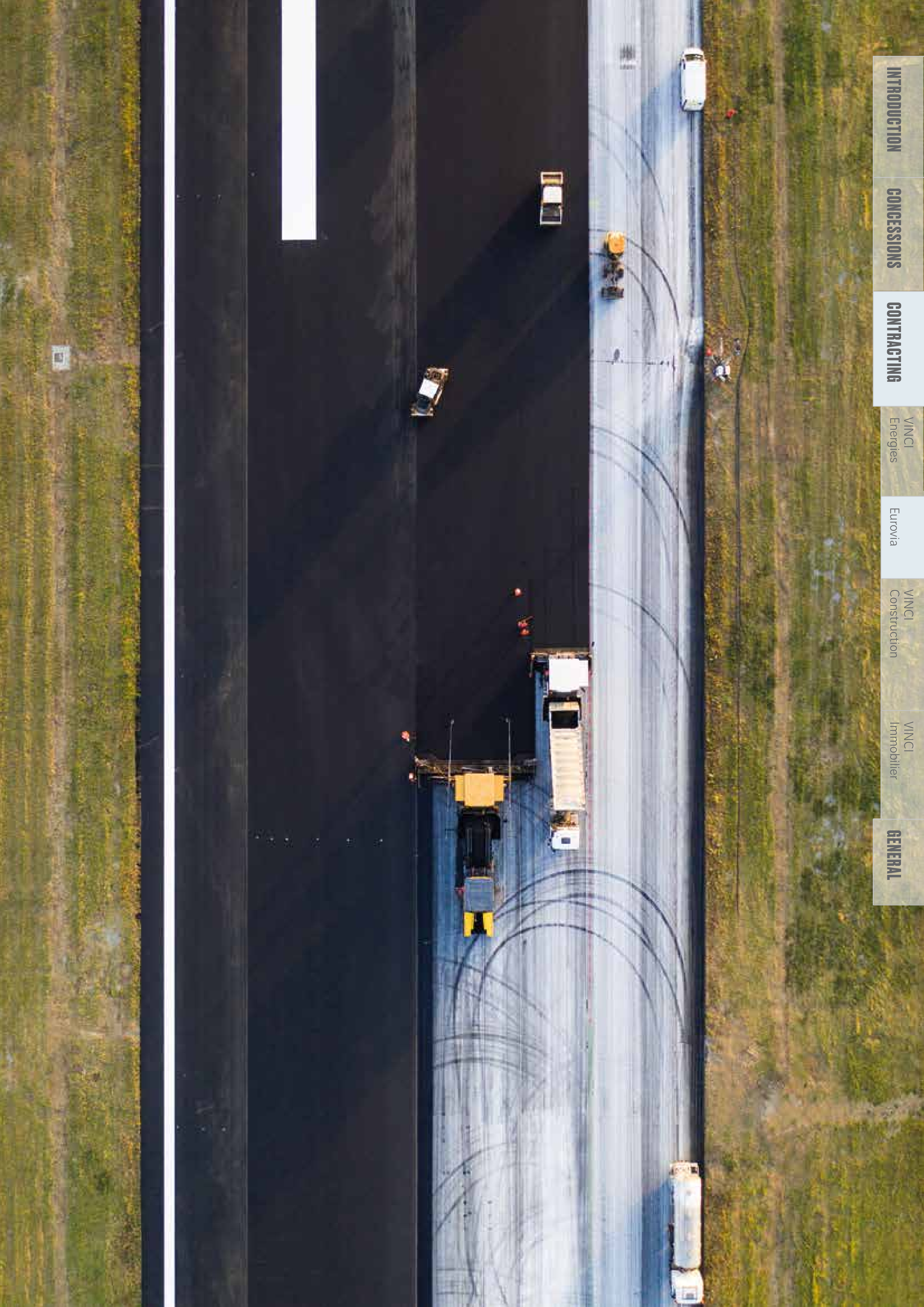
VINCI Energies' order books at end-2019 suggest further organic activity growth in 2020, and recent acquisitions will boost that growth. Leveraging its management model and integration expertise, VINCI Energies will continue its policy of profitable, long-term growth. The objective is to optimise coverage of its markets in Europe and the rest of the world, while also expanding its expertise in each of its business activities. This will step up VINCI Energies' ability to implement solutions that are both local and global, and tailored to its customers' needs, by interlinking its 1,800 business units and brand networks.

In all its markets, VINCI Energies will gain from buoyant long-term trends that are already reflected in its range of solutions and services and its projects.

In energy infrastructure, diversification in power production methods and the growing prominence of renewable energies will require reconfiguration of existing equipment in developed countries, while emerging countries will push ahead with their programmes to expand access to electricity. The energ transition will also gain ground in industrial and other buildings, as they strive to shrink their carbon footprint w solutions that combine economic with environmental performance.

At the same time, advances in digi technologies (artificial intelligence, ne data analysis and processing tools, 5G rollout, etc.) will drive continuous transformation of energy, transport an communication networks, and of industrial processes, workplaces and urban spaces.

VINCI Energies has long been committed to the energy transition an digital transformation, and has the abi to respond, on a large scale, to growin demand from its customers and the w community regarding environmental protection. VINCI Energies will step up position as a technology integrator wi the capacity to implement the most efficient and sustainable solutions.



EUROVIA

AUTONOMOUS VEHICLE
AND ROAD MARKING

Following more than a year of research, Eurovia filed a patent in 2019 for an autonomous road marking machine. Once the geodetic survey has been conducted, the data is transmitted with centimetre accuracy to the vehicle, which is guided by a geolocation system. The driver no longer steers the vehicle and simply maintains the speed at 8 km/hour to either set a point every 4 or 5 cm in one or several lines to pre-mark the roadway or to directly perform the final road marking operation. The new autonomous solution eliminates arduous manual marking and enhances safety of operations, which often entail a risk for worksite employees due to the simultaneous movement of machinery or the proximity of vehicles when traffic continues to flow.


SIGNATURE
C-LINERS


C-LINERS
METZ-NANCY

GERMANY

HIGH-QUALITY REFURBISHMENTS

In 2019, Eurovia teams in Germany completed the development of the esplanade adjacent to the Bauhaus Museum in Weimar, Thuringia, which involved comprehensively replacing road infrastructure and urban installations over an area of 9,500 sq. metres. Sanded coloured asphalt mix was laid and natural stone paving was installed. A "plaza within the plaza" was also created with high-quality dolomite marble slabs and bronze edges.

As a partner of cities and regions, Eurovia develops solutions that improve mobility and strengthen community ties. In designing, building and maintaining transport infrastructure and urban projects, it applies an innovation policy focused on green growth to help reduce the environmental impact of its works and materials production. Eurovia operates in 15 countries across Europe and North and South America and employs more than 45,000 people.

Eurovia's revenue increased substantially in 2019, driven by organic growth and acquisitions, with the business line leveraging its wide-ranging expertise and its networks' local roots in markets buoyed by growing demand for mobility and a large number of urban development projects.

Following a 10% increase in 2018, Eurovia recorded even stronger growth (14.3%) in 2019, with revenue exceeding the €10 billion mark (at €10.2 billion). Acquisitions – primarily that of Lane Construction's industrial and roadworks division in the United States, now Eurovia's largest market after France, in December 2018 – accounted for half of the increase. Organic growth was steady both in and outside France.

15

is the number of countries in which Eurovia operates, including the United States which is now the business line's largest market after France.

Keeping pace with the major trends in its markets, Eurovia's expertise encompasses all types of mobility infrastructure (motorway and highway networks, railways, metros and light rail, "soft" mobility) as well as a broad range of urban development works and related maintenance services (roads, utility networks, equipment and green space management, heritage enhancement).

Along with revenue growth, income again improved, exceeding the sector's profitability standards. As part of its drive to continuously improve its performance, Eurovia moved to a new stage in its strategic Building Together plan. This involved spelling out the rules and operating procedures applied by all business units around the world, in each of the business line's four activities – Works, Industries, Aggregates and Maintenance services – and its cross-functional domains, first and foremost including health and safety, ethics and the environment. Management and employees are involved in implementing this all-round performance programme. To expedite the process, a new digital ecosystem developed within the E-Cube programme will be rolled out starting in 2020. It will ultimately connect all parts of the company and boost productivity by facilitating team operations on the ground.
The all-round performance objective is particularly relevant to the environmental aspects of Eurovia's

TOWARDS THE "PERPETUAL" QUARRY

Carrières et Ballastières de Normandie, the regional leader in recycling of building and civil engineering deconstruction products, has acquired an industrial facility that is unique in France for its site at Tourville la Rivière. Based on a new process in which inert waste is washed and recycled, the facility produces sand and gravel that can directly replace virgin materials. Earthworks materials previously considered waste and used to fill quarries undergoing redevelopment can now be recycled at a rate of 70%.

DISSEMINATION OF EUROVIA'S HIGH-RECYCLING-RATE TECHNIQUES

Eurovia's new high-recycling-rate process to renovate roads (the "fully recycled road"), initially trialled on the VINCI Autoroutes network, was used in 2019 on road sections in three French departments (Charente, Charente Maritime and Vienne). The use of a new type of mobile mix plant set up near worksites made it possible to recycle 70% of planings – from roads where the maximum recycling rate had never exceeded 50% – and use them in the new surfacing.

1

activities. The innovation policy prioritises development of green growth solutions. Two recent innovations rolled out during the year are cases in point. One, the Power Road® process, which enables the road to capture thermal energy, was implemented at seven French and other European sites, for example to remove snow from pavements, heat buildings and pre-heat swimming pool water. These applications confirmed the viability of the technology *(see page 9)*. The other is pavement renovation with very high recycling rates. Following a first-ever trial on a motorway in 2018, the process was applied on departmental highways in western France in 2019, reaching recycling rates of 70% *(see box, page 95)*. Alongside these major technological breakthroughs developed at its international research centre in Bordeaux, Eurovia encourages its operating entities to engage in participatory innovation and disseminate best practices via the dedicated Eureka platform.

In addition to works, the green growth programme covers materials production and recycling. With annual production of recycled materials at 11 million tonnes, accounting for 13% of the total, Eurovia continues to make progress and ranks among the leaders in recycling of materials from building and civil engineering. It has a network of 150 dedicated facilities, affiliated in most cases with quarries so as to apply integrated circular economy solutions that reduce the use of natural mineral resources. Similarly, progress in recycling techniques paves the way for "perpetual quarries" operating without virgin mineral deposits *(see page 95)*. In a move to reduce the environmental impact of its quarries during and after their operation phase, Eurovia began working in 2012 with France's Natural History Museum to carry out biodiversity surveys of its sites, draw up conservation plans and then implement them with local conservation groups.

At end-2019, following recent acquisitions and operating permit renewals for existing quarries, Eurovia's aggregate reserves totalled 3.1 billion tonnes (Eurovia share).

EUROPE

FRANCE

Revenue again increased sharply (8.8% to €5.5 billion), primarily as a result of organic growth. Leveraging its network of local divisions and its operations across the entire mobility infrastructure and urban development sector, Eurovia took full advantage of the resumption of investment by local and regional authorities, particularly in the run-up to the 2020 municipal elections, following budget cuts over most of the past decade.

Against this backdrop, activity was strong in all areas of activity.

2

85 km

is the total length of Transilien and RER network lines in the Greater Paris area, refurbished by ETF in one year without impacting daytime train traffic.

– IN ROADWORKS, Eurovia began widening the A61 motorway and refurbished a 68 km section of the A62 between Toulouse and Montauban on the VINCI Autoroutes network. The main national and departmental highway projects were: transformation of the RD36 in the Essonne department into a multimodal thoroughfare; development of a new section of the RD1 in the Vaucluse department; safety upgrade of a cliffside highway (RD914) between Cerbère and Banyuls sur Mer in the Pyrénées Orientales department; construction of the southern link in Haguenau in the Bas Rhin department; construction of the Mogneville bypass in the Oise department; and development of the Palissy roundabout in La Roche sur Yon in the Vendée department.

Eurovia divisions also carried out numerous road maintenance projects, in a growing number of cases using the Recyclovia® process to recycle existing pavements, which reduces the amount of new aggregates used in surface renovation. They also took part in building bicycle paths in the Bouches du Rhône department between the municipalities of Saint Andiol and Mollégès, and in the Pyrénées Orientales department in the Côte Vermeille hills.

Lastly, Eurovia won a contract to refurbish streets in 17 municipalities within the Dunkerque urban community in northern France over a four-year period.

– IN URBAN DEVELOPMENT, Eurovia also had a particularly busy year. The main projects included development of the Place Tourny in Bordeaux, Gironde department; public spaces in the Feydeau neighbourhood of Nantes, Loire Atlantique department; the Boulevard de la Plage in Carnac, Morbihan department; the Place des Justes in Nancy, Meurthe et Moselle department; the Quais de l'Ill in Strasbourg, Bas Rhin department; the Avenue Paul Ricard in Rouillac, Charente department; the city centres in Audruicq, Pas de Calais department, in Charbonnières les Bains, Rhône department, in Marines, Val d'Oise department and in Erstein, Bas Rhin department; as well as work on the construction of the Louvre Lens Museum's conservation centre in Liévin, Pas de Calais department.

– IN URBAN MOBILITY, Eurovia builds light rail lines in synergy with its local divisions (roadworks, utility realignment, development of public spaces) and its subsidiary ETF, which specialises in rail works. Activity in this segment was especially buoyant in the Greater Paris area. Eurovia continued work on the major Tramway Line 9 project between Porte de Choisy in Paris and Orly Ville under a contract that includes facade-to-facade development and construction of uninterrupted bicycle paths along the 10 km of the line. It also won several works packages for the Tramway Line 10 construction project in the Hauts de Seine department. In other French regions, Eurovia continued or completed work on several light rail lines in Nice, Saint Étienne, Caen, Bordeaux and Lyon, and upgraded a busway in Nantes to accommodate electric vehicles.

– IN RAIL WORKS, in addition to the light rail lines mentioned above, Eurovia took part in the extensive railway line upgrade project in the Greater Paris area, working closely with SNCF Réseau, the French rail infrastructure manager. As part of this programme, ETF developed a suite rapide system specifically for work in densely populated areas. This high-efficiency suite rapide is made up of two 600 metre factory trains and able to comprehensively renovate 400 metres of track in a single night. Over a period of one year, 85 km of Transilien and RER network lines have been refurbished without adversely affecting daytime train traffic.

1
In the Greater Paris area, the *suite rapide zone dense* system – a set of two factory trains for use in densely populated areas - can fully replace 400 metres of track in a single night.

2
The development of the Quais de l'Ill river banks in Strasbourg facilitates carbon-free transport, reintegrates green spaces and has enabled the installation of floating pontoons.

In addition, Eurovia installed a new SNCF works base north of Paris and continued to work with Mobility (VINCI Energies) on the multi-year renewal of 180 km of overhead contact lines on RER Line C. In parallel with these major projects, ETF provided a large number of routine maintenance services across the French railway network.

– **IN THE AIRPORT SECTOR,** Eurovia began work on the Toulon Hyères airport upgrade project for VINCI Airports and carried out a number of renovation, runway extension and car park construction works at the Paris-Orly, Saint Nazaire Montoir, Marseille Provence and Rouen Vallée de Seine airports.

– **HARD SURFACE WORKS** for private customers included new logistics sites for Intermarché in Saint Quentin Fallavier in the Isère department, and Stokomani near Compiègne in the Oise department, as well as a leisure centre in Dreux, Eure et Loir department, where redevelopment of an industrial brownfield site will comprehensively reuse demolition waste and materials in situ.

– **LASTLY, THE SPECIALIST SUBSIDIARIES** made the most of buoyant activity in the construction sector. Cardem (asbestos removal, remediation, demolition) worked on the site where the Olympic Village will be built for the Paris 2024 Games and carried out a variety of projects to dismantle abandoned industrial sites, other buildings and engineering structures throughout the country. Signature (road equipment) and its subsidiary Euroliners developed an innovative automated road marking solution *(see page 90)*.

GERMANY

Eurovia's revenue rose 4.6% to €0.9 billion and its Ebit margin held steady at a good level thanks to rigorous, consistently selective order-taking. The market was driven by substantial demand for transport infrastructure upgrades and activity was spread across a large number of projects.

In motorways, the company continued work on the major A7-2 upgrade project involving a 60 km motorway in Lower Saxony, under a public-private partnership won by VINCI Highways in 2017. The project includes widening of the motorway to a three-lane dual carriageway over half of its length.

The other main projects were: construction of the Mackenrode bypass on the B243 federal route in Thuringia; refurbishment of the taxiways at Frankfurt Airport, Germany's largest; installation of high-absorption noise barriers along a railway line in the Duisburg urban area in North Rhine Westphalia; and development of the esplanade adjacent to the Bauhaus Museum in Weimar, Thuringia, using especially high-quality materials (sanded coloured asphalt mix, dolomite marble slabs and bronze edges).

HIGH-PERFORMANCE MATERIALS AND ROAD NETWORK RESILIENCE

In March 2019, Eurovia UK commissioned a new, ultra-modern plant to produce polymer-modified bitumens and emulsions in Thurrock, Essex. These high-performance materials, which improve the lifespan of road surfaces and reduce the carbon footprint of road networks, are now being used in road refurbishment projects in southern England, the London metropolitan area and the counties surrounding the capital.

UNITED KINGDOM

The uncertain political and economic environment did not disrupt activity, which increased 12.1% to €0.6 billion. Eurovia UK generates the bulk of its revenue under long-term maintenance contracts and manages, within joint ventures involving several partners, nearly 55,000 km of roads for local authorities. It won a new seven-year contract of this type in Gloucestershire. Specialist subsidiary Ringway also provides comprehensive road and footpath repair and maintenance services for the Isle of Wight and the London Borough of Hounslow under public-private partnerships, which it manages with VINCI Highways.

The works activity also held steady. Eurovia Contracting was awarded a Highways England contract to renovate road networks in seven counties in eastern England, with work spread over a four-year period. In the airport sector, the subsidiary was selected to provide airside and landside maintenance services at London Luton Airport.

CZECH REPUBLIC AND SLOVAKIA

Activity in the two countries amounted to €0.6 billion.

Strong growth in the Czech Republic was driven by major motorway projects that continued or got under way during the year. In Bohemia, Eurovia CS began renovating a fourth section (Mirošovice–Hvězdonice) of the D1, the country's main motorway. It is also building a new 16 km section of the D11 between Hradec Králové and Smiřice, and a 14.5 km section of the D35 between Časy and Ostrov. On these two projects, the subsidiary is also in charge of building about 40 engineering structures. As part of a joint venture, Eurovia CS, which also operates in the railway sector, won two contracts with a combined value of €180 million to renovate a total of 15 km of lines on the outskirts of the Prague urban area.

In Slovakia, volume shrank following the completion of the D1 motorway and Košice tramway projects.

POLAND

In a sluggish market, Eurovia Polska continued its policy of selective order-taking, deliberately scaling back its revenue (€0.2 billion). The subsidiary completed construction of the Szczecinek bypass in Middle Pomerania along the S11 motorway; continued refurbishment of an 8.5 km section of national highway 77 in Subcarpathia and began work on the bypass projects in Dynów (also in Subcarpathia) and Podłęże in the Krakow urban area. It also carried out urban development projects in Szczecin, Western Pomerania, and in Bielsko Biała, Silesia.

BALTIC STATES

Eurovia's revenue rose substantially (15.9% to €0.2 billion) in Lithuania, Latvia and Estonia following the acquisition in 2018 of the Estonian company TREV-2 Grupp. Operating in materials production, works and road maintenance, the company won a new five-year contract to maintain national highways in the central Estonian county of Jõgeva. The subsidiary maintains a total of 4,340 km of roads – i.e. 26% of the Estonian road network – under multi-year contracts. In Latvia, Eurovia won the contract to renovate an 11 km section of regional highway P30 linking the cities of Cēsis, Vecpiebalga and Madona.

SPAIN

Continuing its recovery following a lengthy downturn, Eurovia España increased its revenue by 16.6% to €0.1 billion. It generates a large share of its revenue under road and street maintenance contracts. In Madrid, for example, the company resurfaced 60 streets and avenues across three eastern districts.

Lastly, Eurovia divested its Viarom subsidiary in Romania during the year.

AMERICAS

UNITED STATES

Eurovia substantially expanded its operations in the United States with the acquisition of Lane Construction's industrial and roadworks division in December 2018. As a result of this acquisition and of strong organic growth in 2019, revenue increased nearly 150% to €1.1 billion. The company's longstanding operations in Florida, with its subsidiary Hubbard, and in North and South Carolina with its subsidiary Blythe have now been extended to Texas and six states along the east coast, and its materials production capacity has been boosted with the addition of some 40 asphalt plants and a network of quarries producing over a million tonnes of aggregate per year. By the end of 2019, the integration of the new teams and introduction of a new unified organisational structure had made considerable progress, facilitated by cultural and managerial similarities.

The year's main projects were: in South Carolina, renovation and widening of 32 km of the I-85 interstate highway as part of a series of projects that have been under way in Spartanburg

Widening project on Florida State Road 417, a toll expressway forming the eastern bypass around Orlando.

and Cherokee counties for several years; in North Carolina, construction of two additional lanes along I-485 (a toll expressway and a free high-occupancy vehicle lane) over a distance of 26 km and rehabilitation of a 7.7 km section of I-77 in the Charlotte urban area; in Florida, widening of a 10 km section of State Road 417, a toll motorway that forms the Orlando bypass.

CANADA

Volume increased more than 14% to €0.6 billion, with the business environment varying from one province to another.

– IN QUEBEC, business activity increased sharply, reflecting both the buoyant roadworks market and the integration of the Pavages Chenail and TNT companies taken over in 2018. These acquisitions enabled Eurovia Québec to expand its network of divisions to cover 10 regions of the province and to substantially increase its reserves of aggregates and other roadworks materials. In Laval, near Montreal, the TNT quarry alone produces over a million tonnes of crushed rock and recycled products every year.

Eurovia Québec's main projects included the start of the renovation of a further section of the James Bay Road in an extension of work carried out along the same highway in 2018.

– IN ONTARIO, Eurovia, VINCI Construction and other partners were selected to carry out the major O-Train light rail extension project in Ottawa, the country's capital. The contract, which has an overall value of €1.7 billion, covers construction of 27.5 km of infrastructure to the west and the east of the existing Confederation Line and also includes 12 km of motorway widening works.

– IN ALBERTA, where the business environment was difficult, volume at Carmacks held up thanks to the major Regina Bypass motorway project in the neighbouring province of Saskatchewan. As leader of the construction joint venture and the local partner of VINCI Highways in the public-private partnership, Carmacks played a key role in building the infrastructure, which was officially opened in October 2019. The construction works, involving 61 km of highway, 12 interchanges and 33 engineering structures, were completed in just four years. Carmacks is now in charge of maintaining the infrastructure together with VINCI Highways for the duration of the contract, which ends in 2049.

In addition, the subsidiary took part in widening work on the ring road around Edmonton, the capital of Alberta, and won a seven-year contract to repair and maintain a 46 km urban motorway in Greater Calgary.

– IN BRITISH COLUMBIA, activity remained virtually stable. Subsidiary BA Blacktop was particularly busy in the city of Chilliwack, east of Vancouver, where it completed several projects, including refurbishment of an interchange and streets, and won a new contract to widen and refurbish three urban roads.

CHILE

Despite political and social unrest at the end of the year, revenue held steady at a high level (€0.2 billion). The Bitumix subsidiary notably carried out rehabilitation and extension works on the main avenue in the city of Antofagasta.

In another development, rail works subsidiary ETF boosted its operations in Chile, where it won the contract awarded by the national railway operator to supply and replace switches and crossings on regional lines around Santiago and on the Valparaíso metro network. As part of a joint venture with Colas Rail, ETF has been taking part for several years in the extension of the Santiago metro. Several contracts are under way, covering construction of Line 2 and Line 3 extensions, and maintenance of the full metro network.

OUTLOOK

The order book, which increased from the previous year, suggests that volume will hold steady despite a high comparison level and following the major acquisition in the United States. Eurovia's ongoing priority is to further improve operational performance and earnings by applying the strategic plan that has steadily boosted its profitability over the past several years.

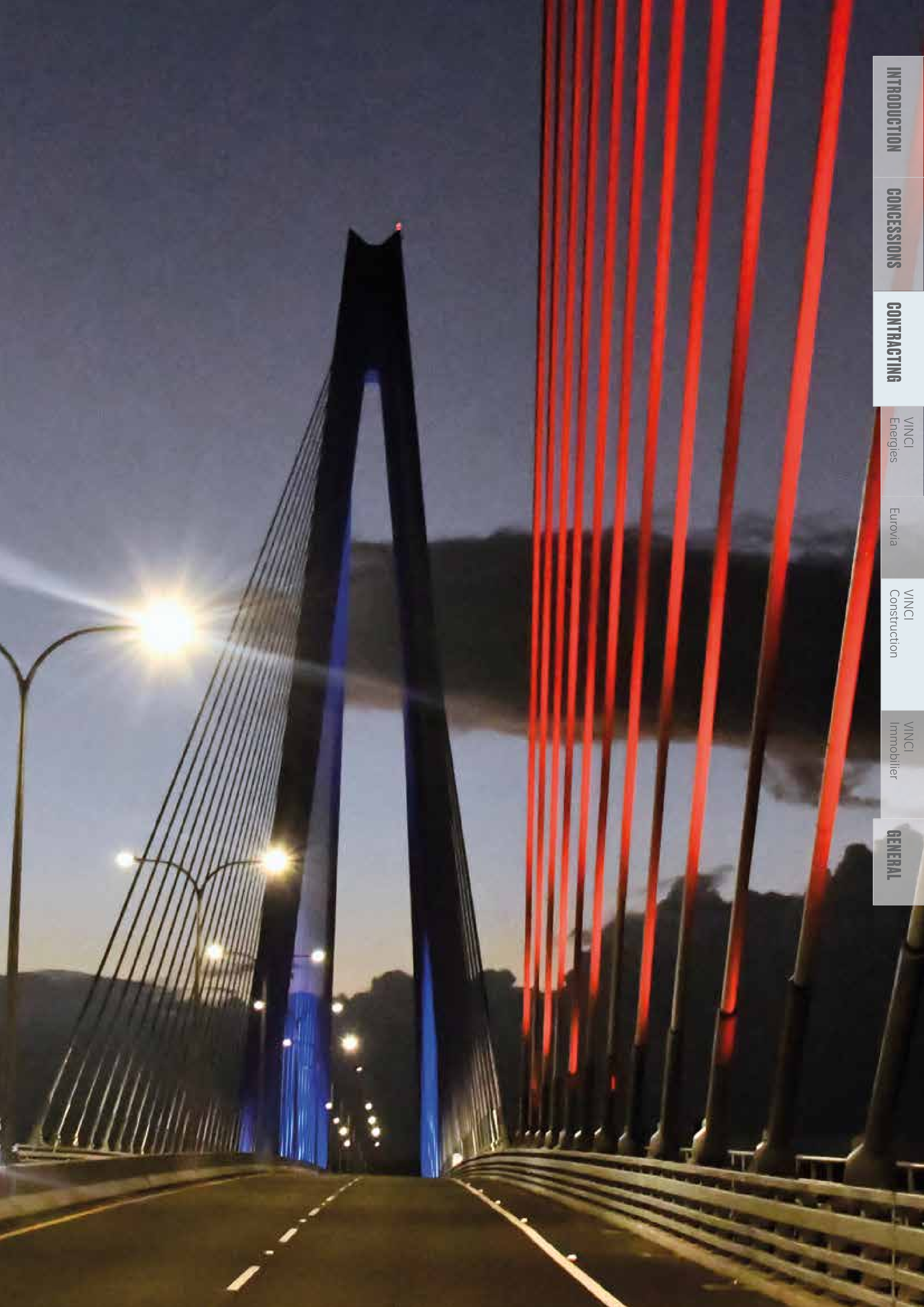
In France, Eurovia expects a cyclical slowdown in orders placed by local authorities, which generally follows municipal elections, but it will continue to benefit from ongoing demand for modernisation and maintenance of mobility infrastructure and urban equipment. Business activity is expected to remain buoyant in the Greater Paris area, as projects related to the Grand Paris programme and 2024 Olympic Games ramp up. In the other French regions, national railway renovation programmes will boost activity in rail works.

In the other European markets, Eurovia will benefit from recurring investment in transport infrastructure upgrades, driven in Germany by budget surpluses, in Central Europe by the European Union's Cohesion Fund, and in the United Kingdom by multi-year road maintenance contracts.

In the Americas, Eurovia will complete introduction of a unified organisationa structure in the United States followin the acquisition of Lane Construction's industrial and roadworks division.

Thanks to its greater resources anc broader geographical reach, Eurovia w gain access to further infrastructure projects on the east coast, following o from the major motorway programme its long-standing markets in Florida ar North and South Carolina. Growth is al expected to continue in Canada, driver the buoyant market in Quebec and the major contract won in synergy with VINCI Construction to extend the Otta light rail network in Ontario.

In all its markets, Eurovia will builc its innovation momentum to step up t rollout of circular economy techniques and processes designed to reduce the environmental impact of infrastructur works and related industrial activities. The company's growing expertise in recycled materials and its expanding network of sites producing and using them will consolidate its leadership in this field.



VINCI CONSTRUCTION

A NEW ENTITY
DEDICATED TO 3D CONCRETE PRINTING

VINCI Construction founded Concreative within its Freyssinet subsidiary in 2019. The new entity, dedicated to 3D printing of high-performance concrete, was incubated by Leonard, VINCI's forward-looking innovation platform. In the first phase of its development, Concreative opened a design-build unit in Dubai in response to the United Arab Emirates' goal of becoming a world-class 3D printing centre within the coming decade. Using an original technology patented by startup XtreeE, in which VINCI Construction is a partner, Concreative builds structural elements – which can be very large – and architectural components such as decorative panels and furniture. The Dubai unit has, for example, designed and manufactured a seven metre high floating staircase using a combination of 3D printing and prestressing – itself a breakthrough technology when Eugène Freyssinet invented it in the 1930s, which was then perfected by his company over the years.


FOUNDRY PLUS 2
CONCREATIVE

ITER

NUCLEAR FUSION RESEARCH

On schedule in November 2019, VINCI completed the civil engineering works for the building that will house the ITER tokamak at the Cadarache centre in southern France. ITER is an international research project focused on nuclear fusion for power generation, which requires temperatures on the order of 150 million degrees Celsius. To build the outsized research facility, teams from the VINCI-led consortium have set up an agile organisation to accommodate design changes requested by the ITER scientific teams as the project proceeds. Construction of the 73 metre high, 120 metre wide tokamak building required the formulation of highly specific concretes that can screen out radiation generated by the fusion reaction.

VINCI Construction, a global player and leading European building and civil engineering group, employs more than 72,000 people and comprises 800 companies operating on five continents. It designs and builds structures and infrastructure that address the issues facing today's world – the ecological transition, population growth and demand for housing, mobility, access to healthcare, water and education, and new recreational facilities and work spaces. VINCI Construction marshals its expertise, innovative drive and team engagement to support its customers in a changing world.

VINCI Construction recorded a good increase in volume, while continuing to apply its selective order-taking policy.

After three years of slight growth, VINCI Construction's revenue increased 4.9% to €14.9 billion, almost entirely as a result of organic growth recorded primarily in the subsidiaries operating in France, Africa and Oceania and in Soletanche Freyssinet's specialist activities. Order intake was also buoyant, particularly for major projects outside France that met the selective criteria designed to target the opportunities that create the most value. Throughout the design-build value chain, the business line maintained its productivity drive. However, as a result of the shortfall of activity in the oil and gas and waste recycling sectors, and of sporadic difficulties encountered on a number of projects in France and abroad. Operating income remained virtually stable in absolute terms.

VINCI Construction's organisational structure, which rests on three complementary pillars – network of local subsidiaries, Major Projects Division and specialist activities – covers an exceptionally wide range of expertise, geographies and working methods. Its business and management model fosters both the local roots of its companies in their regions and markets and synergies between them, especially in projects calling for large volumes of resources and diverse expertise. Cases in point are the large Grand Paris rail infrastructure projects, on which more than 1,000 employees from VINCI Construction companies are working, and a number of major projects under way or won in 2019 outside France.

1

VINCI Construction also structures its expertise in ranges of solutions and services focused on specific types of structures (Plendi for prestige buildings, Hycare for the hospital sector), expertise (Arbonis for timber construction, Equo Vivo for

2

ecological engineering, ActivSkeen for building-integrated photovoltaics, Remea for soil remediation, Steeleom for metal building frames, Sixense for digital solutions applied to construction and infrastructure, Resallience for projects that enable local and regional authorities to boost their resilience in response to climate change) or innovative materials and technologies. In 2019, Freyssinet set up Concreative, a new company dedicated to 3D printing of high-performance concrete, which was incubated by Leonard, VINCI's forward-looking innovation platform. A new brand will be launched in 2020 to cover low and very low carbon concrete.

NETWORK OF LOCAL SUBSIDIARIES

VINCI CONSTRUCTION FRANCE

With competition still strong in the French building and civil engineering market, VINCI Construction France generated revenue of nearly €5.9 billion, up 5.3% from the previous year, and continued to endeavour to improve profitability by tightening order-taking selectivity and making the most of its production capacity. Activity, which varied widely from one region to another, was particularly buoyant in the Greater Paris area, where the company generated nearly half its revenue.

In the building segment, which accounts for almost two-thirds of revenue, business was brisk in Greater Paris and other major urban areas, especially in large office building projects.

West of Paris, the company continued work on the Trinity and Saint-Gobain towers and Origine & Nouvelle Vague mixed-use programme in La Défense, and on l'archipel, VINCI's future head office, in the new Les Groues district of Nanterre. Also in La Défense, it started work on the Hekla tower and several refurbishment projects (Emblem, Litwin, Aurore and Kupka buildings). In Paris, the main projects were the construction of the DUO buildings as part of the Paris Rive Gauche urban renewal programme and refurbishment of the future head offices of Altarea Cogedim and CCI Paris Île de France. North of Paris, VINCI Construction France handed over the first phase of the Docks programme and began work on the Stories business campus in Saint Ouen sur Seine.

In other French regions, the main projects started or handed over were the To-Lyon tower in Lyon for VINCI Immobilier in the Part Dieu district, which is currently undergoing renewal; office programmes in Mérignac for Dassault and in the Euratlantique business district in Bordeaux; new regional head offices for Orange in Nantes and Crédit Agricole in Clermont Ferrand; several buildings in the Novaxud eco-district in Le Mans; the new Village La Poste within the Colbert post office building in Marseille; the La Passerelle building in Laxou near Nancy; and the PGB 123 building in Nîmes.

VINCI Construction France also worked on several key urban transformation projects: in Aubervilliers, the new 64,000 sq. metre Condorcet campus, Europe's largest humanities and social sciences university complex; on the Saclay plateau, construction of the 65,000 sq. metre Agro Paris Saclay campus and the École Normale Supérieure, a total of 12 buildings; in Cap d'Agde, the Iconic programme, including the four circular buildings and landscaping that will enhance the outskirts of the city alongside the Casino, handed over in 2018, and the Palais des Congrès convention centre, inaugurated in April 2019.

In other building market segments, the main projects completed, under way and contracted are the following:

- Healthcare: the new AP-HP head office at the Saint Antoine hospital and the neurosciences unit of the psychiatry and neurosciences university hospital cluster in Paris; teaching hospitals in Rennes and Périgueux; the Bahia civil and military hospital complex in Talence, near Bordeaux; the Médipôle medical centre in Villeurbanne; the Drôme Vivarais hospital centre in Montéléger; the Rossetti motor rehabilitation institute in Nice; and the Sainte Marie hospital centre in Privas.
- Education and research: three middle schools in the Seine Saint Denis department (Aubervilliers, Drancy and Noisy le Sec) under public-private partnerships; the Simone Veil school complex in Joinville le Pont; the Wenov campus in Lille; the Centre de Promotion des Métiers de l'Industrie (Hall 32) in Clermont Ferrand; the Nantes Atlantique school of design; and the Cité Numérique and the École de Management de Normandie business school in Le Havre.

1
Refurbishment of the 1,000 metre wharf in Kpémé, Togo, used to load ore onto bulk carriers.

2
Construction of a 56 metre high building for the Luma Foundation in Arles, an outsized project using BIM.

- Culture: the Museum of Biodiversity and the Environment of Orléans; the Musée des Beaux Arts in Dijon; the Luma Foundation in Arles; the La Méca creative economy and culture centre and the Palais 2 l'Atlantique exhibition centre in Bordeaux; the Domaine de Bayssan park in Béziers; and in Paris the Cité de l'Économie (Citéco) and a museum complex encompassing the Musée de la Libération de Paris, Musée du Général Leclerc and Musée Jean Moulin.
- Shopping centres: CAP3000 in Saint Laurent du Var, Ikea in Nice, L'Aire du Temps (Phase II) near Bordeaux, Frunshopping Carpe Diem in Pollestres, and Lillenium in Lille.
- Sports and recreation: Roland Garros stadium upgrade in Paris; Cité des Sports in Issy les Moulineaux; Jean Lucien Vazeille complex in Vélizy Villacoublay; Raoul Fonquerne aquatic centre in Sète; several rooms in the Georges Pompidou sports centre in Montauban; the Aqualud aquatic complex in Bergerac; an aquatic complex in Reims; the Barberousse aquatic and sports complex in the Grand Dole urban community; and the AS Monaco soccer team's performance centre in La Turbie.
- Hotels and luxury residences: the new La Samaritaine complex, the Bvlgari hotel (with Plendi) and 25hours Terminus Nord hotel in Paris; the Innside by Meliá, Hyatt Place and Hyatt House near Paris-Charles de Gaulle Airport; the Hilton Garden Inn in Massy; the Lily of the Valley in La Croix Valmer; the Hélianthal by Thalazur in Saint Jean de Luz; the Nuée Bleue in Strasbourg; the Vista La Cigale in Roquebrune Cap Martin; the Club Med Palmyre Atlantique resort near Royan; and the 26 Carré Or and Testimonio II in Monaco.
- In the residential sector, VINCI Construction France worked on a large number of projects throughout the country across all market segments: student housing (HEC campus in Jouy en Josas, Ynov Campus in Ivry sur Seine, La Fonderie Fine in Choisy le Roi, Simone Veil residence in Annecy, Study Ô in Auzeville Tolosane and Le Fidélio in Toulouse), senior residences (Cité des Aînés in Saint Étienne, retirement homes in Vitry en Artois, Argenteuil and Villebon sur Yvette) and social housing (La Canopée in Nantes, Adoma residence in Marseille, Paul Bourget development zone in Paris). In and around Paris, the company also took part in the construction of housing complexes including UNIC in Paris, Trilogie in Asnières sur Seine, O'Rizon in Gif sur Yvette, Parenthèse in Rueil Malmaison, and Bosquets and Utrillo in Montfermeil; and was involved in the transformation of the Bruneseau district (works package B1A4) in Paris into the capital's first low-carbon neighbourhood. In the French regions, noteworthy projects were residences in the new Aérospace district (Montaudran development zone) in Toulouse; residential programmes Nouvel'R in Nice, 8ème ART and East Park in Marseille, and Cœur Ginko in Bordeaux; and the Jardin au Cœur complex at the site of the former Fischer brewery in Schiltigheim.

1

33,615

projects were carried out by VINCI Construction in 2019.

The civil engineering segment (16% of revenue) was particularly buoyant in the Greater Paris area, driven by Grand Paris metro projects. In synergy with other business line divisions, VINCI Construction France continued work on the new La Défense station and the adjacent tunnels (e-déf Eole-La Défense project), and several other major projects: on Line 15 South, section T3C between the Fort d'Issy Vanves Clamart and Villejuif Louis Aragon stations (8.2 km tunnel, five stations and eight shafts) and section T2D (Noisy Champs station and forward station); and on Line 14 South, the GC02 contract (4.6 km tunnel and new Kremlin Bicêtre Hôpital station).

The other main civil engineering projects were: in the airport sector, Hall 2 at Montpellier Méditerranée Airport, jet bridges at Nice-Côte d'Azur Airport, and the new connecting building and bridge 2 at Paris-Orly Airport; in rail infrastructure, automation of metro Line 4 and cover over railway lines in the 13th arrondissement of Paris, a rail bridge for the Tram 13 Express in Saint Cyr l'École, the Nîmes Pont du Gard high-speed railway station, and several underground stations for the tramway in Nice; in the roadworks sector, construction of the western Strasbourg bypass, upgrades of the A480 and A10 motorways, and development of the Christ de Saclay roundabout in the Essonne department; in the nuclear sector, the ITER project at the Cadarache research centre and

1
As part of the Grand Paris Express programme, tunnel boring machine Allison is creating 4.6 km of tunnels for the southern extension of Line 14.

2
A four-year project at Chase Farm Hospital in Enfield, north of London, to integrate state-of-the-art technologies.

the Epure project at the Alternative Energies and Atomic Energy Commission (CEA) Valduc site; in industrial civil engineering, data centres for Crédit Mutuel in Verlinghem and Orange in Val de Rueil, and buildings for Airbus in Montoir de Bretagne, Renault in Cléon and O-I Manufacturing in Reims; in works designed to combat the effects of climate change, refurbishment of embankments in Cannes and Toulouse, reinforcement of the Nèpes dam, and ongoing replacement of the dams on the Aisne and Meuse rivers.

The utility networks activity (9% of revenue), which primarily involves the water cycle, was spread across a wide variety of projects: drinking water production, water purification and wastewater treatment plants (Angoulême, Bourg d'Oisans, Argenton sur Creuse, Carbonne–Marquefave, Mont de Marsan, Dijon, Persan, etc.); pumping stations and stormwater and storage basins (La Grande Paroisse, Le Port Marly, Nancy, etc.); drinking water distribution (Lyon urban area, Gajan, etc.) and sewerage (Veneux les Sablons, Luc sur Mer, etc.). Projects also involved construction of district heating and fibre-optic networks, notably in Normandy, eastern France and central France.

The specialist subsidiaries (7% of revenue) provided expertise for VINCI Construction France and at the same time carried out their own specific projects. Examples are: in special foundations (Botte Fondations), the 2B Nord complex in Marseille and the ShAKe complex in Lille; in timber construction (Arbonis), the Treed It project in Champs sur Marne and the Santé Publique France (public health agency) head office in Saint Maurice; in aquatic environment works (VINCI Construction Maritime et Fluvial), Port Haliguen in Quiberon, the port of La Cotinière in Saint Pierre d'Oléron and the lock at the Rance tidal power station in Brittany; in metal building frames (Steeleom), l'archipel in Nanterre, the Val d'Essonne Aquastade in Mennecy and the Lillenium shopping centre in Lille; in cleaning, asbestos removal, lead removal and demolition (Neom), several projects in large buildings in Paris and asbestos removal from the decommissioned hulls of first-generation nuclear-powered ballistic-missile submarines; in historic landmark restoration, the Bibliothèque Nationale de France's Richelieu site, the Le Bernascon residence in Aix les Bains, the Château d'If fortress in Marseille, and the Amelot de Bisseuil mansion and Hôtel de la Marine palace in Paris.

The property development segment (3% of revenue), operated by the Adim network, creates value prior to projects and generates a significant volume of work throughout the country. It involved mixed-use and intergenerational urban programmes

2

(Terre d'Émergence and NoLiStra in Strasbourg, Éolie in Lorient, Saint Jean d'Angély in Nice, Acti'City and Iter Vitae in Lille, E-mergence and Nouveau Monde in Bordeaux); office buildings (Open'R in Villeneuve d'Ascq and the new administrative centre in Corbeil Essonnes); recreational facilities, hotels and hostels (Les Clarines hotel and People Hostel in Les Deux Alpes, Trinquet youth hostel in Marseille); housing renovation (Sisters of Saint Joseph cloister in Annecy, military staff school in Compiègne); and new-build construction programmes (Jardins d'Abraxas in Noisy le Grand, Terre Sud in Bègles).

In this segment, VINCI Construction France continued to develop its innovative Primméa range of affordable high-quality housing. The company delivered or completed three new Primméa residences (Filcosy in Tourcoing, Nuances in Vernon and L'EssenCiel in Nancy's Grand Cœur eco-district) and developed some ten projects throughout the country with a combined total of 800 housing units.

VINCI CONSTRUCTION UK

At VINCI Construction UK, revenue rose almost 5% to €1.0 billion, consolidating the recovery of its income following a period of in-depth reorganisation.

The building activity expanded in all regions, especially in north-west England. It was spread across a wide variety of projects: healthcare facilities (Queen Elizabeth Hospital in Woolwich, Chase

Farm Hospital in Enfield, Burnley General Hospital, Brant ward in Lincoln, Royal Blackburn Hospital, coronary care unit at the Royal Preston Hospital, mental health unit at Kingston Hospital); student housing (London, Manchester, Bath, Hull, Swansea, Exeter); schools (Northampton, Macclesfield, Stoke on Trent); commercial facilities (New Covent Garden Market in London, One Central Park and Barton Square in Manchester, Central Park Avonmouth in Bristol, Time Square in Warrington); and hotels and leisure centres (Devonshire Park Hotel, Eastbourne; Fairfield Halls, Croydon; Buxton Crescent building).

The civil engineering activity shrank following completion of several transport infrastructure projects in Greater London (Victoria, Whitechapel Crossrail and White Hart Lane stations) but the decline was partly offset by projects carried out under the Smart Motorways scheme (M4, M6, M20). In addition, VINCI Construction UK – which in previous years was part of the Balfour Beatty VINCI joint venture involved in the first design stages of the HS2 high-speed rail project set to get under way in 2020 – was selected as part of the same joint venture to build the planned Old Oak Common station on the line north-west of London.

The facilities management activity grew more than 20%, as a result of existing contract renewals and extensions (Ministry of Justice, Royal Mail, Shell, Peabody Homes, Sandwell Metropolitan Borough Council, Dixons Carphone, Debenhams, Cancer Research UK) and contracts for new customers (Abellio, Clatterbridge NHS Foundation Trust, Transport for London, British Museum).

The VINCI Technology Centre UK, a benchmark in research and testing in the construction sector, worked with some 300 clients, including EDF under a framework contract covering its nuclear power stations in the United Kingdom.

VINCI CONSTRUCTION INTERNATIONAL NETWORK

Revenue rose 10.5% to €2.7 billion at this division, which brings together the VINCI Construction subsidiaries that serve as general contractors in Overseas France, Europe, Africa and Oceania and cover all construction segments.

Overseas France

Activity held steady at €0.6 billion. VINCI Construction Dom-Tom entities continued their core business activities across all building and civil engineering trades. The main projects of the year were: on Reunion Island, construction of the New Coastal Highway causeways and viaduct, the Sainte Suzanne waste recycling centre, the Félix Guyon hospital complex in Saint Denis and the Casabona complex in Saint Pierre; in Martinique, the transformation of the Victor Schœlcher lycée, a historic school in Fort de France; in French Guiana, a 400-unit housing complex in Saint Laurent du Maroni; in New Caledonia, construction of the territory's largest wind farm in the municipality of Yaté; and in Mayotte, a 240-unit housing programme in Dzaoudzi and work on the drinking water distribution network under a contract extended for a four-year period.

Central Europe

Revenue increased 8.9% to €0.6 billion, with growth across all countries.

- **IN POLAND,** volume held steady at a high level. Warbud took part in some 10 hospital projects and notably handed over the new Krakow-Prokocim hospital, the country's largest, with 925 beds and 24 operating theatres. Warbud is also carrying out three large high-rise construction projects (with heights of 140, 195 and 320 metres) in Warsaw.
- **IN THE CZECH REPUBLIC AND SLOVAKIA,** revenue increased substantially, driven by building activity. The Czech subsidiaries took part in the Prague National Museum renovation project and a historic "rotated" bridge upgrade on the Přovany–Bezdružice railway line. They also built engineering structures on motorway projects carried out by Eurovia in Germany.

Africa

Sogea-Satom's revenue rose nearly 22% to €0.8 billion. The company continued its expansion in East and West Africa and in Morocco, and business picked up in Gabon. In roadworks, which account for about half of Sogea-Satom's revenue, the main projects were the 135 km Lena–Tibati and 106 km Olama–Bingambo highways in Cameroon, the Bouar–Baoro highway in the Central African Republic, the Nouakchott–Rosso highway in Mauritania, the Natitingou–Boukoumbé highway in Benin, and the expressway connecting the international airport with the city centre in Niamey, Niger.

Business was also brisk in water works, with projects involving treatment plants and pipelines designed to improve access to drinking water in Uganda (Kampala urban area), Republic of the Congo (connection of 5,000 households in Brazzaville), Mali (Kabala plant), Senegal (KMS3 project in the Dakar region) and Benin (drinking water supply system in the city of Parakou and its outskirts).

In other activity sectors, the main projects were: in civil engineering, construction of a second bridge in Womey, Benin, and in building, construction of the 20,000-seat Yamoussoukro stadium in Côte d'Ivoire and houses for the Cité de l'Union Africaine in Niamey, Niger.

Oceania

- **IN NEW ZEALAND,** activity increased more than 4% to €0.3 billion. The HEB Construction subsidiary worked on major road infrastructure projects

(Transmission Gully, a 27 km motorway in Wellington; Huntly bypass), and, in a joint venture with Soletanche Bachy, on waterfront renewal and the development of a new urban space in the centre of Auckland in the run-up to the 2021 America's Cup in that city. The company also won a contract to design and build the Manawatū Gorge replacement motorway.
- **IN AUSTRALIA,** volume increased substantially (13% to €0.4 billion) as a result of major highway projects: Bruce Highway Upgrade in Queensland and a new 50 km section of the M4 motorway in New South Wales (between Woolgoolga and Ballina). Subsidiary Seymour Whyte is also working on the Upper Yarra reservoir dam upgrade project in Victoria, designed to improve drinking water supply in the Melbourne region.

MAJOR PROJECTS DIVISION

VINCI CONSTRUCTION GRANDS PROJETS

The company increased its revenue 5.4% to €0.8 billion and recorded all-time-high order intake outside France, confirming its position as a benchmark in its market. It won three contracts worth more than €1 billion in revenue each: in the United States, extension and upgrade of the I-64 highway between Hampton and Norfolk, Virginia (5.3 km of viaducts over the sea and new tunnels, widening of 14.5 km of existing roads); in Canada, in a joint venture with the local Eurovia subsidiary and other partners, extension of the Confederation Line in Ottawa (27.5 km of light rail infrastructure); and in New Zealand, construction of the City Rail Link in Auckland (3.45 km, including 3.2 km of tunnels; three new stations, two of which are underground). Significant new orders were booked for LNG tanks to be built by Entrepose *(see page 116)* and for water works in Asia: the new Bakheng drinking water plant in Phnom Penh, Cambodia, which will serve a population of one million in the capital, and a wastewater treatment plant with a capacity of 34,000 cu. metres per hour in Ho Chi Minh City, Vietnam as an extension of several similar projects under way in both countries.
VINCI Construction Grands Projets handed over: in Panama, the Atlantic Bridge, which sets a world record (530 metres) for a concrete central span on a cable-stayed bridge; in Ukraine, the Chernobyl confinement *(see box, page 116)*; in Qatar, the Red Line South of the Doha metro, the first to be commissioned in the country; and in Egypt, Line 3 (Phase 4A) of the Cairo metro. In France, the company completed civil engineering work on the tokamak building, part of the international ITER nuclear fusion experiment project at the CEA Cadarache centre, and began digging the tunnels

COMMUNITY ENGAGEMENT
ALONGSIDE WORKSITES IN AFRICA

The Initiatives Sogea-Satom pour l'Afrique (Issa) programme supports economic and social development of African regions and local communities by providing micro-economy, health and education projects with a combination of funding and employee sponsorship. Projects supported in 2019 included:
- in Côte d'Ivoire, help with acquiring fishing equipment for an association of young fishermen in the village of Abia Abety (Abidjan);
- in Bouar, Central African Republic, laboratory equipment for a vehicle used to track and screen for HIV, hepatitis and tuberculosis, reaching patients within a radius of about 120 km;
- in the province of Ruyigi, Burundi, purchase of machinery and fitting up of a room as a training centre to teach sewing to young girls who are not in school and are victims of violence;
- in Brazzaville, Republic of the Congo, construction of hangars and purchase of equipment (composters, crushers, tanks, etc.) to create organic agricultural input production units, in conjunction with the NGO Essor;
- in Morocco, connection of 80 households to a drinking water network in the village of Aït Ziri.

INTRODUCTION
CONCESSIONS
CONTRACTING
VINCI Energies
Eurovia
VINCI Construction
VINCI Immobilier
GENERAL

of the Grand Paris Express programme's Line 15 South (section T3C) and Line 14 South (section 2). During the year, tunnelling work also began on the future Rijnlandroute tunnel in the Netherlands, and work for VINCI Airports got under way on the Nikola Tesla Airport renovation and extension project in Belgrade, Serbia, and continued on the airport extension project in Santiago de Chile.

VINCI CONSTRUCTION TERRASSEMENT

The company's revenue rose 24% to €0.4 billion, spread across a wide variety of projects. First, major projects carried out in conjunction with other VINCI Construction and Group entities in France and other countries included the western Strasbourg bypass, the Regina Bypass in Canada, and the Abdelmoumen pumped storage power plant in Morocco, where construction of access roads and facilities in mountainous areas call for 6 million cu. metres of earthworks. In addition, a large number of projects (about 400) were carried out by regional entities in France in the long-standing road and rail infrastructure markets and in the buoyant market for environmentally-focused coastal and inland waterway projects. Examples are the construction and reinforcement of flood-protection dikes in the Charente Maritime department (Île de Ré and Île d'Aix islands) and in Noirmoutier; development of the flood prevention dam on the Serre River at Montigny sous Marle in the Aisne department; restoration of embankments and ecosystems on the Huveaune River (Auriol, Bouches du Rhône department) and the Yvette River (Saint Rémy lès Chevreuse, Yvelines department); and drainage work on a railway embankment along the Rhône River.
Outside France, business was brisk in Germany, driven by VINCI Construction Terrassement's railway (S21 high-speed line) and road (Esslingen interchange, B31 bypass at Friedrichshafen) projects.

DODIN CAMPENON BERNARD

Dodin Campenon Bernard, which specialises in large civil engineering structures, generated revenue of €0.2 billion (up 5.6% from the previous year). A key highlight in 2019 was the company's official launch of operations outside France, mainly in the United States and Canada. In France, its teams focused on underground works projects in Paris (e-déf, Grand Paris Express: Lines 14 South and 15 South), and on building the engineering structures on the future western Strasbourg bypass. They also completed work on the Romanche Gavet underground power plant in the Isère department, EDF's largest hydroelectric project currently under way. As regards innovation, the company rolled out several solutions to improve productivity (Kairos, Chronomet) and set up the Discern company with industrial partners *(see box above)*.

AUGMENTED REALITY
AND CONSTRUCTION CONFORMITY

The Discern company, which originated in a research and development project carried out by Dodin Campenon Bernard, was founded by VINCI Construction and industrial partners in 2019. Discern markets an augmented reality software system designed to overcome the "digital gap" between the design and works phases in construction projects.

The operator uses a tablet or connected glasses to call up the digital drawing and compare it with the as-built project. This makes it possible, for example, to check the conformity of box-outs or utility network installation. The augmented reality system can be used subsequently to support maintenance and operation of connected facilities.

SPECIALIST ACTIVITIES

SOLETANCHE FREYSSINET

Revenue increased 3.2% to €3.3 billion and order intake was again strong, confirming the momentum of the specialist activities sector around the world and the good match between Soletanche Freyssinet's expertise and market demand.

Deep foundations and ground technologies
- **SOLETANCHE BACHY** recorded a slight organic decline in revenue, primarily due to the completion of major projects, but growth in its order book reached a record level.

The main projects completed or ongoing were: in France, the Grand Paris Express (with the tunnelling expertise of specialist subsidiary Bessac) and the extension of the La Rotule quay in the port of Fos sur Mer; in the United Kingdom, the Thames Tideway Scheme's tunnel and shafts in London; in Poland, the foundations of the Trocka metro station in Warsaw; in Morocco, the foundations of the

Mohammed VI Tower, the country's tallest, near Rabat; in the United States, Boone Dam in Tennessee; in Mexico, the University Tower in Mexico City; and in New Zealand, the waterfront renewal project in Auckland. In Asia, Soletanche Bachy completed the final phases of the Orchard metro station project in Singapore and work on Hong Kong International Airport's new runway. In Canada, its subsidiary Bessac won a major contract to build access shafts and tunnels at the Annacis Island wastewater treatment plant in Metro Vancouver.

Soletanche Bachy, which offers cutting-edge innovation capabilities, rolled out the Z-Lyze big data platform on more than 1,000 projects and some 100 machines. The system collects production data in real time to improve worksite supervision. During the year, it also introduced its ForSHORE brand dedicated to port infrastructure.

- MENARD increased its revenue, especially in Oceania and the Americas. Its ground improvement, investigation and remediation solutions were notably applied in France, to clean up an industrial brownfield site in Voiron in the Isère department; in Bavaria, Germany, at the Aicherpark shopping centre in Rosenheim; in Egypt, on the Celia property project, at the site of the new administrative capital east of Cairo; in Canada and the United States, on ground investigations for mining and wind farm projects; in Mexico, on construction of a new oil terminal in the port of Tuxpan in the state of Veracruz; in Malaysia, on a railway line in the south of the country; and in Australia, on construction of a new cruise ship terminal in the port of Brisbane.

Structures

- TERRE ARMÉE recorded a substantial increase in its order book, particularly in North America. In the United States, where the company worked on large road and rail infrastructure projects, two acquisitions bolstered its leadership positions. In Canada, Terre Armée is taking part in the major Metropolitan Express Network in Montreal. The company's expertise in reinforced backfill and soil-structure interaction was also applied in Turkey, on the construction of the İkitelli hospital in Istanbul; in Chile, on the reconstruction of the port of Valparaíso, which was damaged by an earthquake; in India, to protect the banks of the Jia Bharali River; and in the Philippines to extend Clark International Airport on Luzon Island.

- FREYSSINET posted strong growth, especially in France, Australia, the United Kingdom and the United States, and even stronger growth in its order book. The major projects were: in the United States, the start of construction of the Las Vegas Stadium (roof made up of 200 cables of different diameters) and the cable-stayed Kosciuszko Bridge in New York. The company also has projects in Russia (in Blagoveshchensk, over the Amur River); in Hungary (in Komárom); and in Turkey (the 5 km long Çanakkale motorway viaducts). Freyssinet applied its repair and structure reinforcement expertise on the Île de Ré bridge in France, the Ouse Valley Viaduct in the United Kingdom, the Sydney Harbour Bridge in Australia, and the Y Bridge in Vietnam. In a separate development, Freyssinet's new Concreative subsidiary, which specialises in 3D printing of high-performance concrete, opened a large design-build unit in Dubai.

Restoration of ecological continuity along the Yvette River in the Greater Paris area in the wake of repeated flooding.

Nuclear

- NUVIA recorded strong activity in France, where its teams took part in the decommissioning of the Superphénix power plant (opening the reactor vessel), the ITER project (design, supply and construction of the interior gangway supporting the magnets in the tokamak building structure) and the construction of the Flamanville EPR (firestop systems). During the year, it commissioned the Epure project (the French-British radiography facility at the CEA's Valduc site), the company's largest-ever project. In the United Kingdom, where Nuvia finished dismantling the stack at the Sellafield reprocessing unit, volume declined in a sluggish business environment. It expanded, however, in the other markets, notably as a result of projects in Canada (new radiation protection service contract for Bruce Power), Ukraine (radiation measuring systems at nuclear waste storage sites), Bolivia (client support during construction of a nuclear research centre) and Sweden (radiation protection in the oil and gas industry), where Nuvia expanded by acquiring the engineering division of the Elajo company.

Expertise and digital solutions for construction and infrastructure

- SIXENSE continued to expand its innovative digital solutions and services with the development of Beyond, its infrastructure life cycle platform. Developed in partnership with IBM, Beyond is currently being rolled out on a broad scale by VINCI Autoroutes as part of its Full BIM project. Elsewhere, Sixense's proven expertise in structural and geotechnical monitoring and in engineering structural safety systems was brought to bear in a large number of projects in France (related to the Grand Paris Express programme) and abroad, including the Hong Kong International Airport extension and the construction of tunnels in Australia (Melbourne metro) and Canada (Highway 401 in Toronto).
Against a backdrop of urban concentration and land-use densification, Sixense continued to develop its innovative Sissterra solution, a non-invasive subsoil modelling system that helps ensure safety and optimise worksites.

ENTREPOSE

Revenue decreased 16% to around €0.6 billion, primarily as a result of low volume at Entrepose Contracting (oil and gas infrastructure) due to protracted under-investment in the sector, and at VINCI Environnement (waste recycling) in a tough market for environmental services. Order intake was nevertheless brisk for both companies. Entrepose Contracting won two new contracts together with VINCI Construction Grands Projets to build liquefied natural gas tanks in Canada (one 225,000 cu. metre tank) and on Russia's Yamal Peninsula (two 160,000 cu. metre tanks) in an extension of the first project carried out at the same site in recent years. In Switzerland, VINCI Environnement is set to build the future Cheneviers IV waste treatment and recycling plant for Services Industriels de Genève.

At Spiecapag (pipelines), 2019 was a transition year, as the major Trans Adriatic Pipeline project (400 km of natural gas pipelines in Greece and Albania) wound down and the 166 km Coastal Gaslink project geared up in Canada. In other Entrepose specialist activities, Geocean (marine and offshore works) completed work on construction of an FSRU (floating storage regasification unit) for Summit in Bangladesh and a fourth terminal for Repsol's La Pampilla refinery in Peru, and began preparatory work on a SWAC (sea water air conditioning) system for the Centre Hospitalier de la Polynésie Française near Papeete. Geostock (underground storage) continued work on a strategic storage facility in the Arabian Peninsula and started work on projects in China, India and Vietnam (construction of two LPG caverns at the Cai Mep site). HDI (horizontal directional drilling) built the onshore connection for a floating wind farm in the Minho region of Portugal.

DISMANTLING THE CHERNOBYL REACTOR
AND SECURING THE SITE

In July 2019, Novarka consortium partners VINCI Construction Grands Projets and Bouygues Travaux Publics officially handed over the Chernobyl confinement to the Ukrainian authorities following 12 years of works involving more than 10,000 workers and technicians. Rigorous execution and innovative methods made it possible to safely complete the outsized project without a single major accident or radiological incident.
The confinement, the largest land-based mobile structure ever built (257 metre span, 108 metre height, 36,000 tonnes with its equipment), will ensure site safety for a century.
It also overarches the damaged reactor and its sarcophagus, making it possible to dismantle them and process the radioactive waste.

OUTLOOK

At end-December 2019, VINCI Construction's order book was up 10% from the previous year, heralding revenue growth in 2020, albeit probably weaker than in 2019. The priority will remain improving margins, notably by applying selective order-taking to bid on the projects that create the most value.

VINCI Construction's equilibrium will continue to rest on two pillars: a number of iconic projects with values exceeding €100 million, and a broad range of projects with lower value (several million euros). In addition, VINCI Construction will build on synergies with the Group's other Contracting and Concessions business lines. It will leverage its research and development to offer new solutions with lower energy consumption and greenhouse gas emissions, as well as lower costs for clients.

VINCI Construction is stepping up the use of low-carbon concrete, furthering its leadership in the area.

Activity is expected to stabilise at VINCI Construction France. The company will build on its expertise and its ability to manage complex operations in the market for major building projects, particularly in the Greater Paris area, and in the transport infrastructure market related to the Grand Paris programme.

Activity of the local subsidiary networks outside France is also expected to hold stea

The Major Projects Division, which won large contracts outside France in 2019, is entering a new multi-year growth cycle. In France, Grand Paris Express projects sho continue to drive its activity.

Continued growth is expected in 2020 in Soletanche Freyssinet's specialist activities which are employed on a wide variety of projects.

Meanwhile, activity is expected to recover a Entrepose thanks to new LNG tank constru and the start of new pipeline projects.

VINCI IMMOBILIER

Consolidated revenue rose nearly 20% to €1.3 billion in 2019. Growth was driven by strong activity in both the residential and business property segments in and around Paris and in France's other large metropolitan areas, as well as in serviced residences. Order intake set a new record at €1.5 billion.

RESIDENTIAL PROPERTY

Reservations held steady at a good level (6,215 units). The increasing proportion of first-time homebuyers offset a decline in en-bloc sales. En-bloc sales to social housing authorities and institutional investors accounted for 33% of reservations. The number of units covered by notarised deeds rose 2%. On a constant structure basis, the Group share of residential sales covered by notarised deeds rose 16% to €1.1 billion, driven by increasing prices, which averaged €218,000 per unit. Senior and student residences, a total of 1,152 units across nine programmes, accounted for 20% of housing unit starts. Other residential starts (5,834 units) included programmes carried out in Massy (234 units) and Saint Ouen sur Seine (311 units) in the Greater Paris area; Marseille (Sainte Marguerite, 201 units); Lyon (Oasis Parc, 375 units); Clermont Ferrand (Les Allées Blatin, 105 units); and Villenave d'Ornon (117 units) in south-west France. The "VINCI Immobilier 4You" offer ensures high-quality service for buyers, including a commitment to pay financial compensation in the event of late handover or failure to resolve snag-list issues within 60 days.

To support expansion in southern France, VINCI Immobilier acquired a 49.9% stake in Urbat Promotion at the beginning of 2019 and will acquire the balance in 2020. Operating in Toulon, Lyon, Marseille, Montpellier and Toulouse, Urbat Promotion generated €147 million in revenue from sales fully covered by notarised deeds (1,069 units reserved and 910 notarised), and was accounted for under the equity method in 2019.

To step up the expansion of land for development, VINCI Immobilier created the City&You platform to serve as an intermediary between land owners and property developers.

BUSINESS PROPERTY

Sales of office buildings doubled to €732 million in 2019. The main projects were the To-Lyon tower at the site of the Lyon Part Dieu railway station (66,000 sq. metres of office space, 3,500 sq. metres of shops and services); two new instalments of l'archipel, VINCI's future head office in the Les Groues district of Nanterre, outside Paris; and several major projects in other French regions: Euralille (works package 10.8) in Lille, Châteaucreux in Saint Étienne, Saint Roch in Montpellier and rue Abraham Bloch in Lyon. Hotel sales (Okko in La Défense near Paris and the future four-star Pullman in the To-Lyon tower) helped drive momentum.

Significant projects were also handed over during the year in Paris (70-room hotel in the rue de Bassano, Axiom mixed-use complex at the Porte d'Italie); Bordeaux (Quai 8.2 programme comprising 29,500 sq. metres of office space, two hotels with a combined total of 237 rooms); and Marseille (Eko Active, in the Euroméditerranée district).

In land development, VINCI Immobilier signed a provisional contract to purchase 123,500 sq. metres of office space to be developed on Seguin Island in Boulogne Billancourt near Paris in partnership with Hines, and acquired a 12,000 sq. metre office building to be refurbished in the rue de Clignancourt in Paris.

To meet the expectations of younger generations and of local authorities, VINCI Immobilier created Bikube, a subsidiary operating coliving residences. Bikube offers a new residential experience centred on communal living and services.

INTERNATIONAL

In Monaco, VINCI Immobilier is working with a Monegasque partner to co-develop the Testimonio II project (150 housing units for the Principality, 50 privately-held units, 1,200 parking spaces and an international school). A new instalment of this programme signed in 2019 covers the addition of 40 housing units to the buildings initially planned and the construction of a further 155 state-owned units in a new building.

In Poland, VINCI Immobilier Polska, a joint property development company set up with VINCI Construction, began marketing two initial housing programmes in the centre and on the outskirts of Warsaw, with a combined total of 144 units.

SERVICED RESIDENCES

Ovelia continued to expand with 12 retirement homes in operation, 14 under construction and 15 in the financial structuring phase. Student Factory opened two new student residences in Bagnolet near Paris and Strasbourg in eastern France, which had been fully rented by the time they were opened, due to their innovative and attractive open and hyper-connected living space concept. This brought the number of student residences in operation to five. Two further residences are under construction and six are being financially structured. In these two high-potential markets, VINCI Immobilier stands out from the competition by offering residences on a human scale with a large number of high-quality services.

Anticipating changes in lifestyles, VINCI Immobilier has designed a new coliving residential concept under the Bikube brand. Initial projects are planned in Toulouse, Montpellier and Lyon.

PROPERTY SERVICES

VINCI Immobilier Property Management and VINCI Immobilier Conseil boosted their revenue by developing services for user companies and landlords.

Lastly, to foster innovation, VINCI Immobilier has set up an investment fund to provide financing for startups operating in the property sector.

OUTLOOK

2020 is expected to be another growth year for VINCI Immobilier, with major projects under way in business property, expanding residential property activity (both in the Greater Paris area and throughout France) and continued growth in the buoyant serviced residence market.

Outside France, ongoing projects in Monaco and Poland will also help drive activity growth.

General & financial elements

Report of the Board of Directors

Contents

A. Report on the financial statements for the year

1. Consolidated financial statements

VINCI broke records in 2019. Business levels grew strongly both in France and abroad, earnings rose again and cash flow was outstanding.

That very good performance was achieved through the hard work of VINCI's 222,000 employees. It confirms the strength of our concession-construction business model and our ability to integrate new companies successfully. The year's main highlight was the acquisition of a majority stake in London Gatwick Airport, the second-largest airport in the United Kingdom and the eighth largest in Europe.

In Concessions, although social unrest in France continued to have an adverse impact in early 2019, VINCI Autoroutes traffic levels recovered strongly at the end of the year and showed firm growth for the year as a whole. VINCI Airports passenger numbers continued to rise for most of the year, but the growth was more limited in the fourth quarter due to several one-off events at certain airports. After integrating its recent acquisitions, VINCI Airports is now the world's second-largest airport operator in terms of managed passenger numbers, and the most diversified with 45 airports in 12 countries.

In Contracting, organic growth was strong in all business lines, both in France and abroad, and order intake also saw firm growth. As a result, the order book hit a new record at the end of the year. These positive developments were accompanied by wider margins, with improvements at VINCI Energies and Eurovia making up for a slight decline at VINCI Construction, caused by under activity in the oil and gas sector.

VINCI took advantage of particularly favourable financial market conditions in 2019. We carried out several transactions to refinance debt on excellent terms, extending the average maturity of our debt, as well as diversifying our funding sources with two inaugural bond issues in sterling and US dollars.

VINCI's consolidated financial statements for 2019 show increases in revenue, Ebitda, operating income, net profit attributable to owners of the parent and free cash flow.

Consolidated revenue came to €48.1 billion, up 10.4% compared with 2018, including organic growth of 5.4%. Acquisitions boosted revenue by 4.6%, while currency movements had a positive effect of 0.4%.

Consolidated Ebitda rose more than 23% to €8.5 billion. It included the €0.6 billion positive impact from the first-time adoption of IFRS 16 "Leases" and equalled 17.7% of revenue.

Operating income from ordinary activities (Ebit) amounted to €5.7 billion, up 14.8% relative to the 2018 figure of €5.0 billion. Ebit margin was 11.9%, up from 11.5% in 2018.

Recurring operating income – including the impact of share-based payments (IFRS 2), the Group's share of the profit or loss of companies accounted for under the equity method, and other recurring operating items – rose 15.8% to €5.7 billion (€4.9 billion in 2018).

Consolidated net income attributable to owners of the parent was €3.3 billion in 2019, up 9.3% compared with 2018 (€3.0 billion). Earnings per share (after taking account of dilutive instruments) rose by 9.3% to €5.82 (€5.32 in 2018).

Free cash flow (after growth investments in concessions) rose by €1.0 billion to €4.2 billion (€3.2 billion in 2018).

Dividend payments and share buy-backs carried out in 2019, net of capital increases, represented a total outflow of €1.7 billion (€1.6 billion in 2018).

Net financial debt stood at €21.7 billion at 31 December 2019, up €6.1 billion year on year, mainly due to VINCI Airports' deal to take control of London Gatwick Airport.
At the end of 2019, the Group also had €15.0 billion of liquidity, consisting of about €6.8 billion of managed net cash and almost €8.3 billion of unused confirmed bank credit facilities.
In 2019, the Group carried out several bond issues and refinancing transactions totalling more than €4.6 billion. Debt repayments during the year amounted to €2.3 billion.

Order intake in the Contracting business (VINCI Energies, Eurovia and VINCI Construction) amounted to €41.7 billion, up 8% compared with 2018. It increased almost 10% in France and more than 6% in other countries, which represented 52% of the year's total.

The order book at 31 December 2019 stood at €36.5 billion, up 10% over 12 months. It was €15.6 billion in France (up 3%) and €20.9 billion outside France (up 16%). The order book increased in all business lines, and represents over 11 months of average business activity in the Contracting business.

1.1 Highlights of the period

1.1.1 Main changes in scope

Concessions

On 13 May 2019, VINCI Airports took control of London Gatwick Airport by purchasing a 50.01% stake. The airport, the second largest in the United Kingdom and the eighth largest in Europe, is owned outright and handled almost 47 million passengers in 2019, with flights to and from around 50 capital cities around the world. It generated revenue of around £850 million in 2019, and employs 3,200 people. That transaction is described in Note B.1.1 to the consolidated financial statements, "Changes in consolidation scope", page 284.

Contracting

VINCI Energies acquired 34 companies in 2019, representing full-year revenue of around €800 million. The main acquisitions are listed below.

- In Germany: Converse Energy Projects, which specialises in designing and carrying out turnkey industrial power distribution projects, and OFM Group in the telecoms infrastructure sector. Those companies generate full-year revenue of €140 million and €80 million respectively, and each employs around 300 people.
- In Spain: Sistem Melesur Energía and Sistem Infraestructuras y Operaciones EPC, major players in the market for power distribution services as well as electricity transmission, transformation and generation, including from renewable sources. Together, the companies generate full-year revenue of almost €140 million and employ 1,700 people.
- In Belgium: IZEN Group, which specialises in installing solar photovoltaic systems in the residential and industrial markets in Belgium and the Netherlands, with annual revenue of €80 million.

VINCI Immobilier

In January 2019, VINCI Immobilier acquired a 49.9% stake in Urbat Promotion, a specialist homebuilder operating in the south of France.

1.1.2 Highlights in the Concessions business

VINCI Airports

On 8 January 2019, VINCI Airports signed a memorandum of understanding with the Portuguese government to increase airport capacity in the Lisbon region. As part of that agreement ANA undertook to invest, by 2028, €650 million in the first phase of extending and modernising Humberto Delgado Airport in Lisbon and €500 million to convert the nearby Montijo military air base into a civil airport.

In July, VINCI Airports began the project to modernise the Belgrade airport in Serbia, in conjunction with VINCI Construction Grands Projets, and in October it began the project to modernise Toulon Hyères Airport. In addition, Kansai International Airport in Japan began its extension and renovation project.

In December, the project to extend and modernise the Salvador airport in Brazil, in conjunction with VINCI Energies, was completed and the new facilities were opened to the public. The project has increased the airport's capacity from 10 million to 15 million passengers a year.

VINCI Highways

In April, VINCI Highways, through the Turas joint venture, signed an 11-year contract with TII (Transport Infrastructure Ireland), the state agency in charge of road and rail infrastructure in the Republic of Ireland, to manage free-flow tolling transactions and customer services on the Dublin ring road (M50 motorway).

In October, VINCI Highways brought into service the motorway bypassing Regina, capital of Saskatchewan, Canada. The works were carried out by VINCI Concessions in conjunction with VINCI's three Contracting business lines (Eurovia, VINCI Construction and VINCI Energies). This infrastructure will be operated by VINCI Highways and its partners until 2049.

In November, sections 7 and 8 of the new Moscow–St Petersburg motorway (M11) came into service after four years of works. They will be operated by VINCI Highways (40%) and its partners until 2041 under a public-private partnership without any traffic level risk (i.e. based on an "availability scheme").

VINCI Autoroutes

Arcos, the company holding the concession for the A355 motorway bypassing Strasbourg to the west, is leading the largest motorway project currently taking place in France. At 31 December 2019, more than two-thirds of the earthworks and engineering structures had been completed, alongside environmental mitigation measures. This new 24 km section of motorway is scheduled to come into service in autumn 2021.

1.1.3 Commercial successes in the Contracting business

The Group's order intake in 2019 amounted to €41.7 billion, an increase of 8%. Order intake rose by 13% at Eurovia, 9% at VINCI Construction and 4% at VINCI Energies. Among the contracts won by the Group in 2019, the most significant are those listed below.

VINCI Energies

- In Gothenburg, Sweden, all technical installation work for the future Centralen and Korsvägen underground stations;
- In Saclay, France, a design-build contract involving the HVAC and high-voltage packages for Laboratoires Servier's future research centre;
- In Paris, France, installation of electrical equipment for the two new RER E stations (La Défense and Porte Maillot) and for the 8 km tunnel linking the Haussmann Saint Lazare station with the future Nanterre La Folie station.

Eurovia

- As part of a consortium with VINCI Construction, the design, construction and financing of the 27.5 km extension of the light metro Confederation Line in Ottawa, Canada, to the west and east, including 4 km of cut-and-cover tunnels, 20 engineering structures, 16 stations and a maintenance centre;
- Maintenance of the Deerfoot Trail, 46 km of two- or four-lane dual carriageway extending from the north to the south of Calgary in Canada, for an 11-year period;
- Refurbishment of an 8.7 km rail line between Černošice and Smíchov station in Prague (Czech Republic).

VINCI Construction

- Design and construction of the I-64 road link between Hampton and Norfolk in Virginia (United States), including building 5.3 km of viaducts over the sea and new tunnels, as well as widening 14.5 km of existing roads;
- Design-build contract for the City Rail Link rail line in Auckland, New Zealand, comprising 3.45 km of tunnels and three new stations of which two are underground;
- Design and construction for phase 1 of the Nhieu Loc-Thi Nghe wastewater treatment plant, in Ho Chi Minh City, Vietnam, along with operation and maintenance of the plant for five years;
- Construction of a 225,000 cu. metre liquefied natural gas tank in Canada.

1.1.4 Financing operations

New corporate financing

In 2019, against a favourable market background, the Group (rated A- by Standard & Poor's with positive outlook and A3 by Moody's with stable outlook) completed several refinancing transactions.

- VINCI carried out the following:

- in January, as part of its EMTN programme, it issued €950 billion of bonds due to mature in January 2029 and paying an annual coupon of 1.625%;
- in March, it carried out its first sterling bond issue in an amount of £800 million, comprising £400 million of bonds due to mature in March 2027 with a coupon of 2.25% and £400 million due to mature in September 2034 with a coupon of 2.75%;
- in April, it completed its inaugural US dollar bond issue (a Rule 144A offering), issuing $1 billion of bonds due to mature in April 2029 with a coupon of 3.75%.

- In February 2019, ASF issued €1 billion of bonds due to mature in 2031 with an annual coupon of 1.375%.
- In July, London Gatwick Airport issued £300 million of bonds due to mature in 2049 with a coupon of 2.875%.

In 2019, therefore, the Group secured €4.6 billion of new corporate financing with an average maturity of 12 years and an average interest rate of 2.14% after converting some of that debt from fixed to floating rate.

Debt repayments

In 2019, the Group repaid several borrowings with a total principal amount of €2.3 billion. In particular, ASF redeemed two bond issues, one in February for €200 million and one in March for €970 million, the latter having been issued in March 2009 with a coupon of 7.375%. In December, Cofiroute repaid a €200 million European Investment Bank loan granted in December 2004. Finally, London Gatwick Airport repaid a £684 million loan from its shareholders.

At 31 December 2019, the Group's long-term financial debt totalled €28.4 billion, with an average maturity of 8.1 years (6.4 years at 31 December 2018).

1.1.5 Impact of the first-time adoption of IFRS 16 for the VINCI group

Since 1 January 2019, the Group has applied IFRS 16 "Leases" according to the "simplified retrospective" transitional approach. The cumulative effects of first-time adoption have been recognised in opening equity at 1 January 2019 and 2018 data presented for comparative purposes has not been adjusted.

The Group recognises all of its leases on the balance sheet, with the exception of those with a term of less than 12 months and those relating to items whose unit value in brand-new condition is not material, whereas the previous accounting standard (IAS 17) required only finance leases to be recognised on the balance sheet.

The application of IFRS 16 caused the Group recognise, at 1 January 2019, €1.3 billion of rights to use leased assets over their lease terms on the asset side of its balance sheet, and €1.4 billion of liabilities corresponding to the obligation to make lease payments. On the income statement, asset depreciation charges and interest expense relating to the corresponding lease liabilities replace the lease expense previously recognised entirely under operating income. Overall, IFRS 16 led to an improvement in Ebitda but had a neutral impact in terms of free cash flow. The impact on Ebit was limited.
The change in method is described in Note A.4 to the consolidated financial statements, "Change in accounting methods – IFRS 16 'Leases'", page 281.

1.2 Revenue

Consolidated revenue totalled €48.1 billion in 2019, up 10.4% relative to 2018. Organic growth was 5.4%, while changes in scope boosted revenue by 4.6% and currency movements by 0.4% since several currencies, particularly the US dollar, rose against the euro during the year.

Concessions revenue totalled €8.5 billion, up 17.7% on an actual basis or 5.8% like-for-like.

Contracting revenue totalled €38.9 billion, up 8.7% on an actual basis. Organic growth (5.1%) was firm across the three Contracting business lines (VINCI Energies, Eurovia and VINCI Construction).

In France, revenue was €26.3 billion, up 6.2% on an actual basis and up 6.1% like-for-like, reflecting the good momentum in all of the Group's business lines. Organic growth was 4.7% in Concessions, 6.0% in Contracting and 19.3% at VINCI Immobilier.

Outside France, revenue was €21.7 billion, up 16.0% on an actual basis and 4.5% like-for-like. In 2019, 45.3% of total Group revenue came from outside France (49.7% in Contracting and 28.8% in Concessions). Revenue from outside France was boosted by the positive impact of both scope effects (10.6%, particularly due to the integration of London Gatwick Airport since 13 May 2019 and Eurovia's acquisition of Lane Construction's Plants & Paving industrial activities in the United States) and currency effects (+0.9%). Organic growth was 9.7% in Concessions and 4.1% in Contracting.

Revenue by business line

(in € millions)	2019	2018	Value	2019/2018 change Actual	Like-for-like
Concessions	8,544	7,261	1,282	+17.7%	+5.8%
VINCI Autoroutes	5,593	5,356	237	+4.4%	+4.4%
VINCI Airports	2,631	1,607	1,024	+63.7%	+8.6%
Other concessions	319	298	21	+7.0%	+13.1%
Contracting	38,884	35,769	3,115	+8.7%	+5.1%
VINCI Energies	13,749	12,603	1,146	+9.1%	+5.0%
Eurovia	10,209	8,934	1,275	+14.3%	+6.2%
VINCI Construction	14,926	14,231	694	+4.9%	+4.3%
VINCI Immobilier	1,320	1,104	215	+19.5%	+19.5%
Intragroup eliminations	*(695)*	*(616)*	*(79)*		
Revenue (*)	**48,053**	**43,519**	**4,534**	**+10.4%**	**+5.4%**
Concession subsidiaries' works revenue	*1,038*	*823*	*215*	*+26.1%*	*+23.7%*
Intragroup eliminations	*(338)*	*(190)*	*(148)*		
Concession subsidiaries' revenue derived from works carried out by non-Group companies	**699**	**633**	**67**	**+10.5%**	**+7.4%**
Total revenue	**48,753**	**44,152**	**4,600**	**+10.4%**	**+5.5%**

(*) Excluding concession subsidiaries' revenue from works done by non-Group companies.

CONCESSIONS €8,544 million (up 17.7% actual; up 5.8% like-for-like)

VINCI Autoroutes: revenue totalled €5,593 million, up 4.4%, driven by a sharp upturn in traffic levels at the end of the year. Growth was helped by a low base for comparison, since traffic levels in late 2018 were badly affected by episodes of social unrest in France. In addition, rail disruption in December 2019 prompted some people to travel by road instead of rail, boosting motorway traffic levels. Over the year as a whole, traffic levels rose 2.8% (light vehicles up 2.8%, heavy vehicles up 3.1%).

VINCI Airports: revenue rose 64% to €2,631 million. That figure includes the revenue contributions from Airports Worldwide (AWW) (included since August 2018), the Belgrade airport (since December 2018) and London Gatwick Airport (since May 2019), which together totalled almost €900 million in 2019. Like-for-like, VINCI Airports' revenue rose 8.6%. VINCI Airports maintained good momentum in passenger numbers for most of 2019, posting a 5.7% increase relative to 2018 on a constant network basis, despite a high base for comparison, particularly in Portugal (up 6.9%), France (up 8.0%) and Cambodia (up 10.2%). Total passenger numbers across all airports managed by the Group amounted to 255 million in 2019. Annual passenger numbers broke new ground, rising to 50 million at Kansai airport, 30 million at the Lisbon airport and 6 million at the Belgrade airport.

Other concessions: revenue totalled €319 million, an increase of €7.0 million compared with 2018. The main contributors to revenue were Lamsac (the company operating a concession for part of the Lima ring road in Peru, €116 million), VINCI Stadium (€69 million), Gefyra (the company that holds the concession for the Rion–Antirion bridge in Greece, €42 million) and Mesea (the company in charge of maintaining and operating the South Europe Atlantic high-speed rail line between Tours and Bordeaux, €40 million).

CONTRACTING: €38,884 million (up 8.7% actual; up 5.1% like-for-like)

In France, revenue rose 6.1% to €19,555 million (up 6.0% on a constant structure basis).

Outside France, revenue rose 11.5% on an actual basis to €19,329 million, benefiting from a 6.6% positive impact from acquisitions. Exchange-rate movements had a 0.9% positive impact and organic growth was 4.1%. Revenue outside France equalled 49.7% of total Contracting revenue compared with 48.5% in 2018.

VINCI Energies: €13,749 million (up 9.1% actual; up 5.0% like-for-like)
In France, revenue rose 7.0% on an actual basis to €6,158 million (up 5.6% like-for-like). All business areas posted revenue growth, which was particularly strong in the infrastructure and ICT (information and communication technology) activities, and to a lesser extent in the Building Solutions (tertiary property and facilities management) business.

Outside France, revenue amounted to €7,591 million, accounting for more than 55% of VINCI Energies' total. Revenue rose 10.8% on an actual basis, buoyed by acquisitions completed in 2018 (mainly in the United States and Singapore) and 2019 (in the Netherlands, Belgium, Switzerland, Spain and Germany). Like-for-like growth (4.6%) remained firm in most of VINCI Energies' markets, both in Europe (Belgium, Switzerland, Sweden, the Czech Republic) and further afield (Africa, Brazil, Singapore, Australia and New Zealand). Growth was more moderate in Germany and Portugal. Business levels were stable in Spain and fell in the United Kingdom, Norway and Finland.

Eurovia: €10,209 million (up 14.3% actual; up 6.2% like-for-like)
In France, revenue was €5,471 million, up 8.8% on an actual basis and up 8.5% on a constant structure basis. Momentum in the roadworks and urban development market remained strong in most regions, partly supported by the positive pre-election context (municipal elections in March 2020).

Outside France, revenue totalled €4,738 million, up 21.3% on an actual basis and up 3.4% like-for-like. Business levels were buoyant in Germany, the Czech Republic, the United Kingdom, Canada and Chile. 2019 revenue was also underpinned by the integration of the industrial and roadworks businesses acquired from Lane Construction in the United States in late December 2018. North America accounted for 17% of Eurovia's full-year revenue, up from 11% in 2018.

VINCI Construction: €14,926 million (up 4.9% actual; up 4.3% like-for-like)
In France, revenue was €7,926 million, up 3.6% on an actual basis and up 4.6% like-for-like. Revenue was again supported by strong building activity in the Paris region and civil engineering works as part of the Grand Paris project. Outside Paris, the situation was more varied, with good performance in the North-West, East and Rhône-Alpes Auvergne regions, but declines in Provence and Nouvelle Aquitaine.

Outside France, revenue was €7,000 million, up 6.4% on an actual basis and up 4.0% like-for-like. Revenue rose in Central Europe, the United Kingdom, Africa and Oceania (Australia and New Zealand). In specialist business areas, Soletanche Freyssinet had another very good year. After the completion of several large projects in recent years, VINCI Construction Grands Projets entered a new growth phase, winning several significant contracts in the United States, Canada, New Zealand and the United Kingdom. Entrepose, meanwhile, was again held back by lower business volumes in the oil and gas sector.

VINCI Immobilier: €1,320 million (up 19.5% both actual and like-for-like)
VINCI Immobilier achieved strong growth in revenue, with good production in both residential and commercial property in Paris and other major French cities, along with increased business levels in managed residences (senior residences under the Ovelia brand and student residences under the Student Factory brand).
In the residential property market, the number of homes reserved in France fell very slightly but remained high at 6,215 (6,333 in 2018).
In office property, the amount of floorspace sold during the year increased sharply to almost 102,000 sq. metres (up 64%). That includes the iconic To Lyon development close to Lyon Part Dieu train station, along with two additional blocks adjacent to the Group's future head office in Nanterre Les Groues.
Revenue, including the Group's share of joint developments and its stake in Urbat, totalled €1.6 billion in 2019, up almost 22% or 17% on a constant structure basis (22% in residential property and 4% in commercial property).

Revenue by geographical area

(in € millions)	2019	% of total	2018	2019/2018 change Value	Actual	At constant exchange rates
France	**26,307**	**54.7%**	**24,768**	**1,539**	**+6.2%**	**+6.2%**
Germany	3,140	6.5%	3,002	138	+4.6%	+4.6%
United Kingdom	3,002	6.2%	2,222	780	+35.1%	+34.0%
Central and Eastern Europe	2,219	4.6%	2,202	16	+0.7%	+1.1%
Rest of Europe	4,745	9.9%	4,297	448	+10.4%	+10.4%
Europe excluding France	**13,106**	**27.3%**	**11,723**	**1,383**	**+11.8%**	**+11.7%**
Americas	4,431	9.2%	3,138	1,293	+41.2%	+36.3%
of which United States	*2,197*	*4.6%*	*1,267*	*930*	*+73.4%*	*+60.0%*
Africa	1,603	3.3%	1,342	261	+19.4%	+18.3%
Russia, Asia Pacific and Middle East	2,607	5.4%	2,548	59	+2.3%	+1.1%
International excluding Europe	**8,640**	**18.0%**	**7,028**	**1,612**	**+22.9%**	**+20.3%**
Total International	**21,746**	**45.3%**	**18,751**	**2,995**	**+16.0%**	**+15.0%**
Revenue	**48,053**	**100.0%**	**43,519**	**4,534**	**+10.4%**	**+10.0%**

1.3 Operating income from ordinary activities/operating income

Operating income from ordinary activities (Ebit) rose 14.8% to €5,734 million (€4,997 million in 2018).
Ebit margin was 11.9%, up from 11.5% in 2018.

Operating income from ordinary activities/operating income

(in € millions)	2019	% of revenue (*)	2018	% of revenue (*)	2019/2018 change Value	2019/2018 change %
Concessions	3,989	46.7%	3,429	47.2%	559	+16.3%
VINCI Autoroutes	2,967	53.0%	2,686	50.2%	280	+10.4%
VINCI Airports	1,016	38.6%	689	42.9%	327	+47.4%
Other concessions	6	-	54	-	(48)	-
Contracting	1,654	4.3%	1,472	4.1%	181	+12.3%
VINCI Energies	827	6.0%	727	5.8%	100	+13.8%
Eurovia	430	4.2%	345	3.9%	85	+24.7%
VINCI Construction	396	2.7%	400	2.8%	(4)	-1.0%
VINCI Immobilier	80	6.0%	80	7.2%	-	-0.2%
Holding companies	12	-	15	-	(3)	-
Operating income from ordinary activities (Ebit)	**5,734**	**11.9%**	**4,997**	**11.5%**	**737**	**+14.8%**
Share-based payments (IFRS 2)	(291)	-	(206)	-	(85)	-
Profit/(loss) of companies accounted for under the equity method	212	-	88	-	124	-
Other recurring operating items	48	-	45	-	3	-
Recurring operating income	**5,704**	**11.9%**	**4,924**	**11.3%**	**780**	**+15.8%**
Non-recurring operating items	(40)	-	(4)	-	(36)	-
Operating income	**5,664**	**11.8%**	**4,920**	**11.3%**	**744**	**+15.1%**

N.B.: Operating income from ordinary activities is defined as operating profit before the effects of share-based payments (IFRS 2), the profit or loss of companies accounted for under the equity method and other recurring and non-recurring operating items.
(*) Excluding concession subsidiaries' revenue from works done by non-Group companies.

In **Concessions**, Ebit rose 16.3% to €3,989 million, equal to 46.7% of Concessions revenue.

At VINCI Autoroutes, Ebit amounted to €2,967 million, up 10.4% relative to the 2018 figure of €2,686 million. Ebit margin rose from 50.2% in 2018 to 53.0% in 2019. This was due to revenue growth, a firm grip on operating expenses and a low base for comparison after major social unrest in late 2018 affected network traffic and operations, particularly in southern France.

At VINCI Airports, Ebit was €1,016 million, up 47% relative to 2018 (€689 million). Aside from the integration of London Gatwick Airport, Airports Worldwide (AWW) and the Belgrade airport, the increase reflects business growth and the improvement in earnings at the other airports managed by the Group. Ebit margin fell from 42.9% in 2018 to 38.6% in 2019 as a result of the latest acquisitions.

Ebit from other concessions was €6 million as opposed to €54 million in 2018, when it was boosted by the positive outcome of some long-running litigation concerning VINCI Stadium.

In the **Contracting** business, Ebit was €1,654 million, up 12.3% relative to 2018 (€1,472 million). It equalled 4.3% of revenue compared with 4.1% in 2018.

At VINCI Energies, Ebit was €827 million, up almost 14% relative to 2018 (€727 million). Ebit margin was 6.0%, up 20 basis points compared with 2018 (5.8%), reflecting very strong performance in all divisions both in France and abroad.

At Eurovia, Ebit rose almost 25% from €345 million in 2018 to €430 million in 2019. Ebit margin improved from 3.9% in 2018 to 4.2% in 2019. Operating margins improved in France, the Czech Republic, the United States and Chile. They remained stable, at a good level, in Germany and the United Kingdom. That performance made up for tougher conditions in Poland and in the rail construction sector.

VINCI Construction's Ebit came in at €396 million, down 1% relative to the 2018 figure of €400 million. Operating margin fell slightly from 2.8% in 2018 to 2.7% in 2019. That decline was mainly due to lower business volumes in the oil and gas sector and at VINCI Environnement, along with occasional difficulties encountered in certain projects in France and abroad. On the plus side, margins improved at VINCI Construction UK and VINCI Construction International Network, as well as at Soletanche Freyssinet, which already had a good level of profitability.

VINCI Immobilier: Ebit totalled €80 million, with Ebit margin of 6.0% (€80 million and 7.2% in 2018). Recurring operating income, including the contribution from equity-accounted companies, was broadly stable at €100 million (€101 million in 2018).

Recurring operating income totalled €5,704 million, up 15.8% relative to the 2018 figure of €4,924 million. Recurring operating income takes into account the following factors:
• Share-based payment expense, which reflects the benefits granted to employees under the Group savings plans and performance share plans, amounting to €291 million (€206 million in 2018);
• Other recurring operating items, producing €260 million of income versus €133 million in 2018. It also includes the Group's share in the profit or loss of companies accounted for under the equity method, which was positive at €212 million (€88 million in 2018).

Recurring operating income by business line

(in € millions)	2019	% of revenue (*)	2018	% of revenue (*)	2019/2018 change Value	2019/2018 change %
Concessions	4,146	48.5%	3,456	47.6%	690	+20.0%
VINCI Autoroutes	2,948	52.7%	2,635	49.2%	313	+11.9%
VINCI Airports	1,187	45.1%	806	50.2%	381	+47.2%
Other concessions	11	-	15	-	(4)	-
Contracting	1,461	3.8%	1,351	3.8%	109	+8.1%
VINCI Energies	729	5.3%	664	5.3%	65	+9.8%
Eurovia	394	3.9%	329	3.7%	65	+19.9%
VINCI Construction	337	2.3%	359	2.5%	(22)	-6.0%
VINCI Immobilier	100	7.6%	101	9.2%	(1)	-1.1%
Holding companies	(3)	-	15	-	(18)	-
Recurring operating income	**5,704**	**11.9%**	**4,924**	**11.3%**	**780**	**+15.8%**

(*) Excluding concession subsidiaries' revenue from works done by non-Group companies.

Non-recurring operating items produced a net expense of €40 million in 2019, as opposed to €4 million in 2018, and comprised:
• a negative scope effect of €18 million, due to the net impact from the sale of equity interests in the Concessions business (Toll Collect and TJH, the concession holder of a motorway in Jamaica) and in the Contracting business (Eurovia in Romania and Entrepose's drilling activities), along with earn-out payments and acquisition costs at VINCI Energies, Eurovia and VINCI Airports. In 2018, they included the positive impact of remeasuring the Gefyra stake at fair value after the change in consolidation method applied to that company;
• goodwill impairment losses of €21 million (€11 million in 2018).

After taking account of both recurring and non-recurring items, operating income was €5,664 million in 2019, up 15.1% relative to the 2018 figure of €4,920 million.

1.4 Net income

Consolidated net income attributable to owners of the parent was €3,260 million in 2019, up 9.3% or €277 million compared with 2018 (€2,983 million).

Earnings per share, after taking account of dilutive instruments, amounted to €5.82, also up 9.3% compared with 2018 (€5.32 in 2018).

Net income attributable to owners of the parent, by business line

(in € millions)	2019	2018	2019/2018 change Value	2019/2018 change %
Concessions	2,255	1,923	332	+17.3%
VINCI Autoroutes	1,705	1,468	238	+16.2%
VINCI Airports	577	465	112	+24.0%
Other concessions	(27)	(10)	(17)	-
Contracting	792	849	(57)	-6.7%
VINCI Energies	409	398	10	+2.6%
Eurovia	207	220	(13)	-5.9%
VINCI Construction	177	231	(54)	-23.5%
VINCI Immobilier	65	68	(3)	-3.7%
Holding companies	148	143	4	-
Net income attributable to owners of the parent	**3,260**	**2,983**	**277**	**+9.3%**

The cost of net financial debt was €551 million in 2019 (€462 million in 2018). The fall in the cost of the Group's gross long-term euro-denominated debt, following refinancing operations in 2018 and 2019 at lower rates than those of the debts repaid, did not fully offset the increase in average debts outstanding resulting from the financing and integration of recent acquisitions, particularly at VINCI Airports (London Gatwick Airport and the Belgrade airport) and Eurovia (Lane Construction's Plants & Paving division). In 2019, the average interest rate on long-term gross financial debt was 2.4% (2.25% in 2018).

Other financial income and expense resulted in a net expense of €71 million, compared with net income of €17 million in 2018, and included:
• the cost of discounting retirement benefit obligations and provisions for the obligation to maintain the condition of concession intangible assets in the amount of €80 million (€31 million in 2018);
• a €41 million gain relating to capitalised borrowing costs on current concession investments, less than the 2018 gain of €56 million following the opening of the second section of the Lima ring road operated by Lamsac in mid-June 2018;
• lease-related financial expenses following the application of IFRS 16 (expense of €40 million);
• positive currency effects amounting to €8 million (negative effect of €9 million in 2018).

Income tax expense for the year was €1,634 million (€1,418 million in 2018). That increase was because of higher profits both inside and outside France. The effective tax rate was 33.8% as opposed to 32.3% in 2018, partly due to the French government's decision to scrap the CICE (competitiveness and jobs tax credit).

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Earnings attributable to non-controlling interests amounted to €148 million (€74 million in 2018) and related mainly to shares that the Group does not own in London Gatwick Airport, Cambodia Airports, Aéroports de Lyon, and certain Eurovia and VINCI Energies subsidiaries.

1.5 Cash flow from operations

Cash flow from operations before tax and financing costs (Ebitda) totalled €8,497 million in 2019, up more than 23% relative to the 2018 figure of €6,898 million. Ebitda margin was 17.7%, as opposed to 15.9% in 2018. Adjusted for the impact caused by the adoption of IFRS 16 "Leases" from 1 January 2019, Ebitda amounted to €7,922 million (16.5% of revenue), a year on year increase of 14.8%.

Ebitda in the **Concessions** business rose 16.8% to €5,796 million (€4,963 million in 2018). It equalled 67.8% of revenue (68.4% in 2018) and 68% of total Group Ebitda (72% in 2018).
VINCI Autoroutes' Ebitda increased 7.3% to €4,178 million (€3,895 million in 2018) and Ebitda margin improved to 74.7% (72.7% in 2018).
Ebitda at VINCI Airports rose 56% to €1,466 million (€941 million in 2018), due to the integration of London Gatwick Airport for 7.5 months and good performance in Portugal. Ebitda margin fell from 58.6% in 2018 to 55.7% in 2019 because of scope effects.

Ebitda in the **Contracting** business amounted to €2,446 million, equal to 6.3% of revenue and 29% of total Ebitda. Adjusted for the first-time adoption of IFRS 16, it was €1,930 million, equal to 5.0% of revenue, compared with €1,815 million and 5.1% in 2018.

Cash flow from operations (Ebitda) by business line

(in € millions)	2019	% of revenue (*)	2018	% of revenue (*)	2019/2018 change Value	%
Concessions	5,796	67.8%	4,963	68.4%	833	+16.8%
VINCI Autoroutes	4,178	74.7%	3,895	72.7%	283	+7.3%
VINCI Airports	1,466	55.7%	941	58.6%	525	+55.7%
Other concessions	152	-	127	-	26	-
Contracting	2,446	6.3%	1,815	5.1%	632	+34.8%
VINCI Energies	1,065	7.7%	749	5.9%	316	+42.2%
Eurovia	694	6.8%	513	5.7%	181	+35.2%
VINCI Construction	688	4.6%	553	3.9%	135	+24.4%
VINCI Immobilier	93	7.1%	79	7.1%	14	+18.0%
Holding companies	161	-	41	-	119	-
Total	**8,497**	**17.7%**	**6,898**	**15.9%**	**1,599**	**+23.2%**

(*) Excluding concession subsidiaries' revenue from works done by non-Group companies.

1.6 Other cash flows

The net change in the operating working capital requirement and current provisions resulted in inflow of €428 million in 2019 as opposed to an outflow of €266 million in 2018. Cash flow improved significantly in the three Contracting business lines, was stable in Concessions and deteriorated at VINCI Immobilier because of new land purchases, particularly in the commercial property segment.

Tax payments rose by €325 million to €1,547 million (€1,222 million in 2018 including a reimbursement of €116 million relating to the remainder of the 3% dividend tax).

Net interest paid amounted to €458 million (€444 million in 2018).

Cash flow from operating activities (*) was €7,090 million, up almost 38% or €1,948 million from the 2018 figure of €5,142 million.

After accounting for operating investments net of disposals of €1,249 million, up 27% relative to 2018 (€986 million) and including those of London Gatwick Airport for €182 million, along with the repayment of lease liabilities totalling €575 million, operating cash flow (**) was €5,266 million, up 27% or +€1,110 million compared with the 2018 figure of €4,156 million.

Growth investments in concessions and public-private partnerships totalled €1,065 million in 2019 (€977 million in 2018). That figure includes €775 million invested by VINCI Autoroutes in France (€673 million in 2018) mainly related to stimulus plans and the project to build the bypass to the west of Strasbourg, and €248 million invested by VINCI Airports in countries including Brazil and Cambodia (€274 million in 2018).

(*) Cash flow from operating activities: cash flow from operations adjusted for changes in operating working capital requirement and current provisions, interest paid, income taxes paid and dividends received from companies accounted for under the equity method.
(**) Operating cash flow: cash flow from operating activities adjusted for net investments in operating assets (excluding growth investments in concessions and PPPs) and repayments of lease liabilities.

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Free cash flow before financial investments amounted to €4,201 million (€3,179 million in 2018), including €2,774 million generated by Concessions (€2,465 million in 2018) and €1,443 million by Contracting (€455 million in 2018).

Financial investments, net of disposals and other investment flows(*), totalled more than €8.3 billion. As well as acquisitions by VINCI Energies in Europe (€0.4 billion) and by VINCI Immobilier in France (€0.1 billion), they mainly consisted of the acquisition of a 50.01% stake in London Gatwick Airport, representing a total amount of €7.7 billion on the acquisition date. The Gatwick investment breaks down into a cash payment of €3.1 billion to buy the shares and the assumption of debts in a net amount of €4.6 billion (€3.8 billion of external debt and €0.8 billion of debt owed to shareholders).
In 2018, financial investments amounted to €2.8 billion. They included investments made by VINCI Airports (€1.0 billion) in acquiring the Belgrade airport in Serbia and Airports Worldwide (AWW), acquisitions by VINCI Energies (€0.9 billion) – mainly PrimeLine Utility Services in the United States and Wah Loon Engineering in Singapore – and acquisitions by Eurovia (€0.7 billion), principally Lane Construction's Plants & Paving division in the United States.

Dividends paid in 2019 totalled €1,772 million (€1,443 million in 2018). This includes €1,504 million paid by VINCI SA, comprising the final dividend in respect of 2018 (€1,065 million) and the interim dividend in respect of 2019 paid in November 2019 (€439 million). The remainder includes dividends paid to non-controlling shareholders by subsidiaries not wholly owned by the Group, and in particular by London Gatwick Airport.

VINCI SA capital increases resulted in the creation of 7.7 million new shares and totalled €560 million in 2019, including €542 million relating to Group savings plans and €18 million relating to the exercise of stock options.
To eliminate the dilutive effect of these operations, VINCI purchased 10.1 million shares in the market through its share buy-back programme for a total investment of €900 million at an average price of €89.07 per share.
In addition, a €394 million capital increase was subscribed by non-controlling interests in London Gatwick Airport after VINCI acquired its controlling stake.
Together, transactions involving VINCI's capital generated a cash inflow of €30 million in 2019 as opposed to an outflow of €195 million in 2018.

As a result of these cash flows, net financial debt increased by €6.1 billion in 2019, taking the total to €21.7 billion at 31 December 2019.

1.7 Balance sheet and net financial debt

Consolidated non-current assets amounted to €57.0 billion at 31 December 2019 (€44.5 billion at 31 December 2018), including €43 billion in the Concessions business (€32.8 billion at 31 December 2018) and €13 billion in the Contracting business (€11.3 billion at 31 December 2018). The increase resulted mainly from the integration of London Gatwick Airport.
In addition, the application of IFRS 16 from 1 January 2019 meant that the Group recognised lease-related right-of-use assets totalling €1.8 billion under non-current assets, along with related lease liabilities of €1.8 billion, at 31 December 2019.

After taking account of a net working capital surplus (attributable mainly to the Contracting business) of €7.0 billion, up €0.8 billion year on year, capital employed was €50.0 billion at 31 December 2019 (€38.3 billion at end-2018).
Capital employed in the Concessions business was €41.0 billion, making up 82% of the Group total (81% at 31 December 2018) and breaking down as follows: €20.8 billion at VINCI Autoroutes and €17.2 billion at VINCI Airports. VINCI Energies accounted for almost 10% of capital employed at 31 December 2019 as opposed to 10% at 31 December 2018.

The Group's consolidated equity was €23.0 billion at 31 December 2019, up €3.2 billion from the €19.8 billion figure at 31 December 2018. It includes €2.6 billion relating to non-controlling interests, including €2.0 billion for London Gatwick Airport.
The number of shares, including treasury shares, was 605,237,689 at 31 December 2019 (597,515,984 at 31 December 2018). Treasury shares amounted to 8.3% of the total capital at 31 December 2019 (7.2% at 31 December 2018).

Consolidated net financial debt was €21.7 billion at 31 December 2019 (€15.6 billion at 31 December 2018). That figure reflects long-term gross financial debt of €28.4 billion (€21.2 billion at 31 December 2018) and managed net cash of almost €6.8 billion (€5.6 billion at 31 December 2018).
For the Concessions business, including its holding companies, net financial debt stood at almost €34.0 billion, up €6.9 billion relative to 31 December 2018 (€27.0 billion). The Contracting business showed net debt of €0.2 billion as opposed to €0.9 billion at 31 December 2018. Holding companies and other activities showed a net financial surplus of €12.5 billion, up €0.1 billion relative to 31 December 2018. Of that surplus, €16.5 billion consisted of the net balance of loans granted to Group subsidiaries and subsidiaries' investments in holding companies.
The ratio of net financial debt to equity was 0.9 at 31 December 2019 (0.8 at 31 December 2018). The financial debt-to-Ebitda ratio stood at 2.5 at the end of 2019 or 2.7 adjusting for the impact of IFRS 16, compared with 2.3 at 31 December 2018.

Group liquidity amounted to €15.0 billion at 31 December 2019 (€13.6 billion at 31 December 2018). The liquidity figure comprises almost €6.8 billion of managed net cash and two confirmed bank credit facilities: an unused €8.0 billion facility at VINCI SA, due to expire in 2024 but with one possible year extension, and a £300 million facility at London Gatwick Airport, due to expire in 2024 and drawn in an amount of £85 million.

(*) Including the net debt of acquired companies.

Net financial surplus (debt)

(in € millions)	31/12/2019	of which external financial surplus (debt)	31/12/2018	of which external financial surplus (debt)	2019/2018 change
Concessions	(33,952)	(19,901)	(27,029)	(16,000)	(6,923)
VINCI Autoroutes	(19,964)	(14,275)	(20,345)	(14,659)	381
VINCI Airports	(10,530)	(4,829)	(4,951)	(759)	(5,580)
Other Concessions	(3,458)	(797)	(1,734)	(582)	(1,724)
Contracting	(168)	1,729	(908)	1,380	740
VINCI Energies	(1,186)	354	(1,330)	256	143
Eurovia	100	105	(331)	(67)	431
VINCI Construction	918	1,270	752	1,191	166
VINCI Immobilier and holding companies	12,466	(3,482)	12,382	(934)	84
Total	**(21,654)**	**(21,654)**	**(15,554)**	**(15,554)**	**(6,100)**

1.8 Return on capital

Definitions

- Return on equity (ROE) is net income for the current period attributable to owners of the parent, divided by equity excluding non-controlling interests at the previous year end.
- Net operating profit after tax (NOPAT) is recurring operating income less financial expense relating to lease liabilities and theoretical tax based on the effective rate for the period.
- Return on capital employed (ROCE) is net operating income after tax, excluding non-recurring items, divided by the average capital employed at the opening and closing balance sheet dates for the financial year in question. After the first-time adoption of IFRS 16 "Leases" on 1 January 2019, the decision was made to include within capital employed right-of-use assets relating to assets leased by the Group (€1.8 billion at 31 December 2019 on the asset side of the balance sheet) and the corresponding liabilities (€1.8 billion at 31 December 2019).

Return on equity (ROE)

The Group's ROE was 17.0% in 2019, compared with 16.7% in 2018.

(in € millions)	2019	2018
Equity excluding non-controlling interests at previous year end	19,185	17,812
Net income attributable to owners of the parent for the year	3,260	2,983
ROE	**17.0%**	**16.7%**

Return on capital employed (ROCE)

ROCE was 9.0% in 2019 (9.3% in 2018). The change relates to acquisitions during the year, mainly that of London Gatwick Airport.

(in € millions)	2019	2018
Capital employed at previous year end	38,270	35,075
Capital employed at this year end	48,196	38,270
Average capital employed	**43,233**	**36,672**
Recurring operating income	5,664	4,924
Theoretical tax (*)	(1,791)	(1,501)
Net operating income after tax	**3,873**	**3,423**
ROCE	**9.0%**	**9.3%**

(*) Based on the effective rate for the period.

2. Parent company financial statements

VINCI's parent company financial statements show revenue of €20 million for 2019, compared with €16 million in 2018, consisting mainly of services invoiced by the holding company to subsidiaries.

The parent company's net income was €2,263 million in 2019, compared with €1,275 million in 2018. The 2019 figure includes €2,069 million of dividends received from Group subsidiaries (€1,043 million in 2018).

Expenses referred to in Article 39.4 of the French General Tax Code amounted to €76,382 in 2019.

The disclosures relating to suppliers' payment terms required by France's LME Act on modernising the country's economy and Article L.441-6-1 of the French Commercial Code are provided in Note B.9 to the parent company financial statements, page 358.

3. Dividends

VINCI's Board of Directors has decided to propose a 2019 dividend of €3.05 per share (compared with the 2018 dividend of €2.67), corresponding to a payout ratio (dividend/earnings per share) of 52.5% (50% in 2018), at the Shareholders' General Meeting on 9 April 2020. Since an interim dividend of €0.79 per share was paid in November 2019, the final dividend payment on 23 April 2020 (ex-date: 21 April 2020) will be €2.26 per share if approved.

Year	2016			2017			2018		
Type	Interim	Final	Total	Interim	Final	Total	Interim	Final	Total
Amount per share	€0.63	€1.47	€2.10	€0.69	€1.76	€2.45	€0.75	€1.92	€2.67
Number of qualifying shares	555,300,376	553,209,901		556,515,560	553,373,249		555,586,616	554,464,831	
Aggregate amount paid *(in € millions)*	350	813		384	974		417	1,065	

NB: Dividends paid to natural persons in respect of 2016, 2017 and 2018 qualify for a 40% tax allowance.

B. Post-balance sheet events, trends and outlook

1. Material post-balance sheet events

No significant event occurred between 31 December 2019 and 4 February 2020, the date at which the financial statements were approved for publication by the Board of Directors.

2. Information on trends

2.1 Outcome in 2019

When publishing its quarterly results in October 2019, VINCI clarified trends seen during the year:
"In view of its strong performance in the first nine months of 2019, VINCI confirms that it expects full-year revenue and earnings to be higher than in 2018.
• In Concessions: Passenger numbers at airports managed by VINCI Airports should continue to rise on a constant structure basis. However, the pace of growth is likely to be slower than in 2018, because of the high base for comparison.
Traffic levels on VINCI Autoroutes' networks should track economic activity in France, barring exceptional events.
• In Contracting, strong order books should result in a like-for-like increase in the revenue of the various business lines. Revenue will also be boosted by the full-year integration of the most recent acquisitions, particularly companies acquired outside France by VINCI Energies and Eurovia. VINCI will continue to focus on enhancing margins."

All of those targets were achieved.

2.2 Order book of the Contracting business

At 31 December 2019, the total order book in the Contracting business (VINCI Energies, Eurovia and VINCI Construction) stood at €36.5 billion, up 10% year on year (€33.1 billion at 31 December 2018). The order book represents more than 11 months of average business activity, and around two-thirds of the orders are to be executed in 2020. Orders amounted to €15.6 billion in France (up 3%) and €20.9 billion outside France (up 16%), representing 57% of the total (54% in 2018).

VINCI Energies' order book amounted to €9.1 billion, up 8% year on year (up 13% in France and up 5% outside France). It represents 7.9 months of VINCI Energies' average business activity.

Eurovia's order book amounted to €8.0 billion, up almost 14% year on year (up 7% in France and up 8% outside France). It represents 9.4 months of Eurovia's average business activity.

VINCI Construction's order book totalled €19.4 billion at 31 December 2019, up almost 10% over the year (down 2% in France and up 21% outside France). It represents 15.6 months of VINCI Construction's average business activity.

Order book

(in € billions)	31/12/2019	of which France	of which outside France	31/12/2018	of which France	of which outside France
VINCI Energies	9.1	4.2	4.9	8.4	3.7	4.6
Eurovia	8.0	2.8	5.1	7.0	2.6	4.4
VINCI Construction	19.5	8.5	10.9	17.7	8.7	9.0
Contracting	**36.5**	**15.5**	**20.9**	**33.1**	**15.1**	**18.0**
VINCI Immobilier	**1.1**	**1.1**	**-**	**0.8**	**0.8**	**-**

2.3 Trends in 2020

Despite the uncertain geopolitical context and limited visibility in terms of the global economic and financial outlook, VINCI is going into 2020 with confidence.

That confidence is based on:
• a robust, effective business model that combines complementary business lines addressing buoyant markets, driven by increasing demand in the fields of mobility, high-performance public infrastructure and buildings, the digital revolution, energy transition and environmental protection;
• values that are shared by the Group's 222,000 employees, i.e. accountability at the grass-roots level, safety at work, ethical business methods, ambitious environmental targets, and efforts to achieve all-round performance for the benefit of customers and stakeholders;
• a very solid financial position, widely acknowledged by partners including investors, financial institutions, rating agencies...;
• a clear and consistent strategy, aiming for geographical diversification in all business areas and focusing on developing recurring, high-value-added businesses.

As a result, VINCI can expect further growth in its revenue and net income in 2020. However, that growth is likely to be more limited than in 2019 because of the high base for comparison in both Concessions and Contracting, barring major new acquisitions.

C. Report on corporate governance

VINCI's Report on corporate governance is prepared in accordance with the provisions of the last paragraph of Article L.225-37 of the French Commercial Code. This report was approved by the Board of Directors (hereinafter the "Board") of VINCI SA (hereinafter "VINCI" or the "Company") at its meeting of 4 February 2020.

1. Rules of corporate governance

The Board has opted to refer to the recommendations of the Afep-Medef Corporate Governance Code (hereinafter the "Afep-Medef code"), which may be consulted in full on the Medef website (www.medef.com). At the date of this report, the Company's practices were entirely consistent with the Afep-Medef code's recommendations.

The Board has adopted internal rules, which cover the organisational and operating procedures of the Board and its committees, the respective responsibilities and powers of the Board, the Chairman and Chief Executive Officer, the Vice-Chairman and the Lead Director, as well as the rights and obligations of Board members, and in particular their right to information, their access to executives and the rules relating to the management of possible conflicts of interest. The Board of Director's internal rules are updated on a regular basis. The last such update entered into effect on 1 November 2018. The internal rules may be accessed in their entirety on the Company's website (www.vinci.com).

2. Organisation of VINCI's corporate governance

2.1 General organisation

VINCI's governance processes are a regular topic of discussion at Board meetings. The governance structure put in place upon the renewal of Xavier Huillard's term of office, which involves the combination of the roles of Chairman and Chief Executive Officer, was confirmed by the Board at its meetings of 5 February 2019 and 4 February 2020. However, it should be noted that the Board decided to separate the roles of Vice-Chairman and Lead Director effective 1 November 2018.

The Board believes that this approach is in the Company's best interests. It is well suited to the Group's highly decentralised organisation – following directly from the nature of its largely local business activities – which entails considerable delegation of responsibility to operational managers, while instilling a culture of all-round performance spearheaded by the parent company, acting through its Board and its Executive Management.

Although each division is organised in a manner allowing it to function independently under the supervision of its company officers, the Group must be steered at the highest level by a leader able both to guide the divisions as they expand their operations, particularly outside France, and to implement the overall strategy approved by the Board.

This system of governance, which has proven effective for many years, requires the Chairman and Chief Executive Officer to have a deep understanding of the Group and its business lines as well as the experience needed to share this understanding with the members of the Board from a strategic perspective. But he must also lead the dissemination of a shared culture while garnering the strong and ongoing commitment of the Group's entities and their many managers to living its core values.

The Board considers that these conditions are currently met and that the system in place is efficient. The Directors find that the information to which they have access as well as the existing checks and balances are not only satisfactory but key to ensuring that the Board completely fulfils its role.

The division of responsibilities between the Company's governance bodies and top management, as set forth in the Board's internal rules, is as follows:

Board of Directors	Chairman and Chief Executive Officer	Vice-Chairman	Lead Director
- Appointment or renewal of the terms of office of the Chairman and Chief Executive Officer, the Vice-Chairman and the Lead Director - Prior approval of strategic choices - Prior approval of strategic investments and material transactions relating to exposures in amounts greater than €200 million - Prior approval of all transactions referred to the Strategy and CSR Committee - Prior approval of all transactions that fall outside the Company's announced strategy	- Organisation and supervision of the work of the Board - Implementation of decisions taken - Operational management of the Group	- Chairmanship of the Strategy and CSR Committee (investments in excess of €50 million) - Representation at the request of the Chairman and Chief Executive Officer - Insight provided to the Board on the Group's operations - Working relationship with the Group's main managers - Participation in meetings with shareholders or proxy advisers at the request of the Chairman and Chief Executive Officer	- Chairmanship of the Appointments and Corporate Governance Committee - Management of conflicts of interest - Point of contact for Board members, shareholders and proxy advisers at the request of the Chairman and Chief Executive Officer - Meetings of the Board in the absence of the executive company officers

2.2 Chairman and Chief Executive Officer

Xavier Huillard has served as both Chairman of the Board and Chief Executive Officer since 6 May 2010. The Board reappointed him to these positions at its meeting of 17 April 2018, held immediately following the Shareholders' General Meeting during which the shareholders voted to renew his term of office as Director. He has the duties and responsibilities conferred by law.

He regularly presents the Group's performance, prospects and strategy to the financial community, in particular through roadshows. Mr Huillard chairs both the Executive Committee and the Management and Coordination Committee. He also chairs the Risk Committee, with powers to delegate this function.

2.3 Organisation of VINCI's Executive Management and corporate management structures

Mr Huillard has appointed Pierre Coppey, Richard Francioli and Christian Labeyrie as Executive Vice-Presidents.

He has formed the **Executive Committee** comprising the Group's main operational and functional executives, which had 12 members at 4 February 2020. The information required under Article L.225-37-4-6° of the French Commercial Code on the means by which the Company aims to achieve gender balance within its governance bodies is provided in paragraph 1.5.2 of chapter E, "Workforce-related, social and environmental information", page 205.

Apart from implementing the Group's strategy, the Executive Committee defines and monitors the implementation of its cross-cutting policies, particularly in the areas of risk management, finance, human resources, safety, IT and insurance. The Executive Committee met 22 times in 2019.

The **Management and Coordination Committee** is composed of the members of the Executive Committee, together with the key operational and functional executives of the Group's main companies, and had 26 members at 4 February 2020. Its purpose is to ensure broad consultation on VINCI's strategy and position as well as on cross-cutting policies within the VINCI Group. The Management and Coordination Committee met four times in 2019.

2.4 Vice-Chairman

On 1 November 2018, the Board reappointed Yves-Thibault de Silguy as Vice-Chairman. In this position, he has the following duties and responsibilities, as laid down in the Board's internal rules:

- providing support to the Chairman, particularly with respect to representation, whenever necessary;
- providing insight to the Board on the Group's organisation, its principal executives and its activities;
- taking part in meetings with shareholders or proxy advisers as often as required.

The Vice-Chairman chairs the Strategy and CSR Committee.

The Vice-Chairman has drawn up a report on the performance of his duties in 2019 (see page 271).

2.5 Lead Director

The position of Lead Director was created by the Board on 6 May 2010, when it decided to combine the roles of Chairman and Chief Executive Officer.

The purpose of this position is to ensure that the Board includes a member able to serve as a point of contact for all Directors distinct from the Chairman and Chief Executive Officer and who also has the personal powers necessary to guarantee the Board's responsiveness in all circumstances.

This position has been held by Yannick Assouad, an independent Director, since 1 November 2018.

The Lead Director has the following duties and responsibilities, as laid down in the Board's internal rules:

- serving as the point of contact for Board members and shareholders regarding governance questions;
- communicating with institutional investors and proxy advisers at the request of the Chairman;
- convening the Board once a year in the absence of the executive company officers to evaluate their performance and assess the effectiveness of governance;
- managing conflicts of interest.

The Lead Director chairs the Appointments and Corporate Governance Committee and may request the addition of any item to the agenda of a Board meeting or ask the Chairman to call a meeting of the Board.

The Lead Director has drawn up a report on the performance of her duties in 2019 (see page 270).

3. Board of Directors

3.1 Composition of the Board of Directors

At 31 December 2019, the Board of Directors had the following 16 members:

Name	Age (*)	Number of years of service	Nationality(ies)	Independence	Year first appointed	Term of office ends
Chairman Xavier Huillard	65	13	French	Not independent (Executive company officer)	2006	2022
Vice-Chairman Yves-Thibault de Silguy	71	19	French	Not independent (More than 12 years of service)	2000	2022
Lead Director Yannick Assouad	60	6	French	Independent	2013	2021
Robert Castaigne	73	12	French	Not independent (More than 12 years of service)	2007	2023
Uwe Chlebos	61	5	German	Not independent (Director representing employees)	2014	2022
Graziella Gavezotti	68	6	Italian	Independent	2013	2021
Caroline Grégoire Sainte Marie	62	0 (**)	French	Independent	2019	2023
Miloud Hakimi	61	5	French and Algerian	Not independent (Director representing employees)	2014	2022
Jean-Pierre Lamoure	70	11	French	Independent	2008	2020
Marie-Christine Lombard	61	5	French	Independent	2014	2022
René Medori	62	1	French and British	Independent	2018	2022
Dominique Muller Joly-Pottuz	57	0 (**)	French	Not independent (Director representing employee shareholders)	2019	2023
Ana Paula Pessoa	52	4	Brazilian	Independent	2015	2023
Michael Pragnell	73	10	British	Independent	2009	2021
Pascale Sourisse	57	12	French	Not independent (More than 12 years of service)	2007	2023
Qatar Holding LLC Permanent representative: Abdullah Hamad Al Attiyah	- 35	9 1	Qatari Qatari	Independent Independent	2010 2018	2022 -

(*) Age on the date when this universal registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Appointed as Director by the shareholders at the Shareholders' General Meeting of 17 April 2019.

It should be noted that the Directors representing employees, namely Uwe Chlebos and Miloud Hakimi, are not appointed by vote of the shareholders at the Shareholders' General Meeting, but instead are elected by the trade union having the highest number of members within the VINCI Group and the European Works Council, respectively, in accordance with the provisions of Article 11.3 of the Articles of Association.

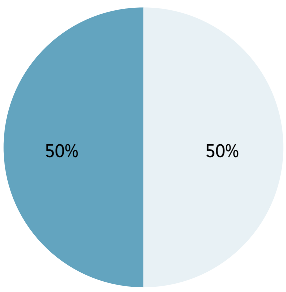
The key features of the Board's composition at 31 December 2019 are summarised below [(*)]:

Average age
62

Average tenure
7 years

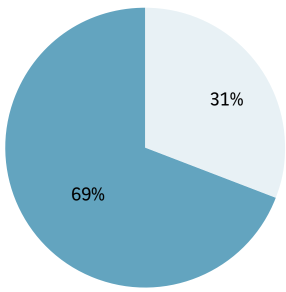
(*) In accordance with the Afep-Medef code.

Gender parity



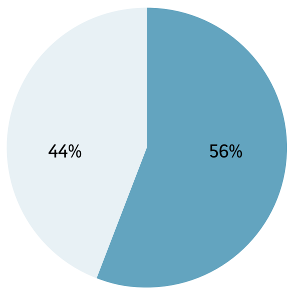
Women
Men

Independence



Independent Directors
Non-independent Directors

Internationalisation



Directors who are French nationals
Directors who are nationals of another country

The members of the Board have expertise primarily in the following areas:

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

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In 2019, the Board held nine meetings (seven ordinary meetings and two extraordinary meetings). Ordinary meetings of the Board are scheduled over a year in advance, whereas extraordinary meetings are often convened at very short notice, which can sometimes prove difficult to reconcile with the professional constraints of certain Directors. Nevertheless, it is worth noting that extraordinary meetings of the Board are usually called to examine proposed acquisitions or major long-term contracts for infrastructure projects which, prior to being submitted to a formal Board meeting, have been the focus of one or more review sessions held by the Strategy and CSR Committee, thus allowing Directors to learn about these opportunities, express an opinion and give voting instructions to the Director they have appointed as proxy to vote on their behalf at a formal Board meeting. All Directors are invited to take part in the meetings of the Strategy and CSR Committee and receive the related documentation, which may also be viewed using a tablet or computer via the application set up for this purpose by the Board.

The table below provides details on individual attendance rates for all Directors at Board meetings as well as the meetings of its committees.

	Board of Directors		Audit Committee	Strategy and CSR Committee	Remuneration Committee	Appointments and Corporate Governance Committee
	Total	Of which, ordinary meetings				
Number of meetings in 2019	**9**	**7**	**5**	**7**	**3**	**5**
Xavier Huillard	9/9	7/7				
Yves-Thibault de Silguy	9/9	7/7		C 7/7		M 5/5
Yannick Assouad	7/9	7/7	M(*) C(**) 5/5			C 5/5
Robert Castaigne	9/9	7/7	M 5/5		M(**) 2/2	M(*) 2/3
Uwe Chlebos	7/9	7/7		M 5/7		
Graziella Gavezotti	7/9	6/7	M 5/5			
Caroline Grégoire Sainte Marie	6/6	5/5			M(*) 1/1	
Miloud Hakimi	8/9	6/7			M 3/3	
Jean-Pierre Lamoure	9/9	7/7				M 5/5
Marie-Christine Lombard	7/9	7/7			C(*) 1/1	M 5/5
René Medori	9/9	7/7	C(*) M(**) 5/5			
Dominique Muller Joly-Pottuz	6/6	5/5		M(*) 6/6		
Ana Paula Pessoa	9/9	7/7		M 7/7		
Michael Pragnell	9/9	7/7			M 3/3	
Pascale Sourisse	9/9	7/7		M(*) 7/7	M 1/1	M(**) 2/2
Abdullah Hamad Al Attiyah (permanent representative of Qatar Holding LLC)	8/9	6/7		M 7/7		
Director whose term of office ended in 2019						
Josiane Marquez	3/3	2/2		M(**) 1/1		
Total	**93%**	**97%**	**100%**	**95%**	**100%**	**96%**

C: Chairman; M: Member.
(*) From 17 April 2019.
(**) Until 17 April 2019.

At the Shareholders' General Meeting of 17 April 2019, the shareholders voted to renew the terms of office of Robert Castaigne, Ana Paula Pessoa and Pascale Sourisse as Directors, and to appoint Caroline Grégoire Sainte Marie as Director and Dominique Muller Joly-Pottuz as Director representing employee shareholders (replacing Josiane Marquez).

At the Shareholders' General Meeting of 9 April 2020, a resolution will be put to a vote to appoint Benoît Bazin as Director. It is also worth noting that the term of office of Jean-Pierre Lamoure as Director will end at the close of this same meeting.

In consideration of Mr Lamoure's upcoming departure, the Appointments and Corporate Governance Committee focused on finding a candidate offering comparable technical expertise in order to round out the range of knowledge represented by Board members. During its meeting of 19 December 2019, the Board approved the Appointments and Corporate Governance Committee's recommendation to appoint Benoît Bazin.

The table below highlights the changes in the Board's composition having occurred in 2019 and those that will occur in coming years:

	Situation at 1 January 2019	Renewal of term of office / Appointment at the 2019 Shareholders' General Meeting	Situation at 31 December 2019	Term of office ends			
				2020 Shareholders' General Meeting	2021 Shareholders' General Meeting	2022 Shareholders' General Meeting	2023 Shareholders' General Meeting
Xavier Huillard	X		X			X	
Yves-Thibault de Silguy	X		X			X	
Yannick Assouad	X		X		X		
Robert Castaigne	X	X	X				X
Uwe Chlebos	X		X			X	
Graziella Gavezotti	X		X		X		
Caroline Grégoire Sainte Marie		X	X				X
Miloud Hakimi	X		X			X	
Jean-Pierre Lamoure	X		X	X			
Marie-Christine Lombard	X		X			X	
Josiane Marquez	X						
René Medori	X		X			X	
Dominique Muller Joly-Pottuz		X	X				X
Ana Paula Pessoa	X	X	X				X
Michael Pragnell	X		X		X		
Pascale Sourisse	X	X	X				X
Qatar Holding LLC	X		X			X	
Abdullah Hamad Al Attiyah (permanent representative of Qatar Holding LLC)	X		X				

As recommended by the Afep-Medef code, the Board regularly reviews its composition so as to ensure balance, particularly in terms of diversity (gender representation, age, nationalities, international profiles, expertise). The results of this policy are summarised in the table below:

Diversity objective	Observations	At 31 December 2019		At the close of the 2020 Shareholders' General Meeting	
Number of Directors		16		16	
At least 50% of Directors deemed independent in accordance with Article 9.3 of the Afep-Medef code	The Directors representing employees and employee shareholders are not taken into account (see paragraph 3.3.2, page 151)	9/13	69%	9/13	69%
Improved gender balance (number of women on the Board)	The two Directors representing employees are not taken into account	7/14	50%	7/14	50%
International reach (number of Directors who are foreign nationals or have dual nationality)		7/16	44%	7/16	44%
Directors representing • employees • employee shareholders		 2 1		 2 1	

The term of office of Directors is four years. The Company's Articles of Association provide that no one may be appointed or reappointed as a Director after reaching the age of 75. In addition, no more than one-third of the Directors in office at the close of the financial year for which shareholders are asked to approve the financial statements may be over 70.

The average age of Directors in office was 62 at 31 December 2019, at which time four of them were over 70 and none of them were over 75.

When new Directors take office, they receive legal and financial information on the Company and its group of companies, which is frequently updated. They also take part in meetings with the Group's principal executives. In addition, to improve their knowledge of the Group, Directors regularly receive presentations on Group companies or on cross-cutting policies during Board meetings, in particular with regard to corporate social responsibility, and take part in visits to the Group's worksites and other business premises. Via a dedicated website, they are given access to all information necessary to perform their duties.

The Directors representing employees and the Director representing employee shareholders may dedicate a maximum of 15 hours to preparing for each meeting of the Board or of any Board committee of which they are members. At their request, they are entitled to receive appropriate training, in accordance with applicable legal provisions.

3.2 Company officers' appointments and other positions held

The following tables detail the appointments and other positions held by:

- the Chairman and Chief Executive Officer;
- the Vice-Chairman and the Lead Director;
- the 13 other members of the Board of Directors;
- the individual whose appointment as Director is to be proposed at the Shareholders' General Meeting of 9 April 2020;
- the Director whose term of office ended in 2019.

3.2.1 Executive Management

Xavier Huillard	Appointments and other positions held at 31/12/2019	Appointments and other position that have expired during the last five financial year
Chairman and Chief Executive Officer, VINCI Age[*]: 65 Nationality: French Number of VINCI shares held: 391,835 First appointment: 2006 Term of office ends: 2022 Shareholders' General Meeting Business address: VINCI 1 cours Ferdinand de Lesseps 92500 Rueil Malmaison France	**Within the VINCI Group**	
	• Chairman and Chief Executive Officer of VINCI • Chairman of VINCI Concessions SAS • Chairman of the Supervisory Board of VINCI Deutschland GmbH • Permanent representative of VINCI on the Boards of Directors of VINCI Energies and Fabrique de la Cité • Permanent representative of Snel on the Board of Directors of ASF and of VINCI Autoroutes on the Board of Directors of Cofiroute • Chairman of the Fondation VINCI pour la Cité • Director of Kansai Airports	• Permanent representative of VINCI on the Board of Directors of Eurovia
	Outside the VINCI Group in listed companies	
	• Permanent representative of VINCI on the Board of Directors of Aéroports de Paris and member of its Remuneration, Appointments and Governance Committee • Director of Air Liquide and Chairman of its Remuneration Committee	• Non-voting Director of Aéroports de Paris
	In unlisted companies or other structures outside the VINCI Group	
	• Member of the Institut de l'Entreprise	• Chairman of the Institut de l'Entreprise • Vice-Chairman of the non-profit organisation Aurore
	Background	
	Xavier Huillard is a graduate of the École Polytechnique and the École Nationale des Ponts et Chaussées (now known as the École des Pont ParisTech). He has spent most of his working life in the construction industry in France and abroad. Mr Huillard joined Sogea in December 199 as Deputy Chief Executive Officer in charge of international activities and specific projects, and then became its Chairman and Chief Executiv Officer in 1998. He was appointed Deputy General Manager of VINCI in March 1998 and was Chairman of VINCI Construction from 2000 to 200: He was appointed Co-Chief Operating Officer of VINCI and was Chairman and Chief Executive Officer of VINCI Energies from 2002 to 2004, the Chairman of VINCI Energies from 2004 to 2005. Mr Huillard became Director and Chief Executive Officer of VINCI in 2006 and was appointe Chairman of the Board of Directors and Chief Executive Officer of VINCI on 6 May 2010. He served as Chairman of the Institut de l'Entreprise fror January 2011 until January 2017. He was appointed Chairman of VINCI Concessions SAS on 20 June 2016.	

(*) Age on the date when this universal registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).

3.2.2 The Vice-Chairman and the Lead Director

Yves-Thibault de Silguy	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Vice-Chairman of the Board of Directors, VINCI **Chairman of the Strategy and CSR Committee and member of the Appointments and Corporate Governance Committee** Age (*): 71 Nationality: French Number of VINCI shares held: 45,696 First appointment: 2000 Term of office ends: 2022 Shareholders' General Meeting Business address: VINCI 1 cours Ferdinand de Lesseps 92500 Rueil Malmaison France	**Within the VINCI Group**	
	• Permanent representative of VINCI on the Board of Directors of ASF	None.
	Outside the VINCI Group in listed companies	
	• Director of LVMH, Chairman of its Performance Audit Committee and its Ethics and Sustainable Development Committee, and member of its Nominations and Compensation Committee • Member of the Supervisory Board and Chairman of the Audit Committee of VTB Bank (Russia – listed on the London Stock Exchange)	• Director of Solvay (Belgium), Chairman of its Nomination Committee and member of both its Compensation Committee and its Finance Committee
	In unlisted companies or other structures outside the VINCI Group	
	• Chairman of the Supervisory Board of Sofisport • Managing Director of YTSeuropaconsultants • Vice-Chairman of Medef International (the international branch of the French employers' organisation) and Chairman of the France-Iran committee of Medef International	• Trustee of the IASC Foundation • Member of the Conseil des Affaires Etrangères (Foreign Affairs Council) • Member of the Boards of Directors of the Fondation Monoprix and the Fondation du Collège de France • Managing Partner of Ysilop Consulting SARL • Member of the Supervisory Board of VTB Bank France
	Background	
	Yves-Thibault de Silguy has a degree in law from the Université de Rennes, a master's degree in public law, and is a graduate of the Institut d'Études Politiques de Paris, public service section, and the École Nationale d'Administration. From 1976 to 1981, he worked at the French Ministry of Foreign Affairs and for the European Commission from 1981 to 1985. He then worked at the French Embassy in Washington as a Counsellor (economic affairs) from 1985 to 1986. From 1986 to 1988, Mr de Silguy was an adviser in the Prime Minister's office with responsibility for European affairs and international economic and financial affairs. From 1988 to 1993, he headed the international affairs department of the Usinor Sacilor Group, before being named its Director for International Affairs. From 1993 to 1995, he was Secretary-General of the Interdepartmental Committee for Questions of Economic Cooperation in Europe and, at the same time, adviser for European affairs and vice-sherpa in the Prime Minister's office, assisting in the preparation of summits of the industrialised nations. From 1995 to 1999, Mr de Silguy was European Commissioner responsible for economic, monetary and financial affairs. From 2000 to 2005, he was Chairman of Medef's European Policy Committee. In January 2000, he became a member of the Executive Board of Suez Lyonnaise des Eaux, then served as Chief Executive Officer of Suez from 2001 to 2003. He was then Executive Vice-President of Suez from 2003 until June 2006. Mr de Silguy was appointed Chairman of the Board of Directors of VINCI on 1 June 2006 and resigned from all his appointments at Suez. On 6 May 2010, he was appointed Vice-Chairman of VINCI and Lead Director of the Board. Since October 2018, he has been Vice-Chairman of VINCI.	

Yannick Assouad (**)	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Lead Director of the Board of Directors, VINCI **Chief Executive Officer, Latécoère** **Chairman of the Appointments and Corporate Governance Committee and member of the Audit Committee** Age (*): 60 Nationality: French Number of VINCI share held: 1,000 First appointment: 2013 Term of office ends: 2021 Shareholders' General Meeting Business address: Latécoère 135 rue de Périole BP 25211 31079 Toulouse Cedex 5 France	**Outside the VINCI Group**	
	• Chief Executive Officer and member of the Board of Latécoère • Director of Arkema	• Member of the Executive Board of Zodiac Aerospace
	In unlisted companies or other structures outside the VINCI Group	
	• Member of the Board of Directors of ENAC (École Nationale de l'Aviation Civile) • Member of the Executive Committee of Gifas (Groupement des Industries Françaises Aéronautiques et Spatiales)	• Chairman and Director of various companies within Zodiac Aerospace's Aircraft Systems segment, and subsequently within its Cabin segment • Director of the Institut de Recherche Technologique Saint Exupéry
	Background	
	Yannick Assouad is a graduate of the Institut National des Sciences Appliquées de Lyon and the Illinois Institute of Technology. She joined Thomson CSF in 1986, where she was head of the thermal and mechanical analysis group until 1998. From 1998 to 2003, Mrs Assouad served first as Technical Director and then as Chief Executive Officer of Honeywell Aerospace, before being appointed Chairman of Honeywell SECAN. In 2003, she joined Zodiac Aerospace, initially as Chief Executive Officer of Intertechnique Services, a post she held until 2008. Appointed to Zodiac Aerospace's Executive Committee that same year, Mrs Assouad was selected to create the group's Services business segment, which she headed until 2010, when she was appointed Chief Executive Officer of its Aircraft Systems segment. In May 2015, she became the first Chief Executive Officer of Zodiac Cabin, a newly created segment of Zodiac Aerospace. In November 2015, she was named to the Executive Board of Zodiac Aerospace. Since 10 November 2016, she has been Chief Executive Officer of Latécoère.	

(*) Age on the date when this universal registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Director considered independent by the Board.

3.2.3 Other members of the Board of Directors

Robert Castaigne	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Former Chief Financial Officer and former member of the Executive Committee, Total	**Outside the VINCI Group in listed companies**	
Member of both the Audit Committee and the Appointments and Corporate Governance Committee	• Director of Novatek (Russia), Chairman of its Audit Committee and member of its Appointments and Remuneration Committee	• Director and Chairman of the Audit Committee of Sanofi (until May 2018) • Director of Société Générale and member of both its Audit and Internal Control Committee and its Nomination and Corporate Governance Committee (until May 2018)
Age (*): 73 Nationality: French Number of VINCI shares held: 1,038 First appointment: 2007 Term of office ends: 2023 Shareholders' General Meeting Business address: Total, 6 rue Lincoln, 75008 Paris, France	**Background** Robert Castaigne is a graduate of the École Centrale de Lille and the École Nationale Supérieure du Pétrole et des Moteurs. He also holds a doctorate in economics from Université Paris 1 Panthéon-Sorbonne. He joined Total as an engineer on 1 January 1972 and went on to serve as Chief Financial Officer of Total and as a member of its Executive Committee from June 1994 to May 2008.	

Uwe Chlebos	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Insulation installer, G+H Isolierung GmbH	**Within the VINCI Group**	
Director representing employees	• Member of the Supervisory Board of VINCI Deutschland GmbH	• Vice-Chairman of the Supervisory Board of VINCI Energies Deutschland GmbH
Member of the Strategy and CSR Committee	**In unlisted companies or other structures outside the VINCI Group**	
Age (*): 61	• Member of the Industrial Union of Construction, Agriculture and Environment (Germany)	None.
Nationality: German Number of VINCI shares held: 126 First designation: 2014 Term of office ends: 2022 Shareholders' General Meeting Business address: G+H Isolierung GmbH, Auf den Holln 47, 44894 Bochum, Germany	**Background** Uwe Chlebos joined G+H Isolierung GmbH (VINCI Energies, Germany) in 1972 as an insulation installer. In 1994, he was elected Chairman of the G+H Isolierung GmbH Works Council. Mr Chlebos was named to G+H Isolierung's Economic and Labour Relations Committee in 1996 and became a member of the Executive Committee of the company's General Works Council in 1998 before being appointed the latter's Chairman in 2006. Since 2003, he has been a member of the Supervisory Board of VINCI Deutschland. From 2001 to 2006, he was initially Chairman of the Works Council of VINCI Construction Deutschland before being named Chairman of the equivalent body for VINCI Energies Deutschland. From 2010 to 2013, he was Vice-Chairman of the Supervisory Board of VINCI Energies Deutschland. Since 2010, he has been a member of the Supervisory Board of VINCI Deutschland.	

Graziella Gavezotti (**)	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Chief Operating Officer, Southern Europe and Africa, Edenred	**In unlisted companies or other structures outside the VINCI Group**	
Member of the Audit Committee	• Chief Operating Officer, Southern Europe and Africa, Edenred • Chairman of the Board of Directors of Edenred Italia SRL, Edenred Italia Fin SRL, Voucher Services SA (Greece) and Edenred España SA • Vice-Chairman of the Board of Edenred Portugal SA • Director of Edenred Maroc, Edenred SAL (Lebanon) and Edenred Ödeme Hizmetleril A.Ş. (Turkey)	• Chairman of E-Lunch (Italy, until November 2016) • Director of Edenred Kurumsal Çözümler A.Ş. (Turkey, until April 2015)
Age (*): 68 Nationality: Italian Number of VINCI shares held: 1,000 First appointment: 2013 Term of office ends: 2021 Shareholders' General Meeting Business address: Edenred, via G.B. Pirelli 18, 20124 Milan, Italy	**Background** Graziella Gavezotti is a graduate of the Università di Comunicazione e Lingue (IULM) and the University of Rijeka. Prior to joining Edenred Italia, she worked for Jacques Borel International, Gemeaz and Accor Services Italia. Until May 2012, she was Chairman and Chief Executive Officer of Edenred Italia. Since July 2012 she has been Chief Operating Officer of Edenred for Southern Europe (Italy, Spain, Portugal, Turkey, Greece, Morocco and Lebanon) while continuing to serve as Chairman of the Board of Directors of Edenred Italia. She is also a member of Edenred SA's Executive Committee.	

(*) Age on the date when the registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Director considered independent by the Board.

Caroline Grégoire Sainte Marie (**)

Company director

Member of the Remuneration Committee

Age (*): 62

Nationality: French

Number of VINCI shares held: 1,000

First appointment: 2019 Shareholders' General Meeting

Term of office ends: 2023 Shareholders' General Meeting

Business address:
36 avenue Duquesne
75007 Paris
France

Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Outside the VINCI Group in listed companies	
• Vice-Chairman of the Supervisory Board of Wienerberger (Austria) and Chairman of its Innovation and Sustainable Development Committee • Independent Director of Elkem (Norway) and member of its Remuneration Committee • Independent Director of Fnac Darty and member of its Corporate Social Responsibility Committee	• Non-voting Director of Safran and member of its Audit Committee • Independent Director of Eramet and member of its Strategy Committee • Independent Director of FLSmidth & Co (Denmark) and member of both its Audit Committee and its Technology Committee (2012-2019)
In unlisted companies or other structures outside the VINCI Group	
• Independent Director of Groupama, Chairman of its Compensation and Appointments Committee and member of its Audit and Risks Committee	None.

Background

A graduate of the Institut d'Études Politiques de Paris, Caroline Grégoire Sainte Marie also has a degree in commercial law from Université Paris 1 Panthéon-Sorbonne. She began her career with Xerox France in 1981 as a financial controller. In 1984, she joined the Hoechst pharmaceuticals group, holding various financial positions at Roussel Uclaf SA, before being appointed Chief Financial Officer in 1994 of Albert Roussel Pharma GmbH, where she also served on the Executive Board. In 1996, she joined Volkswagen France, before moving to the Lafarge group in 1997 as Chief Financial Officer of Lafarge Speciality Products (LMS). She was named Senior Vice-President, Mergers and Acquisitions in the group's Cement division in 2000, where she notably led the financial strategy for the takeover of Blue Circle. In 2004, she became Managing Director of Lafarge Cement for Germany and the Czech Republic. She was appointed Chairman and Chief Executive Officer of Tarmac for France and Belgium in 2007, before being named Chairman and Chief Executive Officer of Frans Bonhomme in 2009. She was a Director of Eramet from 2012 to 2016 and of Safran from 2011 to 2015. Mrs Grégoire Sainte Marie has served mainly as a company director since 2011. Apart from her position at VINCI, she is currently on the boards of Groupama, Wienerberger, Fnac Darty and Elkem. In addition, as an investor, she is a Director of Calyos (Belgium). She is also a founding partner of DefInnov, a collaborative innovation platform in the defence and security field, as well as Senior Advisor at HIG European Capital Partners.

Miloud Hakimi

Project manager, ViE SAS

Director representing employees

Member of the Remuneration Committee

Age (*): 61

Nationalities: French and Algerian

Number of VINCI shares held: 808

First designation: 2014

Term of office ends: 2022

Business address:
VINCI
1 cours Ferdinand de Lesseps
92500 Rueil Malmaison
France

Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
In unlisted companies or other structures outside the VINCI Group	
• Director of Cadase (Toulon)	None.

Background

Trained as an electrical technician, Miloud Hakimi joined Degreane (VINCI Energies) in 1976 as a fitter. In 1989, after completing a BTS, he became a sales technician before achieving certification to serve as an electrical safety trainer (NF C18-510 standard) beginning in 2002. He has been a project manager at ViE SAS since 2014.

Jean-Pierre Lamoure (**)

Chairman of the Supervisory Board, Atlantic SFDT

Member of the Appointments and Corporate Governance Committee

Age (*): 70

Nationality: French

Number of VINCI shares held: 2,026

First appointment: 2008

Term of office ends: 2020 Shareholders' General Meeting

Business address:
Atlantic
58 avenue du Général Leclerc
92340 Bourg la Reine
France

Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Within the VINCI Group	
• Honorary Chairman of Soletanche Freyssinet	None.
In unlisted companies or other structures outside the VINCI Group	
• Chairman of the Supervisory Board of Atlantic SFDT • Chairman of Comemi and of HIGB • Chief Executive Officer of Sedeco	• Chairman of Psila

Background

Jean-Pierre Lamoure is a graduate of the École Polytechnique and holds the rank of Master Engineer in the Corps des Mines. He held several different posts at the French Ministry of Industry between 1975 and 1981. From 1981 to 1983, he was Head of Management Control and Planning in the insulation division of Saint-Gobain. In 1983 he joined the Soletanche group as Chief Executive Officer, a position he held from 1983 to 1987, and served as Chairman of the Executive Board of Soletanche Entreprise from 1987 to 1989. He was then appointed Chairman and Chief Executive Officer of Soletanche SA in 1989, a position he held until 2008, while serving concurrently in this same position from 1997 at Soletanche Bachy, both companies having become subsidiaries of VINCI Construction in 2007. He was Chairman of the Board of Soletanche Freyssinet from 2008 to 2012. At Forasol-Foramer, a Soletanche subsidiary, he served as Vice-Chairman from 1983 to 1988, then as Chairman and Chief Executive Officer from 1988 to 1994 and as Chairman of the Supervisory Board from 1994 to 1997. Mr Lamoure has also been Chairman of the Supervisory Board of Atlantic SFDT since 1998. In addition, he was Vice-Chairman of the French National Federation of Public Works (FNTP) from 1998 until 2007, and served as its Secretary from 2007 to 2012. Between 1995 and 1999 and between 2004 and 2009, he was also Chairman of that federation's Technology and Innovation Commission.

(*) Age on the date when the registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Director considered independent by the Board.

Director	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Marie-Christine Lombard (**) **Chairman of the Executive Board, Geodis SA** **Chairman of the Remuneration Committee and member of the Appointments and Corporate Governance Committee** Age (*): 61 Nationality: French Number of VINCI shares held: 1,000 First appointment: 2014 Term of office ends: 2022 Shareholders' General Meeting Business address: Geodis 26 quai Charles Pasqua 92300 Levallois Perret France	**In unlisted companies or other structures outside the VINCI Group**	
	• Chairman of the Executive Board of Geodis SA • Director of TLF	• Member of the Supervisory Board of Groupe Keolis • Member of the Executive Committee of the Fondation Emlyon Entrepreneurs pour le Monde • Member of the Managing Committee of TLF • Member of the Supervisory Board of BPCE and member of both its Audit Committee and its Risk Committee • Member of the Management Board of BMV • Member of the Board of Directors of École Polytechnique
	Background	
	A graduate of the Essec business school, Marie-Christine Lombard held various positions in the banking sector early in her career, notably with Chemical Bank and Paribas, based successively in New York, Paris and Lyon. She subsequently moved to the express services sector, joining the French company Jet Services as Chief Financial Officer in 1993, before being appointed Chief Executive Officer in 1997, a position she held until TNT Express acquired the company in 1999. Mrs Lombard then became Chairman of TNT Express France, which she soon made one of TNT's most successful business units. In 2004, she was named Group Managing Director of TNT Express. When TNT Express became an independent listed company in May 2011, Mrs Lombard was named Chief Executive Officer. In October 2012, she joined Geodis, first as Chief Executive Officer, before being named Chairman of the Executive Board in December 2013. She was also a member of the Supervisory Board of BPCE and a member of the Board of Directors of École Polytechnique until 2018.	
René Medori (**) **Non-executive Chairman, Petrofac Ltd** **Chairman of the Audit Committee** Age (*): 62 Nationalities: French and British Number of VINCI shares held: 1,000 First appointment: 2018 Term of office ends: 2022 Shareholders' General Meeting Business address: Petrofac Ltd 117 Jermyn Street St James's London SW1Y 6HH UK	**Outside the VINCI Group in listed companies**	
	• Non-executive Chairman of Petrofac Ltd • Director of Cobham plc, Chairman of its Audit Committee and member of its Board Risk and Nomination Committees (until 17 January 2020) • Director of Newmont Mining Corporation	• Director of Anglo American Platinum Ltd • Senior Independent Director of Petrofac Ltd and Chairman of its Audit Committee • Director of Anglo American plc
	In unlisted companies or other structures outside the VINCI Group	
	None.	• Permanent representative of Anglo American plc on the Board of Directors of De Beers
	Background	
	René Medori has a doctorate in management and a DEA (diploma of advanced studies) in organisational science from Université Paris Dauphine. He also completed the Financial Management Program at the Stanford Graduate School of Business. After a four-year stint, beginning in 1982, as a consultant with Andersen Worldwide SC, he worked for Schlumberger from 1986 to 1987 as a financial controller in the gas meter division. In 1988, he joined BOC, where he held several positions in the United Kingdom, the United States and France, including that of Group Finance Director. He was also a member of BOC's Board of Directors from 2000 to 2005. From 2005 to 2017, he was Chief Financial Officer and a member of the Board of Directors of Anglo American plc.	
Dominique Muller Joly-Pottuz **Head of Insurance, VINCI Construction France** **Director representing employee shareholders** **Member of the Strategy and CSR Committee** Age (*): 57 Nationality: French Number of VINCI shares held: 433 First appointment: 2019 Term of office ends: 2023 Shareholders' General Meeting Business address: VINCI Construction France 61 avenue Jules Quentin 92730 Nanterre Cedex France	**In unlisted companies or other structures of the VINCI Group**	
	• Chairman of the Supervisory Board of the Castor company mutual fund • Secretary of the Social and Economic Committee of VINCI Construction France	None.
	Background	
	After completing a master's degree in private law, with a specialisation in international legal affairs, Dominique Muller Joly-Pottuz joined the VINCI Group in April 1991. She served as head of construction claims at Ascop (Compagnie Générale des Eaux's captive brokerage firm) until 2000, and then as head of claims and coverage at VINCI Assurances until October 2006. Since that date, she has been head of insurance at VINCI Construction France.	

(*) Age on the date when the registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Director considered independent by the Board.

Ana Paula Pessoa (**)

Chairman and Chief Strategy Officer, Kunumi AI

Member of the Strategy and CSR Committee

Age (*): 52

Nationality: Brazilian

Number of VINCI shares held: 1,000

First appointment: 2015

Term of office ends: 2023 Shareholders' General Meeting

Business address:
Rua General Tasso Fragoso 33
Bl 5/401
Lagoa
Rio de Janeiro
22470-170 Brazil

Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Outside the VINCI Group in listed companies	
• Independent Director of News Corporation (United States) and member of its Audit Committee • Independent Director of Credit Suisse Group AG and member of its Audit Committee, its Innovation and Technology Committee and its Conduct and Financial Crime Control Committee • Independent Director of Suzano Pulp and Paper (Brazil) and Chairman of its Audit Committee	• Independent Director of Aegea Saneamento SA (Brazil) and member of its Finance and Investment Committee
In unlisted companies or other structures outside the VINCI Group	
• Chairman and Chief Strategy Officer of Kunumi AI • Member of the Global Advisory Council to the President of Stanford University • Member of the Advisory Board of The Nature Conservancy (Brazil) • Member of the Audit Committee of the Roberto Marinho Foundation • Member of the Board of the Stanford University Brazil Association (SUBA) • Member of the Advisory Board of Instituto Atlântico de Gobierno (Spain)	• Chairman of the Board of Directors of Neemu Internet SA • Member of the Consulting Board of the Rio de Janeiro City Council

Background

Ana Paula Pessoa graduated from Stanford University with a BA in economics and international relations and an MA in economic development. She worked for the United Nations Development Programme (UNDP) in New York and in Benin from 1988 to 1990. Mrs Pessoa returned to Brazil in 1993 and joined Globo Organizations where she stayed for 18 years, occupying several positions in telecommunications, cable and satellite TV, print media, radio and newspapers. From 2001 to 2011, she was Chief Financial Officer and Innovation Director of Infoglobo, the largest newspaper group in South America. In 2011, Mrs Pessoa founded BlackKey Investments and invested in Neemu Internet, a leader in search and recommendation technology for e-commerce, which was sold in August 2015 to Linx SA, Brazil's largest retail software house. In 2012, she opened the Brazil office of Brunswick Group, a strategic communications company, where she was managing partner for over three years. Mrs Pessoa was Chief Financial Officer of the Organising Committee for the Rio 2016 Olympic and Paralympic Games from September 2015 to March 2017. Currently, she is Chairman of Kunumi AI, a leading artificial intelligence company, where she also serves as Chief Strategy Officer.

Michael Pragnell CBE (**)

Former founding Chief Executive Officer, Chairman of the Executive Committee and Director of the Board, Syngenta AG

Member of the Remuneration Committee

Age (*): 73

Nationality: British

Number of VINCI shares held: 1,027

First appointment: 2009

Term of office ends: 2021 Shareholders' General Meeting

Business address:
VINCI
1 cours Ferdinand de Lesseps
92500 Rueil Malmaison
France

Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
In unlisted companies or other structures outside the VINCI Group	
None.	• Member of the Board of Directors of Insead • Chairman of the Council of Trustees of Cancer Research UK

Background

Michael Pragnell is a graduate of Oxford and Insead. Following a period in the international department of the First National Bank of Chicago in New York, Mr Pragnell held a series of positions in the Courtaulds group from 1975 until 1995: Chief Executive Officer of National Plastics (1985-1986), Chief Executive Officer of International Paint plc (1986-1992) and Chief Financial Officer (1992-1994) of Courtaulds plc, where he was appointed to the Board of Directors in 1990. From 1995 to 2000, he was Chief Executive Officer of Zeneca Agrochemicals and a member of the Executive Committee of Zeneca plc (now known as AstraZeneca plc), and was appointed to its Board of Directors in 1997. From 2000 to 2007, Mr Pragnell was the founding Chief Executive Officer and Chairman of the Executive Committee of Syngenta AG, where he was also a member of the Board of Directors from its creation. Other positions held include being a member of the Board of Directors of David S. Smith (now DS Smith) plc from 1996 to 1999 and of Advanta BV (Netherlands). He was Chairman of CropLife International from 2002 to 2005 and served as Chairman of the Council of Trustees of Cancer Research UK from 2010 to 2016. Mr Pragnell was awarded a CBE in the UK's 2017 New Year's Honours List.

Pascale Sourisse

Senior Executive Vice-President, International Development, Thales

Member of both the Remuneration Committee and the Strategy and CSR Committee

Age (*): 57

Nationality: French

Number of VINCI shares held: 1,000

First appointment: 2007

Term of office ends: 2023 Shareholders' General Meeting

Business address:
Thales
Tour Carpe Diem
31 place des Corolles
Esplanade Nord
92400 Courbevoie
France

Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Outside the VINCI Group in listed companies	
• Senior Executive Vice-President, International Development, Thales • Director of Renault SA and Chairman of its Audit, Risks and Compliance Committee	• Director of Areva SA, member of its Audit and Ethics Committee and Chairman of its End-of-Cycle Obligations Monitoring Committee
In unlisted companies or other structures outside the VINCI Group	
• Chairman and Director of Thales International SAS • Chairman of Thales Europe SAS • Permanent representative of Thales on the Board of Directors of ODAS and member of its Remuneration Committee • Director of Renault SAS • Fellow of the French National Academy of Technologies • Member of the Board of Directors of École Polytechnique • Member of the Board of Directors of the Thales Solidarity charitable fund • Member of the Founders Committee of the École Polytechnique Foundation's Board of Directors	• Permanent representative of Thales on the Board of Directors of Sofresa • Member of the Governing Board of the French National Research Agency (ANR) • Chairman of the Advisory Board of Télécom ParisTech • Member of the Governing Board of the French National Frequencies Agency (ANFR)

Background

Pascale Sourisse is a graduate of the École Polytechnique and Télécom ParisTech. She worked as an engineer at Compagnie Générale des Eaux from 1984 to 1985, as an engineer in the telecommunications division of Jeumont-Schneider from 1985 to 1986, and as head of the enterprise network division at France Telecom from 1987 to 1990. From 1990 to 1994, Mrs Sourisse worked in the French Ministry for Industry as assistant deputy manager, then deputy manager of the Consumer Electronics and Audiovisual Communication department. She then joined the Alcatel Group, where she held the positions of Director, Planning and Strategy from 1995 to 1997, Chairman and Chief Executive Officer of Skybridge from 1997 to 2001, and Chief Executive Officer and then President and Chief Executive Officer of Alcatel Space from 2001 to 2005. She was President of Alcatel Alenia Space (now Thales Alenia Space) from 2005 to 2008. Since April 2007, she has been a member of the Executive Committee of Thales. From May 2008 until early 2010, Mrs Sourisse was Chief Executive Officer of Thales' Land & Joint Systems Division. In early 2010, she was named Chief Executive Officer, then Senior Vice-President for Defence & Security C4I Systems at Thales. Since early 2013, she has served as Senior Vice-President for International Development at Thales.

(*) Age on the date when the registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Director considered independent by the Board.

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Qatar Holding LLC (**)	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Permanent representative: Abdullah Hamad Al Attiyah **Member of the Strategy and CSR Committee** Age (*): 35 Nationality: Qatari Number of VINCI shares held (directly or indirectly) by Qatar Holding LLC: 22,375,000 First appointment: 2015 (co-optation) Term of office ends: 2022 Shareholders' General Meeting Business address: Qatar Holding LLC Ooredoo Tower, 8th Floor Diplomatic Area Street West Bay P.O. Box 23224 Doha Qatar	**Outside the VINCI Group in listed companies**	
	• Director of Barwa Real Estate (listed on the Qatar Stock Exchange)	None.
	In unlisted companies or other structures outside the VINCI Group	
	• Chief Executive Officer and Director of Qatari Diar Real Estate Investment Company	• Chief Executive Officer of Qatar Primary Materials Company
	Background	
	Qatar Holding LLC is a company based in Doha, Qatar, founded in April 2006 and wholly owned by the Qatar Investment Authority ("QIA"), for which it represents the main direct investment subsidiary. QIA was founded in 2005 by Emiri Decision, as a governmental entity of the State of Qatar to develop, invest and manage the reserve funds of the State of Qatar and other assets assigned to it. QIA's objective is to preserve and grow the value of its invested assets for the benefit of future generations. The Chairman of the Board of Directors of Qatar Investment Authority is His Excellency Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, Deputy Prime Minister and Minister of Foreign Affairs of the State of Qatar. Its Chief Executive Officer is Mansoor bin Ebrahim Al Mahmoud. On 11 February 2015, Qatar Holding LLC acquired the 31,499,000 VINCI shares initially held (directly or indirectly) by the Qatari Diar Real Estate Investment Company ("Qatari Diar"), which is wholly owned by QIA, and acquired the balance of 1,000 shares from Qatari Diar on 15 April 2015. Following the sale of 7,875,000 shares in 2015 and 1,250,000 shares in 2017, Qatar Holding LLC held 22,375,000 VINCI shares at 31 December 2017. On 6 December 2018, Qatar Holding LLC named Abdullah Hamad Al Attiyah as its permanent representative to VINCI's Board of Directors, replacing Nasser Hassan Faraj Al Ansari. Abdullah Hamad Al Attiyah holds an MSc in Chemical Engineering from the University of Nottingham (United Kingdom) and a BEng in Mechanical Engineering from Cardiff University (United Kingdom). Mr Al Attiyah has extensive professional experience in Qatar, working in a number of industry sectors and for several government agencies. He began his career with Qatar Petroleum as an operations engineer, before joining RasGas in 2011 as a senior project engineer. In 2012, RasGas made him its Onshore Development and Planning Manager. Mr Al Attiyah took on a new position in 2014 as Acting Executive Director of the Program Management Office of Qatar's Supreme Committee for Delivery and Legacy. In 2015, he was named Director of the Technical Office at the country's Public Works Authority (Ashghal) and subsequently served as the authority's Assistant President. Appointed Vice-Chairman of Qatar Primary Materials Company in 2018, he was named by its Board of Directors as Acting Chief Executive Officer in May 2018. During this same period, Mr Al Attiyah was appointed as a Director of Qatari Diar Real Estate Investment Company in January 2017, before being named the company's Chief Executive Officer in July 2018, while retaining his position as a Board member.	

(*) Age on the date when this universal registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).
(**) Director considered independent by the Board.

3.2.4 Individual whose appointment as Director will be submitted for approval at the Shareholders' General Meeting of 9 April 2020

Benoît Bazin	Appointments and other positions held at 31/12/2019	Appointments and other positions that have expired during the last five financial years
Chief Operating Officer, Saint-Gobain Age (*): 52 Nationality: French Number of VINCI shares held: 0 Proposal submitted for first appointment: 2020 Shareholders' General Meeting Business address: Saint-Gobain 18 avenue d'Alsace 92400 Courbevoie France	**Outside the VINCI Group in listed companies**	
	• Chief Operating Officer of Saint-Gobain	• Director of Essilor International and Chairman of its Audit Committee
	In unlisted companies or other structures outside the VINCI Group	
	• President of Saint-Gobain's Construction Products Sector • Director of Saint-Gobain Corporation • Member of the Board of Directors of the Saint-Gobain Initiatives Foundation • Chairman of the Board of Directors of ProQuartet-CEMC	• Chairman of the Supervisory Board of Saint-Gobain Weber • Chairman and Chief Executive Officer of CertainTeed LLC • Chief Executive Officer of Saint-Gobain Northern Europe, CTKC Corporation, Partidis and Saint-Gobain Southern Europe, Middle East and Africa • Chairman of the Boards of Directors of Saint-Gobain Isover, Saint-Gobain Pam, Saint-Gobain Distribution Nordic and Projeo • Director of Saint-Gobain Building Distribution Limited, Norandex Building Materials Distribution Inc. and Jewson Limited • Chairman of the Supervisory Boards of Lapeyre and Point P SAS • Commissioner of Saint-Gobain Distribution Netherlands BV • Member of the Supervisory Board of Saint-Gobain Building Distribution Deutschland
	Background	
	Benoît Bazin is a graduate of the École Polytechnique and the École des Ponts ParisTech, with a degree in economics from the Institut d'Études Politiques de Paris. He also holds a Master of Science from the Massachusetts Institute of Technology. He began his career with the French Ministry for the Economy and Finance in 1995 as rapporteur to the Interministerial Committee on Industrial Restructuring, before moving to the Treasury Department, where he was responsible for French government investments in the aeronautics, electronics and defence industries. Mr Bazin joined Saint-Gobain in 1999 as Corporate Planning Director for the Abrasives business, before being named Vice-President, Corporate Planning for Compagnie de Saint-Gobain in September of the following year. In 2002, he was appointed President of the North America and Worldwide Bonded Abrasives divisions of the Abrasives business. He was named Chief Financial Officer of Compagnie de Saint-Gobain in 2005. From 2009 until the end of 2015, Mr Bazin was President of the company's Building Distribution sector and he has been a Senior Vice-President of Compagnie de Saint-Gobain since 2010. Since January 2016, he has served as President of the Construction Products sector. Mr Bazin was appointed Chief Operating Officer of Saint-Gobain on 1 January 2019. He was a Director of Essilor International from May 2009 to March 2017.	

(*) Age on the date when this universal registration document was filed with the Autorité des Marchés Financiers (AMF, the French securities regulator).

3.2.5 Director whose term of office ended in 2019

Josiane Marquez	Appointments and other positions held at 17/04/2019	Appointments and other positions that have expired during the last five financial years
Information systems consultant, VINCI Energies Systèmes d'Information Age (*): 64 Nationality: French Number of VINCI shares held: 0 Business address: VINCI Energies Systèmes d'Information 10 avenue du Stade de France 93200 Saint Denis France	**Within the VINCI Group**	
	None.	• Director of VINCI representing employee shareholders and member of its Strategy and CSR Committee • Member of the VINCI France Group Works Council and the VINCI European Works Council • Chairman of the Supervisory Board of the Castor and Castor Relais company mutual funds • Central trade union representative and member of the VINCI Energies Systèmes d'Information Works Council
	Background	
	Following undergraduate studies in statistics and probability, Josiane Marquez completed a degree in information systems at a school of computer science, also pursuing additional training in database management and analytical methods. She joined CGEE Alsthom in 1983 and worked as a systems analyst from 1984 until 1994 at this company and later at Cegelec. Between 1996 and 2000, Mrs Marquez was a project manager for business applications, first at Cegelec and then at Alstom. In 2000, she was chosen to manage the SAP sales and invoicing module at Alstom, Cegelec and then VINCI Energies, a position she held until 2015. From 2015 until her retirement in 2019, she was an SAP information systems consultant at VINCI Energies Systèmes d'Information.	

(*) At 17 April 2019.

3.3 Independence of Board members

3.3.1 Personal situation of company officers and conflicts of interest

Summary of related internal rules

The internal rules of the Board of Directors stipulate that all Directors must inform the Board of any conflict of interest, including a future or potential situation, in which they find or may find themselves and in this case promptly contact the Lead Director to define and implement measures to prevent such conflict. These measures might consist in refraining from attending part or all of any Board or Board committee meeting during which a sensitive subject in this regard is to be discussed. Directors must abstain from voting on any matter involving a conflict of interest for them and from taking part in the related discussions. The Lead Director may intervene at any time in response to any real or potential conflicts of interest that may come to his or her attention and proceed with investigations in order to further identify, avoid or manage them.

In addition, the Board's internal rules specify that no Director of VINCI may hold a position at any of VINCI's competitors and that all Directors must keep the Board informed of any positions held in other companies, including positions on the board committees of these French and foreign companies.

Implementation

At the time of writing of this document and on the basis of the statements made by each Director:
- no Director of VINCI has declared a conflict of interest in respect of any decisions taken by the Board in 2019 and all of the Directors considered independent by the Board have stated that they did not have any conflict of interest in 2019 between their personal or professional activities and their role as Director of the Company;
- there are no family links between any of VINCI's company officers;
- none of VINCI's company officers has been found guilty of fraud in the last five years;
- none of these individuals has been involved as a company officer in a bankruptcy, sequestration of assets or liquidation during the last five years and none has been incriminated or officially punished by a statutory or regulatory authority. None has been disqualified by a court from serving as a member of a Board of Directors or company management or supervisory body of a securities issuer, nor from being involved in the management or conduct of the affairs of a securities issuer in the last five years.

3.3.2 Independence evaluation

At its meeting of 4 February 2020, after having heard the report of the Appointments and Corporate Governance Committee, the Board conducted an evaluation of the independence of current Directors, as recommended by the Afep-Medef code and in accordance with the criteria of that code.

In line with the recommendations of the Afep-Medef code, the criteria to be taken into account by the Board are as follows:

Article of the Afep-Medef code	Criteria
9.5.1	Not having been an employee or executive company officer of the company, nor an employee, executive company officer or director of any entity consolidated by the company, nor an employee, executive company officer or director of the company's parent company or of any other entity consolidated by this parent company at any time over the last five years
9.5.2	Not having been an executive company officer of an entity in which the company serves, either directly or indirectly, as director or in which an employee designated as such or an executive company officer of the company currently serves or has served at any time over the last five years as director
9.5.3	Not being a customer, supplier, investment banker, merchant banker or consultant that is material for the company or its group, or for which the company or its group represents a significant part of its business
9.5.4	Having no close family ties with a company officer
9.5.5	Not having acted as statutory auditor for the company at any time over the last five years
9.5.6	Not having served as a director of the company for more than 12 years
9.6	Not being eligible to receive variable remuneration tied to performance in cash or securities from the company or its group if serving as a non-executive company officer
9.7	Not being a representative of a shareholder holding more than 10% of the company's share capital or voting rights

In evaluating the independence of its members with respect to the criteria of Article 9.5.3, the Board took into account the material or non-material nature of the business relationships being examined, the particular circumstances of each Director at the company in question in view of these relationships and the amount of sales or purchases involved, in absolute as well as relative terms.

The table below provides information on the determinations reached by the Board regarding the independence of each of its members:

Xavier Huillard	Mr Huillard is the Chairman and Chief Executive Officer of VINCI.	Not independent
Yves-Thibault de Silguy	Mr de Silguy is the Vice-Chairman of VINCI. He has served as Director for more than 12 years.	Not independent
Yannick Assouad	Mrs Assouad is the Lead Director of VINCI. She has had executive management responsibilities at the Latécoère group since November 2016. Certain VINCI subsidiaries have business relationships with the Latécoère group. However, these relationships arise in the normal course of business and account for only a non-material proportion of business for each of the companies concerned. Furthermore, VINCI's Board of Directors is not involved in any way in these relationships.	Independent
Robert Castaigne	Until May 2008, Mr Castaigne was Chief Financial Officer and a member of the Executive Committee of the Total group. Certain VINCI subsidiaries have business relationships with the Total group. However, these relationships arise in the normal course of business and account for a non-material proportion of business for each of the companies concerned. Furthermore, VINCI's Board of Directors is not involved in any way in these relationships. Mr Castaigne has served as Director for more than 12 years.	Not independent
Uwe Chlebos	Mr Chlebos is a Director representing employees.	Not independent
Graziella Gavezotti	Mrs Gavezotti has executive management responsibilities for Southern Europe at Edenred. Certain VINCI subsidiaries have business relationships with the Edenred group. However, these relationships arise in the normal course of business and account for only a non-material proportion of business for each of the companies concerned. Furthermore, VINCI's Board of Directors is not involved in any way in these relationships.	Independent
Caroline Grégoire Sainte Marie	Mrs Grégoire Sainte Marie is a company director and does not have any business relationships with entities of the VINCI Group.	Independent
Miloud Hakimi	Mr Hakimi is a Director representing employees.	Not independent
Jean-Pierre Lamoure	Mr Lamoure served as Chairman of Soletanche Freyssinet, a wholly owned subsidiary of VINCI, until 31 December 2012. Since that date, thus for more than five years, he has not performed any operational functions within the VINCI Group.	Independent
Marie-Christine Lombard	Mrs Lombard has served as Chairman of the Executive Board of Geodis since December 2013. Certain VINCI subsidiaries have business relationships with the Geodis group. However, these relationships arise in the normal course of business and account for only a non-material proportion of business for each of the companies concerned. Furthermore, VINCI's Board of Directors is not involved in any way in these relationships.	Independent
René Medori	Mr Medori is Non-executive Chairman of Petrofac Ltd. This entity does not have business relationships with the VINCI Group.	Independent
Dominique Muller Joly-Pottuz	Mrs Muller Joly-Pottuz is a Director representing employee shareholders, who hold units of the Castor company mutual fund that is mainly invested in VINCI shares.	Not independent
Ana Paula Pessoa	Mrs Pessoa is Chairman and Chief Strategy Officer of Kunumi AI. This entity does not have business relationships with the VINCI Group.	Independent
Michael Pragnell	Mr Pragnell was Chairman of Cancer Research UK from 2007 to 2016, after having served in senior management positions at Syngenta AG until 2007. Neither of these entities has business relationships with the VINCI Group.	Independent
Pascale Sourisse	Mrs Sourisse has executive management responsibilities at the Thales group. Certain VINCI subsidiaries have business relationships with the Thales group. However, these relationships arise in the normal course of business and account for only a non-material proportion of business for each of the companies concerned. Furthermore, VINCI's Board of Directors is not involved in any way in these relationships. Mrs Sourisse has served as Director for more than 12 years.	Not independent
Qatar Holding LLC and Abdullah Hamad Al Attiyah	Qatar Holding LLC, a company controlled by Qatar Investment Authority (QIA), directly and indirectly holds a 3.9% stake in VINCI. It should be noted that this shareholding had been acquired originally by Qatari Diar Real Estate Investment Company (QD), also controlled by QIA, when the Cegelec group was sold to VINCI. At the time of the sale, it was agreed that QD, which then had a 5.3% stake, would be represented on the Board as long as it held at least 5% of the shares. QD sold its stake to Qatar Holding LLC in February 2015. As a result of the disposal of a block of shares in October 2015, Qatar Holding LLC's stake was reduced to 3.9%. It should also be noted that QD and VINCI Construction Grands Projets (a wholly owned subsidiary of VINCI) are partners in the jointly owned QDVC. QD owns 51% of the capital of QDVC and VINCI Construction Grands Projets has a minority stake of 49% in this company, which it accounts for under the equity method. Given that both Qatar Holding LLC and QD are owned by a sovereign wealth fund, the Board has decided that the former should be considered independent. On 6 December 2018, Qatar Holding LLC appointed Abdullah Hamad Al Attiyah as its permanent representative to VINCI's Board of Directors. The Board has reviewed the situation of Mr Al Attiyah, who serves as QD's Chief Executive Officer, and has concluded that he qualifies as independent.	Independent

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The results of the Board's evaluation of each of its members with regard to the independence criteria of the Afep-Medef code are as follows:

	9.5.1	9.5.2	9.5.3	9.5.4	9.5.5	9.5.6	9.6	9.7	Board's evaluation
Xavier Huillard	×	×	✓	✓	✓	×	✓	✓	Not independent
Yves-Thibault de Silguy	✓	✓	✓	✓	✓	×	✓	✓	Not independent
Yannick Assouad	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Robert Castaigne	✓	✓	✓	✓	✓	×	✓	✓	Not independent
Uwe Chlebos	×	✓	✓	✓	✓	✓	✓	✓	Not independent – Director representing employees
Graziella Gavezotti	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Caroline Grégoire Sainte Marie	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Miloud Hakimi	×	✓	✓	✓	✓	✓	✓	✓	Not independent – Director representing employees
Jean-Pierre Lamoure	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Marie-Christine Lombard	✓	✓	✓	✓	✓	✓	✓	✓	Independent
René Medori	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Dominique Muller Joly-Pottuz	×	✓	✓	✓	✓	✓	✓	✓	Not independent – Director representing employee shareholders
Ana Paula Pessoa	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Michael Pragnell	✓	✓	✓	✓	✓	✓	✓	✓	Independent
Pascale Sourisse	✓	✓	✓	✓	✓	×	✓	✓	Not independent
Abdullah Hamad Al Attiyah, Qatar Holding LLC	✓	✓	✓	✓	✓	✓	✓	✓	Independent

✓: *Condition satisfied.*
×: *Condition not satisfied.*

Based on these results, the Board concluded that nine of its 13 members, or 69% of its Directors, should be considered independent, bearing in mind that, in accordance with the Afep-Medef code, the Director representing employee shareholders and the two Directors representing employees were not taken into account in this evaluation.

In addition, the Board has reviewed the situation of Benoît Bazin, whose appointment as Director will be put to a vote at the Shareholders' General Meeting of 9 April 2020, and has concluded that he meets all the criteria qualifying him as independent.

Following the Shareholders' General Meeting of 9 April 2020, given that Jean-Pierre Lamoure's term of office as Director will end at the close of this Meeting, if the appointment of Mr Bazin as Director is approved, nine Directors out of 13 will be qualified as independent, thus 69% of Board members, bearing in mind that, in accordance with the Afep-Medef code, the Director representing employee shareholders and the two Directors representing employees are not taken into account in this evaluation.

3.3.3 Procedure for the assessment of agreements relating to current operations concluded under normal conditions

At its meeting of 4 February 2020 and in accordance with the provisions of the second paragraph of Article L.225-39 of the French Commercial Code, the Board put in place a procedure for the assessment of agreements relating to current operations and concluded under normal conditions.

This procedure requires the identification of any agreements that might be considered as regulated agreements, their submission to the Legal Department for analysis prior to being signed, an assessment of the contractual terms of the aforementioned agreements carried out by the Legal Department with the assistance of the Finance Department, a summary table prepared by the Legal Department of agreements relating to current operations concluded under normal conditions, the reexamination of these agreements at regular intervals to verify their continued normal conditions and the extent to which they still relate to current operations, and a presentation given at least once a year to the Audit Committee covering the implementation of the procedure.

3.4 Conditions of preparation and organisation of the work of the Board

3.4.1 Functioning and work of the Board in 2019

The Board met nine times in 2019 (for seven ordinary meetings and two extraordinary meetings) and the average attendance rates were 93% for all meetings and 97% for ordinary meetings. Individual attendance rates for each Director at Board meetings held in 2019 are shown in chapter C, paragraph 3.1, page 140.

All documents needed by Directors to perform their duties are made available both in hard copy and in electronic form, the latter via a specific application allowing Directors to view the documents on a tablet or computer.

The Board discussed all matters of importance relating to the Group's activities. The Executive Vice-President and Chief Financial Officer attends Board meetings. The General Counsel acts as Board Secretary.

Main areas of oversight	Board activities during financial year 2019
Review of the financial statements and day-to-day management	• Reviewed and approved the consolidated and parent company financial statements for the year ended 31 December 2018 and the consolidated and parent company financial statements for the six months ended 30 June 2019, reviewed the reports of the Statutory Auditors relating to these financial statements and reviewed the 2020 budget as well as the 2019 budget updates • Approved the terms of the various reports to shareholders, including the Report of the Board of Directors (which contained the Report on corporate governance), prepared and convened the Shareholders' General Meeting of 17 April 2019, and approved its agenda and the resolutions submitted for shareholder approval • Took note of the work done by the Audit Committee • Regularly reviewed the Group's business activities, ongoing developments, financial situation and indebtedness • Decided on the payment of a final dividend in respect of 2018 and an interim dividend in respect of 2019 • Reviewed changes in the share capital and the share buy-back programme • Approved the renewal of the Chairman and Chief Executive Officer's powers regarding guarantees and collateral as well as the implementation of the share buy-back programme • Renewed the delegation of authority to the Chairman and Chief Executive Officer to issue bonds and was informed of the use of this delegation • Received information in conjunction with the preparation of the half-year and annual financial statements identifying financial difficulties experienced by companies in order to prevent insolvency • Reviewed the report on payments to government authorities made by VINCI subsidiaries with respect to their mining and quarrying activities
Corporate governance	• Took note of the work done by the Appointments and Corporate Governance Committee • Evaluated the independence of the Board's members with regard to the criteria of the Afep-Medef code and submitted the renewal of the terms of office of three Directors and the appointment of two Directors, including one Director representing employee shareholders to be chosen from among four candidates put forward, for shareholder approval at the Shareholders' General Meeting • Confirmed the continued application of the system of governance in which the roles of Chairman of the Board and Chief Executive Officer are combined, with Mr Huillard serving in both of these positions • Changed the composition of the Board committees • Decided to proceed with a formal assessment of the Board during the second half of 2019, with the assistance of an independent outside consultant, and took note of the report on this assessment of the Board
Remuneration	• Took note of the work done by the Remuneration Committee • Approved the adjustments made to the structure of Mr Huillard's remuneration • Set Mr Huillard's variable remuneration for financial year 2018 • Noted the fulfilment of the performance condition relating to the increase in the payment limit under the defined benefit pension plan for which the Chairman and Chief Executive Officer is eligible • Decided to include an increase in the aggregate amount of remuneration allocated to Board members from €1.4 million to €1.6 million as an item in the agenda for the Shareholders' General Meeting of 17 April 2019 • Decided to set up two performance share plans for the Group's employees, one for performance share awards granted under the Twelfth resolution passed at the Shareholders' General Meeting of 19 April 2016 and the other for performance share awards granted under the Sixteenth resolution passed at the Shareholders' General Meeting of 17 April 2018, as well as a long-term incentive plan for the Chairman and Chief Executive Officer • Approved the percentage of vested shares under the performance share and long-term incentive plans set up on 19 April 2016
Employee savings plans	• Set the subscription price of shares to be issued under the French employee savings plan for the periods from 1 May to 30 August 2019, from 1 September to 31 December 2019 and from 2 January to 30 April 2020 • Reviewed a proposal for a new international employee share ownership plan for 2020 and granted delegations of authority to set the subscription price as well as the definitive start and end dates for the subscription period in each country concerned • Reaffirmed, subsequent to the Shareholders' General Meeting, the decisions previously taken by the Board relating to the Castor France and Castor International 2019 company mutual funds • Reviewed the results of the employee share ownership programme offered in 2019 to employees of VINCI's foreign subsidiaries in connection with the Group savings plan outside France
Strategy	• Took note of the work done by the Strategy and CSR Committee • Reviewed several airport concession opportunities • Received a presentation on the various actions led by the Group following the most recent strategy seminar, the Group's outlook, and the main underlying challenges and trends • Received a presentation on the CSR policy
Other	• Responded to questions submitted in writing by shareholders prior to the Shareholders' General Meeting of 17 April 2019 • Was notified that the terms of office of BEAS and KPMG Audit ID as Deputy Statutory Auditors were due to expire at the close of the Shareholders' General Meeting of 17 April 2019 • Was briefed on several sponsorship initiatives • Received a presentation on the situation relating to the prevention of workplace accidents • Approved the continued eligibility of one of the Group's senior executives for performance share awards • Received information on the schedule of meetings for the Board and its committees in 2020 and 2021

One of the Board meetings took place during the two-day strategy seminar held in October 2019 in Versailles.

All of the Board's ordinary meetings, as well as the one held during the strategy seminar, provided the opportunity for discussions between the Directors and the members of the Executive Committee.

A Board meeting in the absence of the executive company officer was held on 5 February 2019, in particular to evaluate his performance and discuss governance.

3.4.2 Board committees

The Board has established four specialised committees:
- the Audit Committee;
- the Strategy and CSR Committee;
- the Appointments and Corporate Governance Committee; and
- the Remuneration Committee.

The role of the committees is to analyse issues and provide support for decision-making processes in several areas. The responsibilities and modus operandi of the committees are governed by the Board's internal rules. Each committee has consultative powers and acts under the authority of the Board, of which it is an extension and to which it is accountable. Minutes of each committee meeting are drawn up and circulated to the members of the Board.
Each committee may enlist the services of outside consultants to perform technical analyses concerning matters within their remit, at the Company's expense and after sending notification of this decision to the Chairman and Chief Executive Officer. Each committee is also entitled to invite any experts or other knowledgeable parties to attend its meetings and offer their insights, as necessary.

During the Shareholders' General Meeting held to approve the financial statements, all Board committee chairmen present reports to the shareholders on the work performed by their committees over the course of the year.

Audit Committee

Number of Directors	Membership at 31 December 2019	Proportion of independent Directors	Number of meetings held in 2019	Average attendance rate in 2019
4	René Medori (Chairman) Yannick Assouad Robert Castaigne Graziella Gavezotti	75%	5	100%

Composition

In accordance with the Board's internal rules, the Audit Committee comprises at least three Directors designated by the Board. The Executive Vice-President and Chief Financial Officer and the Statutory Auditors attend Audit Committee meetings. Until 17 April 2019, this committee had the following members: Robert Castaigne (Chairman), Yannick Assouad, Graziella Gavezotti and René Medori. Since that date, its membership has been as follows: René Medori (Chairman), Yannick Assouad, Robert Castaigne and Graziella Gavezotti.
The Board considers all of the Audit Committee members to be independent Directors, with the exception of Mr Castaigne. By virtue of their professional experience and/or qualifications, the members of this committee have the financial, accounting and auditing expertise necessary to serve thereon. Their main areas of expertise in relation to VINCI's operations are indicated in the table in paragraph 3.1, page 139. Further details of their experience and qualifications are provided in the curriculum vitae set out in paragraph 3.2, pages 143 to 146.
The Executive Vice-President and Chief Financial Officer acts as secretary to the Audit Committee.

Responsibilities

The Audit Committee helps the Board monitor the accuracy and fair presentation of VINCI's parent company and consolidated financial statements, and the quality of the information provided. In particular, its duties are to monitor:

- the process of compiling financial information (i) by examining the Group's annual and half-year parent company and consolidated financial statements before they are presented to the Board, verifying the quality of the information given to the shareholders; (ii) by ensuring that the accounting policies and methods are appropriate and consistently applied, warning of any deviation from these rules; (iii) by reviewing the scope of consolidation and, where applicable, the reasons why certain companies would not be included; and (iv) by carefully reviewing significant transactions in the course of which a conflict of interest might have arisen, subsequently formulating recommendations to ensure the integrity of such transactions;
- the effectiveness of internal control and risk management systems (i) by verifying the existence of these systems, their proper deployment and the successful implementation of corrective measures in the event of any material weakness or significant deficiency in internal control and (ii) by reviewing the Group's financial position and major risk factors on a regular basis, examining material risks and off-balance sheet commitments and evaluating the importance of any failures or weaknesses of which it is made aware, bringing them to the attention of the Board where applicable;
- the statutory audit of the parent company and consolidated financial statements and the independence of the Statutory Auditors: (i) by tracking the assignments carried out by the Statutory Auditors, including the review of their work programmes, audit conclusions and recommendations, as well as the follow-up actions taken; (ii) by verifying compliance by the Statutory Auditors with their legal obligation to be independent; (iii) by approving the supply of services mentioned in Article L.822-11-2 of the French Commercial Code; and (iv) by evaluating proposals for the appointment of the Company's Statutory Auditors or the renewal of their terms of office as well as their remuneration and issuing a recommendation on this matter;
- the Group's policy in respect of insurance;
- the setting up of procedures regarding business ethics and competition, while ensuring that a system is in place able to verify that they are being enforced;
- the entry into or continuation in force of any agreement concluded between the Company and any of its executive or non-executive company officers.

To carry out its remit, the Board's internal rules specify that the Audit Committee may seek external advice, the cost of which is borne by the Company.

Activities in 2019

In its meetings, the main subjects addressed by the Audit Committee were:

- the process of compiling accounting and financial information: review of the Group's parent company and consolidated financial statements prepared during the year, presentation of budgets and budget updates, the Group's cash positions and financial debt, its financial strategy and ongoing or completed financial transactions;
- the effectiveness of the Group's internal control and risk management systems: analysis of the results of the annual 2019 self-assessment, presentation of the Eurovia business line, presentation of the system in use at VINCI Energies, post-mortem review of difficult contracts in Concessions and Contracting, presentation of the "Risk factors and management procedures" chapter of the Report of the Board of Directors, review of ongoing disputes and litigation, presentation of incidents of attempted fraud and their prevention together with the presentation of the 2020 CyberSecPlan for information systems security, presentation of the risk mapping exercise and the 2019 audit programme, review of off-balance sheet commitments at 31 December 2018 and 30 June 2019;
- the statutory auditing of the parent company and consolidated financial statements and the independence of the Statutory Auditors: discussions with the Statutory Auditors and review of their conclusions, adherence to legal and regulatory obligations concerning accounting and financial information, approval of services other than statutory audit assignments, presentation of the external audit approach;
- the Group's policy in respect of insurance: presentation of the Group's insurance programme.

For the purposes of this work, the following executives were interviewed: the Executive Vice-President and Chief Financial Officer; the Deputy Financial Director, whose responsibilities include treasury, financing and tax matters; the Senior Vice-President for Corporate Controlling and Accounting; the Chief Audit Officer; the General Counsel; the Insurance Officer; and the Statutory Auditors. During their presentation, the Statutory Auditors emphasised the important points relating to their assignment and the accounting options chosen.

Strategy and CSR Committee

Number of Directors	Permanent membership at 31 December 2019	Proportion of independent Directors	Number of meetings held in 2019	Average attendance rate in 2019
6	Yves-Thibault de Silguy (Chairman) Abdullah Hamad Al Attiyah (permanent representative of Qatar Holding LLC) Uwe Chlebos (Director representing employees) Dominique Muller Joly-Pottuz (Director representing employee shareholders) Ana Paula Pessoa Pascale Sourisse	50% (excluding the Directors representing employees and employee shareholders)	7	- For Directors who were permanent members of this committee: 95% - For all Directors, including those who were not permanent members of this committee: 77%

Composition

In accordance with the Board's internal rules, the Strategy and CSR Committee comprises at least three Directors designated by the Board. From 14 April 2015 until 17 April 2019, this committee had five Directors as permanent members: Yves-Thibault de Silguy (Chairman), Uwe Chlebos, Ana Paula Pessoa, Josiane Marquez and the permanent representative of Qatar Holding LLC. Since 17 April 2019, it has had six Directors as permanent members: Yves-Thibault de Silguy (Chairman), Uwe Chlebos, Dominique Muller Joly-Pottuz, Ana Paula Pessoa, Pascale Sourisse and the permanent representative of Qatar Holding LLC. Abdullah Hamad Al Attiyah has been the permanent representative of Qatar Holding LLC since 6 December 2018. All Board members who wish to do so may attend the Strategy and CSR Committee's meetings, with voting rights. Before each meeting, a dossier on the items to be discussed is sent to all Directors.
VINCI's Chairman and Chief Executive Officer, Executive Vice-President and Chief Financial Officer, and Vice-President for Business Development attend the meetings of the Strategy and CSR Committee. The Board Secretary acts as secretary to this committee.

Responsibilities

The Strategy and CSR Committee helps the Board review the Group's overall strategy. In advance of their presentation to the Board, it examines multi-year contracts implying an investment on the part of the Group, strategic investments and all transactions, including acquisitions and disposals, with the potential to have a material impact on the Group's scope of consolidation, business activities, risk profile, earnings or balance sheet or on the Company's stock market valuation. It also monitors all corporate social responsibility issues.
In particular its duties are to:
• prepare the Board's discussions on the Group's strategy;
• express an opinion, for the benefit of the Executive Management, on proposed acquisitions or disposals of shareholdings of a value exceeding €50 million that do not come under the Board's direct terms of reference;
• give its opinion to the Executive Management on plans for significant changes to the Group's legal or operational structure;
• prepare a document each year to be submitted to the VINCI Works Council on the strategic choices made by the Group and their consequences;
• ensure that matters relating to corporate social responsibility are taken into account in the Group's strategy and its implementation;
• ensure that whistleblowing systems have been put in place within the Group and are functioning well;
• review the report required under Article L.225-102-1 of the French Commercial Code in relation to corporate social responsibility;
• examine the VINCI Group's sustainability commitments with respect to the issues faced in its business activities and in achieving its objectives.
In addition, this committee is kept informed by the Executive Management of progress made on proposed multi-year contracts involving a total investment by the VINCI Group in equity and debt of more than €100 million.

Activities in 2019

In its meetings, the Strategy and CSR Committee addressed the following subjects in particular:
• six acquisition projects in Contracting;
• four proposed multi-year contracts;
• six airport concession opportunities;
• review of the Group's diversity and integration policy.

Remuneration Committee

Number of Directors	Membership at 31 December 2019	Proportion of independent Directors	Number of meetings held in 2019	Average attendance rate in 2019
5	Marie-Christine Lombard (Chairman) Caroline Grégoire Sainte Marie Miloud Hakimi (Director representing employees) Michael Pragnell Pascale Sourisse	75% (excluding the Director representing employees)	3	100%

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Composition

In accordance with the Board's internal rules, the Remuneration Committee comprises at least three Directors designated by the Board. Until 17 April 2019, the composition of this committee was as follows: Pascale Sourisse (Chairman), Robert Castaigne, Miloud Hakimi and Michael Pragnell. Since that date, it has had five members: Marie-Christine Lombard (Chairman), Caroline Grégoire Sainte Marie, Miloud Hakimi, Michael Pragnell and Pascale Sourisse. With the exception of Mr Hakimi, one of the two Directors representing employees, and of Mrs Sourisse, all of this committee's members are considered independent by the Board.
The Vice-President responsible for Human Resources and Sustainable Development attends the meetings of this committee. The Chairman and Chief Executive Officer also attends these meetings except when the committee examines questions relating personally to him. The Board Secretary acts as secretary to this committee.

Responsibilities

The Remuneration Committee's duties are to:
- make recommendations to the Board concerning remuneration, pension and insurance plans, benefits in kind and miscellaneous pecuniary rights, including any performance share awards or share subscription or share purchase options granted to the executive company officers as well as employee members of the Board, where applicable;
- submit a draft of resolutions to the Board intended to be put to a non-binding vote at the annual Shareholders' General Meeting relating to the remuneration of executive company officers;
- propose to the Board the setting up of long-term incentive plans for executives and employees, involving grants of performance share awards or of subscription or purchase options on the Company's shares, as well as the general and specific terms and conditions applying to these grants;
- express an opinion on the Executive Management's proposals regarding the number of beneficiaries;
- propose to the Board an aggregate amount of remuneration payable to its members and the manner of its allocation.

In addition, the Remuneration Committee is informed of the remuneration policy applicable to the principal executives who are not company officers.

Activities in 2019

In its meetings, the Remuneration Committee addressed the following subjects in particular:
- assessment of the performance of VINCI's Executive Management, carried out jointly with the Appointments and Corporate Governance Committee;
- determination of Mr Huillard's variable remuneration for financial year 2018;
- proposal for an adjustment to the structure of the Chairman and Chief Executive Officer's remuneration;
- consideration of a resolution to be submitted for shareholder approval at the Shareholders' General Meeting to increase the aggregate amount of remuneration allocated to Board members from €1.4 million to €1.6 million as from 1 January 2019;
- discussions concerning the portion of the executive company officer's remuneration that is tied to corporate social responsibility criteria;
- noting of the fulfilment of performance conditions for the long-term incentive and performance share plans set up on 19 April 2016 and determination of the proportion of the awards able to vest;
- noting of the fulfilment of the performance condition relating to the increase in the payment limit under the defined benefit pension plan for which the Chairman and Chief Executive Officer is eligible;
- examination of draft ordinary resolutions to be submitted for shareholder approval at the 2019 annual Shareholders' General Meeting relating to the Group savings plan;
- validation of the "Company officers' remuneration and interests" section of the Annual Report;
- examination of draft resolutions relating to the remuneration policy and the remuneration of the executive company officer;
- review of two proposed performance share plans to be put in place in 2019 for employees and executives other than the Chairman and Chief Executive Officer;
- review of a proposed long-term incentive plan to be put in place in 2019 for the executive company officer;
- proposal to continue into 2020 the long-term incentive programme set up in 2019;
- update on the employee share ownership policy in France and around the world;
- presentation of pay ratios for 2018 calculated in relation to the remuneration of employees of the VINCI holding company and the Group's companies in France.

Appointments and Corporate Governance Committee

Number of Directors	Membership at 31 December 2019	Proportion of independent Directors	Number of meetings held in 2019	Average attendance rate in 2019
5	Yannick Assouad (Chairman) Robert Castaigne Jean-Pierre Lamoure Marie-Christine Lombard Yves-Thibault de Silguy	60%	5	96%

Composition

In accordance with the Board's internal rules, the Appointments and Corporate Governance Committee comprises at least three Directors designated by the Board. From 1 November 2018 until 17 April 2019, it had the following members: Yannick Assouad (Chairman), Jean-Pierre Lamoure, Marie-Christine Lombard, Yves-Thibault de Silguy and Pascale Sourisse. Since 17 April 2019, its membership has been as follows: Yannick Assouad (Chairman), Robert Castaigne, Jean-Pierre Lamoure, Marie-Christine Lombard and Yves-Thibault de Silguy. The Board recognises three of these five members as independent Directors.
The Chairman and Chief Executive Officer attends this committee's meetings except when it performs its assessment of the Executive Management. The Board Secretary acts as secretary to this committee.

Responsibilities
With respect to appointments, the Appointments and Corporate Governance Committee:
• examines all candidacies for appointments to the Board and expresses an opinion and/or recommendation to the Board on those candidacies;
• prepares, in a timely manner, recommendations and opinions on the appointment of executive company officers and succession plans;
• examines, on a consultative basis, the Executive Management's proposals relating to the appointment and dismissal of the Group's principal executives;
• is informed of the Executive Management's policy for managing the Group's senior executives and, in this regard, examines the procedures for succession plans;
• expresses an opinion on the membership of committees and makes proposals for the appointment and renewal of the Chairman of the Audit Committee.

With respect to corporate governance, the Appointments and Corporate Governance Committee:
• verifies adherence to the rules of corporate governance and ensures that the recommendations of the Afep-Medef code are being followed, while also making sure that any departures from this code are justified, particularly in the chapter of the Annual Report dedicated to corporate governance;
• supervises the process for the assessment of the work of the Board;
• prepares the Board's discussions on the assessment of the Company's Executive Management in consultation with the Remuneration Committee;
• reviews the independence of serving Board members each year.

Activities in 2019
Among the items of business handled in its meetings, the Appointments and Corporate Governance Committee:
• performed the assessment of VINCI's Executive Management with regard to the managerial criteria adopted for 2018;
• carried out this assessment of VINCI's Executive Management together with the Remuneration Committee;
• proposed that the Board submit resolutions for the appointments of a new Director and a Director representing employee shareholders to the Shareholders' General Meeting of 17 April 2019;
• reviewed the candidacies for the position of Director representing employee shareholders;
• evaluated each Board member with regard to the independence criteria of the Afep-Medef code and made proposals to the Board;
• reviewed chapter C, "Report on corporate governance" of the Report of the Board of Directors, to be included within the Annual Report;
• reviewed the decision on the separation of the roles of Chairman and Chief Executive Officer as well as the functioning of the Board;
• proposed changes in the composition of the Board's committees;
• proposed that a formal assessment of the Board be carried out during the second half of 2019 and engaged the services of an independent consultant for this purpose;
• reviewed the report drawn up by the independent consultant relating to the assessment of the Board;
• evaluated the effectiveness of the Shareholders' General Meeting;
• heard from the Vice-President responsible for Human Resources and Sustainable Development about Executive Review procedures carried out in 2019;
• considered Directors' terms of office ending in 2020;
• defined the search criteria for a new Director, whose appointment will be proposed to shareholders at the Shareholders' General Meeting of 9 April 2020, and recommended a candidate to be appointed;
• broached the subject of a succession plan for the executive company officer;
• examined issues requiring attention in the area of corporate governance as identified by institutional shareholders.

3.5 Assessment of the composition and functioning of the Board

The Board's internal rules require that the agenda of one of its meetings each year include a discussion on the functioning of the Board with the aim of improving its effectiveness. In addition, a formal assessment of the Board must be carried out once every three years, with the assistance of an outside consultant or firm of consultants.

In practical terms, these requirements entail the following:
– An informal meeting of Directors, without the executive company officer being present, is organised each year by the Lead Director. The purpose of these meetings – which were held most recently on 5 February 2019 and 4 February 2020 – is to prepare the formal meeting of the Board during which it will vote on various aspects of its internal functioning and evaluate the performance of VINCI's Executive Management.
– A formal assessment process is carried out at regular intervals with the assistance of an independent outside consultant or firm of consultants, selected through a bidding process and then validated by the Appointments and Corporate Governance Committee. The most recent formal assessment was carried out in the second half of 2019. As part of this process, the consultants sent a questionnaire to all Board members allowing them to express their opinions on the conditions for the preparation, organisation and holding of Board meetings. Following this, they conducted interviews with each Director, during which a number of subjects were raised, from overall governance issues to a point-by-point discussion of the items in the questionnaire, along with other topics, including whether the Directors feel they have access to adequate information to perform their duties and their assessment of the individual contributions of Board members. The consultants presented the results of their assessment first to the Appointments and Corporate Governance Committee and then to a formal meeting of the Board.

This process resulted in the following observations:

Topic	Strengths	Areas for improvement
Strategy and value creation	Open dialogue with the management teams on the strategies of the various divisions and the challenges they face. High standards met by the strategy seminar and effectiveness of the system whereby the Strategy and CSR Committee's meetings are open to all Directors. Good integration of corporate social responsibility issues into the Group's strategy.	Need to better explain the usefulness and contributions of a group such as VINCI as a partner in the public interest working with many stakeholders.
Members and composition of the Board	Experienced members with complementary areas of expertise. High level of individual and collective commitment.	Need to anticipate the renewal of the Board in the medium term, given that some experienced members are likely to step down from the Board in coming years.
Management of the Board's activities	Very good preparation and coordination of work. The Board is included in all important decisions and the Directors are free to express their views. Efficient governance strengthened by the Chairman's personal qualities. The new Lead Director is considered as well suited to the requirements of her position. The transition was carried out under good conditions.	Interest in providing regular feedback to Directors on the perception of their individual contributions.
Structures and processes	Succession plans for the Chief Executive Officer, and the various possible scenarios, is a topic being examined by the Lead Director and to which the Board is giving due attention. Satisfaction with the functioning of all committees.	Broad discussion to be pursued as soon as this is found to be efficient on the succession plans for senior executives as well as Board members in the short to medium term.

4. Company officers' remuneration and interests

4.1 Remuneration policy for company officers

4.1.1 Remuneration policy for Board members

The members of the Company's Board of Directors receive remuneration for their involvement in the work of the Board and its committees. The maximum amount for the total remuneration paid to all Board members was set at €1,600,000 by resolution of the shareholders at the Shareholders' General Meeting of 17 April 2019. This limit applies to remuneration paid to Directors for one calendar year, regardless of the date of payment. It does not include remuneration paid to executive company officers when they are also Board members, who receive remuneration only as provided by the policy mentioned in paragraph 4.1.2.

The guidelines for the allocation of remuneration paid to Directors, as determined by the Board, acting on a proposal by the Remuneration Committee, are currently as follows, with the understanding that the Board may amend these guidelines, if necessary:

• At the outset, Board members receive **annual fixed remuneration** consisting of:
– Basic remuneration equal to €25,000 for each Director;
– With additional remuneration of:
  ▸ €70,000 for the Vice-Chairman;
  ▸ €30,000 for the Lead Director;
  ▸ €20,000 for the Chairman of Board committee;
  ▸ €10,000 for Audit Committee members;
  ▸ €5,500 for Remuneration Committee members;
  ▸ €5,500 for Appointments and Corporate Governance Committee members;
  ▸ €4,000 for Strategy and CSR Committee members.

• Directors also receive **variable remuneration** equal to:
– €3,500 for each Board meeting at which they are physically present. This remuneration is halved to €1,750 per meeting if Directors take part via audio or video conferencing. If more than one Board meeting is held on the same day, this remuneration is paid only once, with the exception of the two meetings held before and after the Shareholders' General Meeting, when Board members receive two payments, their amounts depending on the manner of participation in these meetings.
– €1,500 for each committee meeting at which they are physically present, with this amount halved, to €750, for participation via audio or video conferencing. This amount is paid to any Director participating on a voluntary basis in a meeting of the Strategy and CSR Committee. If a committee holds more than one meeting on the same day, this amount is paid only once.
– Provided they are physically present at these meetings, additional amounts are paid as follows to Board members who are not French residents, again with a single payment of this amount if more than one Board or committee meeting is held on the same day:
  ▸ €1,000 per meeting for Directors who reside elsewhere in Europe;
  ▸ €2,000 per meeting for Directors who reside outside Europe.

Board members are entitled to the reimbursement of expenses they have incurred in the exercise of their duties and, in particular, any travel and accommodation costs connected with attending meetings of the Board and its committees.

The Vice-Chairman has the use of a company car.

4.1.2 Remuneration policy for executive company officers

4.1.2.1 Overall structure of the remuneration package

Executive company officers receive a remuneration package consisting of a short-term fixed component, a short-term variable component and a long-term component. Each of these components is discussed below.

Item of annual remuneration	Type of payment	Maximum amount	Upper limit	Performance conditions	Performance indicators	Relative weight given to indicator	Limit applicable to bonus
Short-term fixed component	Paid in cash in the current calendar year in 12 monthly instalments	Set by the Board	Not applicable	No	Not applicable	Not applicable	Not applicable
Short-term variable component	Paid in cash in the calendar year following its approval at the Shareholders' General Meeting	Ranging from nil to the upper limit of the short-term variable component	X% of the fixed component, set by the Board	Yes	Earnings per share attributable to owners of the parent	60%	20%
					Recurring operating income		20%
					Operating cash flow		20%
					Managerial performance indicators	15%	15%
					ESG performance indicators	25%	25%
					Total short-term variable component	**100%**	**100%**
Long-term variable component	Award of VINCI shares that vest after three years, subject to continued service	Number of shares set by the Board	100% of the upper limit for short-term remuneration (fixed and variable)	Yes	Internal economic criterion: ROCE/WACC	65%	Not applicable
					External economic criterion: TSR VINCI/TSR CAC 40	20%	Not applicable
					External environmental criterion: CDP Carbon score	15%	Not applicable
					Total long-term variable component	**100%**	

4.1.2.2 Short-term fixed component

The amount of the short-term fixed component applying to an executive company officer is set by the Board at the time of appointment.

4.1.2.3 Short-term variable component

The rules for determining the short-term variable component aim to take account of the Group's overall performance. To this end, they include three distinct elements reflecting economic and financial, managerial, and environmental, social and governance (ESG) factors, all contributing to overall performance. The rationale for choosing these indicators is given below. The amount of the short-term variable component is equal to the sum of the bonuses thus determined.

	Short-term variable component	Upper limit for percentage of short-term variable remuneration	Indicator	Relevance of indicators and how they are used
OVERALL PERFORMANCE	Economic and financial performance indicators	60%	Earnings per share	These three indicators offer insight into the quality of the Group's economic and financial management from different complementary angles. The Group's **economic and financial performance** is evaluated using the three indicators shown opposite, measured at 31 December each year. The method consists in determining and recording the movement in each of these indicators between 31 December in the prior year and 31 December in the year just ended. A bonus is associated with each performance indicator, the amount of which depends on the percentage of movement recorded in the corresponding indicator. The bonus amount has a lower limit of €0 (for a decline of at least 10 percentage points) and an upper limit of 20% of the maximum amount of the short-term variable component (for an increase of at least 10 percentage points), in accordance with a remuneration schedule set by the Board.
			Recurring operating income	
			Operating cash flow	
	Managerial performance indicators (*)	15%	Business growth outside France	This indicator aims to reflect the strategic objective decided by the Board, namely the international expansion of the VINCI Group's activities
			Diversity / feminisation	This indicator tracks the implementation of action plans aimed at promoting diversity within the Group, including the feminisation of governing bodies
	ESG performance indicators (*)	25%	Workforce and safety	This indicator aims to track: • the effectiveness of policies implemented within the Group to prevent workplace accidents; • the sharing of the benefits of performance, in particular through employee share ownership plans outside France.
			Environment	The Board would like VINCI to put in place an ambitious strategy to conserve natural resources, with an emphasis on continuous improvement, notably in relation to its greenhouse gas emissions, water consumption and waste recycling.
			Governance and compliance	Through these indicators, the Board intends to ensure the dissemination of a compliance culture as well as the effective implementation of procedures to prevent non-compliance with legal and regulatory requirements. The Board also keeps a close eye on issues relating to succession plans in the medium term.

(*) At the start of the year, the Board sets goals, applying a weighting coefficient to those considered as priorities. The Board reserves the option to adjust these indicators depending on the environment and the context. In conjunction with the examination of the financial statements for the prior year, the Board reaches its decisions after reviewing the recommendations of the competent committees and after having given Board members the opportunity to pursue discussions without any executive company officers being present. The Board determines the percentage achieved for each objective and calculates the corresponding bonus. The executive company officer does not take part in these Board discussions and is not entitled to vote.

4.1.2.4 Long-term variable component

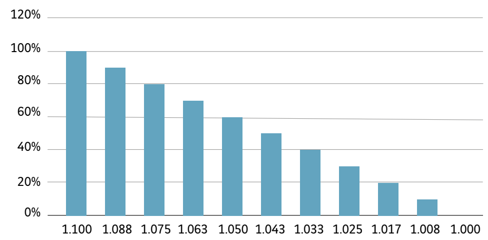
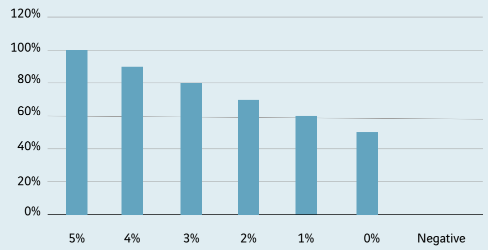
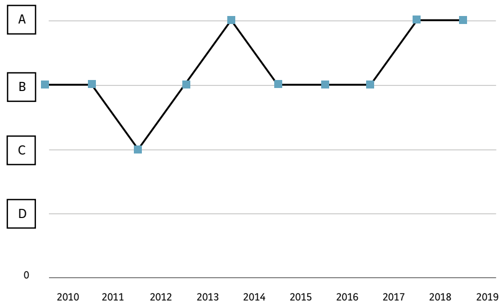
The remuneration of executive company officers also includes a long-term portion intended to align the interests of the beneficiaries with those of the shareholders, taking a multi-year perspective.

To this end, the Board carries out an analysis each year to determine the appropriate structure of the award for this component. It may be comprised of physical or synthetic VINCI shares and may be granted either under a plan set up in accordance with ordinary law or under any other plan permitted by law. Since 2014, all awards to executive company officers have been granted in accordance with ordinary law and satisfied using existing VINCI shares.

In order to receive these awards, beneficiaries are required to have remained with the Group. The Board reserves the right to maintain eligibility in other cases, depending on its assessment of the circumstances.

Based on their fair value under IFRS 2, these awards are subject to an upper limit equal to 100% of short-term fixed and variable remuneration. The vesting of shares is subject to continued service as well as performance conditions evaluated over a period of three years, which may decrease the number of shares delivered or eliminate the award entirely.

The Board has approved the performance conditions shown in the table below for plan years beginning in 2019.

Criterion	Calculation procedure	Percentage of the award concerned
Internal economic criterion: measurement of value creation by examining the ratio of the return on capital employed (ROCE) to the weighted average cost of capital (WACC). Principle: ROCE must be greater than WACC.	Three-year average: ROCE/WACC (Year 1 + Year 2 + Year 3) / 3 = X Linear interpolation between the two limits Vested percentage of 65% of shares depending on performance 	65%
External economic criterion: measurement of the VINCI share's performance by examining the difference between VINCI's total shareholder return (TSR) and that of the CAC 40 index Principle: The TSR for the VINCI share must be greater than that of the CAC 40 index.	Movement over three years Linear interpolation between the two limits Vested percentage of 20% of shares depending on performance 	20%
External environmental criterion	CDP scores (Climate Change category) received by VINCI in the B band or higher over three years: • 3 annual scores at this level: 100% • 2 annual scores at this level: 66% • 1 annual score at this level: 33% • 0 annual scores at this level: 0% VINCI's CDP Climate Change score 	15%

4.1.2.5 Pension and insurance plans

The remuneration policy for executive company officers includes eligibility for the insurance plan set up by VINCI for its employees as well as a specific pension plan. Given the closing in 2019 of the defined benefit pension plan set up in 2010, the Board reserves the right, as necessary, to put in place a substitute plan in the event that an executive company officer is not eligible for coverage under the aforementioned plan.

4.1.2.6 Benefits in kind

Executive company officers have the use of a company car.

4.1.2.7 Overview of the remuneration policy

On the basis of the above structure, this remuneration system has the following features:

It is balanced.	It achieves a balance between: • short- and long-term components, which ensures it is aligned with shareholder interests; • economic and financial performance and the implementation of sustainable development policies.
It is capped.	Each element has an upper limit: • the fixed component is stable for the entire term of office; • the short-term variable component is capped in relation to the fixed component and each indicator used corresponds to a capped bonus; • the long-term variable component is capped (fair value under IFRS 2) when it is initially granted.
It is subject to demanding performance conditions to a significant extent.	Future performance is assessed in relation to past performance, and therefore on a concrete basis.
It is in the interests of the Company.	Its amount is moderate, given the VINCI Group's size and complexity. The performance conditions selected by the Board encourage the Executive Management to take into account not only short-term, but also long-term, and even very long-term, objectives.
It helps ensure the continuity of the Company and is in keeping with its business strategy.	The VINCI Group has a business model based on a complementary set of activities conducted over both short and long time frames. All of these businesses can only prosper on a lasting basis if the extent of their geographical diversification is maintained, or even enhanced, and provided that the Group's activities are also respectful of their stakeholders' expectations and the environments in which they are pursued. The remuneration system aptly reflects these imperatives.

4.1.3 Remuneration policy applicable to Xavier Huillard

The remuneration policy applicable to Xavier Huillard was established by the Board in 2018 upon the renewal of his term of office as Chairman and Chief Executive Officer and was adjusted in 2019 with an increase in the weighting of ESG performance indicators. It is based on the principles set out in paragraph 4.1.2. Its main features are summarised in the table below.

Item of annual remuneration	Upper limit and determination methods	Amount or upper limit as an absolute value *(in €)*	Performance conditions	Performance indicators	Relative weight given to indicator	Limit applicable to bonus *(in €)*
Short-term fixed component	Not applicable	1,200,000	No	Not applicable	Not applicable	Not applicable
Short-term variable component	160% of the fixed component set by the Board	1,920,000	Yes	Earnings per share attributable to owners of the parent	60%	384,000
				Recurring operating income		384,000
				Operating cash flow		384,000
				Managerial performance indicators	15%	288,000
				ESG performance indicators	25%	480,000
				Total short-term variable component	**100%**	**1,920,000**
Long-term variable component	100% of the upper limit for short-term remuneration (fixed and variable)	Number of shares set by the Board, corresponding to a maximum fair value (under IFRS) of €3,120,000	Yes	Internal economic criterion: ROCE/WACC	65%	Not applicable
				External economic criterion: TSR VINCI/TSR CAC 40	20%	Not applicable
				External environmental criterion: CDP Carbon score	15%	Not applicable
				Total long-term variable component	**100%**	**Not applicable**

In the event that Mr Huillard leaves the Group, the guidelines for the vesting of awards are as follows:

Reason for departure	Impact on awards not yet vested
Resignation	Automatic forfeiture of awards
Death, disability, retirement	Eligibility maintained
Dismissal by the Board	Partial eligibility maintained for awards not yet vested, on a pro rata basis for the period of service rendered
Non-renewal of term of office as Director at its expiry in 2022	Eligibility maintained

Pension and insurance plans
Given that the Board has officially confirmed his senior executive status, Mr Huillard is eligible to participate in the defined contribution pension plans and insurance plans set up by VINCI for its employees.

He is also eligible to participate in the supplementary defined benefit pension plan (known in France as an "Article 39" plan) set up in 2010 by VINCI for senior executives of VINCI SA and its subsidiary VINCI Management. This plan, which is described in chapter C, paragraph 4.2.3, page 169, was closed to new members in July 2019 pursuant to Order no. 2019-697 of 3 July 2019, but its beneficiaries are not required to forfeit any benefits vested at the closing date.

Under this plan, Mr Huillard will receive a supplementary pension, the amount of which is capped at eight times the annual French social security ceiling (i.e. €329,088 at 1 January 2020).

It should be noted that the benefits under these plans were taken into account in determining Mr Huillard's overall remuneration.

Severance pay
In the Eleventh resolution passed at the Shareholders' General Meeting of 17 April 2018, shareholders approved a commitment to provide Mr Huillard with severance pay in the event that the Board simultaneously terminates both of his appointments as Chairman of the Board and Chief Executive Officer prior to the normal expiry of his term of office as Director, except in the case of gross negligence or retirement. This commitment is capped at 24 months of his remuneration, in line with the recommendations of the Afep-Medef code.

The amount of severance pay would be determined by the Board with regard to the Group's economic performance, measured by applying the same indicators as those used for the calculation of the economic part of his variable remuneration (earnings per share, recurring operating income, operating cash flow).

Severance pay could reach the equivalent of 24 months of his remuneration if the average rate of achievement of the quantitative targets used to calculate the variable part of his remuneration over the two years preceding the termination of his appointments were above 100% of the objective and nil if the average rate were less than or equal to 85% of the objective. Between these two limits, the amount of severance pay would be determined by linear interpolation.

The amount of severance pay would be halved if the termination occurs during the fourth year of Mr Huillard's term of office.

Benefits in kind
Mr Huillard has the use of a company car.

4.1.4 Comparative information

4.1.4.1 External benchmarking exercise

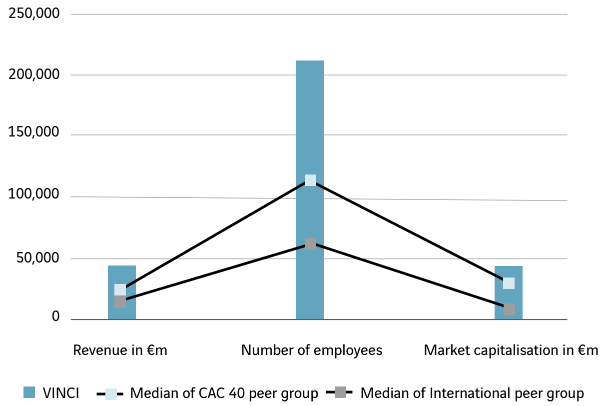
At the request of the Remuneration Committee, a benchmarking exercise relating to the components of the Chairman and Chief Executive Officer's remuneration package is conducted by an independent firm and updated on a regular basis. The aim of this exercise is to ensure that the remuneration of the Group's top executive remains coherent and in line with the market. The most recent update was based on the latest available information, namely public data relating to the 2018 financial year.

For the purposes of this exercise, the Remuneration Committee selected two representative peer groups, the first comprised of 17 French industrial companies that are members of the CAC 40 (the "CAC 40 peer group"), and the second comprised of 10 European companies operating in comparable markets (the "International peer group").

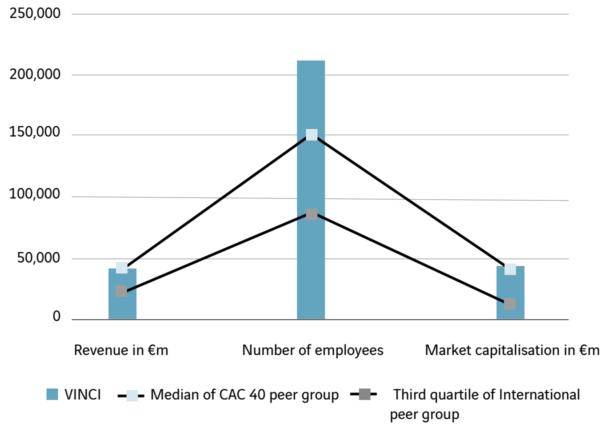
These two peer groups are as follows:
- CAC 40 peer group: Air Liquide, Bouygues, Saint Gobain, Danone, Engie, Essilor International, Legrand, L'Oréal, Michelin, Pernod Ricard, PSA, Renault, Safran, Schneider Electric, Total, Valeo and Veolia Environnement
- International peer group: Bouygues, Eiffage, ACS, AENA, Atlantia, Ferrovial, Fraport, Hochtief, Strabag and Skanska

Although these peer groups are deemed to be representative, it should be noted that the benchmarking exercise for financial year 2018 revealed that the VINCI Group ranks among the top companies included in terms of market capitalisation, revenue and number of employees, as shown in the charts below. The analysis also shows that VINCI outperforms the median of both peer groups and that its results are in line with the third quartile of each, bringing together the portion of the survey sample below which 75% of companies included in the study are situated.

VINCI vs. median of peer groups in 2018



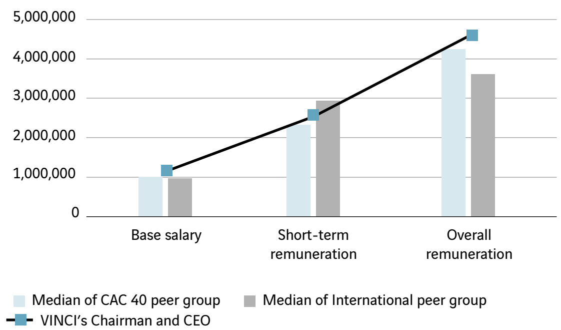
VINCI vs. third quartile of peer groups in 2018



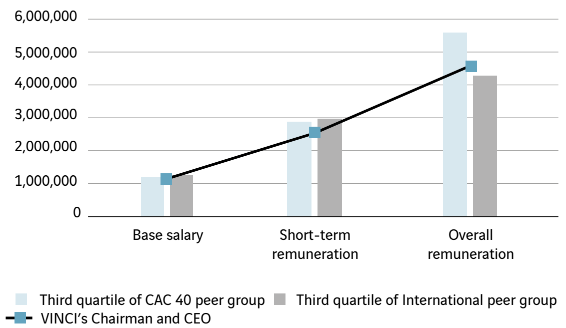
Source: Mercer

According to the results of the benchmarking exercise for 2018, the total remuneration received by VINCI's Chairman and Chief Executive Officer was:
- above the International peer group median and above that of the CAC 40 peer group;
- below the third quartile of both peer groups with respect to short-term remuneration and below that of the CAC 40 peer group with respect to overall remuneration.

VINCI's Chairman and CEO vs. median of peer groups in 2018



VINCI's Chairman and CEO vs. third quartile of peer groups in 2018



Source: Mercer

4.1.4.2 Internal comparison

In accordance with the sixth paragraph of Article L.225-37-3 of the French Commercial Code, it is noted that the ratio between the Chairman and Chief Executive Officer's total annual remuneration (fixed, variable and long-term components) and
- the average full-time equivalent remuneration [4] for 2019 of VINCI SA's employees, not including company officers (Ratio A) is equal to 41.3;
- the median full-time equivalent remuneration [4] for 2019 of VINCI SA's employees, not including company officers (Ratio B) is equal to 73.8.

The indicators mentioned in Article L.225-37-3 recorded the movements shown in the table below over the past three years [1]:

	2017	2018	2019
Change from the prior year in the Chairman and Chief Executive Officer's remuneration [2]	+10.7%	+9.4%	+8.8%
Change from the prior year in net income attributable to owners of the parent	+15.2% [3]	9.0% [3]	+9.3%
Change from the prior year in the average remuneration [4] of the Company's employees	+0.0%	–0.2%	+5.0%
Annual change in Ratio A	+10.7%	+9.6%	+3.7%
Annual change in Ratio B	+9.8%	+2.4%	+5.1%

(1) Some information is not available for the 2015 and 2016 financial years.
(2) Remuneration amount including the fixed component paid in year N, the short-term variable component in respect of year N-1 paid in year N, the IFRS 2 fair value of the share award granted in year N as the long-term component of remuneration, benefits in kind and remuneration as a Board member paid in year N.
(3) After adjustment for non-recurring tax effects.
(4) Remuneration amount including fixed and variable components, the employer contribution, long-term incentive payments, the fair value of performance share awards and benefits in kind.

4.1.5 Items of remuneration subject to shareholder approval in accordance with Article L.225-37-2 of the French Commercial Code

At the Shareholders' General Meeting of 9 April 2020, in accordance with Article L.225-37-2 of the French Commercial Code, shareholders will be asked to vote on draft resolutions setting out the remuneration policy for company officers, as presented in the following tables.

4.1.5.1 Remuneration policy for the members of the Board of Directors

Item of remuneration	Principles	Guidelines for determination
Remuneration	The aggregate amount of remuneration paid to the members of the Board of Directors is set by the shareholders at the Shareholders' General Meeting.	In accordance with the Fourteenth resolution passed at the Shareholders' General Meeting of 17 April 2019, this aggregate amount is €1,600,000.
Fixed remuneration	All Board members receive fixed remuneration in respect of their term of office as Director and depending on the role they serve on the Board and its committees.	The amount corresponding to the fixed component of remuneration together with benefits is specified in the universal registration document, in paragraph 4.1.1 of chapter C, "Report on corporate governance", included within the universal registration document, page 157.
Variable remuneration	All Board members receive variable remuneration depending on their participation in meetings of the Board and its committees.	The amount corresponding to the variable component of remuneration is determined in accordance with the rules described in paragraph 4.1.1 of chapter C, "Report on corporate governance", included within the universal registration document, page 157.

4.1.5.2 Remuneration policy for Xavier Huillard, Chairman and Chief Executive Officer

Item of remuneration	Principles	Guidelines for determination
Fixed remuneration	Xavier Huillard receives fixed remuneration paid in 12 monthly instalments.	The amount of Xavier Huillard's fixed remuneration is set at €1,200,000 on an annual basis.
Short-term variable remuneration	Xavier Huillard receives variable remuneration linked to performance achievements. This remuneration is paid during the financial year following that in respect of which the performance was achieved. In accordance with Article L.225-37-2 of the French Commercial Code, the payment of variable remuneration is contingent upon the approval at the Shareholders' General Meeting, called in ordinary session, of the items of remuneration payable to the Chairman and Chief Executive Officer, under the conditions provided by Article L.225-100 of the French Commercial Code.	The amount of variable remuneration payable to Mr Huillard is capped at €1,920,000, i.e. 1.6 times the amount of his fixed remuneration. This component of his remuneration comprises five distinct items determined in relation to overall performance. The amounts of three of these items are tied to the movements from one year to the next in three economic and financial indicators (earnings per share, recurring operating income and operating cash flow) and the other two reflect managerial performance and ESG performance. The amount corresponding to the variable component of remuneration is determined in accordance with the policy described in paragraphs 4.1.2 and 4.1.3 of chapter C, "Report on corporate governance", included within the universal registration document, pages 158 to 162. The Board reserves the right to amend these guidelines as necessary.
Long-term remuneration	Each year, Xavier Huillard is the beneficiary of a conditional award that may be comprised of physical or synthetic shares in the Company. The Board determines the number of shares or units in this award that vest at the close of a period of three years, a determination that is subject to performance conditions. In accordance with Article L.225-37-2 of the French Commercial Code, the receipt of this conditional award is contingent upon its approval at the Shareholders' General Meeting, called in ordinary session during the year following that in which the conditional award was decided, under the conditions provided by Article L.225-100 of the French Commercial Code.	The number of shares or units included in the award is set by the Board. The value of these shares or units depends on the VINCI share price at the grant date, subject to the vesting conditions associated with the award. The amount of Mr Huillard's long-term remuneration may not exceed the upper limit of his short-term fixed and variable remuneration at the date of the initial grant, i.e. €3,120,000. The vesting of the shares or units in this award is subject to continued service and performance conditions, which are defined in accordance with the policy described in paragraphs 4.1.2 and 4.1.3 of chapter C, "Report on corporate governance", included within the universal registration document, pages 158 to 162.
Supplementary pension plan	Xavier Huillard is also eligible to participate in the supplementary pension plan set up by the Company for its senior executives.	The limit applying to benefits under this supplementary pension plan is eight times the annual French social security ceiling. Further details concerning this plan are provided in paragraph 4.1.3, page 161 of the universal registration document. The related commitment, for the portion of benefits not yet vested, was approved at the Shareholders' General Meeting of 17 April 2018 (Tenth resolution).
Severance pay	The Chairman and Chief Executive Officer is eligible for severance pay in the event that the Board decides to terminate his appointment prior to the normal expiry of his term of office as Director.	Severance pay is subject to performance conditions. Its amount is capped at 24 months of his fixed and variable remuneration. This amount is halved if the termination occurs during the last year of the term of office. The related commitment was approved at the Shareholders' General Meeting of 17 April 2018 (Eleventh resolution).
Benefits in kind	The Chairman and Chief Executive Officer has the use of a company car.	

4.2 Remuneration paid in 2019 or due in respect of this same year to the company officers

4.2.1 Decisions relating to the Chairman and Chief Executive Officer's remuneration

4.2.1.1 Short-term variable remuneration due in respect of 2019 to the Chairman and Chief Executive Officer

At its meeting of 4 February 2020, the Board, acting on a proposal from the Remuneration Committee and, for the managerial part, on a proposal prepared jointly by this Committee and the Appointments and Corporate Governance Committee, approved as shown below the variable remuneration payable to Mr Huillard in respect of 2019.

Economic part

The following movements were recorded for the indicators relating to economic performance in 2019:

Indicator	2018	2019	Performance relative to prior year	2019 bonus *(in €)*	Upper limit applicable in 2019	Percentage of maximum bonus received
Earnings per share *(in €)*	5.32	5.82	109.3%	373,903	384,000	97.4%
Recurring operating income *(in € millions)*	4,924	5,704	115.8%	384,000	384,000	100%
Operating cash flow *(in € millions)*	4,053 (*)	5,266	129.9%	384,000	384,000	100%
Total economic part *(in €)*	**1,186,022**	**1,141,903**		**1,141,903**	**1,152,000**	**99.1%**

(*) Excluding non-current taxes paid.

Part based on managerial and ESG performance

At its meeting of 4 February 2020, the Board approved the recommendations of the Remuneration Committee and the Appointment and Corporate Governance Committee, which had examined managerial and ESG performance in detail.

The analysis of these performance factors led the Board to decide on the allocation of the following amounts:
- €260,000 in respect of managerial performance;
- €384,000 in respect of ESG performance.

In reaching this determination, the Board made the following observations:

Indicator	Performance level achieved in 2019	Factors taken into account
Managerial performance	90%	Strong revenue growth across international markets, both within and outside Europe, particularly due to a number of significant acquisitions during the period, adding long-established businesses to the Group (especially the acquisition of London Gatwick Airport in the United Kingdom and more than 30 acquisitions by VINCI Energies).
ESG performance	80%	• Higher participation by employees based outside France in employee share ownership plans • Progress in the area of occupational safety • Higher proportion of women in senior management positions • Proactive approach to promote the rollout of an ambitious environmental policy • Many actions undertaken in the area of corporate social responsibility

These achievements led the Board to set the performance-based remuneration for these criteria as follows:

Indicator	2018	Performance level achieved in 2019	2019 bonus *(in €)*	Upper limit applicable in 2019	Percentage of maximum bonus received
Managerial performance *(in €)*	NA	90%	260,000	288,000	90%
ESG performance *(in €)*	NA	80%	384,000	480,000	80%
Variable remuneration based on managerial and ESG performance *(in €)*	505,440		644,000	768,000	83.8%

Total short-term variable remuneration for 2019

Indicator	2018	2019 bonus *(in €)*	Upper limit applicable in 2019	Percentage of maximum bonus received
Total economic part *(in €)*	1,186,022	1,141,903	1,152,000	99.1%
CSR and managerial criteria *(in €)*	505,440	644,000	768,000	83.8%
Total variable remuneration *(in €)*	1,691,462	1,785,903	1,920,000	93.0%

4.2.1.2 Long-term component of the Chairman and Chief Executive Officer's remuneration

At its meeting of 17 April 2019, the Board decided to grant a conditional award to Mr Huillard, corresponding to a maximum of 32,000 VINCI shares. At that time, the fair value of this award was €2,394,880. All or some of the shares in question will vest at the end of a three-year period on 17 April 2022, subject to continued service as well as performance conditions that will be evaluated at 31 December 2021 as described in paragraph 5.4.2, page 174.

4.2.1.3 Vested awards under the long-term incentive plans set up on 19 April 2016 and 20 April 2017

Plan set up on 19 April 2016
At its meeting of 5 February 2019, the Board noted that the fulfilment of performance conditions under the long-term incentive plan set up on 19 April 2016 meant that 97.27% of shares in the award would vest (see paragraph 5.4.1, page 174). Accordingly, the Board decided that 25,290 of the 26,000 shares initially included in the award granted to Mr Huillard would vest at 19 April 2019.

Plan set up on 20 April 2017
At its meeting of 4 February 2020, the Board noted that the performance conditions under the long-term incentive plan set up on 20 April 2017 had been met at 99.694% (see paragraph 5.4.1, page 174). Accordingly, the Board decided that 29,908 of the 30,000 shares initially included in the award granted to Mr Huillard would vest at 20 April 2020.

Long-term incentive plans for which Mr Huillard is eligible
It should be noted that the vesting of awards under the plans set up on 19 April 2016 and 20 April 2017 was subject to the same performance conditions as those applying to grants of share awards under the performance share plans set up by the Company for the Group's employees, which are described in paragraph 5.4.1, page 174.

Mr Huillard is eligible to receive awards under the following long-term incentive plans remaining in force at 31 December 2019:

	Number of shares	Fair value at the grant date *(in €)*	Percentage of the year's total remuneration	Vesting date
Plan set up on 20 April 2017	30,000	1,836,000	43%	20/04/2020
Plan set up on 17 April 2018	32,000	2,051,840	45% (*)	17/04/2021
Plan set up on 17 April 2019	32,000	2,394,880	44%	17/04/2022

(*) Percentage takes into account the voluntary reduction in remuneration requested by Mr Huillard for 2018.

4.2.1.4 Pension and insurance plans

At 31 December 2019, Mr Huillard met all eligibility requirements to claim his pension under the defined benefit plan set up in March 2010 by the Company for its senior executives, namely having reached the legal retirement age, having completed at least 10 years' service as specified by the plan and having ended his professional career within the Group as stipulated by the Board in March 2010 for company officers not holding employment contracts.

The pension benefits Mr Huillard would be entitled to receive at 31 December 2019 are subject to a payment limit equal to eight times the annual French social security ceiling, which corresponds to the upper limit for pensions under this plan.

With respect to the defined benefit pension plan mentioned in paragraph 4.1.3, page 162, and as required by Decree no. 2016-182 of 23 February 2016, the following points should be noted:

Estimated amount of future pension payments at 31 December 2019	Company's obligation at 31 December 2019 (*)
€329,088 per year, equivalent to 12.6% of the short-term fixed and variable remuneration received by Mr Huillard in 2019.	VINCI's obligation in respect of the supplementary pension plan for Mr Huillard mentioned in paragraph 4.1.3, page 162 amounted to €9,119,820. Tax, employment and social benefit liabilities are not individualised. The tax option selected by the Group is taxation on contributions.

(*) Retirement benefit obligations are also described in the Notes to the consolidated financial statements on page 334.

4.2.1.5 Employment contract, specific pension plans, severance pay and non-competition clause

Executive company officer	Employment contract	Supplementary pension plan	Allowances or benefits that could be due as a result of the cessation of duties or a change in duties	Allowances for non-competition clause
Xavier Huillard, Chairman and Chief Executive Officer (*)	No	Yes	Yes (**)	No

(*) Term of office renewed: 17 April 2018; term of office ends: 2022 Shareholders' General Meeting.
(**) Mr Huillard is eligible for severance pay in the event that the Company terminates his appointment as Chairman and Chief Executive Officer prior to the normal expiry of his term of office as Director, as described in paragraph 4.1.3, page 162.

4.2.2 Chairman and Chief Executive Officer's remuneration

4.2.2.1 Summary of remuneration and share awards granted *(in €)*

Xavier Huillard	2019	2018
Remuneration due in respect of the year	2,989,967	2,836,082
Value of grants under the long-term incentive plan set up on 20 April 2019	2,394,880	NA
Value of grants under the long-term incentive plan set up on 17 April 2018		2,051,840
Total	**5,384,847**	**4,887,922**

4.2.2.2 Summary of remuneration *(in €)*

	2019		2018	
Xavier Huillard	Amount due for the year as decided by the Board	Amount paid during the year by the Company	Amount due for the year as decided by the Board	Amount paid during the year by the Company
Gross fixed remuneration [(1)]	1,200,000	1,200,000	1,140,556	1,140,556
Total gross short-term variable remuneration	1,785,903	–	1,691,462	–
Of which:				
- Gross short-term variable remuneration	*1,772,153*	*1,377,632*	*1,677,632*	*1,374,929*
- Remuneration as a Board member [(2)]	*13,750*	*13,750*	*13,830*	*13,830*
- Payment to the Fondation VINCI pour la Cité [(3)]		*300,000*		
Benefits in kind [(4)]	4,064	4,064	4,064	4,064
Total	**2,989,967**	**2,895,446**	**2,836,082**	**2,533,379**
Total paid to Mr Huillard		**2,595,446**		**2,533,379**
Total paid to the Fondation VINCI pour la Cité		300,000		

(1) See paragraph 4.1.3, page 161. The Board decided to increase Mr Huillard's annual fixed remuneration from €1 million to €1.2 million with effect from 17 April 2018.
(2) In 2018 and 2019, Mr Huillard received remuneration as a Board member from a foreign subsidiary of VINCI. These amounts are considered as included in the total remuneration for the year as decided by the Board, acting on a proposal from the Remuneration Committee. Consequently, they are deducted from the amount of the total gross short-term variable remuneration payable to him in respect of the year during which this remuneration as a Board member was paid. Mr Huillard does not receive remuneration as a Board member from VINCI SA.
(3) In 2019, Mr Huillard waived a portion of his short-term variable remuneration for 2018, requesting that this amount be paid by the Company to the Fondation VINCI pour la Cité.
(4) Mr Huillard had the use of a company car in 2018 and 2019.

4.2.2.3 Items of remuneration paid in 2019 or due in respect of this same year to the executive company officer, subject to approval at the Shareholders' General Meeting of 9 April 2020

At the Shareholders' General Meeting of 9 April 2020, in accordance with Article L.225-100 of the French Commercial Code, shareholders will be asked to vote on a draft resolution relating to the items of remuneration paid in 2019 or granted in respect of this same year to Mr Huillard, Chairman and Chief Executive Officer.

Xavier Huillard

Item of remuneration	Amount	Observations
Fixed remuneration	€1,200,000	Annual gross fixed remuneration in respect of the 2019 financial year set at €1,200,000 by the Board at its meetings of 7 February and 17 April 2018 for the period 2018–2022.
Variable remuneration	€1,785,903	Gross variable remuneration in respect of the 2019 financial year, as approved by the Board at its meeting of 4 February 2020 and explained in paragraph 4.1.3. This remuneration comprises: - an economic part in the amount of €1,141,903. This amount is tied to the changes from the previous year in earnings per share, recurring operating income and operating cash flow; - a managerial part in the amount of €260,000; - €384,000 in respect of ESG performance.
Annual deferred variable remuneration	NA	Not applicable.
Multi-year variable remuneration	NA	Not applicable.
Long-term incentive plan set up in 2019	€2,394,880	At its meeting of 17 April 2019, the Board granted Mr Huillard an award of 32,000 VINCI shares, which will vest on 17 April 2022, subject to the performance conditions described in paragraph 4.2.1.2, page 165, which include internal as well as external criteria.
Remuneration as a Board member	€13,750	Mr Huillard does not receive remuneration as a Board member from VINCI SA, but he has received remuneration as a Board member from a foreign subsidiary, the amount of which will be deducted from the variable portion of his remuneration.
Exceptional remuneration	NA	Not applicable.
Benefits of any kind	€4,064	Mr Huillard has the use of a company car.

Commitments requiring the approval of shareholders at the Shareholders' General Meeting

	Amount	Observations
Severance pay	No payment	Mr Huillard is eligible for severance pay in the event that the Company terminates his appointment before its normal expiry in 2022. This commitment is halved if the termination occurs during the last year of the term of office. Severance pay is subject to performance conditions. The related commitment was authorised by the Board at its meeting of 7 February 2018 and approved at the Shareholders' General Meeting of 17 April 2018 (Eleventh resolution).
Non-competition payment	NA	Mr Huillard is not eligible for any non-competition payment.
Supplementary pension plan	No payment	Mr Huillard is eligible for coverage under the supplementary defined benefit pension plan (known in France as an "Article 39" plan) set up at the Company and which has been closed to new members since July 2017, under the same conditions as those applicable to the category of employees to which he is deemed to belong for the determination of employee benefits and other ancillary items of remuneration. Mr Huillard is also eligible for coverage under the mandatory defined contribution pension plan set up by the Company for its executives and other management-level personnel. The related commitment was authorised by the Board at its meeting of 7 February 2018 and approved at the Shareholders' General Meeting of 17 April 2018 (Tenth resolution).

4.2.3 Supplementary pension plan set up for senior executives

VINCI SA and its subsidiary VINCI Management have set up a defined benefit pension plan for their senior executives, with the aim of guaranteeing them a supplementary annual pension. The table below presents the main features of this plan:

Type of disclosure required by Decree no. 2016-182 of 23 February 2016	Information
Name of the obligation	Defined benefit pension plan set up on 1 January 2010 and closed to new members from 4 July 2019
Applicable legal provisions	Article 39 of the French Tax Code
Eligibility requirements for beneficiaries	At least 10 years' service within the Group
Beneficiaries	Employees of VINCI or VINCI Management having the status of senior executive ("cadre dirigeant") as defined by Article L.3111-2 of the French Labour Code
Conditions for receiving pension payments	- Career within the Group has ended - At least 10 years' service within the Group
	- No further payments are due under the mandatory and supplementary pension plans - Aged 67 or older, with the option to receive early benefits, at a reduced level, from the age of 62
Method for determining the remuneration reference amount	Monthly average of the gross fixed and variable remuneration received over the last 36 months of activity multiplied by 12
Vesting formula	The beneficiary's gross pension is determined using the following formula: Gross pension = 20% R1 + 25% R2 + 30% R3 + 35% R4 + 40% R5, where: R1 = remuneration reference amount between 0 and 8 times the annual French social security ceiling; R2 = remuneration reference amount between 8 and 12 times this ceiling; R3 = remuneration reference amount between 12 and 16 times this ceiling; R4 = remuneration reference amount between 16 and 20 times this ceiling; R5 = remuneration reference amount greater than 20 times this ceiling (all ranges in the formula are inclusive). The remuneration reference amount taken into account for the calculation of the pension will be equal to the gross average monthly remuneration (fixed component + bonuses), including paid leave, received by the beneficiary over the last 36 months multiplied by 12. The limit for this gross pension is 8 times the annual French social security ceiling.
Pension payment limit	The pension payment limit is 8 times the annual French social security ceiling, equivalent to €329,088 at 1 January 2020.
Funding of benefits	The Group uses an insurance contract to externalise its pension plan, to which VINCI and VINCI Management make contributions.

4.2.4 Remuneration due and/or paid to non-executive company officers in 2019

The total amount of remuneration paid in 2019 by the Company to non-executive company officers as Board members (for the second half of 2018 and the first half of 2019) was €1,232,662. Some company officers also received remuneration in 2019 from companies controlled by VINCI.

The total amount of remuneration payable by VINCI to non-executive company officers as Board members in respect of the 2019 financial year is €1,332,495.

The table below summarises the remuneration received by non-executive company officers of VINCI as Board members, as well as the other remuneration they received, in 2018 and 2019.

Remuneration paid to non-executive company officers *(in €)*

	Amount due in respect of 2019 (*)		Amount paid in 2019 (*)		Amount due in respect of 2018		Amount paid in 2018 (*)	
	By VINCI	By companies consolidated by VINCI	By VINCI	By companies consolidated by VINCI	By VINCI	By companies consolidated by VINCI	By VINCI	By companies consolidated by VINCI
Serving Directors								
Yves-Thibault de Silguy (1)	170,000	–	181,334	–	208,584	–	223,000	–
Yannick Assouad	131,250	–	109,333	–	85,583	–	87,250	–
Abdullah Hamad Al Attiyah (2)	81,750	–	48,673	–	7,173	–	–	–
Robert Castaigne	90,222	–	97,472	–	109,816	–	109,816	–
Uwe Chlebos (3)	69,500	10,160	62,750	10,160	66,000	10,160	69,500	10,160
Graziella Gavezotti	77,750	–	76,750	–	81,000	–	92,000	–
Caroline Grégoire Sainte Marie	49,934	–	13,184	–	–	–	–	–
Miloud Hakimi (3) (4)	71,750	–	65,000	–	71,750	–	41,750	–
Jean-Pierre Lamoure	72,500	–	73,500	–	75,250	–	77,250	–
Marie-Christine Lombard	82,556	–	68,056	–	64,000	–	62,500	–
René Medori	112,528	–	98,778	–	67,280	–	23,030	–
Dominique Muller Joly-Pottuz	50,380	–	15,880	–	–	–	–	–
Ana Paula Pessoa	88,250	–	80,250	–	74,500	–	82,250	–
Michael Pragnell	77,000	–	78,500	–	75,500	–	71,000	–
Pascale Sourisse	86,505	–	93,255	–	90,274	–	81,274	–
Former Directors								
Nasser Hassan Faraj Al Ansari (2)	–	–	19,827	–	49,327	–	52,000	–
Josiane Marquez (3)	20,620		50,120	–	71,000	–	79,500	–
Henri Saint Olive	–	–	–	–	29,630	–	81,630	–
Total amount of remuneration as Board members and other remuneration	**1,332,495**	**10,160**	**1,232,662**	**10,160**	**1,226,667**	**10,160**	**1,233,750**	**10,160**

(*) Amount before taxes and withholdings in accordance with applicable legislation.
(1) Mr de Silguy's remuneration in his capacity as Vice-Chairman is described in paragraph 4.1.1, page 157. It should be noted that Mr de Silguy is entitled to receive a non-externalised pension benefit, under which he received payments totalling €392,678 in 2018 and €307,095 in 2019. These amounts are not included in the table above. VINCI's commitment under this pension totalled €8,281,905 at 31 December 2019. In his capacity as Vice-Chairman of the Board, Mr de Silguy also has the use of a company car.
(2) Mr Al Attiyah currently serves as the permanent representative of Qatar Holding LLC, having succeeded Mr Al Ansari in this position effective 6 December 2018.
(3) The salaries received by Mrs Muller Joly-Pottuz, the Director representing employee shareholders, and by Mrs Marquez, who formerly served in this position, as well as those received by Mr Chlebos and Mr Hakimi, the Directors representing employees, under their respective employment contracts, are not included in the table above.
(4) Mr Hakimi waived his remuneration as a Board member until 17 April 2018. He requested that his remuneration as a Board member be paid from this date to the CFDT.

4.3 VINCI shares held by company officers

4.3.1 Shares held by Board members

In accordance with the Company's Articles of Association, each Board member (other than the Director representing employee shareholders and the Directors representing employees) must hold a minimum of 1,000 VINCI shares which, on the basis of the share price at 31 December 2019 (€99.00), amounts to a minimum of €99,000 invested in VINCI shares.

The number of shares held by each of the company officers, as declared to the Company, is included in the information presented in paragraph 3.2, pages 142 to 149.

4.3.2 Share transactions by company officers, executives and persons referred to in Article L.621-18-2 of the French Monetary and Financial Code

The Group's company officers and executives subject to spontaneous declaration of their share transactions carried out the following transactions in 2019:

(in number of shares)	Acquisitions (*)	Disposals (**)
Pierre Coppey, Executive Vice-President and Chairman of VINCI Autoroutes	–	71,276
Richard Francioli, Executive Vice-President in charge of Contracting	–	8,465
Xavier Huillard, Chairman and Chief Executive Officer	–	25,290
Christian Labeyrie, Executive Vice-President and Chief Financial Officer	–	31,500
Caroline Grégoire Sainte Marie	1,000	

(*) Excluding grants of performance share awards.
(**) Excluding donations and disposals of units in company savings funds invested in VINCI shares.

5. Options, performance shares and long-term incentive plans

5.1 Policy on the granting of options and other awards

In 2014 and 2015, the Board decided to put in place a system for awards split between a cash amount and a number of shares in the Company that would be granted in accordance with ordinary law. These awards would only vest if their beneficiaries remained with the Group and, for the share-based portion, if certain performance conditions were met. As a result, the Company did not make use, in these same years, of plans that involve the granting of performance share awards or the granting of share subscription or share purchase options, respectively pursuant to Articles L.225-197 and L.225-177 of the French Commercial Code, which include specific provisions relating to tax treatment and social security contributions.

In 2016, the Board decided to continue its policy aimed at ensuring the long-term commitment of its executives, company officers and senior managers by providing deferred benefits tied to the Group's performance.

To this end, the Company has set up long-term incentive plans since 2016 for its employees, which have involved the granting of performance share awards pursuant to Article L.225-197 of the French Commercial Code. Under these plans, shares only vest at the end of a three-year period, subject to continued employment within the Group, and the number of shares vested is tied to performance conditions, involving both internal and external criteria, applicable for all beneficiaries.

VINCI's executive company officer is not eligible for these plans due to the conditions laid down by Article L.225-197-6 of the French Commercial Code, but has been eligible to receive share awards under specific plans set up in accordance with ordinary law.

5.2 Share subscription option plans

5.2.1 Option plans remaining in force in 2019

Record of share subscription options granted

Only those plans for which the exercise period has not expired or expired in 2019 are mentioned.

	VINCI 2012 plan	Total
Date of Shareholders' General Meeting	02/05/11	
Date of Board meeting	12/04/12	
Original number of beneficiaries	302	
Number of options initially granted	2,457,980	2,457,980
of which, options initially granted to:		
- company officers (*)	–	
- top 10 employee beneficiaries (**)	336,015	336,015
Date from which options may be exercised	12/04/15	
Date of expiry of options	12/04/19	
Number of options exercised in 2019	460,126	460,126
Number of options cancelled or expired in 2019	–	
Number of options remaining to be exercised at 31 December 2019	0	0
Number of remaining beneficiaries at 31 December 2019	0	0
Adjusted exercise price *(in €)*	39.04	

(*) Company officers serving at the time the award was granted.
(**) Not company officers.
Note: one option gives the right to subscribe for one VINCI share.

Total number of shares that can be subscribed for or purchased by the executive company officer at 31 December 2019

None.

5.2.2 Options granted in 2019

The Board decided not to set up a new share subscription or share purchase option plan in 2019.

5.2.3 Options exercised in 2019

Between 1 January and 31 December 2019, a total of 460,126 options were exercised at a price of €39.04, including 125,307 options exercised by the 10 Group employees (not company officers of VINCI SA) having exercised the largest number of options. During this same period, no options were cancelled or expired.

Taking all of these elements into account, there were no options remaining to be exercised at 31 December 2019.

Exercise of options by the executive company officer

In 2019, Mr Huillard, Chairman and Chief Executive Officer, did not exercise any subscription options.

5.3 Performance share plans

5.3.1 Existing performance share plans

The main features of the performance share plans set up pursuant to Article L.225-197 of the French Commercial Code and still in force at 1 January 2020 are as follows:

Record of performance share awards

Plan	Date		Initial number		Shares in awards initially granted to		Definitive number	Vesting period		At 31/12/2019	
	Shareholders' General Meeting	Board meeting	Beneficiaries	Performance shares	Company officers [1]	Top 10 employee beneficiaries [2]	Determined at the end of the vesting period	Start of vesting period	End of vesting period	Number of remaining shares	Number of remaining beneficiaries
VINCI 2017	19/04/2016	20/04/2017	2,568	2,315,655	–	142,500	Unknown [3]	20/04/2017	20/04/2020	2,188,835	2,406
VINCI 2018 / 2016 SGM	19/04/2016	17/04/2018	41	297,800	–	129,500	Unknown [3]	17/04/2018	17/04/2021	297,800	41
VINCI 2018 / 2018 SGM	17/04/2018	17/04/2018	2,946	2,042,591	–	36,550	Unknown [3]	17/04/2018	17/04/2021	1,989,514	2,865
VINCI 2019 2016 SGM	19/04/2016	17/04/2019	36	264,100	–	125,000	Unknown [4]	17/04/2019	17/04/2022	264,100	36
VINCI 2019 / 2018 SGM	17/04/2018	17/04/2019	3,276	2,176,722	–	40,000	Unknown [4]	17/04/2019	17/04/2022	2,156,347	3,232

SGM: Shareholders' General Meeting.
(1) Company officers serving at the time the award was granted.
(2) Not company officers.
(3) Subject to performance conditions, comprising an internal criterion relating to the measurement of net value creation and an external criterion relating to the measurement of the VINCI share's performance in comparison with the CAC 40 index.
(4) Subject to performance conditions, comprising an internal economic criterion relating to the measurement of net value creation, an external economic criterion relating to the measurement of the VINCI share's performance in comparison with the CAC 40 index and an external environmental criterion reflecting the Group's environmental actions and initiatives, the effectiveness of which is measured on the basis of the Climate Change score received each year by VINCI from CDP Worldwide.

Number of performance shares in awards granted to the executive company officer pursuant to Article L.225-197 of the French Commercial Code

None.

Vesting of shares under the plan set up by the Board of Directors on 19 April 2016

On 19 April 2016, the Board set up a performance share plan to grant awards satisfied using a total of 2,232,124 existing VINCI shares to 2,076 senior executives or employees of the VINCI Group, with the understanding that Mr Huillard, Chairman and Chief Executive Officer, and Pierre Coppey, who served as Chief Operating Officer at the time, would not be eligible to receive these awards. These awards, which were initially granted on 19 April 2016, vested at the end of a three-year period, thus on 19 April 2019. The vesting of shares was subject to continued employment within the VINCI Group as well as performance conditions, comprising an internal economic criterion for 80% of the award and an external economic criterion for 20% of the award, both described in paragraph 5.3.2.

The Board noted at its meeting of 5 February 2019 that:
• with respect to the internal criterion, VINCI's average ROCE from 2016 to 2018 was 9.18% and its average WACC over the same three years was 5.20%. The ROCE/WACC ratio was thus 1.77. As it was greater than 1.10, 100% of the shares subject to this criterion (accounting for 80% of the total award) were able to vest;
• with respect to the external criterion, the average TSR for the VINCI share from 2016 to 2018 was 11.67% and the average TSR for the CAC 40 index over the same three years was 4.40%. The difference between the TSR for the VINCI share and the TSR for the CAC 40 index thus equates to 7.27 percentage points. As it was lower than 10 percentage points, according to the rule of linear interpolation, 86.35% of the shares subject to this criterion (accounting for 20% of the total award) were able to vest.

Overall, 97.27% of the performance shares in the plan set up on 19 April 2016 were able to vest.

Vesting of shares under the plan set up by the Board of Directors on 20 April 2017

On 20 April 2017, the Board set up a performance share plan to grant awards satisfied using a total of 2,315,655 existing VINCI shares to 2,568 senior executives or employees of the VINCI Group, with the understanding that Mr Huillard, Chairman and Chief Executive Officer, would not be eligible to receive these awards. These awards, which were initially granted on 20 April 2017, will vest at the end of a three-year period, thus on 20 April 2020. The vesting of shares is subject to continued employment within the VINCI Group as well as performance conditions, comprising an internal economic criterion for 80% of the award and an external economic criterion for 20% of the award, both described in paragraph 5.3.2.

The Board noted at its meeting of 4 February 2020 that:
• with respect to the internal criterion, VINCI's average ROCE from 2017 to 2019 was 9.20% and its average WACC over the same three years was 5.13%. The ROCE/WACC ratio is thus 1.79. As it is greater than 1.10, 100% of the shares subject to this criterion (accounting for 80% of the total award) are able to vest;
• with respect to the external criterion, the average TSR for the VINCI share from 2017 to 2019 was 21.31% and the average TSR for the CAC 40 index over the same three years was 11.62%. The difference between the TSR for the VINCI share and the TSR for the CAC 40 index thus equates to 9.69 percentage points. As it is lower than 10 percentage points, according to the rule of linear interpolation, 98.47% of the shares subject to this criterion (accounting for 20% of the total award) are able to vest.

Overall, 99.694% of the performance shares in the plan set up on 20 April 2017 are able to vest.

5.3.2 Performance share plans set up by the Board at its meeting of 17 April 2019

On 17 April 2019, the Board decided to set up two performance share plans.

Plan to grant performance share awards under the Twelfth resolution passed at the Shareholders' General Meeting of 19 April 2016

The Board decided to use the delegation of authority given by the shareholders at the Shareholders' General Meeting of 19 April 2016 to set up a performance share plan to grant awards satisfied using existing VINCI shares pursuant to Article L.225-197 of the French Commercial Code, with effect from 17 April 2019.

This plan provides for the granting of awards including a total of 264,100 existing shares to 36 beneficiaries. The members of the Executive Committee, with the exception of Mr Huillard, thus a total of 12 persons, are eligible to receive 133,000 shares, thus about 50.36% of the shares in the awards. The executive company officer is not eligible to receive performance shares under this plan.

Plan to grant performance share awards under the Sixteenth resolution passed at the Shareholders' General Meeting of 17 April 2018

The Board decided to use the delegation of authority given by the shareholders at the Shareholders' General Meeting of 17 April 2018 to set up a performance share plan to grant awards satisfied using existing VINCI shares pursuant to Article L.225-197 of the French Commercial Code, with effect from 17 April 2019.

This plan provides for the granting of awards including a total of 2,176,722 existing shares to 3,276 beneficiaries. The members of the Executive Committee are not eligible to receive awards under this plan.

General conditions of the two plans

Both plans call for the vesting of shares at the end of a three-year period, which runs from 17 April 2019 to 17 April 2022. The vesting of shares is subject to continued employment within the VINCI Group as well as performance conditions, comprising an internal economic criterion for 65% of the award, an external economic criterion for 20% of the award and an external environmental criterion for 15% of the award.

The internal economic criterion relates to the measurement of net value creation, which is determined on the basis of the ratio of the return on capital employed (ROCE), calculated as an average over three years (2019, 2020 and 2021), to the weighted average cost of capital (WACC), also calculated as an average over the same three years, as noted by the Board at 31 December 2021. The proportion of shares vested in line with this internal economic criterion will depend on this ratio. It will be 100% if the ratio is greater than or equal to 1.10 and 0% if it is less than or equal to 1, with linear interpolation between these two limits.

The external economic criterion relates to the measurement of the VINCI share's performance in comparison with the CAC 40 index over a period of three years. This performance is determined on the basis of the difference, whether positive or negative, noted at 31 December 2021, between the total shareholder return (TSR) achieved by a VINCI shareholder over the period from 1 January 2019 to 31 December 2021, and the TSR that a shareholder invested in the CAC 40 index would have achieved over the period from 1 January 2019 to 31 December 2021, in both cases with dividends reinvested. The proportion of shares vested in line with this external economic criterion will depend on this difference. It will be 100% if the difference is greater than or equal to 5 percentage points, 50% if it is 0 percentage points (with linear interpolation between the two limits of this range) and 0% if it is less than 0 percentage points.

The external environmental criterion reflects the effectiveness of the Group's environmental actions and initiatives. It is measured on the basis of the Climate Change score received each year by VINCI from CDP Worldwide in respect of the years 2019, 2020 and 2021. The proportion of shares vested in line with this external environmental criterion will depend on the scores obtained during the period. It will be 100% if VINCI receives three annual scores in the B band or higher and 0% if VINCI does not receive any annual scores in the B band or higher, with linear interpolation between the two limits of this range.

It will be the responsibility of the Board to record the proportion of shares that will vest in line with the internal and external criteria described above.

5.4 Long-term incentive plans

5.4.1 Existing long-term incentive plans

The main features of the long-term incentive plans set up in accordance with ordinary law and still in force at 1 January 2020 are shown in the table below. These plans apply exclusively to executive company officers not eligible to receive performance shares under plans pursuant to Article L.225-197 of the French Commercial Code. The awards will be satisfied using VINCI shares in accordance with ordinary law.

Record of awards under long-term incentive plans

Plan	Date		Initial number		Shares in awards initially granted to		Definitive number	Vesting period		At 31/12/2019	
	Shareholders' General Meeting	Board meeting	Beneficiaries	Performance shares	Company officers (1)	Top 10 employee beneficiaries (2)	Determined at the end of the vesting period	Start of vesting period	End of vesting period	Number of remaining shares	Number of remaining beneficiaries
VINCI 2017	20/04/2017 (3)	20/04/2017	1	30,000	1	None	Unknown (4)	20/04/2017	20/04/2020	30,000	1
VINCI 2018	17/04/2018 (3)	17/04/2018	1	32,000	1	None	Unknown (4)	17/04/2018	17/04/2021	32,000	1
VINCI 2019	17/04/2019 (3)	17/04/2019	1	32,000	1	None	Unknown (5)	17/04/2019	17/04/2022	32,000	1

(1) Company officers serving at the time the award was granted.
(2) Not company officers.
(3) Delegation of authority relating to the setting up of a share buy-back programme.
(4) Subject to performance conditions, comprising an internal criterion relating to the measurement of net value creation and an external criterion relating to the measurement of the VINCI share's performance in comparison with the CAC 40 index.
(5) Subject to performance conditions, comprising an internal economic criterion relating to the measurement of net value creation, an external economic criterion relating to the measurement of the VINCI share's performance in comparison with the CAC 40 index and an external environmental criterion reflecting the Group's environmental actions and initiatives, the effectiveness of which is measured on the basis of the Climate Change score received each year by VINCI from CDP Worldwide.

Vesting of shares under the plan set up by the Board of Directors on 19 April 2016

On 19 April 2016, the Board set up a long-term incentive plan to grant awards satisfied using existing VINCI shares to the two executive company officers, corresponding to a total of 42,500 shares in the Company, with an award of 26,000 shares granted to Mr Huillard, Chairman and Chief Executive Officer, and an award of 16,500 shares granted to Mr Coppey, who served as Chief Operating Officer at the time. The Board decided that these awards would vest provided their beneficiaries remained with the Group and if the Board noted that certain performance conditions were met. The vesting of shares was subject to performance conditions, comprising an internal economic criterion for 80% of the award and an external economic criterion for 20% of the award, both described in paragraph 5.3.2.
At its meeting of 5 February 2019, the Board noted that the performance conditions had been partially met and that 97.27% of the shares were able to vest as a result. These conditions are described in paragraph 5.3.1 above.

Vesting of shares under the plan set up by the Board of Directors on 20 April 2017

On 20 April 2017, the Board set up a long-term incentive plan to grant awards satisfied using existing VINCI shares, initially involving an award of 30,000 existing VINCI shares to Mr Huillard, Chairman and Chief Executive Officer. The Board decided that these awards would vest provided Mr Huillard remained with the Group and if the Board noted that certain performance conditions were met. The vesting of shares was subject to performance conditions, comprising an internal economic criterion for 80% of the award and an external economic criterion for 20% of the award, both described in paragraph 5.3.2.
At its meeting of 4 February 2020, the Board noted that the performance conditions had been partially met and that 99.694% of the shares were able to vest as a result. These conditions are described in paragraph 5.3.1 above.

5.4.2 Long-term incentive plan for the executive company officer set up by the Board on 17 April 2019

At its meeting of 17 April 2019, the Board decided to set up a long-term incentive plan for the Chairman and Chief Executive Officer that involves the granting, in accordance with ordinary law, of awards satisfied using existing VINCI shares that vest at the end of a three-year period, provided that the Board has noted that both internal and external performance conditions are met. The purpose of these performance conditions is to measure the value created by the Group, the performance of the VINCI share, and the effectiveness of the Group's environmental actions and initiatives.
This plan, which entered into effect on 17 April 2019, calls for the granting of an award of 32,000 existing shares in the Company to VINCI's executive company officer. The plan stipulates that the shares will vest at the end of a three-year period, thus on 17 April 2022. These awards are subject to the same continued employment and performance conditions as those applying to the performance share plan set up by the Board on 17 April 2019 and described in paragraph 5.3.2.

It will be the responsibility of the Board to record the proportion of shares that will vest in line with these conditions.
The condition requiring Mr Huillard to remain with the Group and its related consequences are defined as follows, given that he does not have an employment contract:
• continued presence as Chairman or Chief Executive Officer at 17 April 2022;
• loss of eligibility to receive vested shares, unless the Board of Directors decides to maintain his eligibility, if he steps down from his positions as Chairman of the Board and Chief Executive Officer of VINCI before 17 April 2022 for any reason whatsoever (except in the case of retirement, disability or death);
• eligibility to receive vested shares maintained on a pro rata basis, in the event of the termination of his positions as Chairman and Chief Executive Officer at the initiative of the Board of Directors, determined as the eligibility for the period between the initial grant of 17 April 2019 and the termination of said positions in proportion to the eligibility for the full three-year period;
• immediate vesting of awards in the event of disability or death.

5.4.3 Holding requirements applicable to the share awards under the long-term incentive plans to VINCI's executive company officers

At its meeting of 7 February 2017, the Board decided, in accordance with Article 22 of the Afep-Medef code, that the Company's executive company officers would be required to hold a number of registered VINCI shares equal to the higher of:
- 20,000 VINCI shares;
- a number of shares corresponding, in value, to the individual's current fixed remuneration for one year.

Any executive company officer not already in possession of this number of shares when taking office will need to ensure that 30% of the shares arising from the exercise of options or from grants of awards consisting of Company shares will not be transferred or sold until this holding requirement for shares is met.

6. Summary table of delegations of authority to increase the share capital and other authorisations given to the Board of Directors

6.1 Authorisations in force

The authorisations currently in force are as follows:

	Date of Shareholders' General Meeting	Date of expiry	Maximum amount of issue (nominal value)
Share buy-backs [1]	17/04/19 (Fifteenth resolution)	16/10/20	€2,000 million 10% of the share capital
Capital reductions by cancellation of treasury shares	17/04/19 (Eighteenth resolution)	16/06/21	10% of the share capital over a period of 24 months
Capital increases through capitalisation of reserves, profits and share premiums [1]	17/04/19 (Nineteenth resolution)	16/06/21	[2]
Issues, maintaining the shareholders' preferential subscription rights, of all shares and securities giving access to the share capital of the Company and/or its subsidiaries [1]	17/04/19 (Twentieth resolution)	16/06/21	€300 million (shares) [3] €5,000 million (debt securities) [4]
Issues of debt securities giving access to equity securities to be issued by the Company and/or its subsidiaries, while cancelling the shareholders' preferential subscription rights, through a public offer [1] [a]	17/04/19 (Twenty-first resolution)	16/06/21	€150 million (shares) [3] [5] [8] €3,000 million (debt securities) [4] [6]
Issues of debt securities giving access to equity securities to be issued by the Company and/or its subsidiaries, while cancelling the shareholders' preferential subscription rights, through a private placement [1] [a]	17/04/19 (Twenty-second resolution)	16/06/21	€150 million (shares) [3] [5] [8] €3,000 million (debt securities) [4] [6]
Increase of the amount of an issue if it is oversubscribed	17/04/19 (Twenty-third resolution)	16/06/21	15% of the initial issue [3] [4]
Issues of all shares and securities giving access to the share capital to use as consideration for contributions in kind made to the Company in the form of shares or securities giving access to the share capital [1]	17/04/19 (Twenty-fourth resolution)	16/06/21	10% of the share capital [8]
Capital increases reserved for employees of VINCI and its subsidiaries under Group savings plans [b]	17/04/19 (Twenty-fifth resolution)	16/06/21	1.5% of the share capital [7]
Capital increases reserved for a specific category of beneficiaries in order to offer employees of certain subsidiaries outside France benefits comparable to those offered to employees who subscribe directly or indirectly via a company mutual fund under a savings plan [c]	17/04/19 (Twenty-sixth resolution)	16/10/20	1.5% of the share capital [7]
Authorisation to grant performance share awards satisfied using existing shares	17/04/18 (Sixteenth resolution)	16/06/21	1% of the share capital [9] Other conditions [10]

(1) Except during a public offer period.
(2) Total amount of reserves, profits or share premiums arising on issue that may be capitalised.
(3) The cumulative nominal amount of share capital increases that may be undertaken by virtue of the Twentieth, Twenty-first, Twenty-second and Twenty-third resolutions passed at the Shareholders' General Meeting of 17 April 2019 may not exceed €300 million.
(4) The cumulative nominal amount of debt securities that may be issued by virtue of the Twentieth, Twenty-first and Twenty-second resolutions passed at the Shareholders' General Meeting of 17 April 2019 may not exceed €5,000 million.
(5) The cumulative nominal amount of share capital increases that may be undertaken by virtue of the Twenty-first and Twenty-second resolutions passed at the Shareholders' General Meeting of 17 April 2019 may not exceed €150 million.
(6) The cumulative nominal amount of debt securities that may be issued by virtue of the Fifteenth and Sixteenth resolutions passed at the Shareholders' General Meeting of 20 April 2017 may not exceed €3,000 million.
(7) The total number of shares that may be issued under the Twenty-fifth and Twenty-sixth resolutions passed at the Shareholders' General Meeting of 17 April 2019 may not exceed 1.5% of the shares representing the share capital when the Board of Directors takes its decision.
(8) The cumulative nominal amount of share capital increases that may be undertaken by virtue of the Twenty-first, Twenty-second and Twenty-fourth resolutions passed at the Shareholders' General Meeting of 17 April 2019 may not exceed 10% of the shares representing the share capital when the Board of Directors takes its decision.
(9) The total number of performance shares in awards that may be granted under the Sixteenth resolution passed at the Shareholders' General Meeting of 17 April 2018 may not exceed 1% of the shares representing the share capital when the Board of Directors takes its decision.
(10) Shares only vest at the end of a minimum period of three years from the grant date, provided the beneficiaries are still Group employees or company officers on the vesting date. The vesting of shares will be subject to performance conditions.

Price determination procedures:
(a) The issue price of debt securities giving access to equity securities to be issued by the Company will be set such that, on the basis of the conversion or exchange rate, the issue price of shares that may be created by conversion, exchange or any other means will at least be equal to the amount provided for by legal and regulatory provisions applicable at the issue date, which at this writing corresponds to the weighted average price of the VINCI share over the three trading days preceding the date on which the issue price is determined, less a maximum discount of 5%, after adjustment for any difference in the dates of attachment of dividend or coupon rights.
(b) The subscription price of newly issued shares may not be more than 5% below the average opening price of the VINCI share over the 20 trading days preceding the date of the decision by the Board of Directors setting the start date of the subscription period.
(c) The reference share price used to determine the subscription price of newly issued shares may not be more than 5% below the average price of the VINCI share over the 20 trading days preceding the opening of the subscription period or preceding the date of the decision by the Board of Directors setting the start date of the subscription period.

6.2 Authorisations presented for shareholder approval at the Shareholders' General Meeting of 9 April 2020

The authorisations submitted for approval at the Shareholders' General Meeting of 9 April 2020 are as follows:

	Date of Shareholders' General Meeting	Date of expiry	Maximum amount of issue (nominal value)
Share buy-backs [(1)]	09/04/20 (Fifth resolution)	08/10/21	€2,000 million 10% of the share capital
Capital reductions by cancellation of treasury shares	09/04/20 (Tenth resolution)	08/06/22	10% of the share capital over a period of 24 months
Capital increases reserved for employees of VINCI and its subsidiaries under Group savings plans [(a)]	09/04/20 (Eleventh resolution)	08/06/22	1.5% of the share capital [(2)]
Capital increases reserved for a specific category of beneficiaries in order to offer employees of certain subsidiaries outside France benefits comparable to those offered to employees who subscribe directly or indirectly via a company mutual fund under a savings plan [(b)]	09/04/20 (Twelfth resolution)	08/10/21	1.5% of the share capital [(2)]
Authorisation to grant performance share awards satisfied using existing shares	09/04/20 (Thirteenth resolution)	08/06/23	1% of the share capital [(3)] Other conditions [(4)]

(1) Except during a public offer period.
(2) The total number of shares that may be issued under the Eleventh and Twelfth resolutions passed at the Shareholders' General Meeting of 9 April 2020 may not exceed 1.5% of the shares representing the share capital when the Board of Directors takes its decision.
(3) The total number of performance shares in awards that may be granted under the Thirteenth resolution passed at the Shareholders' General Meeting of 9 April 2020 may not exceed 1% of the shares representing the share capital when the Board of Directors takes its decision.
(4) Performance shares only vest at the end of a minimum period of three years from the grant date, provided the beneficiaries are still Group employees or company officers on the vesting date. The vesting of performance shares will be subject to performance conditions, namely an internal economic criterion, an external economic criterion and an external environmental criterion.

Price determination procedures:
(a) The subscription price of newly issued shares may not be more than 5% below the average opening price of the VINCI share over the 20 trading days preceding the date of the decision by the Board of Directors setting the start date of the subscription period.
(b) The reference share price used to determine the subscription price of newly issued shares may not be more than 5% below the average price of the VINCI share over the 20 trading days preceding the opening of the subscription period or preceding the date of the decision by the Board of Directors setting the start date of the subscription period.

7. Matters that could be relevant in the event of a public offer

In application of Article L.225-37-5 of the French Commercial Code, matters that could be relevant in the event of a public offer are as follows:

a) Structure of the Company's share capital	F. General information, paragraph 3.3, "Changes in the breakdown of share capital and voting rights during the last three years"
b) Restrictions in the Articles of Association on the exercise of voting rights and the transfer of shares or clauses of agreements brought to the Company's knowledge in application of Article L.233-11	F. General information, section 1, "Provisions on statutory shareholding thresholds (excerpt from Article 10a of the Articles of Association)"
c) Direct or indirect investments in the Company's share capital of which it has knowledge by virtue of Articles L.233-7 and L.233-12	F. General information, paragraph 3.3, "Crossing of shareholding thresholds"
d) The list of holders of any shares granting special control rights and description thereof	F. General information, paragraph 3.3, "Pledging of registered shares"
e) Control arrangements provided if there is an employee shareholding system in place, whenever rights to control are not exercised by the employees	F. General information, paragraph 3.3, "Employee shareholders"
f) Any agreements between shareholders of which the Company has knowledge and that could entail restrictions on the transfer of shares and the exercise of voting rights	F. General information, paragraph 3.3, "Shareholder agreements / concerted actions"
g) The rules applicable to the appointment and replacement of members of the Board of Directors and to amendments of the Articles of Association	C. Report on corporate governance, pages 138 to 141, and provisions of law and the Articles of Association
h) The powers of the Board of Directors, in particular for the issue or buy-back of shares	Table of delegations of authority to increase the share capital, paragraph 6.1, page 175 and F. General information, paragraph 3.2, "Potential capital"
i) Agreements entered into by the Company that are amended or cease in the event of a change of control of the Company, unless this disclosure would seriously undermine its interests, except when such disclosure is a legal obligation	Note 23.3 to the consolidated financial statements
j) Agreements providing for compensation payable to members of the Board of Directors or employees if they resign or are dismissed without valid grounds or if their employment is terminated due to a public tender or exchange offer	C. Report on corporate governance, pages 157 to 170.

8. Formalities for participation of shareholders in the Shareholders' General Meeting

The formalities for shareholders to participate in the Shareholders' General Meeting are described in Article 17 of the Articles of Association and reproduced below:

Article 17 – Shareholders' General Meetings
"Shareholders' General Meetings are called and take place in accordance with the legislation and regulations in force.

"The meetings are held either at the registered office or at another location specified in the notice of meeting.

"All shareholders may, regardless of the number of shares they own, participate in meetings personally or by proxy, on producing evidence of their identity and shareholding in the form of either:
• a registration of the shares in their own name; or
• a record of the shares in a bearer securities account with an authorised intermediary, confirmed by the intermediary in the form of a share ownership certificate, which can be communicated by electronic means, if necessary.

"These formalities must be completed no later than midnight (Paris time) on the second business day before the meeting. Shareholders wishing to attend the meeting in person but who have not received their admission card by midnight (Paris time) of the second business day before the meeting will be issued a share ownership certificate, which they will need to present in order to attend and vote at the meeting. However, the Board of Directors may shorten or remove this time period provided that any such decision applies to all shareholders.

"If the Board of Directors so decides when the Shareholders' General Meeting is called, individual shareholders may take part in the meeting by video conference or vote by any telecommunication or electronic means including via the internet, in accordance with the applicable regulations in force at the time such means are used. Any such decision must be communicated in the notice of meeting and the invitation to the meeting.

"Postal votes may be cast, subject to the terms and conditions defined by law and regulations. Shareholders may transmit proxy forms and postal votes for every Shareholders' General Meeting, under the conditions set out by law and regulations, either in paper form or, if the Board of Directors so authorises, by electronic means, including over the internet. Those shareholders who, within the required time period, use the electronic voting form on the website made available by the meeting centraliser, are counted as attending or represented shareholders. Shareholders may complete and sign the electronic voting form directly on the centralising bank's website by any process determined by the Board of Directors that meets the conditions set forth in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code and Articles R.225-77, subsection 2, and R.225-79 of the French Commercial Code and, more generally, the provisions of law and regulations in force. This process may include the use of a personal identifier and password.

"Proxy forms received and votes cast prior to the Shareholders' General Meeting by electronic means, together with the acknowledgement of receipt provided, shall be considered as irrevocable acts enforceable with regard to all parties involved, it being specified that in the event of a sale of shares that takes place before the second business day prior to the meeting at midnight (Paris time), the Company shall invalidate or amend, as necessary, any proxy form or vote cast prior to such date and time.

"Shareholders' General Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by the Vice-Chairman of the Board of Directors, if a Vice-Chairman has been designated, or by a member of the Board of Directors specifically appointed by the Board to that effect. Failing that, shareholders elect their own Chairman.

"The minutes of the Shareholders' General Meetings are drawn up and copies thereof are certified and delivered in compliance with regulations in force."

D. Risk factors and management procedures

1. Risk factors

The risks that may affect VINCI's performance are identified, assessed and handled at the different organisational levels (holding company, business line, subsidiary), within the framework of VINCI's decentralised organisation.
Group companies might be subject to risks related to the environmental and social conditions in the areas where they operate. As VINCI is a major participant in the economy, any risk that materialises could tarnish the entire Group's image.

Managing the Group's activities includes taking into account the principal risks detailed in the table below. These risks were assessed in consideration of risk management procedures already in place so as to show the net impact.

Type of risk	Description	Level of criticality (*)	Development
Operational	1.1.1 Contracting business		↗
	• Before the contract is signed	High	
	• After the contract is signed	Intermediate	
	1.1.1 Concessions business		
	• Design phase	Intermediate	
	• Construction phase	Intermediate	
	• Operating phase	High	
	1.1.1 Property development business	Intermediate	
	1.1.2 Acquisition and disposal of companies	Intermediate	
Legal	1.2.1 Contractual relationships	High	→
	1.2.2 Legal and regulatory compliance	Intermediate	
Cyber	1.3.1 Cyberattacks	High	↗
	1.3.2 Fraud	Intermediate	
Workforce-related and social	1.4.1 Human rights	High	↗
	1.4.2 Health, safety and security of employees and subcontractors	Moderate	
	1.4.3 Attracting and retaining talent	Moderate	
Environmental	1.5.1 Climate change and increasing scarcity of resources	High	↗
	1.5.2 Environmental quality and presence of contaminants	Intermediate	
Business ethics	1.6 Infringement of the Group's ethical principles	Moderate	→
Financial and economic	1.7.1 Changes in the economic and tax environment	Moderate	→
	1.7.2 Financial risks	Moderate	

(*) Level of criticality determined on the basis of the risk's probability of occurrence and its relative importance (high, intermediate, moderate).

1.1 Operational risks

Depending on its business, each Group company is exposed to specific operational risks, which are prevented, controlled and managed differently.

One of the main elements of VINCI's risk management system is the holding company Risk Committee. This committee examines in advance the business lines' proposals for making commitments or investments that exceed certain thresholds. These thresholds are defined in the general guidelines provided to the various managers and vary depending on the business involved. The procedure and committee members are described in paragraph 2.4.3, page 188.

1.1.1 Business risks

CONTRACTING

In Contracting, the business operates under fixed-term contracts whose duration extends from a few weeks to several years. Its customers are numerous public and private entities in 100 or so countries.
Performance under these contracts includes a design phase followed by a construction phase, which ends with the handover of the finished project.

Identifying risks	Risk management procedures
Before the contract is signed – Evaluating the country, customer and project – Errors in design and cost estimates – Interpreting contract clauses *Possible consequences:* – Poor evaluation of technical or contractual risks – Poor evaluation of the administrative and regulatory context – Difficulty of executing the project – Cost overruns and delays	– Prior analysis as part of a "go / no go" meeting – Presentation to the Risk Committee before a bid is submitted (see paragraph 2.4.3, page 188), with risk scorecards – Assessment of the proper size of the teams in charge – Taking into account of feedback from previous projects during the design phase
After the contract is signed – Insufficient preparation time – Difficult relationship with the contractor – Unexpected events and obstacles – Changes imposed by the customer during construction – Poor management of contract amendments – Cost inflation – Failure of partners (subcontractors) or customers – Customer disagreement on final breakdown of expenses – Defect clearance by the customer *Possible consequences:* – Inappropriate management – Erroneous choice of tools and methods – Cost overruns, worksite delays, penalties – Cash difficulties, unpaid invoices – Damage caused to third parties	– Organisation of worksite preparation – Specific risk management systems tailored to the business line (Quartz at VINCI Energies, Kheops at Eurovia, Orchestra at VINCI Construction) – Application of price adjustment formulae – Transfer of risk to subcontractors and suppliers – Choice of robust solutions or equipment in advance to deal with uncertainties – Discussions with the customer and the contractor, amicable settlement committees set up with project managers – Drafting of contract clauses calling for reciprocal commitments – Payment guarantees, contract clauses – Insurance policies (see paragraph 2.5, pages 189 to 190)

CONCESSIONS

The risks of a concession contract, whose duration can vary from a few years to several decades, are carefully evaluated before bid submission during the design phase, which is generally much longer than it is in contracting.
The main risks on the operation of concession assets relate to changes in traffic, toll charges and collection, and maintaining the viability of the assets with respect to maintenance and repair targets set in the concession contract. Traffic levels on motorway concessions are correlated to economic activity and are generally affected by changing fuel prices. Toll increases are determined by set formulae, the main aim of which is to offset the risk of inflation. As for airport concessions, traffic may be affected by a variety of events, including public health crises, natural events or harsh weather conditions as well as by terrorist attacks or threats. Rates are set in accordance with the regulation applicable to the contract, which may or may not make reference to a return on invested capital. In addition, social incidents such as those experienced in late 2018 and early 2019 can hamper concession operation and lead to acts of vandalism.

For all concession infrastructure under operation, provisions are taken to cover the cost of renovating installations – particularly motorway road surfaces and airport runways – as well as the cost of building maintenance, based on maintenance expense plans (see Note H.19 to the consolidated financial statements, page 312).

Identifying risks	Risk management procedures
Design phase – Erroneous business plan – Poor estimate of required investment – Difficulties in finalising the financial structure – Constraints relating to the applicable regulation – Lack of robustness of the contractual environment *Possible consequences:* – Cost overruns and delays – Delays, project deterioration – Unprofitable project – Challenges to contract by the concession grantor	– Presentation to the Risk Committee before a bid is submitted (see paragraph 2.4.3, page 188) – Transaction structured as a special purpose vehicle (SPV): to limit the Group's commitments and the amount it invests in the SPV, share capital and control may be shared with one or more partners. In this case, a majority of the financing is comprised of debt with no recourse or only limited recourse to shareholders – Some risks may remain with the concession-granting authority, in particular in relation to making land available – Recourse to the expertise of the Group's Contracting business – Involvement of lenders from the preliminary phase – Use of independent advisory firms
Construction phase – Poor choice of contractor and other companies – Difficulties during construction *Possible consequences:* – Cost overruns and delays – Penalties – Delays, project deterioration – Unprofitable project	– Special attention paid to the preparation phase, using "Cooperate" best practices guide – Fixed-price construction contracts based on a back-to-back principle
Operating phase – Lower-than-expected traffic levels – Difficulties in concession management with the concession-granting authority, regulatory authorities or end users – Legislative changes – Damage to the infrastructure – Climate change; change in the way the infrastructure is used *Possible consequences:* – Unprofitable project – Unilateral decision by the concession-granting authority to challenge the terms of the contract – Unavailability of the infrastructure – Tarnished image	– In-depth review of the initial contract and periodic economic regulation contracts when they are drafted – Quality of service to end users – Strict application of surveillance and maintenance procedures. In France, for example, this relates to the monitoring and implementation of the technical instructions of the public roads administration (ITSEOA) for civil engineering structures.

PROPERTY

The Group's property development activities are exposed to numerous administrative, technical, commercial, tax and economic uncertainties as well as to the potential business failure of partners or subcontractors (builders). The Group's property operations are carried out essentially in France by VINCI Immobilier. Some construction subsidiaries may also participate in property transactions or property development programmes, with a limited assumption of risk. Any commitments exceeding defined thresholds must be authorised in advance by the VINCI Risk Committee. The Group's policy is to undertake a new project only after it has reached a minimum pre-sale rate.

Identifying risks	Risk management procedures
– Cyclical business – Risk of obtaining permits; recourse to third parties – Implementation of General Data Protection Regulation (GDPR) – Poor choice of companies (partners, subcontractors) – Defects in workmanship *Possible consequences:* – Overvaluation of land – Construction permit not obtained – Poor alignment of sale prices depending on the market (residential) – Insufficient occupancy (offices, residential) – Risk of unsold properties – Cost overruns, delays or abandonment of certain projects – Tarnished image	– Presentation to the Risk Committee prior to acquisition of the land and/or launch of property development operations (see paragraph 2.4.3, page 188) – Separated into three areas of expertise: residential, business property, property services – Conditions precedent in land purchase contracts (obtaining building permit, pre-sales percentage, etc.) – Limiting transactions with no reservations; minimum pre-sale threshold required – Strengthening controls for assigning and tracking construction work – Developing a "zero-defect" strategy in the context of quality programmes

1.1.2 Acquisition and disposal of companies

Identifying risks	Risk management procedures
The Group's growth has long been based on a proactive policy of acquisition of new companies of all sizes in both the Contracting and Concession businesses. *Risks related to these acquisitions:* – Reliability of their financial information and the business plan – Corporate governance continuity – Potential hidden disputes – "Cultural compatibility" facilitating integration of the company into the Group – Damaged reputation – Compliance issues	Proposed acquisitions and disposals are submitted to the VINCI Investment Committee for approval (see paragraph 2.4.3, page 188). The largest projects are also submitted to the Strategy and CSR Committee of the Board of Directors (see chapter C, "Report on corporate governance", paragraph 3.4.2, page 154) and in some cases, to VINCI's Board of Directors (see chapter C, "Report on corporate governance", paragraph 2, page 137). VINCI's external growth policy is to: – target companies with which synergies can be created due to their expertise, their market positioning or their geographic location; – generally, take a majority interest in the share capital of target companies in order to limit risks associated with their integration and to be able to quickly apply the Group's management principles; – seek out corporate culture compatibility in order to facilitate the integration of new acquisitions into the Group; – create value for VINCI shareholders.

1.2 Legal risks

1.2.1 Contractual relationships

As a general rule, the Group's contracts are subject to the laws of the countries in which the projects are executed, supplemented where possible by the arbitration clause of the International Chamber of Commerce, in particular for countries where the legal system might not offer sufficient protection.
As mentioned above in paragraph 1.1, "Operational risks" (see page 178), disputes may arise during the performance of said contracts.

Detailed information on the principal disputes and arbitrations in which the Group is involved can be found in Note M to the consolidated financial statements, page 342. These disputes are examined on the date the financial statements are approved and if necessary, provisions are constituted to cover the estimated risks.

Identifying risks	Risk management procedures
– Different interpretations of new items arising during the performance of the contract – Change in the contracting authority's governance – New jurisprudence	The Group's policy is to limit its risk during the proposal phase by seeking to negotiate terms with contracting authorities that: – pass onto the customer the extra costs and/or additional time stemming from changes implemented at the customer's request after the contract is signed; – halt construction in the event of non-payment; – exclude indirect damages; – exclude or limit liability relating to existing pollution; – limit its contractual responsibility for the total project to a reasonable percentage of the contract amount; – cap delay and performance penalties at an acceptable percentage of the contract amount; – stipulate contractual provisions allowing for adjustments (price and time schedule) to account for legal, tax or regulatory changes; – obtain protection via a force majeure clause (against political risk, a unilateral decision of the customer or concession-granting authority, economic upheaval, poor weather conditions) or for early contract termination; – obtain an international arbitration clause.

1.2.2 Legal and regulatory compliance

Given the diversity of their activities and geographical locations, the Group's companies operate within specific legal and regulatory environments that vary depending on the place where the service is provided and on the sector involved. Laws in effect in some countries may have an extraterritorial scope that could apply to the Group's companies.

In particular, Group companies must comply with rules relating to:
- the terms of agreement and performance of public- and private-sector contracts and orders;
- laws governing construction activities and in particular the applicable technical rules governing the delivery of services, supplies and works;
- environmental law, commercial law, labour law, competition law, and financial and securities law;
- personal data protection;
- duty of vigilance and accident prevention (especially the Sapin 2 and duty of vigilance laws in France).

Identifying risks	Risk management procedures
With respect to concessions, aside from the legislative, regulatory and tax policy changes that are always possible during such long-term contracts, the Group is dependent on public authorities that may, as is the case in France, have the right to unilaterally alter the terms and conditions of public service, PPP or concession contracts during their execution phase or even terminate the contract itself, subject to compensation. In the performance of their activities, Group companies could be held civilly or criminally liable and thus suffer the financial or administrative consequences thereof. Similarly, Group executives and employees may be held criminally liable. A large share of the risks of non-compliance is therefore likely to lie primarily with executives and/or company officers and with employees to whom responsibility has been delegated, but may also lie with legal entities. The consequences may be financial (fines) or criminal penalties (conviction and/or being banned from operating).	The main measures relating to legal and regulatory controls are presented in paragraphs 2.3, "Respect for human rights", page 218, and 2.4, "Business ethics", page 219, of chapter E, "Workforce-related, social and environmental information". The financial risks relating to the potential invoking of the third-party liability of Group companies are covered within certain limits by the insurance policies described in paragraph 2.5, "Insurance cover against risks", page 189.

1.3 Cyber risks

Protecting VINCI's informational capital is of major strategic importance, for reasons of competitiveness, trust in the company and data protection. With new communication technologies being deployed in all its business activities, the Group is reinforcing the resources it employs to ensure the security of its information systems and thereby preserve its operating performance.

1.3.1 Cyberattacks

New technologies have enabled the Group's employees to work together in a more fluid and efficient manner. But in today's hyper-connected world, those same technologies have become a source of vulnerability, because they are both essential to the Group's operational efficiency and exposed to cyberattacks. These attacks can be very diverse and have become increasingly sophisticated.
In 2019, the threat grew, and certain large multinationals were affected by cyber incidents, including wide-scale attacks that compromised their data integrity or information quality. Owing to its size, the diversity of its operations and its overall standing, VINCI is exposed to this type of attack.

Identifying risks	Risk management procedures
– Cyberattacks: attacks on information systems – Data leak: loss or disclosure of data – Cyber spying: eavesdropping or theft of confidential data *Possible consequences:* – Damaged reputation – Financial loss – Information system unavailability – Non-compliance	In 2019, VINCI published its overall policy on information systems security, which defined the roles and responsibilities of all participating individuals. The Information Systems Security Committee is in charge of the risk management policy in this area. The director of Group Information Systems and the information systems security coordinators sit on this committee. The general information systems security policy is broken down into "Information Systems Security Directives", which specify mandatory security rules for each area of the information system. These rules derive from best industry practices, such as those in the ISO/IEC 27001 standard (information security management) or the guidelines of the French national agency for information system security (https://www.ssi.gouv.fr/). In 2018, to better protect itself against cyber risks, the Group rolled out CyberSecPlan 2020, a multi-year strategic transformation plan, via its information systems security coordinators. VINCI also decided to invest significantly in managing the security of its data and platform assets. In 2019, VINCI implemented several other new systems. It launched VINCI-Cert (Computer Emergency Response Teams), which aims to encourage dialogue within the Group about information system threats and vulnerabilities. VINCI-Cert is also the first point of contact for third parties. The Group also stepped up its efforts to raise awareness among all information system users. In October 2019, VINCI took advantage of the European Cybersecurity Month to hold its first CyberSecWeek. During the course of the week, VINCI organised hacking demonstrations and lectures by experts to show employees how real the threat is. The Internal Audit Department continued to monitor cybersecurity: – it initiated a campaign at the end of 2019 to evaluate how well Group entities comply with the Group's information system security directives. The results will form the basis for prioritising the items in the transformation plan; – it carried out intrusion tests on the Group's critical infrastructure. The recommendations deriving from these audits will be monitored by the Information Systems Security Committee.

1.3.2 Fraud

Identifying risks	Risk management procedures
Fraud: intentional act by an employee or a third party aimed at embezzling Group assets. The systems of a group as decentralised and diversified as VINCI are exposed to the risk of both internal and external fraud, especially as regards payment systems. Virtually all attempted fraud uses information technology and targets, in particular, the individuals involved in the supplier and subcontractor payment chain.	External fraud prevention involves several Finance Department, Security Department and Information Systems Department units. The core system includes reporting via email to a dedicated address, enabling central services to react immediately and facilitating statistical analysis of fraud attempts. Specific information and recommendations are distributed to CFOs and anti-fraud coordinators. In 2019, three fraud warning notes were posted on the Group's intranet. The Group's Finance Department, in conjunction with the Security Department and the Information Systems Department, has developed a set of fraud prevention measures available on the Group's intranet. In particular, these include instructions specifying correct conduct in the event of suspicion, guidelines concerning means of payment, and awareness-raising measures to be taken in regard to the main people faced with this kind of situation. Internal fraud prevention is based on the Code of Ethics and Conduct as well as on specific training or awareness initiatives. It is described in chapter E, "Workforce-related, social and environmental information", page 219.

1.4 Workforce-related and other social risks

The VINCI Group's workforce-related and other social risks are set out in full in section E.4 of the universal registration document, which reports on the duty of vigilance plan (page 237). The information provided in this section includes both the effects of VINCI's activities on workforce-related and other social issues and, vice versa, the impact of those issues on the Group's risks.

Group companies are subject to risks related to the working conditions of their employees. They must also deal with the significant impact they have on the stakeholders and residents of the territories in which they are active. Workforce-related and other social risks take several forms. They are taken into account at every stage of the project and are analysed far upstream so as to identify local issues, circumstantial issues, and the expectations of stakeholders, including employees and their representatives. Measures intended to reduce these risks are implemented as a result of this analysis and also take many forms. These regular analyses evolve throughout the life of each project.

1.4.1 Human rights

VINCI companies perform activities that are closely connected with the areas in which they operate; these areas have very different labour standards. Nevertheless, the companies must meet international standards of human rights: the Global Compact, which VINCI signed in 2003, the UN Guiding Principles on Business and Human Rights and the eight fundamental ILO conventions.
If Group companies or their subcontractors do not ensure that they respect human rights in their operations, they could be involved in controversies with employees, their representatives, human rights organisations, local communities and residents, international organisations or financial institutions. Human rights violations and the conflicts they might engender have a strong impact on the company's image, in particular in the eyes of stakeholders such as customers, investors and potential employees, because working conditions are central to the Group's values.

Identifying risks	Risk management procedures
– Risks inherent to the nature of the construction business: labour-intensive, cyclical character and multiplicity of participants in the value chain (subcontractors) – Lack of personnel training and clear guidelines *Possible consequences:* – Damage to the Group's reputation in the event of identified human rights violations – Legal proceedings and potential conflicts with personnel representative bodies and human rights organisations – Deterioration in relationships with stakeholders – Lack of credit with investors and international organisations – Damaged reputation	– Developing and disseminating VINCI's Guide on Human Rights (https://www.vinci.com/vinci.nsf/en/item/guide-on-human-rights.htm) – Identifying Group-level risks and the related guidelines in favour of human rights – Identifying potential sources of project controversy and risks incurred in the region – Implementing the appropriate legal, management and coordination tools (clauses for subcontractors, election of personnel representatives, dialogue with local communities, etc.) – Evaluating human rights in subsidiaries – Implementing training and raising awareness among managers and other employees – Taking part in sectoral and collaborative human rights initiatives

1.4.2 Health, safety and security of employees and subcontractors

Health and safety

Employees of VINCI companies and subcontracting companies are required to work on the increasingly complex projects and operations that the Group carries out. This can threaten their health, safety, hygiene and the quality of their life at work. The health and safety coordinators of the Group's business lines have identified several types of risk considered as major (see the column "Identifying risks" in the table below).

In case of accident or near miss, the affected company's business can be slowed considerably, and appropriate corrective measures must be implemented before it can be restarted.

Security

Given the large number of countries where the Group operates, some activities may be affected by various forms of social and political instability (terrorism, armed conflict, embargo, seizure of bank accounts or equipment, etc.), as well as malevolent acts such as vandalism and theft on construction sites, or criminal acts such as attacks or kidnapping.

Identifying risks	Risk management procedures
Health and safety Given the complexity and increasing constraints imposed on worksites, the major identified risks are related to: – moving objects (equipment, vehicles); – falling objects; – working at height; – electrical equipment; – handheld mechanical tools; – traffic risks. *Possible consequences:* – Deterioration in health and safety conditions for employees and subcontractors – Longer lead times due to work stoppages and business operating losses – Potential harm to the Group's reputation in the event of a large number of accidents	– Analysing risks as far upstream as possible and at the start of operations – Supplying appropriate individual protection equipment – Implementing prevention and operating procedures deriving from the evaluation of risks (markers, guardrails, stairways etc.) – Performing dedicated audits and obtaining certifications (OHSAS, ISO 45001) – Organising training and awareness-raising events – Implementing reporting tools, in particular digital tools – Creating partnerships with outside organisations such as France's Institute for an Industrial Safety Culture (ICSI) – Including dedicated clauses in contracts with subcontractors
Security The local geopolitical context is linked to the economic, social and political issues present in the region, influencing the security conditions of employees and subcontractors. *Possible consequences:* – Deterioration in security conditions for employees – Threat to business continuity with potential contractual consequences	– Constant surveillance of geopolitical and security-related issues and dissemination of information about evolving risks to Group companies and projects – Providing drivers in high-risk areas – Specific recommendations for protection of people and property – Awareness programmes for travelling employees and expatriates – Audits and special protection plans – Crisis management measures – Dialogue with customers about terms of partial or full shutdown of activity

1.4.3 Attracting and retaining talent

It is essential for the Group to be able to attract and retain talent. Worksite activity changes very quickly, and companies that have specialised skills and expertise have a competitive advantage in responding to calls for tender.
The activities of Group companies are subject to market developments and the economic environment. To deal with the cyclical nature of their activities, some companies may use fixed-term employment contracts or temporary employment agencies.

Identifying risks	Risk management procedures
– Unattractive employer brand associated with Group companies – Lack of inducement and professional advancement *Possible consequences:* – Difficulty in retaining qualified employees trained in the Group's specific business lines – Difficulty in responding to the specific needs of customers – Project delays or cancellations – Harm to the Group's reputation in the event of deficient work quality due to a lack of proper skills	– Improvement of the skills of Group employees according to a human capital development cycle (training and development objectives in the annual performance review) – Implementing a training programme for every employee – Creating programmes that foster internal job mobility – Forging local partnerships with economic, social, institutional, academic and non-profit entities – Developing the skills of locally recruited employees, especially those hired under programmes to help people integrate the workforce – Promoting diversity among employees by combating discrimination in Group companies – Employee profit-sharing (Group level) – Encouraging community outreach among Group employees

1.5 Environmental risks

Group companies might be subject to risks related to the environmental conditions in the projects and regions where they operate, in particular risks related to climate change and the potential contamination of natural environments.

These risks are analysed during the tendering phase with respect to the human, technical, financial and legal issues they represent. VINCI analyses the environmental protection needs of the region concerned. Solutions are devised and scaled with the development teams so as to take environmental risks into account as far upstream as possible. If necessary, VINCI supplements this analysis through consultation with local stakeholders and regularly re-evaluates the risks depending on how business activities evolve. VINCI then implements whatever technical and organisational solutions it can to reduce these risks to a minimum. Environmental risks are also evaluated with the insurance companies so as to adapt contracts to the projects' residual risks.

How these risks are taken into consideration changes over the course of a project's life, including during the infrastructure's operation phase. The cost of reconstruction following major weather events, such as floods, is partly covered by insurance companies. Environmental risks go beyond the economic aspects and extend to VINCI's image and reputation, as an operating company can suffer long-term consequences as a result of these risks.

The environmental risks related to the Group's activities and their potential consequences on the environment are detailed at greater length in the non-financial performance statement, presented in chapter E of the Report of the Board of Directors, pages 192 to 237.

1.5.1 Climate change and increasing scarcity of resources

Climate change has made extreme climate events more frequent and more severe, making environmental risks more significant for the Group's activities. These risks include:

- "storms", a general term that includes weather events causing high winds and precipitation (rain, snow and hail);
- wide variations in temperature (heat or cold waves);
- flooding, from rivers overflowing their banks, run-off from heavy precipitation, or rising sea levels, which can cause landslides and exacerbate erosion;
- rockslides or other ground movements, such as the expansion and contraction of clay, which can affect buildings and infrastructure.

At the same time that the natural climate balance is changing, certain raw materials (minerals, rare metals, fossil fuels) are becoming more scarce, and regions subject to water stress are expanding. The Group's activities depend on the availability of these resources. Their increasing scarcity has a direct impact on the Group's ability to obtain the materials it needs for its projects and concessions.

Identifying risks	Risk management procedures
– Damage to installations and equipment – Deterioration in health and safety conditions for employees – Financial impact resulting from increased expenses necessary to maintain or repair damaged infrastructure and equipment, operating losses and construction delays – Increasing scarcity of resources, expansion of regions subject to water stress – Financial impact resulting from possible increases in the cost of certain materials – Impacts on the Group's image and reputation in the event of deficient quality of service, such as substandard work or missed delivery deadlines	– Prior identification of the risks affecting the specific area and implementation of technical facilities to mitigate extreme weather events (cofferdams, pumps, retention basins, cooling equipment, etc.) – Establishing a business continuity plan (BCP) for certain assets (e.g. Kansai International Airport in Japan) – Emergency procedures, in cooperation with local actors, to respond to extreme climate events (inclement weather work stoppages for employees, equipment removal, etc.) and cooperation with local officials to implement appropriate emergency and work resumption measures – Managing unplanned events with the appropriate insurance company departments – Implementing ecologically designed solutions to reduce the use of certain raw materials and to reuse or recycle construction materials after demolition in a circular economy approach – Identifying project sites facing water stress so as to adapt construction and operation methods – Reducing water consumption and development of solutions to reuse water at certain sites

1.5.2 Environmental quality and presence of contaminants

The risk of working on a deteriorated or polluted parcel of land is substantial in the urban environment, where past industrial installations may have had a negative impact on the ground and the natural environment. If it is impossible to determine who caused the deterioration, the developer is often responsible for site remediation so as to ensure the durability of the new buildings and infrastructure. Filling in old quarries, decontaminating soil and treating waste are activities that entail significant cost and extend the lead-times of certain worksites and development projects. In addition, before recycling or treating materials, it is necessary to check that there are no contaminants, including invasive plant species.

Identifying risks	Risk management procedures
– Financial impact resulting from increased expenses necessary to remediate sites and from construction delays – Deterioration in health and safety conditions for employees – Impact on the Group's image and reputation in the event of deficient quality of service, such as substandard work or missed delivery deadlines	– Identifying polluted and degraded land and estimating treatment costs – Managing unplanned events with the appropriate insurance company departments – Protecting employees working on land exposed to risks – Implementing techniques and procedures to decontaminate and reprocess polluted or degraded components

1.6 Ethical risks in the course of business

VINCI entities work autonomously in an international environment with a multitude of stakeholders who participate in or are impacted by the Group's operations: project managers, concession-granting authorities, regulatory authorities, project manager representatives, contractors, architects, design offices, joint contractors, subcontractors, suppliers (including local suppliers of concrete, aggregates and water, etc.), service providers (inspectors, transporters, freight forwarders, charterers, insurers, bankers, etc.), local residents, communities, users, etc.

The Group's international expansion increases the risk it will be exposed to internal or external fraud, to infringements of the Group's ethical principles or of regulations, in particular with regard to corruption. If such infringements were committed, VINCI would be subject to possible fines, exclusion from public contracts, remedial action or contract termination. Such infringements would also tarnish the Group's image, erode the trust of investors, customers and partners, tarnish its reputation, and reduce its ability to bid on future contracts.

Identifying risks	Risk management procedures
– Infringement of the Group's ethical principles – Infringement of anti-corruption regulations *Possible consequences:* – Fines – Exclusion from public contracts – Remedial action or contract termination – Tarnished image or reputation – Difficulty in bidding on future contracts – Erosion in the trust of investors, customers, partners	– Broad distribution of two reference documents within the Group: • the Code of Ethics and Conduct, which sets out the rules and the conduct incumbent upon all of the Group's companies and employees; • the Anti-corruption Code of Conduct, which details the Group's rules for preventing corruption. – Commitment on the part of senior management. – Structured corporate governance: the Ethics and Vigilance Committee, composed of seven members of whom five are members of the Executive Committee, is responsible for combating corruption and preventing serious violations of human rights and fundamental freedoms, harm to human health and safety or damage to the environment in the context of the Group's activities. – A network of ethics coordinators to ensure procedures are deployed in the business lines: • the Ethics and Compliance Club keeps close tabs on ethics-related legislation and promotes best practices; • the GDPR Coordinators Club supports the business lines and ensures the Group complies with Regulation (EU) No. 2016/679 on data protection (GDPR). – Training programmes and information sessions to aid in the detection and prevention of corruption. – A whistleblower system: the "VINCI Integrity" digital platform for reporting serious infringements of the Group's rules and commitments. – Evaluation of third parties (customers, suppliers , subcontractors, service providers): questionnaires, due diligence, and quality audits). VINCI's internal system for managing ethical risks is detailed in paragraph 2.4, "Business ethics", of chapter E, "Workforce-related, social and environmental information", page 219.

1.7 Financial and economic risks

1.7.1 Changes in the economic and tax environment

Identifying risks	Risk management procedures
Political uncertainty, changes in commodity prices and slowing economic growth could lead to a worsening of conditions on markets where VINCI operates. This could weaken demand and heighten competition. In addition, harsher tax provisions in countries exposed to rising government debt levels are putting further pressure on the profit margins of Group companies. Given the uncertainty about the future course of tax provisions, their impact cannot always be incorporated into proposals made to customers, or into external growth transactions.	Geographical diversification of the business

1.7.2 Financial risks

Identifying risks	Risk management procedures
– VINCI enjoys investment grade ratings granted by two rating agencies, Standard & Poor's and Moody's. These ratings give the Group access to the financial markets at favourable terms and enable it to secure long-term resources to meet its investment needs. Credit ratings may be downgraded by the agencies as a result of events significantly affecting VINCI's financial condition or a change in the agencies' methodologies. The Group's financing terms could become dearer as a result and its access to the financial markets more difficult. – Counterparty risk stemming from contracts and financial instruments contracted with banks and other financial institutions, should the debtor be unable to honour all or part of its commitment.	– Concerning the risk of credit rating downgrades, VINCI monitors the financial ratios (actual and projected) tracked by the agencies and contributing to the determination of the rating, maintains regular dialogue with agency analysts and tracks any agency methodology changes that might have an impact on the Group's rating. In addition, when the Group is considering a major acquisition, it performs financial projections to simulate the acquisition's impact on its financial structure. For the most significant acquisitions, these simulations are presented to the rating agencies so as to obtain their preliminary opinion on the potential impact of proposed transactions on the Group's rating. The management of financial risks is detailed in Note J.27 to the consolidated financial statements, page 326.

2. Risk management principles and participants

2.1 Introduction

2.1.1 Reference framework and definitions

In July 2010, the Autorité des Marchés Financiers (AMF, the French securities regulator), published a reference framework concerning risk management and internal control systems in a document titled "Cadre de référence sur les dispositifs de gestion des risques et de contrôle interne". The VINCI Group uses this document as the basis for its own framework.

The risk management and internal control systems play complementary roles in monitoring VINCI's activities. They aim to identify and analyse the principal risks to which the Group's subsidiaries are exposed and help to:
• preserve the value, assets and reputation of the Group;
• secure decision-making procedures and other internal processes;
• ensure that initiatives are in line with the Group's values;
• foster a shared view of the principal risks among employees.

These systems, however well conceived and implemented, cannot provide an absolute guarantee that the Group will achieve its objectives.

2.1.2 Scope of risk management and internal control

In addition to setting up a specific system for the VINCI holding company, the Group also ensures that appropriate risk management and internal control systems function in its subsidiaries.
The scope of risk management and internal control includes fully consolidated subsidiaries.

2.2 Environment and organisation

2.2.1 Principles of action and conduct

The businesses in which VINCI operates require the personnel involved to be geographically close to customers in order to ensure the prompt delivery of solutions that are suited to their needs. To enable the manager of each business unit – of which there are around 3,200 in total in the Group – to take the required operational decisions rapidly, each business line has put in place an organisational structure suited to its activities.

In this context, the Group has delegated authority to operational and functional staff at all levels of the organisation. Delegation of authority and responsibility to these staff is carried out in compliance with the general guidelines (see paragraph 2.4.2 below, page 188) and the following VINCI principles of action and conduct:
• compliance with the rules common to the whole Group in respect of commitments, risk-taking (see paragraph 2.4.3 below, page 188), acceptance of contracts (see same paragraph), and reporting of financial, accounting and management information (see paragraph 2.4.5 below, page 189);
• transparency and loyalty of managers towards their management superiors and towards the central functional departments of the business lines and the holding company. An integral part of operational managers' duties is to take decisions on matters falling within their area of responsibility, within the framework of the general guidelines they have received and accepted. Nevertheless, any significant difficulties encountered must be handled with the assistance, as necessary, of their management superiors and/or the functional departments of the business lines or the VINCI holding company;
• compliance with the laws and regulations in force in the countries where the Group operates;
• a culture of financial performance.

2.2.2 Organisational structures involved in risk management and internal control

VINCI's **Board of Directors** is a collegial body responsible for defining the Group's strategic choices, ensuring that these choices are properly implemented and that the company functions properly. It carries out the controls and verifications that it believes are timely and appropriate. It considers all major matters concerning the Group's business. In its annual management report, the Board sets out the principal risks and uncertainties the Group faces.
In 2003, the Board adopted a set of internal rules and created four specialised committees: the Audit Committee, the Strategy and Corporate Social Responsibility (CSR) Committee, the Remuneration Committee, and the Appointments and Corporate Governance Committee. The tasks delegated to the **Audit Committee** and the principal activities carried out in 2019 in this regard are presented in chapter C, "Report on corporate governance", of the Report of the Board of Directors, page 153. They take into account the measures resulting from the 17 March 2016 Order relating to statutory auditing, as well as the recommendations of the Afep-Medef code.
The **Executive Committee**, composed of 12 members at 31 December 2019, is in charge of implementing the Group's strategy, and of defining and monitoring the application of its risk management, finance, human resources, safety, information systems and insurance policies.

The holding company's functional departments ensure that the Group's rules and procedures as well as the decisions of VINCI's Executive Management are correctly enforced. Furthermore, these departments advise business lines on technical matters without interfering with operational decisions, which are the responsibility of the business lines under the Group's decentralised structure. The holding company had a staff of 318 at 31 December 2019.

To support the implementation and deployment of compliance programmes in the business lines and to ensure fair business practices, an **Ethics and Vigilance Department,** reporting to the Group's Executive Management, was created on 1 January 2018, and an **Ethics and Vigilance Committee** was created in March 2018. This seven-member committee includes five Executive Committee members and ensures that the compliance procedures covered by the Code of Ethics and Conduct are deployed and amended as necessary, in particular with regard to:
• combating corruption;
• preventing serious violations of human rights and fundamental freedoms, harm to human health and safety, or damage to the environment in the context of the Group's activities.
The committee met five times in 2019 and will report annually on its activity to the Board of Directors' Strategy and CSR Committee.

The Group's duty of vigilance plan is presented in section 4 of chapter E, "Workforce-related, social and environmental information" on page 237 of this report.

A **VINCI Information Systems Security Committee** was created at the end of 2018. The committee's role is to:
• validate the VINCI information systems security strategy and allocate the resources and funding necessary to implement it;
• be aware of incidents and manage major information system security crises;
• examine the key performance indicators of information system security.
The Information Systems Security Committee is composed of VINCI's Executive Vice-President and CFO, the Group's Chief Information Officer, the Chief Information Security Officer, the Chief Audit Officer, and VINCI's Chief Security Officer. It meets twice a year and reports on its activity to the Audit Committee of the Board of Directors.

The **Audit Department**'s role covers the following areas:
• risk management: based on guidelines from the Group's Executive Management, it heads up the deployment and implementation of a structured system that makes it possible to identify, analyse and handle the principal risks. In this framework, the Audit Department provides methodological support to the subsidiaries' operational and functional departments. It organises and ensures the follow-up for the meetings of the VINCI Risk Committee (see paragraph 2.4 below, page 188), which reviews and authorises tenders exceeding certain thresholds set by the Group's Executive Management or presenting particular technical or financial risks;
• internal control: in addition to drafting and disseminating the general internal control procedures set by the holding company, the Audit Department organises an annual self-assessment survey of internal control. In 2019, 645 legal entities, representing 86% of the Group's consolidated activities, were evaluated. Apart from the two chapters covering recurrent topics related to the internal control system and to financial and accounting information, to which a new chapter on compliance oversight was added in 2017, the specific topic highlighted in 2019 was management of non-financial risks. The survey was conducted using specialised software that also enables entities to manage their action plans. It included a statement signed by the company officers and the chief financial officers of the participating entities indicating whether internal control was both sufficient and enforced. The report prepared by the holding company's Audit Department was presented to the Audit Committee in October 2019;
• participation in running the fraud prevention system in collaboration with the Security, Information Systems, Treasury and Financing departments;
• auditing: the department carries out its own assignments in the field, alongside or in support of the work performed by the business lines as well as assignments related to internal alert procedures. In 2019, 34 audits were carried out in the Group. These audits did not reveal any problems that might have a significant impact on the business or financial statements of the Group.

The work of the holding company mainly consisted of coordinating the rollout of:
• compliance oversight in the Group;
• cybersecurity policies;
• the social and environmental policy;
• the policy to bring data processing into compliance with the EU's new General Data Protection Regulation (GDPR).

Activities in 2019 are summarised in the table below:

Missions	Description	2019 activity
Risk management	– Risk mapping of the 12 business lines and divisions,(*) and of the holding company – Risk committees	– Annual review – 313 committee meetings for 368 projects presented by business lines
Internal control	Self-assessment survey	645 entities questioned representing 86% of revenue
Fraud prevention	Register of fraud attempts	– 1,200 alerts – 3 recommendations
Audit	Support for business line audits	– 34 joint audits between business lines and holding company

The **Insurance Department** proposes and implements the Group's insurance strategy, as validated by the Executive Management (see paragraph 2.5 below, page 189).

The **business lines** carry out their activities based on the principles of action and conduct described in paragraph 2.2.1, page 186.
The operational teams in each business line are monitored at several levels: operational management, support functions (management control, quality, safety, information systems) and periodic internal audits.
Various committees bring together the people involved in decision-making, in particular the VINCI Risk Committee (see paragraph 2.4.3 below, page 188, for information on how it functions), the business line risk committees, and the treasury committees (see Note J.26 to the consolidated financial statements, page 324).

2.3 Risk management

The policy set by VINCI's Executive Committee aims to comply with the legal requirements and to ensure that risks are monitored in as uniform a manner as possible. Risk monitoring is integrated into the reporting process (for accounting and financial, health and safety, social and environmental data) and into the schedules set by the existing procedures related to commitments and periodic monitoring of operations as described in paragraph 2.4 below. Through this approach, the Executive Management is informed on risks that have materialised, their consequences and related action plans.

(*) VINCI Autoroutes, VINCI Airports, VINCI Concessions, VINCI Energies, Eurovia, VINCI Construction France, VINCI Construction International Network, VINCI Construction UK, Soletanche Freyssinet, Entrepose, VINCI Construction Grands Projets, VINCI Immobilier.

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Risk maps have been created for the Group's 12 main business lines and divisions (*) as well as for the holding company, thereby encompassing all of VINCI's activities, in line with the methodology of the white paper issued by AMRAE (the French association for enterprise risk management and insurance) and APDC (the French association of accounting and management experts) under the title "Mise en œuvre du cadre de référence actualisé de l'AMF" (Implementing the AMF reference framework).
These maps are reviewed annually. The review involves:
- listing the main sources of identifiable risk, either internal or external, that represent obstacles to the achievement of the Group's objectives and which can be financial risks, risks to people or reputation risks;
- assessing risk severity on a qualitative scale, taking into account the potential impact, likelihood, and degree of control of the various events constituting risks;
- implementing proper handling of these risks.

Risk scorecards are created for each business line, based on the principal entities' risk maps. They are used to present and assess, in a uniform manner, events that might affect projects examined by the Risk Committee.

2.4 Internal control

The main procedures described below are common to all companies in the Group. They are complemented by specific procedures within each business line, in particular for the monitoring of projects and forecasting of results.

2.4.1 Compliance with laws and regulations

The Legal Department of the holding company is responsible for:
- maintaining a legislative watch related to the various applicable rules;
- monitoring major acquisition projects and disputes.
- informing affected employees about rules pertaining to securities transactions.

The main measures relating to legal and regulatory controls are presented in paragraphs 2.3, "Respect for human rights", and 2.4, "Business ethics", of chapter E, "Workforce-related, social and environmental information", pages 218 to 222.

2.4.2 Application of the guidelines and instructions of the Executive Management

The Chairman of VINCI Autoroutes, the Chief Executive Officer of VINCI Concessions, the chairmen of the companies heading business lines in the Contracting business (VINCI Energies, Eurovia and VINCI Construction), and the Chairman of VINCI Immobilier exercise the powers given to them by law. Under the Group's internal organisation, they are also required to comply with the general guidelines issued for them by VINCI's Chairman and Chief Executive Officer and which were updated in January 2019.
These apply to the following areas:
- adherence to the VINCI Manifesto and the guidelines that explain it, which are accessible on the Group's website;
- commitments;
- reporting to the holding company of accounting and financial information, and information relating to human resources, safety, environment, human rights, disputes and litigation, insurance policies and claims, etc.

These general guidelines include compliance with the holding company's procedures regarding bidding or investments.
These procedures define the thresholds above which specific authorisation must be obtained from the appropriate committees, namely the Risk Committee (see paragraph 2.4.3 below) or the Board of Directors' Strategy and CSR Committee, or where prior notification must be given to the Chairman and Chief Executive Officer of VINCI and/or to certain VINCI functional departments.

These guidelines are cascaded through the organisation by the heads of the business lines to their operational and functional staff for the provisions concerning them, as well as to managers serving as company officers in the companies in their business line.

2.4.3 Procedures related to commitments and the VINCI Risk Committee

The role of the VINCI Risk Committee is to assess, ahead of the commitment phase:
- acquisitions and disposals of businesses;
- the terms and conditions of tenders for construction works which, by virtue of their complexity, specific financing characteristics, location or technical characteristics, entail specific risks, especially those of a technical, legal or financial nature;
- property development transactions;
- public-private partnerships (PPPs), concessions or long-term commitments.

The monetary thresholds for vetting by the VINCI Risk Committee before a bid is submitted are defined in the general guidelines. Thresholds below those necessitating a review by the Risk Committee require that an information sheet be sent to VINCI's Executive Management.

The VINCI Risk Committee has the following members:
- the Chairman and Chief Executive Officer of VINCI or a delegated executive vice-president for the largest projects;
- the Chairman (or Chief Executive Officer) of the business line involved;
- the Executive Vice-President and Chief Financial Officer of VINCI for property development projects, concession projects and acquisitions;
- the Chief Audit Officer;
- the operational representatives of the entity presenting the project.

(*) VINCI Autoroutes, VINCI Airports, VINCI Concessions, VINCI Energies, Eurovia, VINCI Construction France, VINCI Construction International Network, VINCI Construction UK, Soletanche Freyssinet, Entrepose, VINCI Construction Grands Projets, VINCI Immobilier.

2.4.4 Procedures related to monitoring of operations

The business lines each have an operations monitoring system that is tailored to the specific nature of their activities and that enables them to monitor the progress of projects and contracts as well as human resources (HR) indicators. These systems are compatible with those used to prepare and process financial and accounting information as described below, as the holding company performs a consolidation for the principal indicators.
Monthly dashboard reports on business, new orders, the order book, key operating indicators and the Group's net financial debt are prepared on the basis of information provided by the business lines.
The senior managers of the business lines and divisions prepare a monthly report on key events.
The budget procedure is common to all Group business lines. It is built around five key dates in the year: the initial budget for year Y at the end of year Y-1, followed by four updates in March, May, September and November of year Y.
The business lines also participate in regular monitoring of VINCI's social and environmental responsibility commitments as indicated in the "Sustainable development" chapter, page 24, and in HR monitoring, with a particular emphasis on the safety of people working at each of the Group's sites.

2.4.5 Procedures related to financial and accounting information

The Budgets and Consolidation Department, reporting to the Finance Department, is responsible for the integrity and reliability of VINCI's financial information (parent company and consolidated financial statements), which is disseminated inside and outside the Group.
To ensure the statements are produced, the department is specifically in charge of:
• preparing, approving and analysing VINCI's half-year and annual parent company and consolidated financial statements, as well as quarterly information, forecasts and the monthly dashboard reports;
• identifying, consolidating, monitoring and controlling the off-balance sheet commitments of the Group's subsidiaries;
• establishing, disseminating and monitoring the Group's accounting procedures and checking their compliance with the accounting standards in force;
• coordinating the Group's financial information system, which includes the consolidation process and unifies VINCI's various reporting systems.

The Budgets and Consolidation Department establishes the timetable and closure instructions for the preparation of the Group's consolidated financial statements and communicates them to the business lines. The Group's accounting rules and methods are available on VINCI's corporate intranet. At each accounts closing, business lines transmit to the Budgets and Consolidation Department an analysis of the consolidated data submitted.

The Statutory Auditors present their observations, if any, on the consolidated financial statements to the Audit Committee before they are presented to the Board of Directors. Before signing their reports, the Statutory Auditors request representation letters from VINCI's Executive Management and senior management of the business lines.

2.5 Insurance cover against risks

2.5.1 Overall policy

VINCI's general insurance policy places a strong emphasis on prevention and risk protection. Given the Group's decentralised organisation, this policy is defined at several levels of responsibility.

VINCI's Executive Management, based on recommendations from the Insurance Department, lays down the general guidelines and in particular the standards applicable to all subsidiaries.

Within this framework, and after identifying and analysing the risks relating to their activities, the business line or division managers define the optimum trade-off between the level and extent of the guarantees available in the market and the cost level (premiums and uninsured losses) enabling business units to remain competitive. With a view to prevention and cost optimisation, policyholder deductibles are defined on an individual subsidiary basis. Self-insurance budgets have been set up for liability insurance, motor vehicle insurance, and property and casualty insurance in certain business lines.

In addition to subsidiaries' own specific cover, VINCI also takes out cover on behalf of all its subsidiaries, in particular regarding the fields detailed below:
• supplementary liability cover in addition to the first levels of cover arranged by subsidiaries;
• liability protection for company officers;
• liability for environmental damage;
• protection against fraud risks;
• protection against cyber risks.
VINCI has its own brokerage firm, VINCI Assurances, in charge of consolidating insurance policies and harmonising cover within the Group. VINCI Assurances acts as a broker for most of the French subsidiaries and bears no financial risk as an insurer.

2.5.2 Loss prevention and claims record

Loss prevention arrangements are systematically adopted on construction sites as well as operating sites. This policy, which places importance on training, forms part of the VINCI companies' approach to quality assurance and the prevention of workplace accidents.
The Group's losses in the area of civil liability is characterised, on the basis of available statistics and without prejudging any actual liability in the specific cases involved, by a small number of incidents involving more than €1 million, a few medium-sized incidents, ranging from €100,000 to €1 million, and a high number of small incidents (several thousand) of less than €100,000 each. To a large extent, this last category is borne directly by subsidiaries as policyholder deductibles or under self-insurance cover.

2.5.3 Insurance in concessions and service activities

Property and business interruption insurance

Operating infrastructure under concession involves potential Group damage exposure to assets under its responsibility, whether accidental or not, that could result in an obligation to rebuild (including the related costs), and to financial consequences resulting from the interruption of operations and debt service requirements to financing providers. Business interruption insurance is intended to allow concession operators to restore an income stream interrupted or reduced by an accidental event affecting the normal operation of an asset, thus enabling the operator to meet any financial commitments towards lenders and cover ordinary operating overheads during the reconstruction period.

As a general rule, bridges and tunnels are insured for accidental destruction. Resulting operating losses are also guaranteed, less the deductible, which varies from one contract to another and is expressed as a fixed amount or as a number of days of interruption. Linear infrastructure (motorways and rail lines), the complete destruction of which is deemed highly unlikely, is not systematically covered for business interruption losses, since the total and prolonged shutdown of their operations is not taken into consideration. Deductibles are determined on a case-by-case basis to ensure that the concession's earnings are not materially affected by an accidental interruption in traffic.

Liability insurance

Concession assets operated by VINCI subsidiaries in France or elsewhere are also covered by specific liability insurance arrangements, which are coordinated with the complementary cover at Group level. These arrangements are specifically designed to meet local legal requirements and those specified in concession agreements. Concession operations in which VINCI is a minority shareholder do not generally benefit from the Group's complementary liability insurance taken out on behalf of all entities.

Responsibility linked to airport activity is covered by specific airport operator liability insurance programmes:
- the programme set up by the Union des Aéroports Français (UAF) for the French airports managed by VINCI Airports;
- a VINCI programme for airports under concession in Portugal, Cambodia, the Dominican Republic, Brazil and Serbia;
- specific programmes for all other countries, undersigned by the concession companies.

2.5.4. Insurance in contracting activities

Liability insurance

Subsidiaries are exposed to their liability for bodily, physical or consequential damage caused to third parties, including customers or project managers.

The liability insurance taken out by the Group comprises the primary coverage put in place at the subsidiary level, intended to cover ordinary losses, and additional coverage taken out by VINCI for the benefit of all subsidiaries.

In addition to this basic cover, specific insurance is taken out as a result of legal or contractual requirements or management decisions, particularly in areas such as:
- 10-year liability in France;
- motor vehicle liability insurance.

Property and casualty insurance

Contractor's All Risks (CAR) insurance is generally taken out for major construction sites. In particular, this covers physical damage arising from accidents or natural events up to the full value of the project.

Office buildings and fixed production facilities are covered for a contractual rebuilding value. Site plant and equipment are covered case by case and depending on the economic advantage of insuring them, based on value, type and age.

Vehicles, which are mostly pooled within fleets by subsidiary, are generally insured only against third parties.

2.6 Work to be done in 2020 and beyond

VINCI endeavours to continue improving the way risks are managed and internal control is carried out in the Group. To do this, the Group's Audit Department is in charge of the community of business line internal controllers, in coordination with the Ethics and Vigilance, Information Systems and CSR departments.

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E. Workforce-related, social and environmental information

VINCI develops and builds structures in the public interest and for long-term use. These structures have a major impact on the regions where they are located and the quality of life of their residents. The Group's activities, by their nature, must therefore strive to deliver strong overall performance, not only in technical, economic and financial terms, but also with respect to social and environmental outcomes. For this reason, VINCI addresses the related issues in all its business lines.

VINCI's sustainable development policy complies with two complementary principles. The first is to reduce the environmental impact of projects and ensure that the socio-economic benefits of the Group's activities on local populations and regions are long-lasting. The second is to work with the stakeholders in the Group's businesses to come up with the most efficient solutions serving the public interest in an economy of scarcity.

The Group has been shaping its stakeholder approach since 2012, laying down its sustainable development values and commitments in the "Together" Manifesto. Available in 31 languages, the Manifesto lays down a set of shared guidelines to be applied in all of VINCI's businesses, with the aim of aligning the actions of its operating entities and teams around the world.

VINCI's sustainable development policy is collective and proactive. The aim is to give each business unit the opportunity to highlight its actions to enhance social and environmental performance, and to identify its strategic priorities. These priorities are then set out in an action plan.

To respond to the current climate emergency and fulfil the Group's leadership role, in 2019 VINCI reviewed its environmental goals and ultimately redefined its target to reduce its greenhouse gas emissions within its direct scope (Scopes 1 and 2). The Group pledges to reduce the direct impact of its business activities, setting a first milestone for 2030 to scale back its emissions by 40% from 2018 levels.

The human side of VINCI's businesses was also strengthened during the year through flagship initiatives like the Give Me Five programme and other measures to respect, protect and promote human rights.

This policy is also discussed on pages 22 to 30 of this Annual Report. Additional, regularly updated information is available on the Group's website at www.vinci.com, in particular examples of the innovative approaches implemented by the Group's companies, arranged by category and type of challenge.

This chapter contains VINCI's non-financial performance statement published in line with Articles L.225-102-1 and R.225-104 to R.225-105-2 of the decree passed in July 2017, which transposed Directive 2014/95/EU of 22 October 2014, known as the Non-Financial Reporting Directive, into French law.
The non-financial performance statement includes the following information:
- the Group's business model, as described in the "Direction and strategy" chapter of the Annual Report, page 15;
- the description of the Group's main overall performance commitments, presented in the "Sustainable development" chapter of the Annual Report, pages 22 to 30;
- the description of the main non-financial risks, presented in chapter D, "Risk factors and management procedures" of the Report of the Board of Directors, pages 178 to 190;
- the description of the programmes and action plans implemented by VINCI to address its social and environmental issues, and the results of these programmes, including key performance indicators, presented in this chapter of the Report of the Board of Directors.

Material CSR issues were identified by the Environment Department and the Social Responsibility Department, in collaboration with the Audit and Internal Control Department. Environmental issues were also identified through a materiality assessment as well as interviews conducted in 2018 with about 40 internal and external stakeholders. These issues, their actions and their key performance indicators, are presented in the summary table on the following page.

Summary table – Non-financial performance statement

Issue	VINCI's response	Action plans	Key performance indicators	Coverage in chapter E
Health, safety and security of employees, temporary staff and subcontractors	- Zero accidents objective at all levels - Create a Group-wide safety awareness culture	- Network of occupational health and safety specialists in business lines - Health and safety training - Mapping of the Group's major risks - Reporting procedure and analysis of near misses, severe accidents and fatal accidents	- Percentage of companies with no lost-time workplace accidents - Lost-time workplace accident frequency rate (employees and temporary staff) - Lost-time severity rate (employees)	1.2 Pages 195-198
Employability and skills development	- Promote sustainable employability by developing skills and sharing the benefits of performance	- Employer brand campaign and improvement of new employee orientation process - Innovative upskilling tools - Development of complementary training programmes between the Group and business lines - Ambitious employee share ownership plan and other employee benefits	- Percentage of permanent jobs in new hires - Average number of training hours per employee - Percentage represented by all employee benefits in the Group's added value - Percentage of employees covered by the Castor Fund programme	1.3 Pages 198-203
Labour relations	- Ensure continuity in labour relations via a decentralised organisation to better reflect the needs of each business line - Foster innovation in labour relations and new forms of dialogue	- Online platform for the European Works Council (EWC) - Innovative training for the Executive Management Council (EMC) and EWC members - CSR Committee for the EWC - Consultation Committee for the EMC - Collective agreements	- Percentage of collective agreements outside France - Number of employees worldwide serving as employee representatives	1.4 Pages 203-204
Inclusion and diversity	- Overarching inclusion objective: prevent all forms of discrimination and promote equality - Develop a diversity culture - Promote gender equality - Support people with disabilities	- Network of diversity coordinators - Training to develop inclusive management - Self-assessment tool on discrimination - Accreditation for certain Group companies - Targets relating to the proportion of women in management and senior leadership roles - Work to support the inclusion of people with disabilities	- Number of companies with diversity accreditation - Gender equality index in France - Percentage of women managers - Percentage of female senior executives (management and executive committees) - Percentage of managers and non-managers with disabilities	1.5 Pages 204-206
The Group's socio-economic footprint in regions	- Involvement and development in regions, work to improve acceptability of Group projects - Uphold social cohesion in regions through professional integration - Relations with civil society	- Measurement of the socio-economic footprint of businesses in France and for a number of major projects - Creation of VINCI Insertion Emploi (ViE), launch of the Give Me Five programme and other actions to promote integration - Dialogue, consultation and exchange with stakeholders, regional leaders, customers and users	- Number of jobs supported in France and contribution to GDP - Number of people participating in ViE integration programmes - Number of integration hours under ViE programmes - Total amount paid by Group foundations to prevent exclusion and promote integration	2.1 Pages 209-216
Relations with suppliers and subcontractors	- Develop a responsible purchasing initiative - Support the development of suppliers and subcontractors - Take social and environmental criteria into account in Group purchasing	- Strengthened governance of responsible purchasing - Publication of a practical guide on responsible purchasing - Supplier self-assessment questionnaire and CSR improvement plans	- Percentage of purchases incorporating responsible purchasing criteria - Percentage represented by SMEs among the Group's approved suppliers	2.2 Pages 216-218
Respect for human rights	- Commitment to respect the rights of people and local communities that could be impacted by VINCI projects	- Analysis and mapping of human rights risks associated with business activities - Publication of VINCI's Guide on Human Rights - Launch of an e-learning module - Prevention and evaluation programmes	- Percentage of staff who have received VINCI's Guide on Human Rights - Number of human rights assessments	2.3 Pages 218-219

Summary table – Non-financial performance statement (cont.)

Issue	VINCI's response	Action plans	Key performance indicators	Coverage in chapter E
Business ethics	- Group-wide training approach coordinated at the highest level of the organisation - Code of Ethics and Conduct, Anti-corruption Code of Conduct, Guide on Human Rights, and statement on occupational health and safety - Programme to teach new concepts and drive exemplary management	- Ethics and Compliance Club - GDPR Representatives Club - Ethics e-learning and classroom training - Dissemination of framework documents (Code of Ethics and Conduct, Anti-corruption Code of Conduct, etc.) - Whistleblowing procedure, VINCI Integrity system - Third-party assessment process through a questionnaire and quality audit	- Number of employees trained on ethics	2.4 Pages 219-221
Climate change	- Reduce direct greenhouse gas emissions by 40% - Act throughout the value chain by reducing Scope 3 carbon emissions - Integrate climate resilience in practices and solutions	- Integration of eco-design throughout the project life cycle - Transition to more electric vehicles in the fleet and upgrade of machinery and heavy goods vehicles - Self-consumption of electricity via renewable energy generation - Signing of power purchase agreements (PPAs) and purchases of guarantees of origin - Replacement of remote sites hooked up to the power grid with more energy-efficient remote sites - No-stop electronic toll lanes - Use of plant-based fuel at coating plants - Development of expertise in energy performance	- Carbon intensity in tCO_2eq/€m of revenue - Tonnes of CO_2 equivalent saved by electronic toll lanes - Energy intensity in MWh/€m of revenue - Total fuel consumption - Greenhouse gas emissions (Scopes 1, 2 and 3 in tCO_2eq) - Monitoring of energy consumption - Amount of electricity from renewable energy sources (in MWh)	3.2 Pages 225-230
Circular economy	- Limit extraction of virgin materials in favour of recycled materials - Promote construction techniques and materials that economise on natural resources - Improve waste sorting and recovery	- Use of recycled materials and limitation of the extraction of virgin materials - Purchase of reused or reconditioned materials - Use of low-carbon concrete and biosourced materials - Development of innovative techniques and materials that economise on natural resources - Waste recycling platforms for construction worksites at Eurovia - Development of circular economy solutions - Stakeholder relations and collaboration with professional organisations on the environmental impacts of raw materials	- Consumption of asphalt mixes to maintain VINCI Autoroutes motorways (in tonnes) - Amount of recycled mix to maintain VINCI Autoroutes motorways (in tonnes) - Breakdown between hazardous and non-hazardous waste - Percentage recovery of hazardous and non-hazardous waste - Percentage of asphalt mix made with reclaimed asphalt pavement at Eurovia - Number of worksite waste recycling platforms at Eurovia - Percentage of recycled materials production in total aggregate production at Eurovia	3.3 Pages 230-233
Natural environment	- Assess and avoid noise pollution and environmental incidents in the Group's business activities - Reduce water consumption, especially in areas of water stress - Initiate a programme to achieve a zero net loss of biodiversity	- Reduction of noise and light pollution - Prevention of water pollution - Reduction of water consumption in areas of water stress - Prevention of the loss of natural land - Limitation of the fragmentation of natural habitats and maintenance of ecological connectivity - Restoration of the ecological balance of wetlands and waterways - Control and removal of invasive non-native species and conservation of local plant life	- Number of partnerships in effect - Percentage of motorways in France with systems to protect against accidental pollution - Consumption of water purchased and water from boreholes in cu. metres - Percentage reduction in the use of phytosanitary products at VINCI Autoroutes - Number of crossings for small and large wildlife and fenced sections in km installed along VINCI Autoroutes motorways - Percentage of quarries that have created a local committee for consultation and monitoring - Percentage of quarries that have formed partnerships with local naturalists - Number of data on flora and fauna sent to the national inventory of natural heritage (INPN) by Eurovia quarries	3.4 Pages 233-237

VINCI's duty of vigilance plan, developed to meet the requirements of Law no. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and subcontracting companies, is presented in this chapter on pages 237 to 258.

1. Workforce-related performance

1.1 VINCI's employees, drivers of the Group's performance

VINCI's economic development policy is based on a complementary set of short- and long-term business activities performed through a decentralised organisation. The Group's employees are vital to the success of its business model. Its operating methods therefore prioritise people over systems and are based on the view that sustained business success requires an ambitious approach to human resources.

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1.1.1 Workforce

Operating in more than a hundred countries in 2019, VINCI increased its workforce by 5% to 222,397 employees from its total headcount in 2018 (211,233 employees). This increase reflects business growth and the acquisition and integration of new companies within the Group. Staff employed by European entities as a percentage of the total workforce came to 75% in 2019. Staff employed outside Europe stood at 25%, similar to 2018.

At 31 December 2019:

222,397 employees worldwide

16% Women

84% Men

10% Concessions

90% Contracting

In over **100** countries

45.4%	29.9%	11.4%	7.4%	5.9%
France	Europe excl. France	Americas	Africa	Rest of the world

At 31 December 2019, VINCI's workforce consisted of 43,127 managers (19% of the workforce) and 179,270 non-managers (81% of the workforce). Since 2014, the percentage of managers has remained stable at 19%. Over the same period, the percentage of female staff rose from 14.2% to 16% of total staff (15.4% in 2018). Out of all female staff, 20.3% are managers (see paragraph 1.5, "Inclusion and diversity", page 204, on the objectives and actions concerning the role of women in the Group).

Workforce at 31 December 2019 by category, gender and business line, with change

	2019									2018	2019/2018
	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	%	Total	Change
Managers	**1,061**	**1,586**	**457**	**16,158**	**5,669**	**17,370**	**826**	**43,127**	**19.4%**	**40,172**	**+7.4%**
Men	665	1,047	311	13,420	4,807	13,662	446	**34,358**	79.7%	32,164	+6.8%
Women	396	539	146	2,738	862	3,708	380	**8,769**	20.3%	8,008	+9.5%
Non-managers	**5,034**	**12,081**	**1,123**	**66,102**	**39,637**	**54,775**	**518**	**179,270**	**80.6%**	**171,061**	**+4.8%**
Men	2,922	8,122	603	57,797	35,264	47,493	150	**152,351**	85.0%	146,508	+4.0%
Women	2,112	3,959	520	8,305	4,373	7,282	368	**26,919**	15.0%	24,553	+9.6%
Total	**6,095**	**13,667**	**1,580**	**82,260**	**45,306**	**72,145**	**1,344**	**222,397**	**100.0%**	**211,233**	**+5.3%**
Men	3,587	9,169	914	71,217	40,071	61,155	596	**186,709**	84.0%	178,672	+4.5%
Women	2,508	4,498	666	11,043	5,235	10,990	748	**35,688**	16.0%	32,561	+9.6%

1.1.2 Types of employment contract, and changes

At end-2019, 191,746 staff were employed under permanent job contracts and 30,651 under non-permanent contracts (primarily fixed-term contracts in France). The Group's business lines make use of temporary staff to adjust labour needs to the pace of their business activities. In 2019, 14,979 temporary staff (full-time equivalent) worked for VINCI in France, a rise of 4.7% from 2018, in line with the Group's business growth. Permanent jobs accounted for 95% of employment in France. VINCI promotes the integration of young people on work-study programmes, allowing them to link the theoretical knowledge acquired during courses delivered by training centres with practical on-the-job experience. It signed the "Charter in favour of training through work-study programmes" with France's Ministry for Apprenticeship and Professional Training in 2011. On average over the year, 5,677 young people received training under work-study programmes within the Group in 2019 (5,029 in 2018).

Workforce at 31 December 2019 by type of employment contract and business line, with change

	2019									2018	2019/2018
	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	%	Total	Change
Permanent job contracts (*)	5,913	11,704	1,250	74,407	41,947	54,170	1,193	**190,584**	86%	181,359	+5%
Site contracts (**)	-	-	-	224	127	811	-	**1,162**	0%	1,133	+3%
Non-permanent job contracts (***)	100	1,920	300	4,279	1,913	15,721	63	**24,296**	11%	22,992	+6%
Work-study programmes	82	43	30	3,350	1,319	1,443	88	**6,355**	3%	5,749	+11%
Total	**6,095**	**13,667**	**1,580**	**82,260**	**45,306**	**72,145**	**1,344**	**222,397**	**100%**	**211,233**	**+5%**
Temporary staff (full-time equivalent)	4	850	14	9,037	4,349	14,184	33	28,471	13%	27,561	+3%

(*) Unlimited-term contracts for France.
(**) Contract type specific to France.
(***) Fixed-term contracts for France.

1.1.3 Recruitment and departures

Employee turnover of approximately 28% in 2019, which is in line with that of the sector, is explained by the expiry of worksite contracts, in particular outside France. This reflects a Group recruitment policy adapted to new worksites.

Recruitment

Worldwide, the proportion of permanent employment contracts (permanent job contracts, unlimited-term contracts, site contracts) among new hires rose from 53.6% in 2018 to 54.6% in 2019. VINCI again pursued its recruitment policy in 2019. In particular, 6,030 young people were hired, accounting for more than 18% of all new hires in permanent jobs. VINCI hired 62,064 people worldwide in 2018, including 33,858 in permanent jobs (11,371 in France).

VINCI promotes local employment and career progression within the Group. Intragroup staff transfers totalled 2,448 in 2019, (2,298 in 2018), of which 93% within a business line and 7% to another business line.

Reasons for departure

Contracting business operations take place at temporary worksites over a relatively short period. They typically employ a large number of people whose contracts expire once the project is completed or who seek employment with another local company to avoid having to move. In the Concessions business, particularly in the motorways business line, the seasonal variations in activity also explain the number of departures, which are included under the line item "expired contracts".

Departures by reason and by business line, with change (*)

	2019									2018	2019/2018
	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	%	Total	Change
Expired contracts (**)	780	1,404	120	3,355	3,327	13,710	174	**22,870**	42%	22,241	+3%
Resignations	49	697	173	6,156	2,844	5,575	77	**15,571**	29%	13,406	+16%
Redundancies	-	27	2	318	334	1,222	-	**1,903**	4%	1,258	+51%
Dismissals	35	238	41	2,148	1,692	3,082	17	**7,253**	13%	5,848	+24%
Other reasons (***)	104	263	57	2,724	1,030	2,435	89	**6,702**	12%	6,235	+7%
Total	**968**	**2,629**	**393**	**14,701**	**9,227**	**26,024**	**357**	**54,299**	**100%**	**48,988**	**+11%**

(*) Excluding changes in consolidation scope.
(**) Expiry of fixed-term, site or work-study contract, or retirement.
(***) Includes termination during trial period and mutually agreed contract termination for France.

1.1.4 A Group committed to promoting social and professional integration

Given the diversity of regions and businesses in which the Group operates, VINCI is highly attentive to the social and professional integration issues that it encounters on the ground day to day, and to the increasing focus given to these issues by local authorities in their bidding processes. Several years ago, the Group thus created a dedicated entity, VINCI Insertion Emploi (ViE), which supports the long-term unemployed and aims to make integration a source of added value for all stakeholders (see paragraph 2.1.2, "Measures put in place by VINCI to maintain social cohesion in communities and develop employment", page 210).

Group performance in terms of social and professional integration
- Number of hours worked by employees on integration programmes managed by VINCI Insertion Emploi (ViE): 1,033,253 in 2019 (804,678 in 2018)
- Number of full-time equivalents managed by ViE: 2,375 in 2019 (2,107 in 2018)

1.2 Health, safety and security of employees, temporary staff and subcontractors

1.2.1 General health and safety policy

Due to the nature of its business activities, guaranteeing optimal safety for its employees is a key issue for VINCI. Achieving zero accidents remains VINCI's priority in this area. Reiterated in VINCI's Manifesto, the goal applies to all individuals – employees, temporary staff or subcontractors – working on a VINCI worksite or site under operation (see paragraph 4.3, "Duty of vigilance with regard to health and safety", page 240).

To reach this goal, VINCI's health and safety policy relies on managers to be directly accountable for bringing all employees on board in supporting a safety culture. The Group does this by giving special focus to training its managers. This policy is implemented on the ground by a community of more than 2,500 health and safety coordinators and managers.

VINCI's health and safety policy includes diverse initiatives, such as 15-minute safety sessions that bring together all individuals involved at a worksite, analysis of near misses and accidents, training for worksites employing multiple nationalities (over a million hours of training on health and safety are provided every year), drug and alcohol abuse programmes, and road safety awareness. The business lines define and implement initiatives and measures adapted to their activities.

At Group level, the health and safety coordination system ensures the implementation of VINCI's H&S policy. This worldwide system brings together the heads of health and safety networks in all the business lines. It aims to foster the sharing of best practices, improve the reliability of H&S indicators, and devise new ways of making progress, in keeping with each business activity's specific situation. Working closely on the ground, accident prevention Pivot Clubs and internal collaborative platforms help disseminate and monitor health and safety measures for the community of H&S coordinators and managers.

Employee representatives also play a key role in health and safety. Occupational health and safety is a priority focus in each stage of relations between Group companies and employee representative bodies. The statement on occupational health and safety, defined in collaboration with the Group's H&S coordination team, was signed by the Chairman and Chief Executive Officer and the Secretary of the European Works Council in 2017. It sets out guidelines for applying VINCI's health and safety policy, stressing the importance of the zero accidents objective, and the essential and fundamental steps to be taken: risk analysis; wearing of protective equipment; application of procedures, operating methods and work arrangements; and safety awareness. The document also provides measures for progress and initiatives within Group companies to explore ways of improving health protection and the prevention of occupational risks. This statement upholds the shared belief that progress can only take place with the support of all employees and their representatives by promoting a culture of workplace safety. The employee representatives of each entity are kept informed of these issues in a transparent manner. They are also expected to contribute ideas for actions that could improve working conditions and occupational risk and accident prevention. At Group level, every Group Works Council and European Works Council meeting opens with an update on health and safety issues. Dialogue on these issues between employees, their representatives and management is pursued at the local level across all business activities, as shown with the partnership between the French Professional Agency for Risk Prevention in Building and Civil Engineering (OPPBTP) and Eurovia to design a one-week training programme for employee representatives in France.

In 2019, VINCI progressed further in promoting a safety culture for all employees, disseminating safety guidelines, identifying major risks, as well as reporting and analysing both accidents and near misses. The DEEP tool continued to be developed within VINCI to identify and classify direct causes (unsafe acts and conditions), indirect causes (human and organisational factors) and root causes (management and systemic deficiencies) of workplace accidents and near misses with high potential severity. This tool reinforces the actions taken to control these risks and implement new measures. The purpose is not merely to reduce the number of accidents, but to develop a daily prevention and safety culture as well. Taking further steps in this area, VINCI joined the Institute for an Industrial Safety Culture (ICSI) in 2018 and the Foundation for Industrial Safety Culture (FonCSI) in 2019 to take part in a research programme on ensuring safety in the future and how to fund it. Safety events are held regularly every year worldwide in all VINCI business lines.

72%
of Group companies had no lost-time workplace accidents in 2019

VINCI companies that operate infrastructure implement policies aiming to achieve zero accidents or limit the consequences of accidents that occur at customer sites or are caused by customers. For example, the VINCI Autoroutes Foundation for Responsible Driving conducts studies and raises large-scale public awareness about the risks of driving under the influence of alcohol or when affected by inattention due to drowsiness, fatigue or distraction. VINCI Airports and VINCI Autoroutes also develop risk prevention policies for other companies involved in operating their infrastructure. Lastly, VINCI companies establish partnerships with leading national health and safety organisations (e.g. OPPBTP in France) and actively contribute to adapting these policies to their respective core business and industry, including the French National Federation of Public Works (FNTP) and the Association of French Motorway Companies (ASFA).

Group performance in terms of health and safety

- Lost-time workplace accident frequency rate, worldwide:
  - VINCI employees (*): 5.90 in 2019 (6.10 in 2018 and 7.51 in 2014)
  - Temporary staff: 16.24 in 2019 (15.03 in 2018 and 23.02 in 2014)
- Lost-time workplace accident severity rate (VINCI employees) (*): 0.38 in 2019 (0.42 in 2018 and 0.49 in 2014)
- Percentage of Group companies with no lost-time workplace accidents in 2019: 72% (72% in 2018 and 69% in 2014)
- Number of training hours in health and safety: 1,595,107 in 2019, 36% of training hours (1,480,115 and 39% respectively in 2018)

Definitions

Lost-time workplace accident frequency rate = (number of lost-time workplace accidents × 1,000,000)/number of hours worked.

Lost-time workplace accident severity rate = (number of days lost due to workplace accidents × 1,000)/number of hours worked.

(*) These indicators were verified with a reasonable level of assurance.

1.2.2 Health and safety of VINCI employees

The main goal of the Group's health and safety policy is to anticipate and prevent risks to the health and safety of VINCI employees. Training, awareness and employee support campaigns are among the various measures taken to promote health and safety.

The Group's approach to health and safety policy also consists in ensuring the quality of hygiene, health, safety and quality of life in the workplace, and ensuring the redeployment of employees who have suffered a workplace accident or illness. For example, VINCI established Trajeo'h in 2008. This organisation aims to better integrate people with disabilities into the company and facilitate the redeployment of incapacitated staff as well as the recruitment of workers with disabilities.

With respect to occupational health actions, the Group's initiatives, campaigns and reports focus mainly on substance abuse, workstation ergonomics and musculoskeletal disorders. A number of measures have been taken to upgrade equipment and tools and to implement flexible work arrangements, especially at worksites, to reduce workers' exposure to risks of musculoskeletal disorders. Health studies are conducted at Eurovia when new chemicals are introduced. Managers at VINCI Energies are educated about psychosocial risks. The latest technological enhancements are surveyed, and numerous innovations are being developed to reduce arduous work and physical efforts for employees: exoskeletons at Eurovia and VINCI Construction, machines for laying and removing traffic cones at VINCI Autoroutes, and baggage handling equipment at VINCI Airports.

The use of employee surveys and discussion workshops is expanding in order to measure employees' knowledge about safety and improve the policies and actions implemented. In 2019, Eurovia conducted a worldwide survey, enabling more than 30,000 employees to express their views on the extent to which a safety culture has been adopted at their divisions and to discuss these issues with their managers.

Lastly, online tools have been developed to improve the communication of information (reporting risk situations, near misses and accidents, e.g. at VINCI Energies with the Safety Up application) and numerous e-learning modules are available for the continuous training of employees.

These large-scale efforts have paid off, as safety performance indicators have improved significantly.

Frequency and severity rates of lost-time workplace accidents by business line, with change

	Frequency rate (*)		Severity rate (**)	
	2019	2018	2019	2018
Concessions	**7.45**	**11.31**	**0.37**	**0.55**
VINCI Autoroutes	4.26	4.45	0.61	0.66
VINCI Airports	8.35	14.61	0.31	0.57
Other concessions	9.42	15.79	0.14	0.15
Contracting	**5.73**	**5.75**	**0.39**	**0.41**
VINCI Energies	4.42	4.79	0.28	0.29
Eurovia	7.50	7.15	0.58	0.59
VINCI Construction	6.04	5.92	0.39	0.44
Group	**5.90**	**6.10**	**0.38**	**0.42**

(*) Lost-time workplace accident frequency rate = (number of lost-time workplace accidents × 1,000,000)/number of hours worked.
(**) Lost-time workplace accident severity rate = (number of days lost due to workplace accidents × 1,000)/number of hours worked

In 2019, occupational illnesses recognised in the Group were responsible for 63,245 days lost out of a total of 52 million days worked.

Number of days lost through recognised occupational illnesses and the severity and frequency rates, with change

	Group			Of which France		
	2019	2018	2019/2018 change	2018	2018	2019/2018 change
Days lost through recognised occupational illness	**63,245**	62,149	+1.8%	**62,853**	61,789	+1.7%
Recognised occupational illness frequency rate (*)	**0.81**	0.80	+1.3%	**1.97**	1.87	+5.3%
Recognised occupational illness severity rate (**)	**0.16**	0.17	-5.9%	**0.41**	0.42	-2.4%

(*) Occupational illness frequency rate = (number of recognised occupational illnesses × 1,000,000)/hours worked.
(**) Occupational illness severity rate = (number of days lost through occupational illness × 1,000)/hours worked.

1.2.3 Health and safety of temporary staff

Under the terms of the Group's framework agreement in France with its partners, temporary employment agencies are required to play their part in meeting the aims of the Group's health and safety policy, and in particular its zero accidents objective.

The most recent list of approved temporary employment agencies (TEAs) in France came into effect on 1 January 2016, with a four-year validity period. These firms are listed in the Group's framework agreement primarily based on occupational health and safety criteria. The contracts with listed TEAs were renewed in 2019. During the negotiations, all companies were asked to complete an ethics and vigilance questionnaire including a section on human rights. An improvement plan on service quality and safety was tailored to each TEA and added to the negotiation process. This enhanced improvement plan was drawn up based on past results. It contains specific additional measures to improve the safety of temporary staff and indicators to monitor safety performance. For example, these measures may include surveys of temporary staff; feedback reports on prevention, awareness and training actions led by the company; or improved records of staff safety documents (Carte BTP – a professional identification card for construction site workers, Pasi – a safety passport for temporary workers, etc.). Based on the outcome of these negotiations, the framework agreements with these companies will be renewed for three years.

The gap between the workplace accident frequency rates of VINCI employees and temporary staff reflects differences in the jobs performed, in safety awareness, and in technical know-how and experience. Reports on workplace accidents involving temporary staff enable VINCI companies to take concrete action to prevent them from recurring, such as the safety passport for temporary workers developed by VINCI Construction. The frequency rate for temporary staff workplace accidents reached 16.24 in 2019. The use of temporary staff increased in line with the Group's workforce. Worldwide, the number of temporary staff rose from 27,561 in 2018 to 28,471 in 2019 (full-time equivalent).

Lost-time workplace accident frequency of temporary staff worldwide and by business line, with change (*)

	2019	2018	2019/2018 change
Concessions	20.44	29.68	-31.1%
Contracting	16.13	14.81	+8.9%
Total	**16.24**	**15.03**	**+8.1%**

(*) Temporary staff lost-time workplace accident frequency rate = (number of lost-time workplace accidents involving temporary staff × 1,000,000)/number of hours worked by temporary staff.

1.2.4 Health and safety of subcontractors

Subcontracting accounted for €9.1 billion in 2019, around 19% of Group revenue. In VINCI's business activities, subcontracting is multi-faceted and practised at different levels, and some VINCI companies also act as subcontractors. Under such complex circumstances, many VINCI companies have signed agreements with their subcontractors, including a specific evaluation of their performance with regard to the health and safety plan. VINCI's Subcontractor Relations Guidelines underscore the Group's determination to ensure that the employees of its partner companies work under the same safety conditions as those of its own staff. The guidelines are primarily disseminated by the regional Pivot Clubs where the regional managers of the Group's businesses meet regularly and exchange ideas. In fact, some divisions have introduced policies limiting levels of subcontractors. Other actions taken by VINCI to enhance the health and safety performance of its subcontractors are presented in section 4, "Duty of vigilance plan", page 237.

1.2.5 Security of personnel

Given the large number of countries where the Group operates, some businesses may be affected by various forms of social or political unrest (acts of terrorism, armed conflicts, riots, strikes, etc.), by malicious acts and petty offences (worksite vandalism, theft), or even by serious crimes (assault, kidnapping). The local geopolitical and social context as well as the local security conditions can change rapidly and unexpectedly. This is one of the main factors causing security conditions to worsen for the Group's employees and subcontractors.

The Group's Security Department is responsible for assessing, preventing and supporting the management of these risks by recommending necessary measures, including:

- ongoing monitoring of the geopolitical, social and security context, security risk mapping of all countries worldwide, and communication of information to company and project management staff;
- security risk assessment from the start of the bidding process;
- specific recommendations for the protection of individuals and property (hosting, accommodation and transportation conditions adapted to the local context, site access protection, etc.);
- security training and information programmes;
- awareness programmes for travelling and expatriate employees;
- monitoring tools for travelling and expatriate employees;
- audits and special protection plans based on the local context;
- application of crisis management measures;
- discussions with customers on the conditions of partial or total discontinuation of activities.

1.3 Employability and skills development

1.3.1 General employability and skills development policy

Coordinating a decentralised group efficiently requires managers with an entrepreneurial mindset: managers who are independent and accountable, who can respond directly to customer needs at the local level, and who can make a wide range of decisions. Group employees are also encouraged to take initiative beyond their purely technical and operational expertise, to help the organisation move forward. Sustainable employability and employee upskilling represent key drivers to help VINCI prepare for the future and meet the many challenges that lie ahead. In addition to those involving the digital transformation and its impact on the ways the Group's businesses are carried out, the challenges faced specifically by managers include addressing international business expansion and the expectations of new generations (being useful in an organisation that promotes the importance of the freedom to act, diversity, ethics).

To enhance its visibility for new talent and to boost the loyalty of its employees, VINCI launched a Group employer brand campaign in 2018, working with the business lines. This campaign is designed to reinforce actions taken in the Group's countries of operation. Through the promise of this campaign, "You will enjoy working with us", VINCI boldly expresses the advantages of its management model and its values. The campaign aims to meet the following objectives:

- prepare for the long term with its future employees by enhancing its appeal and image in the eyes of younger generations, particularly engineering and business school students in France and around the world;
- foster employee loyalty, especially that of recent hires, by reminding them of the multiple career prospects and opportunities to express their strengths above and beyond their current position and company division.

VINCI is ranked in the
Top 10
most attractive employers and is
No. 1
in the construction industry (*)

(*) 2019 Universum survey of engineering students in France.

Following on from this campaign, VINCI proactively develops its ties with higher education institutions on social media and in job forums to build meaningful relationships with future talent. For example, the VINCI Camp events were designed in partnership with the Foundation of the National Institutes of Applied Sciences (Insa) for students from the six Insa engineering schools. The talks and workshops at these events presented the "VINCI Way" and encouraged these future engineers to embrace a humanistic approach towards a more sustainable world. Alongside these efforts, VINCI uses innovative internal tools to facilitate recruitment processes, such as Trust[in], an online recruitment agency that creates pools of potential recruits through professional social media platforms, and Agiléo, which promotes the recruitment, redeployment or mobility of the Group's employees with disabilities.

The Group also focuses on the successful and efficient integration of the nearly 34,000 new hires every year. New onboarding programmes have thus been introduced, such as the "Get on Board" module open to all employees and available via the Group's online learning platform. These programmes are strengthened by induction events organised by the business lines as well as Group-wide "Welcome to VINCI" orientation days.

To support its growth, in particular outside France, since 2010 the Group has applied employee development plans adapted to its forward-looking management of jobs and skills. VINCI believes in the importance of developing employee skills and creating opportunities, thus motivating employees to be proactive in shaping their career, while taking into account the Group's decentralised structure. The VINCI Jobs tool was designed to optimise the job application experience with VINCI companies, aggregating all the Group's systems and managing the hiring and internal mobility process end to end. Salary reviews, annual appraisals and people reviews are now also used across the Group, mainly via the VINCI Talent Information System (Vitalis).

On top of the many career opportunities within the Group, Leonard, VINCI's forward-thinking entrepreneurial innovation platform, offers an intrapreneur programme that supports Group employees in developing new products or services. Launched in 2017, Leonard has already guided four groups of intrapreneurs through the programme's incubation and acceleration phases. Eight new companies and innovative projects have been created, including the Trust[in] agency.

As part of the digitisation and transformation of its businesses, VINCI focuses on skills transfers and steers the future development of its businesses by engineering sustainable career paths. Each business line is associated with technical, relational and organisational expertise. A matching process aligns employee abilities and skills with business activities to offer career opportunities adapted to the Group's employees by taking advantage of their specific skills. This project is in an experimental phase within three VINCI Autoroutes scopes.

All of VINCI's initiatives taken to support its present and future employees are in keeping with the overarching objective of maintaining social cohesion within the regions where the Group operates. These initiatives are strengthened by the professional integration programmes implemented within and outside the Group (see paragraph 2.1.2, "Measures put in place by VINCI to maintain social cohesion in communities and develop employment", page 210).

Group performance in terms of employability and skills development

- VINCI is ranked among the Top 25 most attractive employers in France (LinkedIn France 2019 Top Companies ranking)
- Percentage of permanent jobs (*) in new hires: 54.6% in 2019 (53.6% in 2018)

(*) Permanent job contracts, site contracts.

1.3.2 Skills development and training

The development and continuous enhancement of skills increase the value of human resources across the Group and drive performance, while promoting individuals' employability and career development. Training and skills acquisition are essential ways to guarantee that the fundamentals of the Group's culture are shared and that knowledge and expertise are passed on between employees, at all VINCI companies and in all countries where the Group operates. These programmes help VINCI meet its customers' needs, be the best partner to them, and maintain a high level of operational performance among staff. They are also designed to promote the integration and career advancement of every employee by offering an individualised approach, with technical training and meetings devoted to personal and professional development.

Training is being revolutionised by the digital transformation and fast-changing ways of carrying out business activities. Through its flexibility, digital technology is powering new ways of learning and updating skills. VINCI works to prevent a digital divide by making these new technologies widely available to its employees.

Skills development is driven by the need of each business activity to improve productivity and adapt to the transformation of techniques and technologies. With the trend towards ever more complex and comprehensive engineering structures, new training needs arise as business lines work more closely together and content is adapted to the Group's international growth.

The "learning company" of today's digital age is a concept that VINCI hopes to cultivate, essentially in giving managers an active role in developing the skills of their teams.

20 hours
of training on average per employee

Group performance in terms of training

- 4,422,865 hours of training provided in 2019 (3,816,306 in 2018)
- Average number of training hours per employee: 20 (including 23 for managers; 20 for non-managers)
- 160,536 employees trained, i.e. 73% of the workforce in 2019 (69% in 2018)
- Percentage of training courses given at internal training centres (*): 25% (23% in 2018)

(*) VINCI Academy, Parcours ASF, Parcours Cofiroute, Parcours Escota, VINCI Airports Academy, VINCI Energies Academy, Eurovia Academy, Cesame, Centre Eugène-Freyssinet, Centre Sogea-Satom, VINCI Construction Grands Projets.

Breakdown of training hours by subject, with change

	2019							2018	2019/2018
	Managers	Non-managers	Men	Women	Total	%	Of which France	Total	Change
Admin and support	139,890	194,326	217,898	116,318	**334,216**	**7.6**	186,228	308,390	+8.4%
Diversity	4,720	25,946	23,557	7,109	**30,666**	**0.7**	6,315	23,014	+33.2%
Environment	10,195	31,860	30,995	11,060	**42,055**	**1.0**	17,796	36,967	+13.8%
Ethics and vigilance	21,583	26,114	34,487	13,210	**47,697**	**1.1**	19,138	12,312	0.0%
Health and safety	209,692	1,385,415	1,463,473	131,634	**1,595,107**	**36.1**	806,756	1,480,115	+7.8%
Languages	67,406	80,136	96,521	51,021	**147,542**	**3.3**	45,106	140,216	+5.2%
Management	178,423	133,713	255,579	56,557	**312,136**	**7.1**	178,044	271,538	+15.0%
Technical	313,174	1,519,041	1,592,620	239,595	**1,832,215**	**41.4**	780,705	1,474,475	+24.3%
Other	27,929	53,302	57,141	24,090	**81,231**	**1.8**	40,708	69,279	+17.3%
Total	**973,012**	**3,449,853**	**3,772,271**	**650,594**	**4,422,865**	**100.0**	**2,080,796**	**3,816,306**	**+15.9%**
Hours of training per employee	23	20	20	19	**20**	**–**	21	19	+5.3%

Data checked by the Statutory Auditors, see page 266 of the 2019 Annual Report.

● VINCI Academy actions

VINCI Academy designs and rolls out cross-business training courses for VINCI executives and high-potential managers, and for the Group's central functions, in association with leading institutions (London Business School, HEC, Sciences Po, etc.) and with the business lines, which are responsible for developing their own training courses, through dedicated structures, to meet their specific business needs. Exchanges between VINCI Academy and the business lines, as well as actions to ensure the overall consistency of the programme within the Group, are organised by the six business line ambassadors or in the context of training Pivot Club meetings. At Group level, VINCI Academy targets operational staff, executives and future executives, as well as staff within central functions (HR, finance, legal). Its training actions reinforce those led directly by business line academies. In all, over 4,000,000 hours of training were provided across the Group in 2019 for 160,536 employees (73% of the workforce).

Up!, VINCI's online learning solution launched in 2016, is designed to serve as a comprehensive knowledge base for disseminating the Group's approaches and expertise. The tool includes required modules for certain staff members, such as anti-corruption training for all individuals who have signed the Code of Ethics and Conduct, and courses to help employees take a more proactive role in their training. Its rollout continued at business units throughout 2019, featuring an e-learning course on human rights and another on inclusion and diversity. A classroom training pilot programme on diversity issues, which aims to cultivate a more inclusive management approach within the Group, is being tested.

Thanks to digital technology, it is now possible to provide distance learning that can reach as far as worksites on the other side of the world if necessary. For example, an SPOC, or small private online course, on temporary structures took place one hour a week for five weeks, producing highly conclusive results. A strong community of employees around the world was created, giving rise to a discussion space for the 180 trainees, who all received a training certificate at the end of the course.

● Training actions implemented by business lines

Business lines also initiate training actions and develop innovative learning tools.

For example, VINCI Autoroutes launched a digital learning development programme to expand its range of training courses. This programme meets the goal of providing its companies' employees with ongoing training opportunities through new self-study formats, which they can use outside the workplace. Training content covers a wide range of topics designed for employees from all business lines and departments, including construction, human resources, prevention, viability, IT, tolls, services, legal issues, sustainable development, customer management, and traffic information and safety.

The VINCI Energies Academy is also upgrading its learning methods with digital tools and modular workspaces to promote interactivity, collaboration and creativity. Based on sharing and interaction, this training approach emphasises collective learning capacity while enabling trainees to take a proactive role in the learning process. One of VINCI Energies's key training courses was redesigned and now offers a new format in which participants, organised into workshops, can share their work in real time using interactive screens.

VINCI Airports has created an advanced management training course in the form of a business game, which aims to improve the understanding of VINCI's best practices in financial management, cost management and investments, using performance indicators adapted to the business line. Participants work in teams to manage the operations of an airport over five years and, through this new simulation learning format, develop their ability to learn collectively based on real-life situations.

Innovation is a key focus of the training programme at Eurovia, which has launched several training courses on this topic in France since 2018 to support the company's development plan. The programme features a seminar for division managers called "The Keys to Innovation", to help them explore innovation and the startup ecosystem while introducing the fundamentals of design thinking.

VINCI Construction is rolling out its "Ville sous la ville" (City under the City) training course for the Grand Paris projects. The course aims to create, strengthen and foster a culture of underground works and foundations. It is mainly offered to civil works engineers, methods engineers and design/civil works coordinators. More than 200 employees have already taken the course. Its four independent modules, each lasting two to three days, are fully adapted to the Grand Paris programme. Participants can therefore more easily understand the various activities and their interactions in production.

VINCI is also developing other innovative training methods to offer employees learning formats that are better adapted to their needs. Virtual classroom training is being developed and is planned for the medium term, in particular at VINCI Energies. For example, the Group is experimenting with virtual and augmented reality, the structured and didactic form of work-based training known in France as *formation en situation de travail* (Fest), robotics and artificial intelligence at some business lines before rolling them out more widely. Virtual classroom training is being developed and is planned for the medium term, in particular at VINCI Energies. This format would bring back the "physical" presence of the instructor while saving time and meeting remote learning needs.

1.3.3 Remuneration and sharing the benefits of the Group's performance

The Group's commitment to sharing the benefits of its performance with employees is another important way that it fosters sustainable employability. A tenet of the VINCI Manifesto, this approach is a key driver in attracting talent and building employee loyalty.

VINCI's remuneration policy gives considerable autonomy to Group companies while establishing common principles for sharing the benefits of company growth and rewarding individual performance. Focused in particular on developing employee share ownership through collective share ownership and long-term incentive plans, VINCI's approach encompasses both individual and collective remuneration (profit-sharing, incentive plans, insurance and retirement plans, adapted to the conditions and legislation in each country where the Group operates).

Remuneration

All employees, regardless of position, are rewarded in accordance with their responsibilities and performance. The Group's main human resources directors meet on a monthly basis to share best practices and set forth guidelines relating to remuneration and employer social contributions, which vary depending on the labour laws of each country and are different for the manager and non-manager categories. Gender and occupational pay gaps are analysed each year at Group level and at business lines to ensure equal pay for the same job and the same potential for development (see paragraph 1.5.2, "Measures to promote gender equality", page 205).

Through profit-sharing, incentive plans and employer contributions, the Group paid out about
€460 million
to its employees

Group performance in terms of remuneration

- Payroll expenses: €10,775 million in 2019, i.e. 23% of revenue (€9,987 million, i.e. 23% of revenue in 2018)
- Average annual salary within the Group: €38k in 2019 (€37k in 2018)
- Average annual salary of non-managers within the Group: €31k (€30k in 2018)
- Average annual salary of managers within the Group: €63k (€65k in 2018)

Remuneration and employer social contributions worldwide

	Total		Managers		Non-managers	
(in € thousands)	2019	2018	2019	2018	2019	2018
Average VINCI salary	**38**	37	**63**	65	**31**	30
Men	**38**	37	**66**	68	**32**	30
Women	**34**	33	**51**	50	**28**	27
Employer social contributions	**31%**	33%	**36%**	38%	**28%**	31%

Long-term incentive plans

For several years, VINCI has set up a long-term incentive plan, in the form of performance shares that vest after three years provided the beneficiary has remained with the Group. Every year, nearly 10% of the Group's managers benefit from the plan (see the Report on corporate governance, paragraph 5.3.1, "Existing performance share plans", page 172). The performance conditions for these plans include the evaluation of VINCI's performance compared with that of the CAC 40 as well as internal performance criteria. Whether these conditions have been met is determined at the Shareholders' General Meeting. An environmental criterion was added to these conditions in 2019 based on the Group's CDP Carbon score. This plan thus contributed to attracting and enhancing the loyalty of nearly 4,200 of the Group's key or high-potential managers, by involving them directly in the Group's performance and strategy.

Employee share ownership

Developing employee share ownership is one of VINCI's main commitments. In 1995, the Group set up an ambitious employee savings plans in France and abroad, the Castor Fund. From its inception, these plans have included an advantageous employer contribution policy designed to encourage savings by employees within the lowest pay bracket, thus enabling a broad range of employees to share in VINCI's performance. This attractive system put in place by the Group applies an employer contribution rate that varies depending on the country.

For example in France the maximum annual employer contribution breaks down as follows:
–200% up to €500;
–100% from €501 to €2,000;
–50% from €1,001 to €4,000.
The employer's maximum annual contribution per employee thus amounts to €3,500. The total employer's contribution for the Castor Fund was nearly €237 million for France in 2019.

In December 2019, VINCI paid out an exceptional flat employer contribution of €400 to each Group employee in France, totalling €40 million. As a result of this operation, all Group employees in France are shareholders.

Initially implemented for French employees, the employee savings plan was rolled out internationally beginning in 2012 for employees of subsidiaries in which VINCI owns more than a 50% stake. Adjustments were added to comply with regulations in each country concerned, while guaranteeing equal access to the plan, irrespective of the employee's professional situation. The plan was extended to four additional countries in 2019 (making a total of 35 countries), and five new countries will be covered in 2020.

The Castor Fund achieves multiple goals. Apart from being a remuneration tool, it is a means of sharing the benefits of growth, while helping to attract talent, enhance the Group's appeal and foster employee loyalty. It is also a vector of VINCI's corporate culture worldwide, meeting with success both in France and internationally.

90%
of Group employees are covered by the Castor Fund programme (88% in 2018)

The importance that the Group attaches to employee share ownership is also reflected in the number and frequency of share offerings. Across the world, 90% of all employees are given the opportunity to subscribe to an employee share ownership programme at least once a year, whereas such programmes are rarely offered by other companies on an annual basis.

Profit-sharing, incentive plans

In addition to this employee share ownership programme, other employee benefits are offered, mainly in France, such as profit-sharing and incentive plans, and a supplementary pension plan. At the end of 2019, 96.5% of employees in France benefited from incentive plans and/or profit-sharing agreements (97% in 2018). VINCI distributed higher amounts in France under profit-sharing and incentive plans than in the previous year (a total of €169.7 million in 2019, up from €163.4 million shared from the Group's growth in 2018). This means that a large majority of Group employees in France benefit directly from the performance of their local employer.

Retirement plans

In France, the Group's collective retirement savings plan, Perco Archimède, enhances the range of savings plans offered by VINCI. This plan was established to allow employees to offset reduced income from mandatory pension plans and to save for retirement under more attractive terms than they could obtain individually, with employer matching contributions of 100% for up to €400. They are able to receive a lump-sum payment or annuity upon retirement, can choose to manage their investment themselves or opt for guided management and may select from a wide range of investment vehicles in accordance with their particular savings or investment profile. Employer contributions to the Group's collective retirement savings plan totalled €5.4 million in 2019 for France, up 14% from the €4.8 million contributed in 2018.

In 2013, VINCI established a fixed-contribution supplementary pension plan in France for executives and other management-level personnel. Called Reverso, this plan complements Perco Archimède. Financed 50/50 by the employee and the company, it is available to all Group subsidiaries in France and combines the technical, financial, social and tax advantages of a company pension plan with those of an individual plan. At end-2019, Reverso covered 688 companies that requested to sign up to the plan, amounting to 27,500 employee subscribers. VINCI's contribution to the plan totalled €10 million in 2019.

Group performance in terms of sharing the benefits of performance

- Coverage of the Castor Fund worldwide: 35 countries in 2019 (*) (31 countries in 2018)
- Total employer's contribution for the Castor Fund in France: €237 million in 2019 (over €185 million in 2018)
- Employer's contribution for the Castor Fund worldwide: €59 million
- Number of employees worldwide having invested in the company: 125,000 employees in 2019 (105,000 in 2018)
- Percentage of employee share ownership in VINCI's share capital: 8.8% in 2019 (9.1% in 2018), making employees the largest shareholder in the Group
- Total amount paid by the Group to employee share ownership, incentive, profit-sharing and collective retirement plans in France: €470 million in 2019 (€413 million in 2018)

(*) Australia, Austria, Bahrain, Belgium, Brazil, Cambodia, Canada, Chile, Czech Republic, Dominican Republic, Finland, Germany, Greece, Hong Kong, Indonesia, Italy, Luxembourg, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Norway, Peru, Poland, Portugal, Romania, Singapore, Slovakia, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom, United States.

1.4 Relations between management and labour

1.4.1 General policy regarding dialogue between management and labour

The Group has always operated using a decentralised organisational and management approach, including for labour relations. One of VINCI's priorities in its dialogue between management and labour is to develop close relations that are relevant and adapted to each business, giving labour representatives a real role to play at each business unit. In order to encourage dialogue that is sensitive to the realities of the economic and labour context in which each business line operates, labour representatives and the Group have opted for the implementation of employee representative bodies at business lines. This employee representation system is well suited to VINCI's decentralised organisation, and is set out in the agreement to promote dialogue between management and labour within the Group. Three of these business line bodies had been set up by the end of 2019.

Although management and labour actively engage in dialogue locally at VINCI subsidiaries, dialogue also takes place at Group level through two bodies, the Group Works Council and the European Works Council:

• The **Group Works Council,** which covers French companies (45% of the Group's workforce), is comprised of 30 representatives, 17 alternate representatives and 5 trade union representatives, all from different business lines. Two plenary meetings are held each year, and the officers meet every two months. These meetings offer the opportunity to engage in transparent dialogue and discuss many issues, such as workforce-related information, the Group's financial position, its future outlook as well as Group events and news.
Trade unions are provided with financial resources to fulfil the duties assigned to representatives from the business units. Financial assistance is also paid every year to the trade unions represented on the Group Works Council. This amount was revised upwards to €230,000 in 2019, from €220,000 in 2018, a 5% increase.

• The **European Works Council** takes up discussions at the European level (*) that originally initiated within the various local or national organisations. The council's mandate, renewed in 2018 under an agreement signed by 15 out of 16 organisations, makes provisions for 29 full members and 29 alternate members from 15 countries in which VINCI operates. The European Works Council, which meets at least once a year, has the unique role of information and dialogue with employee representatives at the European level. Its primary purpose is to improve the rights of workers to information and consultation. It is an essential element in the policy to promote dialogue between management and labour across all the Group's European subsidiaries. To ensure that European Works Council members are properly informed and trained on corporate social responsibility (CSR) issues and to involve them in implementing CSR measures taken by the Group, a CSR commission was created in 2018. This commission met four times in 2018 and twice in 2019 to introduce, explore and debate social and environmental issues for the Group.

The Group's commitment to dialogue between management and labour is enshrined in its Manifesto. VINCI's general policy reflects its fundamental principles:
• recognising the role played by trade unions in the Group and the right of employees to belong to a union;
• achieving a constant balance between union involvement and close links with professional activities;
• facilitating communication and meetings between trade union representatives and employee representative bodies;
• ensuring that employee and trade union representatives are properly informed and trained by involving them in the Group's major initiatives (e.g. in the areas of health, safety, sustainable development, gender equality, and employing people with disabilities).

On 7 February 2019, the agreement to promote dialogue between management and labour, renegotiated by the Group Works Council, brought further support for these principles by creating a basic set of actions designed to support and encourage this dialogue within VINCI companies in France. The main changes involve the recommendations set forth by labour representatives and by the Group following the effective application of labour legislation. For instance, companies and organisations with over 50 employees are recommended to set up a health, safety, and working conditions committee (CSSCT), while the current legal minimum is set at 300 employees. Furthermore, companies of any size are recommended to hold a regular economic and social committee meeting every month, and to check the organisation's progress on prevention, health and safety indicators at every meeting.

(*) European Economic Area and Switzerland, representing 74% of the Group's workforce at 31 December 2019.

In 2019, employee absences due to strikes totalled 7,517 days, of which 4,857 in France, out of a total of 52 million days worked in the year (compared with 5,161 days and 2,682 days respectively, out of 48 million days worked in 2018). Salary demands, mainly stemming from national actions, were the main cause of the strikes.

1.4.2 Measures taken to promote dialogue between management and labour, and their results

• Social innovation at VINCI: inventing new forms of dialogue and exchange
As a driver of growth and progress, social innovation builds new forms of dialogue that promote discussion and transparency. The Group is setting up an online discussion platform, based on the one currently reserved for the members of the European Works Council, which will be extended for wider use. This tool will facilitate exchanges between council members as well as the sharing of information about their work with the employees of VINCI's European subsidiaries. A design thinking workshop between council members was held in 2019 to discuss ways to improve the platform and raise the council's visibility among VINCI employees.
Three-day training sessions are available every year for the European Works Council. Training topics in 2019 included collective intelligence, the council's role and communication, different forms of dialogue between management and labour, and cultural differences. The Group also tested a "hybrid" meeting format to discuss the VINCI Manifesto. The 2019 meeting focused on the duty of vigilance and its implementation within the Group.

In France, the Group Works Council set up a special consultation committee in 2019 to discuss VINCI's upcoming move to its new headquarters, called l'archipel. Made up of employee representatives from business units, the committee deals with issues affecting all entities concerned by the move. Several committee members participated in a design thinking workshop to plan the media centre at l'archipel.

• Collective agreements signed in 2019
The collective agreements negotiated and signed by VINCI companies are a concrete example of the Group's decentralised approach to human resources management, which takes account of the realities on the ground and aims to improve working conditions, health and safety, and the organisation of working hours. In 2019, more than 36% of the agreements related to employee remuneration. Among the other collective agreements, many involved flexible work arrangements, with 118 agreements signed in 2019. The number of agreements relating to union rights rose from 93 in 2018 to 223 in 2019.

In countries that have not ratified the International Labour Organisation's conventions on trade union rights, VINCI companies are working to give employees the means of expressing themselves, for example in Qatar (see paragraph 4.4, "Duty of vigilance with regard to human rights", page 245).

1,540
collective agreements signed in 2019

Group performance in terms of relations between management and labour
- Number of employees worldwide serving as employee representatives: 9,023 of which 84% in France (versus 8,274 and 84% respectively in 2018)
- Percentage of collective agreements outside France in 2019: 12% (19% in 2018)

1.5 Inclusion and diversity

1.5.1 General policy to promote inclusion and diversity

• Making uniqueness and differences added values at VINCI
A key point in the VINCI Manifesto, the Group's corporate culture relating to diversity is derived from a policy of broad inclusion. As such, preventing any form of discrimination and promoting equality are its top two priorities. As part of this commitment, VINCI endeavours to increase the proportion of women in the Group and improve access to career opportunities for people of all social, ethnic, educational and geographical backgrounds. The Group firmly believes in promoting the diversity of profiles and ensuring that all staff can follow an adapted career path.

• Creating a strong diversity culture
Several governing bodies have been formed to build a sustainable culture of diversity throughout the Group. VINCI's Diversity Department was set up in 2004 and tasked with two main responsibilities. In collaboration with the human resources departments at each business line, the first was to design integrated tools that could be used by all subsidiaries, and the second was to raise the awareness of all business lines about the shared values of inclusion and respect for differences. The Inclusion and Diversity Department has also been working with the regional human resources Pivot Clubs since 2008 to structure the means of action implemented and share best practices identified within the Group.

In 2011, a network of 300 inclusion and diversity coordinators was created to support the Inclusion and Diversity Department in its endeavours and ensure that its strategy is applied locally. Since then, it has led awareness initiatives and encouraged the development of effective tools to support inclusion within each business line and region. The coordinators are trained on specific issues and regularly pool know-how during inclusion and diversity days or via their collaborative platform. Together, they aim to develop policies and initiatives that can be rolled out across the Group. Two coordinator meetings were held in 2019. Overseeing the entire network, the Inclusion and Diversity Department helps it structure its influence and gain recognition for its contribution to inclusion within the Group. Outside experts, influential figures and internal initiators of best practices are invited to speak at network meetings. Coordinators identify and define inclusion issues within their scope. Solutions are then planned, and their application supported by the network. For example, in 2019 the management of Grenoble Alpes Isère Airport (VINCI Airports) received a white paper on diversity prepared by the network of coordinators. The coordinators studied the airport's diversity actions during an on-site learning expedition and wrote the white paper to formulate additional proposals.

To encourage inclusive management at all levels of the organisation, the Group continues to identify discrimination risks through two key initiatives: the Diversity label and the "VINCI fights discrimination – what about you?" digital platform.

The **Diversity label** is awarded by an outside organisation (Afnor Certification, in France). The certification process examines action plans focused on preventing discrimination, promoting inclusion and diversity, and respecting equality. This valuable tool enables the Group to identify risks of discrimination and promote its best practices in human resources management. At end-2019, 13 companies were certified, representing 9.3% of the workforce in France. In the United Kingdom, two companies, i.e. 52.6% of the workforce, received awards for their diversity performance from the National Centre for Diversity. The Group is currently working to roll out the Diversity label to other countries.

The **self-assessment tool** "VINCI fights discrimination – what about you?" is an application developed by VINCI's Human Resources Department to measure how well a company, business line or department fares when tested for discrimination. The platform is divided into nine modules covering nine facets of professional life: recruitment, induction and integration, managing jobs and skills, training, remuneration, departures and sanctions, dialogue between management and labour, quality of life in the workplace, and diversity policy. These facets are broken down into 150 situations in which discrimination could potentially arise. All Group employees can access the platform via a dedicated website and answer the self-assessment questionnaire to determine the likelihood of each situation. The results are used to measure the entity's resilience to discrimination and suggest any priority actions that need to be implemented. The French version has been available since 2016, and a universal version for all countries is being developed with the support of the regional human resources Pivot Clubs and the Inclusion and Diversity Department.

Diversity is an integral part of dialogue between management and labour. Seventy-nine collective agreements (up 21.5%) were signed on inclusion and diversity in 2019.

Group performance in terms of inclusion and of diversity

- Percentage of people who completed the self-assessment on the "VINCI fights discrimination – what about you?" platform in 2019: 69% (74.8% in 2018 and 60.7% in 2017)
- Percentage of logins to the "Diversity policy – advanced" module out of all modules on the platform in 2019: 3.6% (3.5% in 2018 and 2.8% in 2017)

1.5.2 Measures to promote gender equality

Gender equality is one of the major components of the Group's inclusion and diversity policy. This policy permeates every aspect of an employee's career path, aiming to promote equality in employment, training, career development and pay increases. The Group has set two key targets for 2021 to drive this policy:

- Women holding at least 25% of management positions
- Double the number of women members on management and executive committees of the Group's business lines and divisions

This issue is endorsed at the highest level of the Group's organisation and discussed regularly at Executive Committee meetings. A document listing measures to be taken to help more women move into higher management roles has been drawn up by the Executive Committee. This document is intended to establish the Group's course of action and provide business lines and subsidiaries with steps to follow. Several initiatives were identified:

- perform people reviews at each business line for women occupying managerial positions in operational as well as central functions;
- for each vacant managerial position, especially in operations, systematically include at least one female applicant in the shortlist of candidates;
- simultaneously stress efforts to recruit women, especially outside France, and step up their training in management to help them reach executive positions more quickly.

VINCI's seven companies with over 1,000 employees disclosed their gender equality index in March 2019, and its 81 companies with between 251 and 999 employees did so in September 2019. Their positive results reflect measures already taken by the Group, with room for improvement remaining for companies with the lowest scores. The Group is continuing its efforts and plans to make further progress by gradually adapting the index outside France at all its companies operating internationally.

From 75 to 94/100

2018 Gender equality index France *(Results for VINCI's businesses with more than 1,000 employees)*

VINCI is also active in fighting stereotypes, for example through its campaign launched in 2018 in partnership with Elles Bougent. This non-profit organisation works to encourage women into the engineering professions. At 31 December 2019, 662 VINCI employees were registered to participate as company representatives in events for high school students to raise their awareness about working in technical fields.

Group performance in promoting gender equality

- Percentage of women managers in 2019: 20.3% (19.9% in 2018 and 19.3% in 2017)
- Percentage of women non-managers in 2019: 15% (14.4% in 2018 and 11% in 2017)
- Percentage of women managers on management and executive committees of the Group's business lines and divisions in 2019: 11.2% (8.6% in 2018)
- Percentage of women in the Group's total staff: 16% (15.4% in 2018 and 14.8% in 2017)

1.5.3 Measures to promote the employment and social integration of people with disabilities

VINCI's general accident prevention policy aims to ensure that everything possible is done to minimise workplace accidents and their consequences in terms of incapacity. Measures to promote the employment and social integration of people with disabilities have three main strands: the redeployment of incapacitated staff, the recruitment of people with disabilities, and the use of social enterprises (EA) and sheltered workshops (ESAT) that specifically employ people with disabilities.

This initiative is primarily driven by VINCI employees active in the Trajeo'h programme, a structure made up of eight organisations that cover all of metropolitan France. Programme members act as liaisons between people with disabilities, operational managers and human resources departments to facilitate the implementation of specific solutions adapted to each situation, such as adaptation of workstations, redeployment within the Group, career guidance or redeployment outside the Group. Yearly health committee meetings bring together representatives from human resources, occupational medicine and Trajeo'h to detect potential situations of disability as early as possible. Their role is to help incapacitated VINCI employees remain in employment and generally support Group companies in France in the area of disability. The eight organisations took on 829 of the requests received from VINCI employees in 2019, down slightly from 2018. However, redeployment within the Group was up 16%.

829
Group employees supported by Trajeo'h in France

Employees involved in the Trajeo'h organisations are provided with specific training on different types of disability to prepare them to better support people with disabilities: on-the-job impact of diabetes, cancer, multiple sclerosis, dyslexia, dyspraxia and dysphasia. The Group's Inclusion and Diversity Department plans regular coordination meetings for the eight organisations and oversees the entire Trajeo'h programme. VINCI is currently studying the prospect of expanding this programme internationally.

Group performance in promoting the integration of people with disabilities

- Percentage of managers with disabilities in 2019: 1.1% (1.1% in 2018 and 1.2% in 2017)
- Percentage of non-managers with disabilities in 2019: 2.0% (2.1% in 2018 and 2.2% in 2017)
- Number of employees with disabilities in 2019: 4,097 (3,982 in 2018 and 3,901 in 2017)
- Number of people supported by Trajeo'h: 829 (840 in 2018 and 744 in 2017)
- Number of people who remained in employment through Trajeo'h: 195 (215 in 2018 and 186 in 2017)

1.6 Additional detailed workforce-related information

1.6.1 Workforce

Workforce at 31 December 2019 by geographical area and by business line, with change

	2019									2018	2019/2018
	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	%	Total	Change
France	**6,095**	**1,084**	**535**	**36,350**	**23,930**	**31,727**	**1,328**	**101,049**	**45.4%**	**98,928**	**+2%**
United Kingdom	-	3,217	-	922	2,968	5,319	-	**12,426**	5.6%	9,091	+37%
Germany	-	-	29	11,699	3,770	327	9	**15,834**	7.1%	15,183	+4%
Benelux	-	-	-	5,878	543	201	4	**6,626**	3.0%	5,785	+15%
Central and Eastern Europe	-	2,162	44	3,421	5,247	3,977	-	**14,851**	6.7%	14,374	+3%
Rest of Europe	-	3,639	106	11,200	451	1,317	3	**16,716**	7.5%	15,788	+6%
Europe excl. France	**-**	**9,018**	**179**	**33,120**	**12,979**	**11,141**	**16**	**66,453**	**29.9%**	**60,221**	**+10%**
Americas	**-**	**1,744**	**773**	**6,680**	**8,397**	**7,715**	**-**	**25,309**	**11.4%**	**23,258**	**+9%**
Africa	**-**	**-**	**-**	**2,305**	**-**	**14,218**	**-**	**16,523**	**7.4%**	**15,013**	**+10%**
Rest of the world	**-**	**1,821**	**93**	**3,805**	**-**	**7,344**	**-**	**13,063**	**5.9%**	**13,813**	**-5%**
Total	**6,095**	**13,667**	**1,580**	**82,260**	**45,306**	**72,145**	**1,344**	**222,397**	**100%**	**211,233**	**+5%**

Workforce at 31 December 2019 by age and business line, with change

	2019									2018	2019/2018
	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	%	Total	Change
Under 25	111	1,248	182	9,301	4,139	6,685	158	**21,824**	10%	20,170	+8%
26-35	440	3,719	595	20,967	10,094	21,694	424	**57,933**	26%	54,858	+6%
36-50	2,516	5,758	621	30,601	17,014	28,074	506	**85,090**	38%	82,243	+3%
Over 50	3,028	2,942	182	21,391	14,059	15,692	256	**57,550**	26%	53,962	+7%
Total	**6,095**	**13,667**	**1,580**	**82,260**	**45,306**	**72,145**	**1,344**	**222,397**	**100%**	**211,233**	**+5%**

Workforce reduction and employment protection plans, redeployment efforts, rehiring and support measures

When the economic environment is challenging, and as VINCI's business activities cannot be relocated, senior management and human resources managers work together to ensure economic and social solidarity through job mobility and redeployment plans, which are facilitated by the Group's extensive presence. VINCI Insertion Emploi (ViE), the Group entity focused on social integration through work, leveraged its expertise in 2019 to support businesses that needed to reduce their workforce and help their employees develop a long-term career path. Also, when VINCI makes an acquisition, it strives to retain staff whenever possible, since they are the guardians of valuable skills and expertise, while benefiting from Group synergies to share resources and operate in networks. Some Group companies occasionally implement redundancy plans or redeploy employees. On the major sites, Group companies manage large-scale redundancy and staff redeployment moves. VINCI's Human Resources Department and local HR managers conduct monthly reviews of sites that are experiencing business or employment difficulties in and outside France, and define suitable employment policies with them.

1.6.2 Absenteeism

Employees were absent from work 3.7 million days out of 52 million calendar days in 2019. Absenteeism represented almost 7% of working days (8% in 2018). The percentage of non-occupational illnesses in absenteeism has been stable at about 60% for more than a decade (60.5% in 2019, 58% in 2018). The percentage of workplace accidents stood at 4% of total days of absenteeism (4.1% in 2018).

Days of absenteeism by cause and by business line, with change

	2019									2018	2019/2018
(in number of calendar days)	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	%	Total	Change
Non-occupational illness	106,560	127,991	6,289	918,155	553,538	552,692	12,219	**2,277,444**	60.5%	2,128,404	+7.0%
Workplace accident	4,994	7,186	376	37,255	43,245	56,139	408	**149,603**	4.0%	150,840	-0.8%
Commuting accident	674	2,148	13	9,329	9,085	10,358	161	**31,768**	0.9%	29,928	+6.1%
Recognised occupational illness	1,133	288	-	13,449	22,503	25,872	-	**63,245**	1.7%	62,149	+1.8%
Maternity/paternity leave	3,930	39,097	4,920	133,276	64,702	96,107	7,443	**349,475**	9.3%	323,917	+7.9%
Short-term work	-	-	-	6,977	5,171	21,416	-	**33,564**	1.0%	38,805	-13.5%
Weather events	-	2	-	15,285	109,985	45,226	-	**170,498**	4.5%	247,530	-31.1%
Other cause	13,985	26,230	1,432	199,578	174,660	270,007	5,125	**691,017**	18.3%	703,309	-1.7%
Total	**131,276**	**202,942**	**13,030**	**1,333,304**	**982,889**	**1,077,817**	**25,356**	**3,766,614**	**100.0%**	**3,684,882**	**+2.2%**

1.6.3 Organisation of working hours

Organisation of working hours, with change

	2019			2018	2019/2018
	Managers	Non-managers	Total	Total	Change
Total hours worked	71,084,392	317,950,292	**389,034,684**	359,680,812	8%
Of which overtime	*454,344*	*23,172,184*	***23,626,528***	*19,721,927*	*20%*
Number of part-time employees	1,314	6,117	**7,431**	6,530	14%

1.6.4 Training

Activity of internal training centres: number of training hours

Internal training centre	Number of classroom training hours in 2019	Number of classroom trainees in 2019	Number of e-learning training hours in 2019	Number of e-learning trainees in 2019	Total number of hours
VINCI Academy (*)	**7,557**	**576**	**11,159**	**NS**	**18,716**
Concessions	**145,030**	**19,673**	**32,888**	**18,781**	**177,918**
Parcours VINCI Autoroutes	142,444	19,378	11,453	12,488	153,897
VINCI Airports Academy	2,586	295	21,435	6,293	24,021
Contracting	**54,006**	**31,239**	**28,026**	**904,666**	**-**
VINCI Energies Academy	873,427	54,006	31,239	28,026	904,666
Eurovia Academy	117,000	4,470	3,275	NS	120,275
VINCI Construction	547,263	38,168	14,530	6,706	561,793
	1,026,014	**74,255**	**75,286**	**46,807**	**1,101,300**

(*) VINCI Academy covers all VINCI Group business lines in France and abroad.

1.6.5 Mobility

Worldwide intragroup transfers

	2019								
	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	Eurovia	VINCI Construction	VINCI Immobilier and holding cos.	Total	Percentage of 2019 staff
Transfers within a business line	12	12	3	1,198	344	710	6	2,285	93%
Transfers to another business line	3	6	10	44	35	53	12	163	7%
Total	**15**	**18**	**13**	**1,242**	**379**	**763**	**18**	**2,448**	**100%**

1.6.6 Diversity

Women employees by business line, with change

	2019						2018	2019/2018
	Number of women managers	As a% of managers in the workforce	Number of women non-managers	As a% of non-managers in the workforce	Total women employees	As a% of the total workforce	Total	Change
Concessions	**1,081**	**34.8%**	**6,591**	**36.1%**	**7,672**	**35.9%**	**6,379**	**+20%**
VINCI Autoroutes	396	37.3%	2,112	42.0%	2,508	41.1%	2,556	-2%
VINCI Airports	539	34.0%	3,959	32.8%	4,498	32.9%	3,202	+40%
Other concessions	146	31.9%	520	46.3%	666	42.2%	621	+7%
Contracting	**7,308**	**18.6%**	**19,960**	**12.4%**	**27,268**	**13.7%**	**25,524**	**+7%**
VINCI Energies	2,738	16.9%	8,305	12.6%	11,043	13.4%	10,119	+9%
Eurovia	862	15.2%	4,373	11.0%	5,235	11.6%	4,948	6%
VINCI Construction	3,708	21.3%	7,282	13.3%	10,990	15.2%	10,457	5%
VINCI Immobilier and holding cos.	**380**	**46.0%**	**368**	**71.0%**	**748**	**55.7%**	**658**	**14%**
Total	**8,769**	**20.3%**	**26,919**	**15.0%**	**35,688**	**16.0%**	**32,561**	**10%**

Measures to promote the employment and social integration of people with disabilities

In 2019, €6.1 million of revenue was awarded to companies in Europe with workforces primarily comprised of employees with disabilities.

In some countries, legislation requires companies to employ a certain percentage of staff with disabilities (certain sectors are excluded from this requirement). Companies that do not meet the requirement must pay a compensatory levy. This levy amounted to €5.6 million in 2019.

Proportion of employees with disabilities by business line, with change

	2019						2018		2019/2018
	Managers	As a % of managers in the workforce	Non-managers	As a % of non-managers in the workforce	Total	As a % of the total workforce	Total	As a % of the total workforce	Change
Concessions	**49**	**1.6%**	**501**	**2.7%**	**550**	**2.6%**	**519**	**2.9%**	**+6.0%**
VINCI Autoroutes	34	3.2%	437	8.7%	471	7.7%	466	7.6%	+1.1%
VINCI Airports	11	0.7%	55	0.5%	66	0.5%	45	0.4%	+46.7%
Other concessions	4	0.9%	9	0.8%	13	0.8%	8	0.5%	+62.5%
Contracting	**421**	**1.1%**	**3,104**	**1.9%**	**3,525**	**1.2%**	**3,443**	**1.8%**	**+2.4%**
VINCI Energies	218	1.3%	1,482	2.2%	1,700	2.1%	1,658	2.1%	+2.5%
Eurovia	33	0.6%	727	1.8%	760	1.7%	721	1.7%	+5.4%
VINCI Construction	170	1.0%	895	1.6%	1,065	1.5%	1,064	1.5%	+0.1%
VINCI Immobilier and holding cos.	**5**	**0.6%**	**17**	**3.3%**	**22**	**1.6%**	**20**	**1.6%**	**+10.0%**
Total	**475**	**1.1%**	**3,622**	**2.0%**	**4,097**	**1.8%**	**3,982**	**1.9%**	**+2.9%**

1.6.7 Relations between management and labour

Collective agreements by category, with change

	2019	Portion of total agreements	2018	2019/2018 change
Flexible work arrangements	118	7.7%	138	-14.5%
Economic and social database	7	0.5%	4	+75.0%
Equality and diversity	79	5.1%	65	+21.5%
Union rights	223	14.5%	93	+139.8%
Economic and Social Committee procedures	308	20.0%	32	+862.5%
Training	11	0.7%	16	-31.3%
Job and skill management systems	9	0.6%	21	-57.1%
Mandatory negotiations (topic, frequency, etc.)	14	0.9%	7	+100.0%
Collective performance	2	0.1%	-	0.0%
Health and safety	29	1.9%	31	-6.5%
Welfare protection	46	3.0%	35	+31.4%
Quality of life	54	3.5%	68	-20.6%
Remuneration and benefits	569	36.9%	592	-3.9%
Pensions	13	0.8%	16	-18.8%
Collective mutual termination	2	0.1%	-	0.0%
Other	56	3.6%	73	-23.3%
Total	**1,540**	**100.0%**	**1,190**	**+29.4%**

2. Social performance

2.1 The Group's socio-economic contribution to local communities and regions

2.1.1 Measuring VINCI's socio-economic footprint

VINCI is made up of a network of local companies that have long-established roots in the regions where they operate. Thanks to these local roots, as well as the autonomy and opportunities for initiative made possible by the Group's decentralised management model, VINCI companies play an important part in the life of surrounding communities.

As an investor, builder and operator of buildings and infrastructure, VINCI plays a key role in the transformation of cities and regions. Group companies therefore help to structure territories and improve their coherence, while playing a key role in economic and social development. Whether engaged in construction or concession activities, Group companies create value that cannot be delocalised and generate significant local benefits in the form of revenue, subcontracting, the development of ancillary activities, local tax contributions and support for local non-profit organisations.

Aside from economic contributions in the form of revenue generated and tax payments made by companies at local level, the Group's activities promote the growth and attractiveness of regions through the construction or upgrading of infrastructure. Furthermore, at a time when the requirements of customers – especially those of public sector or quasi-public sector customers, which generated €15.8 billion in revenue for VINCI in 2019 (more than 33% of total revenue) – are increasingly focusing on the environmental and social impacts of projects, Group companies are constantly working to provide innovative solutions, particularly in terms of energy performance, the design of urban eco-districts, promoting sustainable cities, as well as mobility and end-user services. As regional actors, they are key contributors to development, stimulating local and regional economies and spurring entrepreneurship on a daily basis.

Since 2014, studies have been carried out by an external partner to measure the socio-economic footprint and impacts of projects or companies, using the Local Footprint® tool developed by Utopies©. These studies are carried out for specific geographical areas, such as for VINCI's activities in the Loire Atlantique administrative department, or for specific sites or projects to build or operate infrastructure in France and other countries. They have involved both the Contracting business (Eurovia quarry in Solignac sur Loire and quarries managed by Jalicot, QDVC's worksites in Qatar) and the Concessions business (airports operated by VINCI Airports in France, Lamsac in Peru, the Bogotá–Girardot motorway extension in Colombia, the operation of Stade de France, etc.). Studies have also been carried out in connection with tenders (project to upgrade the Bambeto roundabout in Conakry, Guinea, works and operational phases of the western Strasbourg bypass, the T3C works package of the Paris metro's Line 15 South, etc.).

In line with this initiative, VINCI once again worked with the consulting firm Utopies© in 2019 to analyse the socio-economic footprint of all its activities in France. The approach used is attuned not only to the Group's vision and ambitions, but also addresses its responsibility to society: on the one hand, it helps identify the contributions of all VINCI companies to the French economy, covering around 15 industry sectors; on the other hand, it makes clear the importance of the Group's strong roots in local and regional economies and across its supply chain. This footprint study facilitates dialogue with local and regional stakeholders, public authorities, customers and other key actors, while encouraging discussions on ways to further strengthen VINCI's positive impacts for communities and its employees.

535,700
jobs are supported by VINCI, representing **2%** of all jobs in France

According to the study, VINCI's activities support a total of 535,700 jobs in France (full-time equivalents). This figure includes the 93,800 direct employees of Group companies in France, as well as "indirect" impacts relating to the supply chain and "induced" impacts linked to the wages and taxes paid by VINCI companies and all their suppliers, which support household consumption and government spending (441,900 indirect and induced jobs). In France, these represent 2% of all jobs nationwide. The Group's activities therefore have a multiplying effect: each VINCI employee supports an additional 4.2 jobs in the French economy. This effect can be seen across various sectors, from the construction industry (26%) to transport and logistics (8%), along with education and health (21%). The study also determines the level of GDP generated within the French economy by these jobs. VINCI's activities in France contribute around €35 billion to GDP, representing 1.5% of national GDP(*), while for every €1 of value added by VINCI, €1.8 of additional wealth is generated in France.

This study also shows that the Group is present throughout France and on a relatively balanced basis in relation to the major economic trends for each region. The Group has a significant nationwide presence and contributes to economic development in all regions of France: in each one, it supports 1.3% to 3.1% of jobs and generates 1% to 2.1% of GDP. Lastly, the study shows that VINCI's supply chain primarily comprises Tier 1 suppliers. For instance, 82% of suppliers in the construction sector, the Group's core business, are in this tier.

In addition to this study, other approaches to track socio-economic metrics have been rolled out across the Group. For example, LISEA, the concession company for the South Europe Atlantic high-speed rail line (SEA HSL) connecting Tours and Bordeaux, set up a monitoring unit in 2012 in partnership with the concession grantor, SNCF Réseau, designed to record socio-economic data for a period of 10 years from the opening of the line to traffic. Its core mandate is to analyse the challenges and opportunities brought by the arrival of the high-speed rail line as they relate to geographical mobility, the local economy and regional development. Working alongside the concession company and grantor, this monitoring unit brings together French government agencies, regional and local authorities, chambers of commerce, universities and all other stakeholders legitimately considered as experts in the chosen research fields. In February 2019, a meeting attended by key sector representatives (elected officials, operators, researchers, business leaders, economic development stakeholders and beneficiaries, etc.) presented the initial findings from the monitoring unit's analyses to provide specific insights into the impact of this high-speed service for the Nouvelle Aquitaine region(**).

Impact analyses have also been carried out for international sites and projects, including the airports in Cambodia and Portugal, as well as the concessions for the Bogotá–Girardot motorway in Colombia and the Lima ring road in Peru. Still with the objective of measuring the scope of interactions with economic operators and stakeholders, these studies give VINCI companies a broader view of their business model and the impacts of their projects on the regions, as well as possible opportunities to maximise their impact.

2.1.2 Measures put in place by VINCI to maintain social cohesion in communities and develop employment

- **Professional integration of the long-term unemployed in France**

In France, public procurement contracts include social integration clauses requiring the recruitment of long-term job seekers. The French construction industry accounts for 70% of these clauses, corresponding to 2 million work hours per year for VINCI companies. To support the Group's companies and their subcontractors in implementing effective integration policies, VINCI Insertion Emploi (ViE), a social enterprise focused on integration and the only structure of its kind in France, was created in 2011. ViE's decentralised structure, sensitive to local realities, ensures that it is able to effectively respond to local needs in three key areas: integration, employability and social innovation helping people return to stable employment.

(*) Utopies Local Footprint® research findings based on 2018 data.
(**) https://www.lisea.fr/observatoire-socio-economique-de-la-lgv-sea/

Activity of the ViE social enterprise, and change

	2019 (*)	2018	2017	2019/2018 change
Number of people benefiting from social integration measures	**2,375**	2,107	1,941	+12.7%
Number of hours of integration employment	**1,033,253**	804,678	777,238	+28.4%
Number of hours of training	**31,072**	20,999	22,852	+48.0%

(*) Data provided reflects information at 30 November 2019.

In 2019, around 31,000 hours of training were provided, in addition to 8,000 hours for the Group's 15-minute safety sessions, an increase of 48% compared with 2018. To help build the skills of those benefiting from its social integration programmes, ViE is committed to extending their periods of employment with Group companies. Accordingly, 25% of the people taken on under social integration clauses were offered an additional contract once their first project was completed (21% in 2018, 18% in 2017, 14% in 2016). Over the year, 60% of the 2,375 people benefiting from these integration measures were subsequently hired by the Group or one of its subcontractors, thanks to the effective and ongoing support provided to teams. The increase in the number of hours of integration employment in 2019 was due to the start of work on some of the projects with which ViE was associated, including those of the Grand Paris programme, as well as the opening of two new ViE offices for the Grand Est and Auvergne Rhône Alpes regions.

Currently, ViE receives no public funding and is continuing to test solutions to improve employability, while exploring the ways in which it can promote social innovation and the most effective forms of assistance it can provide.

VINCI Construction, in partnership with Ares (a group of French companies active in economic and social reintegration) and the Fondation VINCI pour la Cité, created Liva, a social joint venture, in 2018. Today, this structure has 45 employees, including 32 on integration programmes. In 2019, four new initiatives for social enterprises to support integration were launched based on the same model, in partnership with three other leading French organisations active in social reintegration:
- Ïnva, co-founded by VINCI Autoroutes and La Varappe, specialised in motorway operations
- Tim, co-founded by VINCI Energies France and Vitamine T, specialised in facilities management
- Baseo, co-founded by VINCI Construction France and Id'ees, specialised in services for living facilities at project sites
- Tridev, co-founded by Eurovia and Id'ees, specialised in building cleaning operations and green space maintenance

• A commitment to supporting integration for young people

For the last six years, ViE has been developing an innovative approach to mapping transferable skills and competencies in support of social and solidarity economy (SSE) organisations as well as individuals targeted by integration measures who face significant challenges in entering the workforce.

This pioneering approach is being tested as part of a vast programme rolled out to support employment and integration. Called Give Me Five, this programme was launched at the end of 2018 to help tackle social inequalities. Created, funded and coordinated by VINCI, in partnership with local educational institutions, this programme targeting young people from priority neighbourhoods is being put in place in 10 regions across France. It is structured around five initiatives, each associated with a key area for action, including the following:
–Guidance: Working closely with the French Ministry of National Education, VINCI is committed to welcoming up to 5,000 high-school students from priority education networks (REP) and reinforced priority education networks (REP+) for placements to discover the business world.
–Integration: Working closely with Mozaik RH, a sourcing consultancy specialised in diversity and inclusion, VINCI is committed to reserving 20% of all its internships (gap year, graduates and summer jobs) for students from priority neighbourhoods, from those enrolled in high-school vocational courses to those pursuing master's programmes.
–Employability: Working closely with France's National Agency for Adult Professional Training (AFPA) and local stakeholders from the social and solidarity economy, VINCI is putting in place a bespoke employability programme to help secure a return to stable employment for young long-term job seekers living in priority neighbourhoods. Based on the social engineering model, this approach, under the name "Stratégie territoriale pour l'emploi" (Territorial strategy for employment) and known by its French acronym Step, enables 10 young people to benefit from a six-month contract, combining three months of training with a three-month immersive experience in a VINCI company. When required, further support may be arranged over six months to achieve the goal of a return to stable employment. In 2019, four Step programmes were launched in Marseille, Nice, Stains and Nantes.

5,000
high-school students welcomed on work placements in France by end-2020 under the Give Me Five programme

These first three initiatives are currently being rolled out and will be further enhanced with an approach to provide personalised support for students (assistance with educational and career plans, academic support, etc.) and an apprenticeship-based programme.

Recruiting around 6,000 young people each year, VINCI companies maintain long-term partnerships with educational institutions and academic circles. These partnerships involve a wide variety of initiatives: sponsoring of graduating classes, support for specific degrees, site visits, recruitment fairs, sporting events, internships, etc. The general policy in this area is to further develop VINCI's employer brand to underpin the recruitment strategies of Group companies. In France and other countries, Group companies forge many local partnerships with apprenticeship centres, universities and other institutions of higher learning. Most of the partnerships in France are led by the human resources Pivot Clubs, which have strong local roots and bring together HR managers from across the Group. These human resources professionals and operational staff organise a range of actions for students at every stage in their studies to improve their knowledge of the Group and its businesses, but also to assist them in shaping their career plans and help with their personal development. For example, in September 2019, VINCI set up a five-year partnership with Fondation Insa, which groups together six engineering schools in France, to support the development and promotion of a model for humanistic engineers: socially responsible engineers who are open to the world, able to take action to address complex issues and focused on serving the public interest. VINCI also supports the educational community through the allocation of the apprenticeship tax, which is coordinated both at Group level and by entities building relations with educational institutions in their local areas.

Several Group entities are also applying this proactive approach to promote employment and integration at local level. The dedicated unit for the Grand Paris Express projects has set up a training programme for drafting technicians in partnership with the Greater Paris GEIQ (one of several regional employers' groups formed throughout France to promote social integration through work and qualifications) and the Compagnons du Tour de France (a French organisation of trade professionals and artisans dating back to the Middle Ages), following which a number of individuals have been hired on permanent contracts. In 2019, the GEIQ supported 53 long-term job seekers through work-based training programmes at several VINCI companies specialised in various areas, including mining-timbering, demolition, pipe systems or project supervision, with the aim of developing their skills and supporting their return to employment.

• Social entrepreneurship and local development outside France

Through the Group's activities

Present in around 100 countries, the Group's companies contribute to creating and maintaining local employment around the world. Internationally, and particularly in emerging countries, their contribution to training and improvements in local skills supports regional development.

As they are highly labour intensive, VINCI's Contracting activities have substantial direct, indirect and induced impacts on regional employment. For employment at its worksites, the Group encourages the use of local resources, contributing to training initiatives in the various regions. Furthermore, practices in the Group's business sectors and the relatively short duration of projects encourage professional and geographical mobility. Accordingly, training efforts of VINCI companies address the needs and issues raised by these skills transfers. The mobility of VINCI employees thus benefits the entire industry and promotes regional development.

In Africa, Sogea-Satom (VINCI Construction), which uses local resources whenever possible for the work carried out on its sites, once again demonstrated its long-standing commitment to the training of local managers. The year also saw further growth for the Africa Pro Campus, created in Morocco in 2015 to expand training opportunities for its employees in Africa and reinforce the company's shared culture. In 2019, the Africa Pro Campus moved to Abidjan in Côte d'Ivoire. Over the year, 44,620 hours of training were delivered, a significant increase compared with 2018 (25,039 hours).

VINCI Construction Grands Projets (VINCI Construction) continued the rollout of its Skill Up programme, which aims to develop the knowledge and skills of operational and supervisory staff (manual workers, team leaders and site managers) around the world by setting up training centres tailored to the requirements of each project. These centres are designed to serve local teams employed on the projects. In 2019, new Skill Up training centres were set up in five countries: the Dominican Republic, Malaysia, Morocco, the Netherlands and Cambodia. With courses delivered to over 360 project participants (employees, subcontractors and partners) during the year, this training has also helped to improve their employability upon completion of work at the sites. The courses covered various subjects, such as slinging, scaffolding installation, concrete pouring, the use of concrete pumps, the operation of machinery and the use of tunnel boring machines. Given its scale and time frame, as well as its considerable training requirements in the initial period, the project to build the third phase of Line 3 of the Cairo metro was selected to set up a permanent training centre for the duration of the work at the Abu Rawash site. Its activity was ramped up in 2019, with the centre providing 32,485 hours of training to 4,252 trainees (compared with 14,857 hours and 1,278 trainees in 2018). On the other hand, activities are being scaled back in Qatar with the completion of the major NOH2 and Doha metro projects. Nevertheless, the QDVC Training Academy delivered 37,865 hours of training to 2,153 workers.

Building on this approach, with the ambition to support local skills development, several of the Group's subsidiaries are setting up their own networks of relations with educational institutions in the regions where they operate. Given its increasingly acute recruitment needs, along with the unique challenges due to the presence of its subsidiaries in sub-Saharan Africa, VINCI Energies has entered into new agreements with several schools and universities in Guinea, Senegal and Morocco. The Group's energy division also held its popular Young Talents Day recruitment event in Paris again in November 2019, an opportunity for final-year students from engineering, business, management and computer science schools to meet with company staff to discuss their interests and learn more about its business activities, with several hundred internships on offer, in France and other countries. This event had been held in both Paris and Casablanca in 2018. VINCI Construction maintains close ties with the academic community and is continuing to move forward with its policy for local integration in Asia-Oceania and Latin America (further strengthening its links with universities in Vietnam, Singapore, Hong Kong, Malaysia, Australia, Mexico, Colombia and Chile), as well as West Africa and Mauritius, where Sogea-Satom has set up partnerships with five higher education institutions. Each year, dozens of graduates from these top universities and schools join the Group's companies.

Through the Group's support for initiatives

Wherever they operate, Group companies support solidarity and development initiatives. Tailored to address local challenges, these initiatives vary depending on the region and its socio-economic circumstances. They are also tied to the nature of the work carried out by Group companies (large-scale projects completed in short time frames or recurring work), as well as to the presence or not of Group companies over the long term, etc.

Since it was launched 12 years ago, Initiatives Sogea-Satom pour l'Afrique (Issa) has supported social entrepreneurship projects to improve access to essential services through both financial assistance and skills-based sponsorship by employees. It involves local projects initiated in various areas (education, health, energy, local crafts, food production self-sufficiency, etc.) with a special focus on female project initiators. To date, Issa has supported 256 projects for a total of more than €4.3 million in 22 countries, involving the participation of 230 employees. In 2019, Issa supported 32 new economic and social initiatives in 15 countries.

Activities of Issa (Initiatives Sogea-Satom pour l'Afrique) in 2019

	Number of projects supported				
	Access to essential services	**Social entrepreneurship**	**Total**	**Number of countries involved**	**Total amount paid** *(in € thousands)*
2019	**18**	**14**	**32**	**15**	**649**
2018	11	18	**29**	13	**512**
2017	4	21	**25**	8	**480**

Issa's new initiatives in 2019 included funding a project to fit out a vehicle with laboratory equipment for HIV/AIDS, hepatitis and tuberculosis screening and monitoring in Bouar, in the Central African Republic. Thanks to this new mobile unit, the Saint Michel de Bouar health centre will be able to provide care for patients living in villages within a range of around 120 km. In Burundi's Ruyigi province, 25 girls who have dropped out of school and/or been victims of violence due to their gender will benefit from a seamstress training programme each year. This training aims to help these girls become more self-sufficient by supporting them to set up an activity to generate income. In Brazzaville, the capital of the Republic of Congo, Issa is funding work to build hangers and acquire equipment (composters, shredders, tanks, etc.) to set up six units to produce organic inputs, working with the NGO Essor. This project is being led by an association of small-scale growers from Brazzaville's greenbelt area who are looking to improve their activity through agro-ecological techniques.

The widespread commitment by Sogea-Satom (VINCI Construction) to the fight against HIV/AIDS, malaria and cholera is demonstrated by initiatives at all of the company's sub-Saharan agencies, including the organisation of information meetings and awareness campaigns targeting employees as well as local residents. These meetings are led by project supervisors together with the company's occupational health and safety specialists, who may be assisted by local associations, NGOs or doctors. They often take the form of 15-minute health sessions, modelled on the Group's similar sessions focusing on safety concerns, and are sometimes complemented by more in-depth presentations and exchanges.

In Cambodia, VINCI Airports is a long-standing partner and shareholder of Artisans Angkor, an organisation created to perpetuate and encourage the development of Khmer traditional crafts while offering career opportunities to underprivileged communities in the Siem Reap region.

• Employee engagement supporting social integration and solidarity
VINCI encourages civic engagement on the part of its employees and companies, mainly through its corporate foundations and endowment funds. Local projects that support social and professional integration for underprivileged people are a key focus. In order to facilitate civic engagement on public interest issues by all Group employees around the world, 13 structures or programmes have been created since 2002. In 2019, VINCI Airports and VINCI Energies launched the VINCI para a Cidadania programme in Portugal and supported 15 Portuguese non-profits, sponsored by 15 VINCI staff in the country. The selected organisations are working to support access to employment, solidarity-focused mobility, integration through housing and social operations in priority neighbourhoods.

In 2019, Group companies provided close to €5.6 million of funding for these foundations, which supported around 480 projects promoting social, professional and economic integration for the most vulnerable people, with nearly 950 employee volunteers across the Group acting as sponsors.

To ramp up its actions, the Fondation VINCI pour la Cité has built up a network of ambassadors since 2017. More than 50 employee volunteers have put themselves forward to support project initiators, promote employee engagement and improve follow-up on the actions carried out, ensuring that they are closely aligned with local needs. Thanks to these efforts, the number of projects carried out and employees involved has doubled in two years.

The foundation's Cité Solidaire (Solidarity in the Community) programme, which targets very small non-profits working in disadvantaged urban areas, saw a fresh burst of activity, with eight new initiatives in Bordeaux, Clermont Ferrand, Brest, Dieppe, Lens, Nancy and the Yvelines administrative department in France, as well as Duisburg in Germany. Since its launch in 2010, this exemplary programme has been put in place at 39 sites and has funded 331 initiatives to strengthen social ties.

Actions of Group foundations in 2019 to combat exclusion and foster integration

	Number of projects supported	Number of employee sponsors	Amount distributed to foundations *(in € thousands)*
France	353	801	4,232
of which Parcours Citoyen et Ambassadeurs programme	*90*	*419*	*-*
of which Cité Solidaire programme	*41*	*126*	*706*
of which Sillon Solidaire programme	*13*	*13*	*150*
of which Chantiers et Territoires Solidaires programme	*15*	*-*	*282*
Germany	22	28	300
of which Cité Solidaire programme	*9*	*12*	*113*
Belgium	15	14	265
Spain	6	6	75
Greece	2	2	30
Netherlands	5	9	86
Portugal	15	16	251
Czech Republic	9	13	27
United Kingdom and Ireland	37	39	277
of which Isle of Wight Foundation	*7*	*7*	*94*
Slovakia	13	13	47
Total	**477**	**941**	**5,590**

In terms of sports solidarity sponsorship initiatives, VINCI is supporting the Paris Football Club Academy and the club's training centre over five years (2015–2020) for a total of €5 million. Beyond the financial assistance provided, VINCI serves as a genuine partner for the club's players, helping them to plan their careers once they leave the world of high-level competitive sports. This educational and social partnership aims to promote the professional integration and vocational training of the club's young players. Specific modules and workshops (business immersion opportunities, workshops on preparing CVs, job interview simulations, etc.) are included in the training courses for players. VINCI employees are key actors in this partnership by mentoring players.

2.1.3 Relations with civil society stakeholders and procedures for dialogue with them (including customers, users and local residents)

• General policy relating to dialogue with stakeholders

Owing to their position in the value chain, VINCI companies are continuously engaged in dialogue and consultation with all project stakeholders. While public authorities or private customers have responsibility for deciding on transport and energy infrastructure and on facilities to improve the living environment, including where they are to be located, in practice VINCI companies serve as a liaison with local communities, residents living near the structures they build, non-profit organisations and users. To better identify stakeholder needs and propose solutions that will be satisfactory for all concerned, VINCI has developed an easy-to-use mapping tool called Reflex. In 2019, a new version was put online for all the Group's entities. This collaborative platform, developed specifically for major projects, rounds out and helps bring a fresh perspective to the more traditional consultation processes, such as public meetings, site visits, etc.

The Group's approach in this area is enshrined in the "Together" Manifesto, which encourages Group companies to strengthen openness and dialogue with stakeholders as an opportunity and a means to create value with a positive impact.

In line with this approach, VINCI regularly consults with its stakeholders in the field of social innovation and human rights through six collaborative initiatives in which the Group participates: Leadership Group for Responsible Recruitment, Building Responsibly, Global Deal, Global Compact, Entreprises pour les droits de l'homme (EDH, Businesses for Human Rights) and Business for Inclusive Growth (B4IG). VINCI's active involvement in these initiatives and the resulting meetings and exchanges enable it to promote joint actions and partnerships, but also to co-build its approach with a very wide range of stakeholders (governments, businesses, trade unions, non-profits, universities, international institutions, etc.). This multi-stakeholder sharing is essential in order to take on board expectations and jointly develop approaches and actions that meet the challenges brought about by changes in society. In 2019, VINCI joined the Business for Inclusive Growth (B4IG) coalition, a global initiative managed by the OECD and made up of around 30 multinationals. This coalition's ambition is to put in place a new business model to tackle inequalities through commitments to more inclusive growth. Its core pillars include a pledge by members to fight inequalities, an incubator for inclusive business models and an inclusive growth financing forum to promote innovative financing mechanisms between private, public and philanthropic actors. The other initiatives are presented in section 4, "Duty of vigilance plan", page 237.

• General policy relating to dialogue with customers and end users

The majority of VINCI's customers are public authorities or companies. With these customers, the objective embraced by VINCI companies involved in long-term partnerships – for motorways, airports, stadiums and other infrastructure – is to build relationships founded on trust over time, particularly through the services they offer. Except in the case of the Concessions business, the public-private partnerships of the Contracting business or the services provided by VINCI Facilities (VINCI Energies), private individuals are only rarely direct customers. Nevertheless, close working relationships with them are vital, right from the initial design phase, owing to the potential impact of projects on nearby residents. Also, the resulting exchanges can provide important insights into the acceptance of planned structures by communities.

Group companies implement a range of measures and actions to promote dialogue, consultation and exchanges with project stakeholders and other key local and regional actors, including elected officials, associations representing users of infrastructure and facilities, as well as people living or working nearby.

Since the opening of the South Europe Atlantic high-speed rail line to traffic and fully mindful of the impact on the local noise environment, LISEA, the concession company operating the line, has continued to honour its commitments, and thus extended its acoustic measurement campaign into 2019. This campaign's objective is to evaluate the adequacy of the procedures put in place under real traffic conditions. LISEA is thus engaged in direct and ongoing consultation with local and regional stakeholders, making sure that transparency remains central to its process. Actions include listening and responding to residents' questions and concerns, and engaging with mayors to identify measuring positions. Eighty local consultation meetings have been organised with mayors and residents' associations in the areas concerned to identify measuring positions. A total of 300 measurements have been performed by Cerema, a French centre for research on risks, environment, mobility, planning and development, with public meetings held to present the findings. The French Ministry of Transport recommended financing a dedicated fund, which would receive additional contributions from state and regional authorities. This fund will make it possible to respond to residents' concerns through relevant technical solutions, complementing those already in place, such as embankments, facade insulation measures and higher barriers.

1,500
people were met as part of consultations for the LISEA project

Through its quarrying and roadwork activities, Eurovia builds strong and lasting relationships with local stakeholders – residents, local government authorities, non-profit organisations and government agencies – using approaches such as information meetings, local committees for consultation and monitoring (CLCS), open days, and partnerships with non-profits and NGOs at local level. For the coating plants, a specific and more formal approach is implemented to forge these relationships, involving the use of a dedicated tool for presenting their activities, in order to facilitate communication between the company and its stakeholders.

• Initiatives to promote strong and lasting relationships with customers and users

Alongside their ambition to build and maintain strong and lasting relationships with their stakeholders, Group companies also seek to anticipate the needs and expectations of both their customers and the end users of the infrastructure and facilities they design, build or operate. They do so by developing innovative solutions, in particular to promote the well-being and safety of end users, gauge their satisfaction, remain attentive to their concerns and provide them with better information.

Attentiveness and satisfaction

Based on an idea that emerged from customers' suggestions, ANA (VINCI Airports) has developed a solution for managing passenger flows, in partnership with Thales Portugal, that monitors the dynamics of occupation within a space and the movement of people through it in real time. At the Lisbon airport, the implementation of this solution helped ANA and the airport's partners improve the management of passenger flows and reduce waiting times by 20%, raising passenger satisfaction levels. At Lyon – Saint Exupéry Airport, in association with the French government agencies concerned, an alternative solution to the destruction of items confiscated during passenger checks has been developed. Called See You Later, this paying service is the only one of its kind in France, offering the option for passengers to ask for confiscated items to be mailed to their home address. This airport has also developed a new automated parking system, introducing the world's first outdoor valet parking robots. Four autonomous robots are used to manage vehicles in a car park, with parking spaces booked online and customers benefiting from the same vehicle drop-off and pick-up point. In addition to revolutionising car park management and facilitating the overall passenger experience, this system also results in genuine space savings because it operates several queues at once.

VINCI Autoroutes aims to build constructive relationships with its customers, remaining attentive to their usage patterns and needs, in particular through the development of specific communications materials. VINCI Autoroutes has continued to set up Twitter feeds to deliver real-time and local information on traffic conditions, travel times or even weather alerts. This approach aims to improve responsiveness and help drivers anticipate and make better decisions in the event of an incident. The Twitter feeds round out the range of VINCI Autoroutes services: dedicated website, VINCI Autoroutes app, Radio VINCI Autoroutes and customer service number (3605).

Contactless toll payment is now possible at a growing number of sites across the VINCI Autoroutes network. Quick and secure, this payment method is another new practical service offered by the company and gets users through toll plazas faster. Alongside the development of electronic toll payment, it is part of the move to paperless transactions and reflects VINCI Autoroutes' ambition to constantly adapt its services to new usage patterns and the expectations of motorway users.

As part of its efforts to strengthen its range of everyday mobility services, VINCI Autoroutes has also continued moving forward with its actions to encourage carpooling. At the end of 2017, the motorway section crossing Lyon on the A6 and A7 was downgraded. After taking back the management of these 16 km of motorways, Métropole de Lyon, the local authority for the Lyon metropolitan area, decided to conduct experiments to encourage more sustainable mobility behaviours. On behalf of Métropole de Lyon, the technology research institute System X will be running a three-year pilot project to promote carpooling. It will be testing the implementation of reserved lanes in the downgraded section in partnership with several transport operators, including VINCI Autoroutes. Vehicles with at least two passengers, green vehicles (displaying the Crit'Air sticker), taxis, private hire vehicles or express buses would be able to use these reserved lanes and enjoy faster access to the city centre. This project could be supplemented with car parks reserved for carpooling and transport hubs strategically positioned at points leading up to the section including the reserved lanes. Teams from VINCI Autoroutes are taking part in forward-looking studies on carpooling, dynamic traffic regulation and lane enforcement.

To meet the growing demand for new homes and facilitate home ownership for the broadest possible segment of the population, VINCI Construction France has ramped up the development of its Primméa offering, with the commitment to provide high-quality and well-located affordable new homes throughout the country, selling at 20% below the market price, on average. Focused on residents, Primméa is developed with the support of a collaborative platform, through which it is able to regularly obtain feedback from a representative panel of first-time homebuyers across France, which is then used to adapt the offer. In addition, Primméa involves consultation processes with local authorities, driven by the shared desire to complete each property development within a reasonable time frame, keeping costs under control and ensuring a good fit with its surroundings, particularly from an architectural and aesthetic standpoint. Since the launch of Primméa, 400 households have been able to buy their first homes.

VINCI Immobilier has introduced new tools to enhance the value in use of its products. To make the purchasing process for a property more fluid and intuitive, the customer experience is now entirely paperless, from virtual tours to electronic signatures. An extranet site allows customers to follow progress being made on the construction of their development and their purchase offer. Thanks to a 3D modelling system, they can visualise and stroll through their future homes as if they were actually inside them, and can also personalise them by changing their flooring options and decorative elements. Student Factory, another recent initiative, is a service that designs, develops and operates student residences in France, providing a solution to meet the growing demand for student housing, applying an innovative concept. Student Factory residences offer co-working spaces and a lounge, as well as a range of services to meet the expectations of the "digital native" generation. The customer experience, from choosing an apartment to signing a contract, is entirely paperless, while an online community organises life within the residence. Since this concept was launched in 2018, five residences have opened, with a total capacity of 740 rooms, which are all already occupied.

Safety

In addition to continuously working to improve the quality of service provided for its customers and conducting regular satisfaction surveys, VINCI ensures a particularly strong focus on road safety in the Group's mobility-related activities. VINCI employees drive tens of thousands of vehicles and site machines. They are all exposed to road risks, as are the hundreds of millions of people using motorways, roads and other infrastructure operated under concession contracts every year, as well as the airports operated by VINCI Airports (nearly 250 million passengers in 2019). Regular awareness and information campaigns are organised, and specific training is provided for those who are most exposed. For example, in 2019, VINCI Autoroutes launched six road safety campaigns in Russia to address critical safety issues (the main causes of fatal accidents on Russian roads) by distributing leaflets, setting up media communications, putting up posters with safety messages and organising customer activities, including a Customer Safety Day and workshops in schools.

In France, the VINCI Autoroutes Foundation for Responsible Driving continued rolling out its training programmes on responsible driving in several Group entities that are particularly exposed to road risks, as well as with external companies. The Foundation focuses in particular on preventing risks relating to driver inattention and drowsiness. Through its research programme, the Foundation funds several scientific studies and investigations looking at road user behaviours. It also plays a leading role in making information on these two areas of concern available to drivers and the general public.

In April 2019, the VINCI Autoroutes Foundation published the findings of its sixth European survey on responsible driving. This extensive survey, covering over 12,000 people in 11 European countries, assesses the behaviour and beliefs of European drivers. It monitors changes in risky behaviour and the development of good practices to ensure better targeting of prevention messages in each country. In November 2019, the Foundation presented the findings from two studies: in Athens, a groundbreaking survey conducted with Ipsos on parents at the wheel, and in Marrakesh, the first survey on responsible driving in Morocco.

Following on from its work to encourage people to drive more responsibly, the Foundation has also launched a major awareness campaign to warn people about the issue of rubbish thrown out of vehicle windows on motorways and the consequences of this uncivilised behaviour in terms of pollution, fires and risks for the motorway staff who have to collect this waste.

Across the entire VINCI Autoroutes network, many awareness actions concerning road safety and the safety of personnel working on motorways were conducted over the course of the year, directed at different categories of road users.

Accident figures for the VINCI Autoroutes network under concession

	2019	2018
VINCI Autoroutes motorway networks *(in km)*	4,412	4,412
Traffic *(in billions of km travelled)*	53	51
Number of accidents per billion km travelled	239	248
Number of fatal accidents per billion km travelled	1.5	1.5
Number of deaths per billion km travelled	1.7	1.8

2.2 Relations with suppliers and subcontractors

2.2.1 A Group-wide approach to promote responsible purchasing

For several years, the proportion of purchases has remained stable, representing 55% of the Group's revenue at end-2019 (57% at end-2018). They include €10.4 billion for materials (€9.8 billion in 2018), €5.4 billion for external services (€5.5 billion in 2018) and €9.1 billion for subcontracting (€8.2 billion in 2018).

In 2019, VINCI continued building on its responsible purchasing approach, aiming to measure and take into account workforce-related, social and environmental factors when selecting its partners. Responsible purchasing is seen as a real source of performance and innovation for the Group, and contributes to building strong customer-supplier relationships for the long term. It further strengthens VINCI's ability to act as an economically responsible operator.

Percentage of revenue allocated to purchases

(in € billions)	2019	2018	2019/2018 change
Total amount of purchases	**26.3**	24.7	+6.5%
Percentage of revenue allocated to purchases	**55%**	57%	-3.8%
of which purchases consumed	***10.4***	*9.8*	*+6.1%*
of which purchases of external services	***5.4***	*5.5*	*-1.8%*
of which subcontracting (excluding concession operating companies' construction costs)	***9.1***	*8.2*	*+11.0%*

To accelerate this approach, the Group further strengthened its governance at the start of 2019, through several bodies at different levels within the Group.

• A **Purchasing Correspondents Committee** was set up in February 2019. It is made up of VINCI's Executive Vice-President in charge of Contracting, who is also an Executive Committee member, as the Group Purchasing Correspondent, alongside six purchasing correspondents from the various business lines. These correspondents represent the senior management teams from each division. This committee's members also include VINCI's Human Resources Director and its General Counsel, who are both Executive Committee members, as well as the Ethics and Vigilance Director and the Group Purchasing Coordination Director. The committee meets twice a year to define a purchasing governance framework at the highest level of the organisation and approve a global road map for purchasing within the Group, including a global performance approach and covering both financial and non-financial aspects.

• The **Inter-Business Line Purchasing Committee,** whose membership was expanded at the start of 2019, is the operational branch of the Purchasing Correspondents Committee. Made up of purchasing directors and managers from each of VINCI's business lines and divisions, it meets around six times a year and is responsible for taking the necessary operational decisions to implement the road map and develop synergies between business lines for Group purchases, while aiming for all-round performance.

In addition, dedicated correspondents are in place to support Group companies and operations:

• a **Group Purchasing Coordination unit**, which reports to the Group Purchasing Correspondent. This unit works on an operational level with the purchasing departments in the business lines and subsidiaries through an extensive network, and puts in place framework agreements for approved suppliers, liaising with their local internal users;

• **Purchasing Pivot Clubs** in the regions or the main countries where the Group operates, linked to the senior executive Pivot Clubs, whose role is to help improve purchasing synergies and to promote and implement the Group purchasing policy at local level.

The criteria for responsible purchasing and the various actions to take these criteria into account are set out in a responsible purchasing guide, drawn up and distributed during the year by the Inter-Business Line Purchasing Committee to regional purchasing correspondents and published on the Group's intranet. An e-learning course to better understand this guide is currently being developed and will be rolled out in 2020.

2.2.2 Sustainable and long-lasting relationships with local suppliers and subcontractors

The Group has strong local roots in the countries where it operates thanks to its direct activities, as well as its purchases. Its extensive use of local suppliers and subcontractors is in line with the Group's commitment to supporting sustainable socio-economic development across its regions. These deep and enduring local roots are one of the pillars of VINCI's responsible purchasing approach. The Group is also committed to promoting balanced relationships with its suppliers and subcontractors over the long term, thanks in particular to constructive and continuous dialogue with these stakeholders.

The study conducted by the sustainable development consultancy Utopies© in 2019 on the socio-economic impacts of VINCI's activities in France found that direct Tier 1 suppliers make up the bulk of the supply chain for both of its core businesses, Contracting and Concessions. For instance, in France, 57% of VINCI's suppliers are Tier 1, with this figure rising to 82% for suppliers in the construction sector. Due to its decentralisation, its diverse activities and the geographical areas in which the Group operates, this approach makes it possible to take into consideration the specific features and situations seen locally, while ensuring the responsiveness needed to implement operations by working closely alongside its partners.

At central level, and in each of its projects, VINCI also promotes a partnership-based approach with its suppliers and develops close relationships with small and medium-sized enterprises (SMEs). Concerning the key categories of purchases for Group companies' activities, such as temporary employment agencies or construction equipment hire firms, the Group's strategy is based on approving as many local and regional partners as possible in order to build a strong nationwide network, while embracing its responsibility to society by engaging with stakeholders in the various regions. In addition, by building a network of industry operators in each region, VINCI contributes to regional economic development, which in turn contributes to the Group's success. In its selection and bidding processes, the Group prefers suppliers with strong roots in their regions. Currently, 67% of the Group's approved suppliers in France are SMEs with a nationwide footprint, and this is true for the Group's network of local companies as well.

67%
of the Group's approved suppliers are SMEs

VINCI is also committed to taking into account and working with social integration structures, social enterprises, sheltered workshops and other organisations that specifically employ people with disabilities. For instance, in 2019, 45% of VINCI's approved temporary employment agencies were companies with a nationwide presence whose mission includes promoting integration through temporary jobs.

Lastly, this commitment to balanced, constructive and long-lasting relationships with suppliers and subcontractors is also reflected in the economic dependence indicator set up in 2019 to ensure that suppliers are not put at risk by VINCI accounting for too high a percentage of their revenues. This indicator is reviewed each year.

2.2.3 Taking social and environmental criteria into account in the Group's purchases

• Approach to identify purchasing-related risks
In terms of the principles making it possible to define responsible purchases, VINCI considers that respect for human rights and international labour standards within its supply chain is essential and it tends to look for innovative solutions that support the environment, climate and energy transition. To this end, in 2019 the Group continued its work on integrating environmental and social criteria when selecting products and suppliers and when drafting framework agreements and specifications at Group level. These criteria take into account the environmental impact of products and services, the workforce-related arrangements for producing or providing them, and the social commitments made by suppliers. They are assessed using specific criteria for each purchasing category, depending on the issues faced by the sector in question.

The Purchasing Coordination unit conducts supplier assessments that factor in social and environmental performance, and the Group's buyers have an individual target for including these criteria in each contract they negotiate. Depending on the results of these assessments, suppliers or subcontractors may be excluded from the tender process or may be given a progress plan and action plan aimed at improving their environmental and/or social and/or safety performance levels. Audits or checks are carried out to verify the implementation of these plans. Some of these actions are described in section 4, "Duty of vigilance plan", page 237.

80%
of contracts in 2019 involved the completion of a responsible purchasing questionnaire during the tender process

Collaboration between the Group's Purchasing Coordination unit and the head office ethics, human rights and social and environmental responsibility teams was further strengthened in 2019, ensuring that these aspects are integrated more effectively into the Group's tenders.

Lastly, an ethics and duty of vigilance questionnaire for suppliers and subcontractors was created in 2019 by the Group's Purchasing Coordination unit, working closely with the various functions concerned by the topics covered. This additional questionnaire has been distributed to suppliers working with the Group under framework agreements.

Key indicators for the Group's responsible purchasing performance

	Total at 31/12/2019
Contracts including one or more clauses on workforce-related, social or environmental issues	99%
Contracts having involved the completion of a responsible purchasing questionnaire during the tender process	80%
Contracts including a progress plan for responsible purchasing	50%
Number of on-site responsible purchasing audits conducted over the last five years	690

• Responsible subcontracting approach
The Group's priority is to retain and expand in-house expertise. However, the many public procurement contracts won by the Group, together with its growing presence in general contracting for projects demanding highly technical and specialised skill sets, may require the use of a certain percentage of subcontractors. VINCI makes every effort to ensure that its subcontractors comply with the regulations in force in the countries where Group companies operate.

VINCI's Subcontractor Relations Guidelines, rolled out in 2014, set out the Group's commitments in terms of subcontracting: safety conditions of subcontractors' employees that are comparable to those of the Group's personnel, respectful business relationships, fair bidding processes, transparency in business dealings, cooperation with local companies and compliance with VINCI's core values.

In order to further strengthen its vigilance and control over workforce-related risks in subcontracting, VINCI launched various pilot projects in 2018 to assess the practices in place and identify areas for progress. Moreover, recruitment agencies are subject to specific vigilance measures (see section 4, "Duty of vigilance plan", page 237).

2.3 Respect for human rights

VINCI's human rights approach and actions are presented in the discussion of the Group's duty of vigilance plan (see section 4, "Duty of vigilance plan", page 237 and paragraph 4.4, "Duty of vigilance with regard to human rights", page 245).

VINCI joined the UN Global Compact in 2003 and is committed to supporting and promoting respect for human rights within its sphere of influence, and to ensuring that Group companies are not complicit in human rights abuses. To define its strategy, VINCI refers to the principles of the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the eight fundamental conventions of the International Labour Organisation and the OECD's Guidelines for Multinational Enterprises. Within this framework, VINCI has updated its analysis of the human rights risks associated with its business activities. The key issues identified were grouped into five categories, themselves divided into 17 themes, covering the entire life cycle of projects (from responses to calls for tenders to entry into service and operations). These five categories are: a) recruitment practices and migrant workers, b) working conditions, c) conditions of accommodation, d) practices relating to human rights within the value chain, and e) relations with local communities.

A Group-wide reference guide has been published: VINCI's Guide on Human Rights. It provides an overview of the issues identified and their implications for the Group's companies. The guide also presents a shared set of guidelines, indicating the specific approaches to be adopted with respect to each of these 17 themes. This guide applies to all Group employees and is available in around 20 languages. It was presented to the European Works Council and approved in April 2017 by VINCI's Executive Committee.

VINCI's Guide on Human Rights

5	17
main issues	themes

This approach and its implementation are being led by a dedicated committee, set up in 2015, which brings together human resources directors from all the Group's business lines and divisions and meets on a quarterly basis. Each of its members is responsible for the rollout of the approach for their scope, taking into account the specific features of their activities and sites. A dedicated team in the Group Human Resources Department supports the business lines and divisions, develops mapping and assessment tools, and monitors emerging developments in various fields.

A range of tools is being developed to support the operational implementation of this approach and assist the teams with the application of these guidelines. They include training modules, country-level risk maps and a performance assessment tool. To date, risk maps have been drawn up for 19 countries with support from an external provider and 57 subsidiaries have been assessed in 23 countries, covering a total of over 12,500 employees. Depending on the assessment's findings, an action plan is prepared and put in place as part of a continuous improvement approach.

In support of its policy and to raise the bar for the protection of human rights along its value chain, VINCI actively participates in various collaborative initiatives, including Building Responsibly, a global business initiative co-founded by the Group that serves the engineering and construction industry, and the Leadership Group for Responsible Recruitment. These collaborative initiatives and tools are described in detail in paragraph 4.4, "Duty of vigilance with regard to human rights", page 245.

VINCI's commitment to human rights is reflected in specific actions that are closely aligned with and tailored to its operations. In Qatar, where VINCI is present through its joint venture Qatari Diar VINCI Construction (QDVC), employment and working conditions have been monitored more closely, leading to a number of measures, often pioneering new progress in the country, from implementing risk prevention tools for recruitment to organising elections for migrant worker representatives and providing them with training, signing a framework agreement with an international trade union, conducting audits of subcontractors looking at accommodation and working conditions, as well as other initiatives in association with a number of stakeholders focused on promoting workers' rights in this country. Further details on the actions taken, particularly in Qatar, can be found in paragraph 4.4, "Duty of vigilance with regard to human rights", page 245.

2.4 Business ethics

2.4.1 General approach to business ethics

• An integrated, cross-business approach, supported at the highest level within the Group
Ethics – the second commitment of the VINCI Manifesto – are central to all professional relationships between VINCI and its stakeholders. This commitment, led at the highest level, is integrated across all the Group's business lines using a cross-business approach. VINCI has embraced a global acculturation approach engaging everyone to adopt collective and individual behaviours that are aligned with this commitment.

Two reference guides constitute the framework for the Group's recommendations and requirements in this area:
- the Code of Ethics and Conduct, which sets out the rules of conduct for all Group companies and employees;
- the Anti-corruption Code of Conduct, which lays down the rules for the prevention of acts of corruption, notably by identifying the corruption risks in business processes and illustrating the behaviours and practices to be avoided.

These two documents have been translated into 30 languages. They are available on the Group's website and its intranet, and are included in the welcome pack for new employees. The Group's principal managers are formally committed to respecting them and ensuring that they are applied.

• Structured governance framework
Working closely with all the Group's functions, the Ethics and Vigilance Department supports the implementation of the Group's compliance arrangements and specifically its corruption prevention procedures.

Set up in March 2018, the Ethics and Vigilance Committee has seven members, five of whom also serve on the Executive Committee. It ensures that the compliance procedures covered by the Code of Ethics and Conduct are implemented and amended as necessary, particularly with regard to:
- preventing corruption;
- preventing serious violations of human rights and fundamental freedoms, harm to human health and safety, or damage to the environment resulting from Group activities.

This committee supervises changes to the Code of Ethics and Conduct and the Anti-corruption Code of Conduct and met five times in 2019.

• Business line implementation led by a network of ethics coordinators and officers
The strategic governance framework put in place by the Group is based around a network of coordinators and officers that makes it easier to implement relevant action plans in the business lines.

The Ethics and Compliance Club, which brings together the Group's General Counsel and the legal heads of the Group's business lines, the Internal Control Director and the Ethics and Vigilance Director, monitors emerging regulatory developments and shares best practices, particularly in terms of training tools or third-party assessment processes. This club helps prevent unethical business practices. It met six times in 2019.

Alongside this, the GDPR Representatives Club, which was created in early 2018 and brings together representatives appointed by each of the Group's business lines, provides support to the business lines to ensure the widespread adoption and application of effective personal data protection processes, notably in accordance with Regulation (EU) 2016/679, known as the General Data Protection Regulation (GDPR). This club, coordinated by the Ethics and Vigilance Department, supports the sharing of tools and best practices.

For example, it helped select a shared tool to supplement the arrangements in place to ensure GDPR compliance. In addition, the club rolled out a mini-series of six GDPR awareness e-learning modules, gradually translated into the Group's core languages, to familiarise employees with the new rules in force and their rights and obligations with respect to the protection of personal data. It met six times in 2019.

2.4.2 Business ethics measures put in place

During his 2018–2019 roadshow, Xavier Huillard met with nearly 8,000 employees, systematically reminding them about the Group's ambitions in terms of overall performance and compliance.

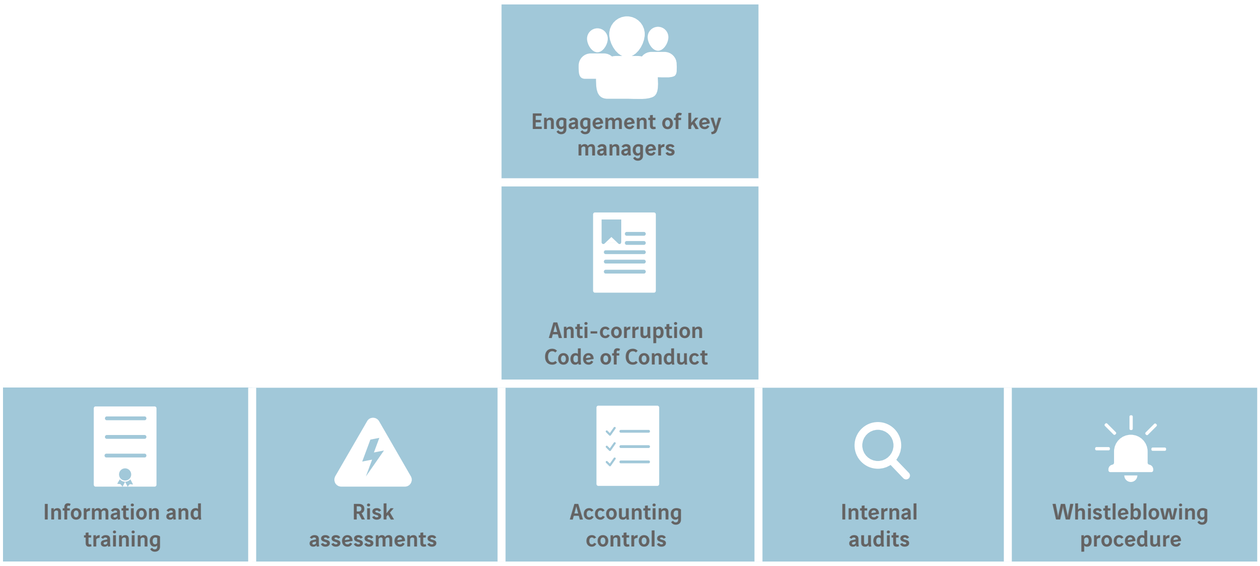
Training and information

Training and information are key factors for implementing the Group's business ethics policy. To enable all of the Group's employees to effectively contribute to preventing and detecting corruption, depending on their duties and responsibilities, training programmes are developed and rolled out at each of the Group's organisational levels. These programmes ensure that employees understand the related domestic and even international legal regimes, and are fully aware of the issues involved and what is expected of them. The corruption scenarios identified and the associated risks are clearly presented, along with the procedures to be carried out to limit these risks, the best ways to respond to inappropriate demands, the procedures for reporting suspicions concerning corrupt conduct, as well as the disciplinary actions that may be taken or the criminal penalties that may apply to individuals for any infringement of rules or regulations. As exemplary managerial behaviour is essential to effectively spearhead ethical practices within its subsidiaries, the Group's conduct guidelines are covered in all the management training programmes.

43,470
staff trained on ethics in 2019

The Ethics and Vigilance Department regularly gives presentations for manager events (conferences) and cross-business network meetings, such as human resources, communications, tax expert, buyer, insurance or financial seminars, as well as the Pivot Clubs.

VINCI's anti-corruption arrangements



Whistleblowing procedure

The Group's whistleblowing arrangements, available on the Group's intranet, have been further enhanced since 1 January 2019, with the launch of the VINCI Integrity online whistleblowing platform, after receiving the go-ahead from the European Works Council. This platform makes it possible to collect whistleblowing reports concerning serious infringements of the Group's rules and commitments set out in the reference guides on human rights, health and safety, business ethics and the environment.
All employees therefore have access to several channels for reporting their concerns. They can refer matters to their managers, they can use their business unit's local whistleblowing procedure, when one exists, or they can contact the Group's Ethics Officer directly. The VINCI Integrity platform is also available to external stakeholders on the Group's website.

Risk assessments

The assessment of business ethics-related risks is an integral part of the policy for managing risks that might affect the Group's global performance or image. It is incorporated into both the project analysis process (Risk Committee) and the external growth process (Investment Committee). Key suppliers and subcontractors are assessed before the Group starts doing business with them and/or during the contractual relationship thanks to various measures, including multidisciplinary questionnaires.

Accounting controls and audits

The accounting processes put in place help prevent corruption. The internal audit plans and self-assessment processes include a series of questions aimed at ensuring the effectiveness of the arrangements for preventing corruption.

Visibility and promotion of the ethics policy

Since 2019, 100% of management training programmes have included an ethics module.

2.4.3 Tax measures put in place

VINCI's highly decentralised organisation is structured around business lines and operating subsidiaries, rather than by country or geographic region. The Group's substantial expense relating to taxes, fees and other compulsory payments represents a significant portion of its contribution to the economies of the countries where it operates. The Group meets its tax obligations, in full compliance with applicable local and international laws and in line with VINCI's intangible and universal commitments.

In accordance with VINCI's Code of Ethics and Conduct, as well as its general guidelines, strict compliance with applicable laws and regulations is a core principle for the Group, one that must be followed in all circumstances by every employee and every business unit in the countries where they operate.

Due to the specific features of VINCI's business model and its activities, which are primarily local, the Group's entities tend to favour local suppliers for their purchases of goods and services. For this reason, cross-border transactions between its various companies are limited and not material. The invoicing principles applied follow the OECD Transfer Pricing Guidelines. These guidelines incorporate the recommendations resulting from the OECD/G20 Base Erosion and Profit Shifting (BEPS) Project, and in particular Actions 8-10 "Aligning Transfer Pricing Outcomes with Value Creation", supplementing the Group's adherence to the arm's length principle.

Given the autonomy granted to the Group's subsidiaries, the main tax risks that may arise in connection with their activities relate to the diversity, scale and/or complexity of operations. These risks may be either financial or reputational.

- Financial risks:
  - Tax compliance and related risks: late filing of returns, inaccurate tax returns, failure to submit claims and options on time, or any other tax compliance failure whatever the reason may be (human error, system error, etc.);
  - Operational tax risks: technical or factual inaccuracies, lack of in-depth tax analysis, unanticipated changes in tax legislation, misinterpretation of complex or unclear tax rules;
- Reputational risks: these risks are triggered by financial risks that may affect the Group's relations with various parties, such as the tax authorities.

Tax issues, like all other financial information, are reviewed on a regular basis by the CFOs of all Group entities, particularly during calls for tenders, at each budget phase, in connection with the preparation of annual and half-year financial statements, and whenever required. Each CFO reports directly to the entity's chairman, to the members of its Board of Directors or other competent supervisory body, as well as to the CFO at the next hierarchical level.

As expressly indicated in the Group's general guidelines, the CFOs must ensure that financial data is presented in accordance with the standards, principles and procedures in force. Financial data, which includes tax data, is reported, managed and verified using reliable accounting systems that are regularly monitored to ensure that they are functioning efficiently and audited. The employees who use them are provided with training.

For any tax issue, the CFOs can request assistance from in-house experts, at each division's main holding companies, in the business lines and at VINCI SA level, and/or from outside consultants, depending on the issue's complexity and materiality. Any outside consultant providing assistance must pledge to abide by the values expressed by VINCI and particularly those set out in its Code of Ethics and Conduct.

VINCI takes the tax consequences of its operating activities and/or its investments into account and may make use of the options provided by local regulations to alleviate its tax or administrative burden. Nevertheless, in all cases, the Group's fundamental principle is to reject the use of aggressive tax planning or other artificial structures designed in particular to avoid paying taxes, as well as any participation in other arrangements mainly for tax purposes that would offer no real commercial advantage. Similarly, whenever VINCI maintains a presence in a country considered as a tax haven, it is uniquely as a result of its operating activities. If a tax risk is identified, proportionate solutions are designed and implemented, in collaboration with the relevant tax and financial teams, in order to minimise this risk. These analyses and solutions are regularly updated in line with changes in projects and the Group's organisation, as well as legal and regulatory developments. Whenever necessary, they are discussed and reviewed with auditors and/or the competent tax authorities.

One of the Group's key expectations of its subsidiaries is that they build and maintain good, transparent and constructive relations with the tax authorities in each of the countries where they operate. In line with this commitment to transparency and cooperation, VINCI SA, with all its consolidated subsidiaries, has signed up to the tax partnership system in France since April 2019.

3. Environmental performance

3.1 A new environmental ambition

On track to meet the commitment set out in its Manifesto to reduce its carbon intensity 30% below 2009 levels by 2020, VINCI has marked out a new, ambitious trajectory toward 2030.

This shared ambition for the environment is the result of a large-scale collective project under way for the past several months at VINCI, garnering support from all Group business lines and divisions. The entities reviewed all the initiatives in each area of their business that could potentially reduce their environmental footprint. The design of the Group's approach to achieving its new environmental targets, which has involved the participation of representatives from the various business lines, also includes an economic assessment. This assessment is used to define action plans, which are currently being adapted for integration into the strategic plans of Group companies.

All VINCI businesses have thus come together to lower their environmental footprint significantly over the next few years, by reducing their carbon footprint, their impact due to the use of natural resources, and any potential harm to natural environments. As well as scaling back its own impacts, the Group also aims to develop solutions that generate green value, by supporting customers, suppliers and partners in their environmental efforts.

Climate change	Circular economy	Natural environments
● Follow a trajectory to help limit global warming to 2°C, involving a 40% reduction in direct greenhouse gas emissions (Scopes 1 and 2) by 2030 compared with 2018 levels ● Take action across the entire value chain by reducing indirect carbon emissions both upstream and downstream ● Integrate climate resilience in practices and solutions	● Limit extraction of virgin materials in favour of recycled materials ● Promote construction techniques and materials that economise on natural resources ● Improve waste sorting and recovery	● Assess and avoid noise pollution and environmental incidents in the Group's business activities ● Reduce water consumption, especially in areas of water stress ● Initiate a programme to achieve a zero net loss of biodiversity

3.1.1 Embedding environmental responsibility in day-to-day operations

3.1.1.1 Internal governance

VINCI's new environmental ambition is founded on the commitments embraced by the Group's Executive Committee and taken up by each business line, the empowerment of all operational staff within Group companies, as well as open dialogue with national, European and international public authorities and environmental protection organisations.
The operational departments coordinate and ensure the application of VINCI's updated environmental goals in all aspects of day-to-day work. They rely on a worldwide network of over 500 correspondents who are in charge of managing environmental risks, developing initiatives to protect the environment and supporting all efforts to deliver on the new ambition.
The Group's Environment Committee, overseen by VINCI SA with representatives from each business line, coordinates the Group's environmental actions. This committee brings a response to global environmental issues by defining the components of VINCI's environmental ambition and by leading cross-business projects, while ensuring that Group companies take adequate steps to adapt the measures introduced in line with the new goals to their local context. Meanwhile, several working groups have also been set up, comprising operational experts from each business line, such as the Biodiversity Task Force and the Circular Economy group, along with special focus groups created to implement climate change action plans.

3.1.1.2 Turning risk management into opportunity

Incorporating environmental issues into the Group's businesses first requires a strong grounding in risk management, regulations, environmental impacts and incident prevention. But it also involves a more proactive approach, anticipating issues relating to the urgent imperative to protect the environment, one that can also create environmental, social and economic value in the medium and long term.

- **Environmental management**

Apart from the main components of the Group's new environmental ambition and compliance with regulations, to better understand the local context and attitudes about the environment, VINCI companies develop and maintain environmental management systems and continuous improvement processes.
VINCI continuously works to improve practices at Group companies to avoid, or reduce as much as possible, the impact of its business activities on the environment. This commitment, supported at the highest level of the Group's organisation, is adapted and monitored in line with the Group's decentralised management structure to meet each company's specific needs and take appropriate measures. VINCI encourages its subsidiaries to obtain environmental certification such as ISO 14001 to improve the effectiveness of their environmental management system.

For example, VINCI Autoroutes has had all its in-service motorways ISO 14001 certified. Meanwhile, VINCI Airports plans to have all of its airports ISO 14001 certified by 2020. In 2019, 18 airports obtained the certification, accounting for 63% of the division's revenue. In Contracting, the proportion of revenue generated by certified entities remained stable at VINCI Energies and VINCI Construction.

Group activities covered by ISO 14001 environmental certification

	ISO 14001				
(as a percentage)	2019	2018	2017	Indicator	Geographical scope
VINCI Autoroutes					France
Motorways in service	**100**	100	100	Kilometres	France
Motorways under construction	**-**	-	-	Kilometres	France
VINCI Airports	**63**	52	52	Percentage of revenue	World
Other concessions	**19**	7	24	Percentage of revenue	World
VINCI Energies	**48**	47	44	Percentage of revenue	World
Eurovia					World
Production from quarries owned	**50**	50	60	Tonnes	World
Production from coating plants owned	**60**	58	48	Tonnes	World
Production from binder plants owned	**68**	77	67	Tonnes	World
Revenue from the works activity	**27**	30	27	Percentage of revenue	World
VINCI Construction	**80**	79	83	Percentage of revenue	World

Together with this local management approach geared towards meeting individual site requirements, some Group companies have also created their own environmental labels. Created in 2016, Eurovia's Environmental Excellence label recognises the initiatives taken at worksites to protect the environment, while highlighting the value of employee engagement in these shared efforts. The label is awarded to projects that meet all of the 47 assessment criteria reviewed in an internal audit. These criteria are grouped into five environmental impact categories, and are supplemented with additional comments on specific issues. To obtain the label, each worksite must not only comply with a set of basic requirements that applies to all projects, but also identify one or more specific issues in the project that reflect how it demonstrates this excellence.

• Preventing environmental incidents

Among the ways that environmental matters are incorporated into the Group's businesses, each entity prepares and updates environmental incident prevention plans in response to its specific environmental risks. VINCI's duty of vigilance plan, in accordance with regulations (Law no. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and subcontracting companies), is presented in section 4, "Duty of vigilance plan", page 237.

In 2019, VINCI or its subcontractors were involved in three major environmental incidents (one in 2018). A major incident is defined as one that creates extensive pollution requiring clean-up by external specialists and has consequences stretching beyond the entity's responsibility. The term pollution covers any harm to all aspects of the environment: air, water or land quality, biodiversity, and so forth. One of these three environmental incidents occurred in Peru, where oil was spilled along a 2 km stretch of the motorway network (for which Lamsac holds the concession). Measures were taken in line with local regulations. The second incident was a soil pollution event involving Eurovia's operations in Poland. All available means were taken to repair the damage caused. Lastly, in early 2019, an accidental spillage of materials (limited amount of grey water containing sand and traces of deactivated cement) into the Seine occurred at a concrete mixing plant in Nanterre, outside Paris. The plant supplies concrete to the worksites of the e-déf Eole-La Défense project, where several VINCI Construction divisions are working. The worksite's managers took measures to restore the site and offset the impact.

3.1.1.3 Employee awareness initiatives

In order to deliver on its environmental ambition, the Group relies on keen awareness and engagement in environmental issues from all VINCI employees. The rollout of training and awareness actions through all activities reflects efforts to share best practices and pass knowledge on to others.

In 2019, these actions represented a total of 42,055 hours, a 14% increase compared with 2018. Training on environmental issues is increasingly incorporated into existing courses (works, studies, operations, etc.). For example, modules on the environment are included in the annual training programme for new engineers, site managers and Eurovia division managers. Awareness is proactively promoted at worksites among employees, temporary staff and subcontractors with weekly 15-minute environment sessions. This initiative has been rolled out across all activities in the Contracting business in France.

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Environmental training and awareness, with change

	Number of hours of training		Change
	2019	2018	2019/2018
Concessions	**14,078**	**7,491**	**+88%**
VINCI Autoroutes	8,771	6,331	+39%
VINCI Airports	5,104	766	+566%
Other concessions	203	394	-48%
Contracting	**27,956**	**29,476**	**-5%**
VINCI Energies	5,405	6,733	-20%
Eurovia	6,276	5,060	+24%
VINCI Construction	16,275	17,683	-8%
VINCI Immobilier	**21**	**-**	**0%**
Total	**42,055**	**36,967**	**+14%**

In 2019, to promote the effectiveness of environmental actions on the ground, the Group's business lines devoted specific attention to the introduction of training and awareness modules tailored to their activities. At Eurovia, an e-learning module on the environment was created. VINCI Facilities, VINCI Energies' facilities management brand, has set up a training programme on energy performance for technicians and business line managers. In Concessions, the training programme for new hires at VINCI Airports includes an environmental awareness module in the form of a virtual tour of an airport, to help them understand the environmental issues involved at this type of site. Specific modules have also been designed for key managers.
VINCI's environmental ambition also involves the rollout of these training courses on a larger scale over the next few years.

3.1.1.4 Environmental reporting coverage and scope

To monitor VINCI's environmental performance, the environmental reporting system uses the same software as the Group's financial and workforce-related reporting systems and is based on the standards of the Global Reporting Initiative's Sustainability Reporting Guidelines, which have been adapted to the Group's activities (see the cross-reference table on pages 373 and 374). Covering nearly all of the Group's companies, the system uses around 60 quantitative indicators for measuring performance against key environmental parameters, such as greenhouse gas emissions, consumption of resources, circular economy initiatives, certification, and environmental incidents. Environmental reporting is prepared using updated methodological guidebooks and procedures that are available on the Group's intranet. In addition to this central reporting system, each business line uses its own management indicators. The note about the reporting methods used by VINCI, on pages 258 to 260, covers the key points.
The data presented in this report is consolidated using the same method as VINCI's financial data. Some entities, such as Qatari Diar VINCI Construction (QDVC), which is 49%-owned by VINCI Construction Grands Projets, are still accounted for under the equity method.
VINCI has submitted its environmental information for review by its Statutory Auditors since 2002. Environmental data is presented in compliance with Article 225 of France's Grenelle II Environment Act and additional provisions set forth mainly in application of the law on the energy transition for green growth (Article 173) and the law on combating food waste. It also meets the requirements of Order no. 2017-1180 of 19 July 2017 and Decree no. 2017-1265 of 9 August 2017, which transposed the European directive on disclosure of non-financial information by certain large undertakings and groups into French law.
At the end of 2019, environmental reporting covered 96% of total revenue generated.

Environmental reporting coverage, excluding acquisitions in 2019

(as a percentage of revenue)	2019	2018	2017
Concessions	**100**	**100**	**99**
VINCI Autoroutes	100	100	100
VINCI Airports	100	100	100
Other concessions	100	100	89
Contracting	**-**	**-**	**-**
VINCI Energies	100	100	100
Eurovia	100	100	100
VINCI Construction	88	88	90
VINCI Immobilier	**100**	**100**	**100**
Total	**96**	**96**	**97**

3.1.2 Dialogue with stakeholders

VINCI's environmental ambition involves a large number of stakeholders, with key initiatives to better identify their needs and bring them the right answers, but also in line with the Group's aim to make a difference across its industry sectors. Externally, VINCI thus contributes to improving knowledge and spreading best practices in its industries. The Group also rallies its partners and suppliers to play a part in accelerating the development of environmental solutions that meet the challenges of climate change, the circular economy and the protection of natural environments.
Several Group entities have forged partnerships with the Bird Protection League (LPO) in France. For example, VINCI Autoroutes promotes collaborative and sustainable management of biodiversity, in particular through its strong partnership with this organisation since 2014, in order to protect ecosystems near its motorway network during the construction and operation of motorway sections. VINCI Autoroutes will be funding a number of environmental protection initiatives carried out by LPO France and its network. In addition, VINCI was a partner of the LPO's U2B programme focusing on urban planning and biodiversity for the 2016–2019 period. This programme's main focus is the preservation and rehabilitation of ecological continuity in urban settings. The long-standing partnership between the Unité Mixte de Service (UMS) Patrimoine Naturel, also known as PatriNat (a collaborative research and education entity focusing on natural heritage) and Eurovia is an emblematic example of this policy to educate and maintain continuous dialogue with external stakeholders with the aim of reducing the environmental footprint of projects. This partnership was renewed in 2019 for four years.

Along with their institutional partnerships, VINCI companies provide solutions for dialogue with stakeholders. They strengthen communication with local residents near worksites, through information meetings, improved signage, worksite visits and new communication channels. For example, Eurovia developed a website, www.infochantier.fr, in 2019 to communicate more easily with people living near many of its worksites in France this year. This continuous improvement in dialogue with different stakeholders is also shown by the update to the Reflex tool in 2019 (see paragraph 2.1.3 in this chapter, page 214).

3.1.3 Environmental solutions

VINCI aims to deliver on its environmental ambition not only to address its direct impact, but also to bring its suppliers, subcontractors, partners and customers on board to reduce their environmental impact and create green value. Examples of solutions are provided in the following sections for each area of action. These solutions integrate eco-design into Group companies' existing operations and also involve new service offerings that benefit the environment.

Demonstrating ways of integrating environmental issues into Group projects, VINCI companies continue to gain expertise about environmental certifications and labels for their projects. In 2019, the volume of business represented by projects having earned internal or external certifications or labels amounted to €3.7 billion. Since 2010, 3,253 projects have been awarded certifications and labels, for a total volume of €32.9 billion. VINCI Construction and VINCI Immobilier companies delivered 284 certified projects in 2019, involving both new and refurbished buildings. All of VINCI Immobilier's residential properties meet NF Habitat HQE® standards, while most of its office buildings are HQE® and/or BREEAM® certified. VINCI Construction France encourages all initiatives to meet low-carbon construction standards for the structures, facilities and infrastructure that it designs and builds. The Pulse project north of Paris, delivered in January 2019, was built in a mix of wood and concrete. The teams from VINCI Construction France helped bring this office building complex into line with strict environmental and circular economy standards, earning it both HQE® Excellent and BREEAM® Very Good certifications. The project made reuse a priority, covering 95% of the building's surface area, i.e. nearly 22,000 sq. metres, in false flooring made with materials recovered from other worksites.

€3.7 billion
in projects awarded environmental certifications and labels in 2019

3.2 Climate change

3.2.1 Climate change goals

• Leading by example for the Group's direct greenhouse gas emissions

Since 2007, VINCI has maintained a proactive approach to reducing and monitoring its greenhouse gas (GHG) emissions. With the "Promote green growth together" commitment in its Manifesto, VINCI pledged to achieve a 30% reduction in its direct GHG emissions, expressed as carbon intensity in relation to revenue, by 2020 compared with the base year of 2009 (71.1 tonnes of CO_2 equivalent). The Group was on track to meet the target as the new decade approached, reporting a 28.3% decline in 2019 (51.0 tonnes of CO_2 equivalent). This performance is due to a combination of factors, including efforts to improve the energy efficiency of Group companies, increasing use of electricity from renewable energy sources, improved fleet of vehicles and machines, as well as changes in VINCI's business mix in favour of Concessions activities, which consume less energy than Contracting operations.

The common goal set by the Paris Climate Agreement is to limit the rise in global average temperature to less than 2°C by the end of the century. Following this trajectory, VINCI aims to reach the target of carbon neutrality (i.e. net zero emissions) by 2050 in its direct scope of business activities. As such, the Group is engaged in a proactive approach to achieve a 40% reduction in Scope 1 and 2 GHG emissions by 2030 compared with 2018 levels (see page 228). That comes out to a decrease of 940,000 tonnes of CO_2 equivalent relative to the scope of business activities in 2018. As an absolute value, this target will be updated in line with any significant changes to the Group's scope, such as acquisitions.

Ambition for 2020
30% reduction
in carbon intensity from 2009 levels

Ambition for 2030
40% reduction
in absolute GHG emissions from 2018 levels

In 2019, after carefully analysing the steps to be taken, the Group's business lines realised that a reduction of at least 30% by 2030 is achievable by applying a set of identified, budgeted actions, which include economic measures. These actions mainly involve worksite vehicles and machines, materials production sites, buildings and remote sites. But the more ambitious reduction target of 40% over the same period requires further technological advances that are still under development, therefore leaving a degree of uncertainty as to their completion.

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• Acting to reduce the impact of the Group's indirect "core business" scope
VINCI has chosen to act on a business scope, equivalent to Scope 3 emissions, which comes directly under the sphere of influence of its businesses, where its companies can make an impact. These actions are applied both upstream in the value chain with suppliers and downstream for customers and infrastructure users.

Business lines draw on various resources to monitor Scope 3 emissions, especially in Concessions. A methodological tool has been developed to estimate indirect emissions from VINCI's entities involved in buildings businesses, covering materials used and energy used during construction and operation phases.

• Integrating climate resilience in practices and solutions
To adapt to the consequences of climate change, VINCI companies integrate the notion of resilience into their projects to protect the structures built and solutions implemented for customers. That is why anticipating long-term effects is a key approach in VINCI's climate change strategy.

A forward-thinking working group from the Leonard innovation platform, representing all the VINCI units concerned, together with the startup Resallience, also launched by Leonard, are working on developing the resilience of certain projects and regions to climate change worldwide.

3.2.2 Measures to address and adapt to climate change

VINCI companies have been implementing ambitious policies to combat climate change for many years. Every year, these policies are reviewed by an independent organisation, CDP (formerly the Carbon Disclosure Project). VINCI was again included in the Carbon Disclosure Leadership Index (CDLI) France in 2019, achieving a score of A- for the second year in a row. This project, which is conducted on behalf of 529 investors representing $96 trillion in assets under management, assesses how large companies are responding to climate change.

CDP scores
A-
in both 2018 and 2019

3.2.2.1 Cross-business action plans

• Climate-aware initiatives put in place during the year
2019 was devoted to identifying actions likely to improve the Group's environmental performance. This approach mobilised all of VINCI's operational entities and identified the factors of progress and necessary transformative investments.

Group companies are currently defining action plans adapted to their business activities, with measures such as:
–accelerated replacement of light and utility vehicle fleets by electric or less carbon-intensive vehicles;
–upgrade of site machinery and heavy goods vehicles, promotion of eco-driving practices and installation of continuous fuel consumption tracking sensors;
–diagnostic studies on the Group's buildings and remote sites with a view to introducing energy efficiency actions, such as renovation, LED relamping and temperature regulation;
–replacement of heavy fuel oil and coal by natural gas or renewable-source gas in asphalt-mixing plants, and replacement of the fossil energy used in binder storage facilities by electricity;
–installation of photovoltaic power plants for electricity self-consumption in airports;
–consumption of electricity from renewable energy sources under power purchase agreements, or PPAs (direct contracts to buy renewable electricity), and purchases of guarantees of origin.

In addition to these measures, Group companies also implement actions specific to their businesses:
–Since 2016, Eurovia has developed and implemented its "Environment and green growth" strategy, based on achieving high energy efficiency for each business segment in order to meet the Group's emissions reduction target for 2020. Solutions have also been developed to reduce emissions, such as the plant-based fuel Dertal G. This fuel is derived by distilling pine resin and can replace the fuel oil used at production facilities to dry asphalt mixes. The use of Dertal G is also in line with circular economy principles. In 2019, Eurovia produced 200,000 tonnes of asphalt mix with Dertal G fuel.
–VINCI Construction has set a target to replace its remote sites hooked up to the power grid with more energy-efficient ones by 2030 (gradual transition from "traditional" category A and B sites to next-generation category C sites in wood).
–In 2010, VINCI Autoroutes introduced no-stop electronic toll lanes, which enable users to reduce their fuel consumption and, in turn, the CO_2 emissions from motorway traffic.

3.2.2.2 Energy consumption and greenhouse gas emissions

• Energy consumption
Group companies pay close attention to their energy consumption, the absolute value of which stood at 8,701,849 MWh in 2019. In relative terms, Group energy intensity totalled 189 MWh per million euros of revenue for the reporting period (by extrapolating the results for consumption to total revenue), compared with 190 MWh in 2018 and 201 MWh in 2017.

Total energy consumption, with change

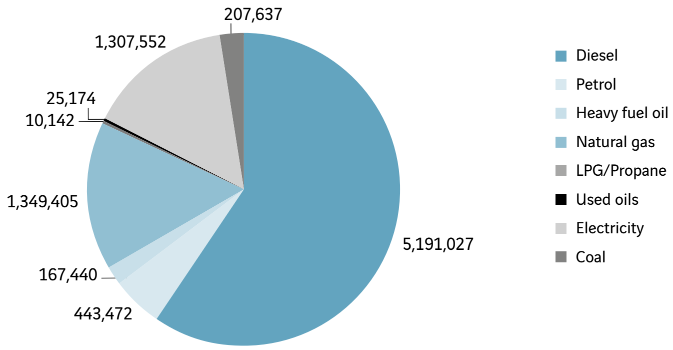
Consumption by business line (MWh)	Fossil fuels (*)	Electricity	Renewable energy	Total energy consumption in 2019	Consumption by business line *(%)*	Total energy consumption in 2018
Concessions	**282,685**	**528,090**	**142,863**	**810,774**	**9.3%**	**600,259**
VINCI Autoroutes	92,934	121,956	155	214,891	2.5%	226,072
VINCI Airports	178,399	387,128	142,429	565,527	6.5%	330,379
Other concessions	11,352	19,006	279	30,357	0.3%	43,807
Contracting	**7,105,920**	**775,044**	**19,073**	**7,880,964**	**90.6%**	**7,677,091**
VINCI Energies	1,113,916	103,618	12,470	1,217,535	14.0%	935,264
Eurovia	3,796,045	358,612	-	4,154,657	47.7%	3,930,776
VINCI Construction	2,195,959	312,813	6,603	2,508,772	28.8%	2,811,051
VINCI Immobilier and holding cos.	**5,691**	**4,419**	**107**	**10,110**	**0.1%**	**4,692**
Total	**7,394,297**	**1,307,552**	**162,043**	**8,701,849**	**100.0%**	**8,282,042**

(*) Fossil fuels: coal, diesel, petrol, heavy fuel oil, natural gas, LPG/propane, used oils.

Due to the industrial nature of its business, Eurovia accounts for a large proportion of the Group's total energy consumption. It was the first VINCI business line to set up an ambitious energy and CO_2 reduction plan, including improvements to the energy efficiency of coating plants, quarry equipment and worksite machines. The Eurovia business line also develops products and services that reduce energy consumption, such as the Tempera® warm mix process that enables energy savings of between 20% and 40%.

VINCI Concessions aims to achieve a 51% reduction in direct CO_2 emissions by 2030 compared with 2018 levels. It has defined an action plan on indirect emissions to encourage airlines and passengers to reduce their own CO_2 emissions. In June 2019, VINCI Airports rallied all its European airports in signing up to the commitment to achieve net zero carbon emissions by 2050, a programme launched by Airports Council International Europe (ACI Europe). VINCI Airports is also stepping up its energy efficiency initiatives and low-carbon electricity strategy at all its airports in operation. In 2019, VINCI Airports continued its LED relamping campaign in terminals and on runways, including plane hangars, at the airports in Rennes, Dinard, Chambéry, Grenoble, Toulon and Clermont Ferrand.

Total energy consumption (MWh)



VINCI's leading source of CO_2 emissions is fuel consumption, especially diesel, due to the fleet of vehicles and worksite machines. Group entities have taken several steps to reduce this impact. In 2019, VINCI Autoroutes had 198 electric vehicles out of 1,314 vehicles in its fleet, or 15%. VINCI Autoroutes also had 209 charging stations on its network, including 90 ultra-fast charging stations and 107 fast charging stations. Soletanche Bachy has developed an eco-fuel kit for VINCI employees that spells out what they need to know and the possible measures to reduce the fuel consumption of worksite machines and company vehicles. The kit offers recommendations in several areas relating to worksites (generator size, start & stop systems, equipment replacement, fuel measurement, solar power at worksites, and more) as well as company cars (eco-driving, connected solutions, mobility plan, etc.), explaining the advantages of each action.

VINCI Autoroutes also provides its customers with tools and services to help them reduce their fuel consumption, such as no-stop electronic toll lanes and carpool parking facilities located near toll plazas. In 2019, 34 car parks providing over 2,700 parking spaces were reserved for carpooling, up from 31 car parks with 2,545 spaces in 2018.

• Use of renewable energy

For a number of years, VINCI companies have been substantially increasing their purchases of electricity generated from renewable energy sources. In 2019, these purchases, at both fixed sites and worksites, totalled 162,042 MWh compared with 98,338 MWh in 2018. VINCI used 4,268 MWh of electricity generated by solar energy facilities at its sites, 9,795 MWh under PPAs and 147,980 MWh through purchases of guarantees of origin.

65% increase
in use of renewable energy
between 2018 and 2019

At the end of 2019, VINCI Airports began building a solar photovoltaic system for self-consumption with nominal power of 4.2 MWp (megawatt-peak) at the Salvador airport in Brazil. This facility adds to the solar PV systems totalling 4.7 MWp in power to supply the airports in the Dominican Republic. Additionally, VINCI Airports signed contracts with low-carbon electricity suppliers providing guarantees of origin (London Gatwick Airport, the Lyon airports and the Santiago airport in Chile) and solar PPAs (Belfast International Airport). In 2019, the electricity consumed from solar PV systems for self-consumption (either directly generated or under a PPA) and with guarantees of origin represented more than 35% of all the electricity consumed for the consolidated scope of VINCI Airports.

Eurovia also increasingly uses renewable energy. A solar power plant opened on the site of a former quarry in Corsica in October 2019. The facility is equipped with 25,000 sq. metres of solar panels offering nearly 7.5 MWh in storage capacity.

• Greenhouse gas emissions

The methodology used to determine the greenhouse gas (GHG) emissions of VINCI's businesses is based on the Group's environmental reporting data and measures ISO 14064 Scope 1 and 2 emissions. Scope 1 includes direct emissions from the use of fossil fuels (fixed sites, worksites and company vehicles), as well as non-energy emissions (Eurovia's lime plants). Scope 2 includes indirect emissions produced to make energy (mainly electricity) purchased and used at fixed sites and for projects. VINCI's CO_2 emissions in 2019 amounted to about 2.3 million tonnes based on the new methodology and updated emission factors. The Group's emissions are calculated using factors included in the Base Carbone® database administered by Ademe. The most recent factors used by VINCI date from 2016.

2,338,928
tCO_2eq emitted in 2019
(Scopes 1 and 2)

Greenhouse gas emissions (Scopes 1 and 2), with change

(in tonnes of CO_2 equivalent)	Actual values (emissions updated based on new emission factors) 2019	Actual values (emissions updated based on new emission factors) 2018	2019/2018 change
Concessions	**191,105**	**122,330**	**56.2%**
VINCI Autoroutes	27,645	29,422	-6.0%
VINCI Airports	158,283	87,056	+81.8%
Other concessions	5,177	5,852	-11.5%
Contracting	**2,146,384**	**2,075,651**	**+3.4%**
VINCI Energies	294,827	226,614	+30.1%
Eurovia	1,130,745	1,070,465	+5.6%
VINCI Construction	720,812	778,572	-7.4%
VINCI Immobilier and holding cos.	**1,439**	**769**	**+87.1%**
Total	**2,338,928** ☑	**2,198,750** ☑	**+6.4%**

Data extrapolated to cover 100% of VINCI's revenue – excluding acquisitions in 2019.
☑ *Data checked to a level of reasonable assurance.*

The Group's direct GHG emissions (Scopes 1 and 2) rose compared with 2018 using the methodology that applies the same emission factors from one year to the next to monitor the reduction target. This increase in emissions is due to the inclusion of new entities in the reporting scope. VINCI's carbon intensity stood at 51.0 tonnes of CO_2 equivalent per million euros of revenue in 2019, representing a 28.3% decrease since 2009 (71.1 tonnes of CO_2 equivalent). This means that the Group is on its way to meeting its 30% emissions reduction target by 2020 (50 tonnes of CO_2 equivalent) (see the table "Progress on meeting the reduction target" below). In 2019, VINCI's emissions from electricity consumption (Scope 2) totalled 297,915 tonnes of CO_2 equivalent using the location-based calculation method and 262,681 tonnes of CO_2 equivalent using the market-based method (see "Note on the methods used in workforce-related, social and environmental reporting", page 258, for definitions of the location-based and market-based methods).

To broaden its range of low-CO_2 solutions, VINCI continues to develop specific tools and carry out studies to better quantify and control GHG emissions resulting from its business (ISO Scopes 1, 2 and 3). In 2016, the Group began a study to create a methodology for measuring the Scope 3 emissions of its buildings business in all countries where it operates. The work carried out was applied to better quantifying Scope 3, especially through the use of a purpose-designed reporting tool for VINCI's buildings business. VINCI's long-term plan is to come up with new methodologies for assessing Scope 3 that account for the diversity of the Group's businesses. In addition to meeting the requirements of Article 173 of the French law on the energy transition for green growth, VINCI is looking for ways to better understand its carbon impact throughout the value chain and contribute to the objectives of the Paris Agreement signed in 2015.

Progress on meeting the reduction target

	2019	2018	2009
Total greenhouse gas emissions *(tCO_2eq)*	2,451,784	2,309,546	2,154,560
Carbon intensity *(tonnes of CO_2 equivalent per million euros of revenue)*	51.0	53.1	71.1

VINCI's carbon intensity, expressed in tonnes of CO_2 equivalent per million euros of revenue, decreased 4% between 2018 and 2019 and 28.3% since 2009 (see "Note on the methods used in workforce-related, social and environmental reporting", page 258).

CO_2 emissions (Scopes 1, 2 and 3) of VINCI Concessions companies, customers and end users

	VINCI Autoroutes		VINCI Airports (*)	VINCI Airports (**)
(in tonnes of CO_2 equivalent)	2019	2018	ACA 2019	ACA 2018
ISO Scope 1 and 2 emissions	27,645 (***) ☑	29,422 (***) ☑	97,897	59,703
User/third-party emissions (Scope 3)	12,665,533 ☑	13,906,030 ☑	1,813,025	1,008,782 (**)

(*) Scope includes ANA airports, Lyon – Saint Exupéry Airport and London Gatwick Airport, year Y-1 emissions taken into account in the Airport Carbon Accreditation (ACA) of year Y.
(**) Scope includes only ANA airports and Lyon – Saint Exupéry Airport, 2017 emissions taken into account in the Airport Carbon Accreditation of year Y.
(***) Emissions based on the new methodology using Ademe's 2016 emission factors.
☑ Data checked to a level of reasonable assurance.

Since 2014, the GHG emissions produced by VINCI Autoroutes companies have been verified by a third party with a reasonable level of assurance, providing the highest level of transparency a company can achieve. The no-stop 30 km/hour electronic toll lanes lowered CO_2 emissions by 64,366 tonnes of CO_2 equivalent over the year (emissions updated based on new emission factors).

VINCI Airports operates 36 of the 293 airports with Airport Carbon Accreditation (ACA) certification in the world, including two Level 3 (Optimisation) airports, which reflects stakeholder engagement in carbon footprint reduction, and the calculation and verification of their carbon footprint for the three scopes (Kansai International and Osaka Itami airports). Lyon – Saint Exupéry Airport renewed its Level 3+ (Neutrality) certification. London Gatwick Airport also achieved Level 3+ in 2019. VINCI Airports has set a target to have all of its airports certified through this international Airport Carbon Accreditation programme launched by Airports Council International Europe (ACI Europe). In 2019, VINCI Airports calculated all emissions from the aircraft LTO (Landing and Takeoff) cycle for its ACA scope (excluding Brazil), which accounts for around 60% of Scope 3 emissions. LTO emissions totalled 1,514,565 tonnes of CO_2 equivalent in 2018 (emissions calculated over the same period as for environmental reporting).

Using its own internally developed tool, VINCI also measures the Scope 3 emissions of its buildings business for nearly all of its development and construction projects for residential and office buildings. This Excel tool was designed in 2016 with the independent consultancy Carbone 4 specialised in low-carbon strategy and climate change adaptation, and is also part of the Group's efforts to meet the requirements of Article 173 of the law on the energy transition for green growth. In 2019, VINCI's indirect emissions from its building projects totalled 1,447,365 tonnes of CO_2 equivalent (scope covering VINCI Construction France, VINCI Construction Dom Tom, VINCI Construction Europe Centrale and VINCI Immobilier).

3.2.2.3 Adapting to climate change

VINCI has adopted France's plan for adapting to climate change and takes a forward-looking approach. The Group plans in advance for any necessary changes to cities and buildings, by incorporating eco-design into its projects, an approach that studies the structure's whole life cycle. VINCI plays a central role in making new and existing structures more resistant to extreme weather events, ensuring long-term durability and providing innovative construction solutions. The Group carries out extensive research, both internally and through its scientific partnerships, in areas such as adapting neighbourhoods to heat waves, handling urban heat spots and flood prevention.

In November 2019, the annual seminar of lab recherche environnement (formerly the Eco-design of Buildings and Infrastructure Chair) was held in Marseille, taking as its theme the resilience of cities and infrastructure to climate change. At this day-long event, researchers connected with lab recherche environnement (from Mines ParisTech, École des Ponts ParisTech and AgroParisTech) and VINCI operational staff presented their work and projects on energy and the circular economy, nature in the city, and infrastructure.

Launched as part of the Leonard intrapreneurial programme, the startup Resallience is a design office that provides consulting, modelling and business strategy services to adapt projects and regions to climate change. In 2019, VINCI Concessions, with the help of Resallience, organised an event to raise awareness about the risks of climate change for the environment and sustainable development teams, along with programme management leaders from VINCI Airports. VINCI Airports implemented projects to raise levees along a 400-metre stretch and a secondary protection wall along 1,300 metres, relocate control rooms, and install flood barriers and airtight gates at Kansai International Airport in Japan to protect against extreme weather events in the region.

VINCI companies are developing expertise in technical improvements, notably to strengthen sea walls, based on scientific scenarios predicting a 50 cm rise in sea levels by 2050, according to the Intergovernmental Panel on Climate Change (IPCC).

In light of their growing frequency, extreme weather events are managed at each stage of a project. VINCI companies are often called on following extreme weather events to restore the normal operation of transport and energy infrastructure.

3.2.3 Solutions to combat climate change

Levers for reducing GHG emissions are mainly to be found in how structures are used by customers and end users: operations account for over 50% of lifetime emissions for a rail line, 90% for a building and over 95% for a motorway. VINCI is involved in national and international working groups (Association Bilan Carbone and Encord) to define industry standards for quantifying Scope 3 emissions.

• Integrating environmental management into solutions and operations

Reducing the CO_2 emissions of VINCI structures is part of an eco-design approach that takes into account the construction, operation and end-of-life phases to compare and select the most appropriate technologies during the design phase. The approach uses life cycle analysis (LCA) tools that measure CO_2 emissions and other indicators such as water consumption, depletion of natural resources and impacts on human health. These tools allow the Group to ensure that CO_2 reductions do not generate other consequences at any point in the life cycle of its structures. LCA tools are developed within the framework of lab recherche environnement, and are used in numerous subsidiaries. The CO_2NCERNED methodology conceived by VINCI to measure a project's carbon footprint is deployed across all Group business lines to compare construction options with "traditional" solutions. The CO_2NCERNED carbon assessment tool calculates the

GHG emissions of a worksite – construction, operation and use – covering six emissions categories: supply chain, freight transport, internal energy, depreciation, travel and waste. The assessment is based on an Excel spreadsheet developed with the strategy and environmental consultancy I Care & Consult and is Bilan Carbone® certified by the Association Bilan Carbone. This certification is valid until 2021. CO_2NCERNED has already been used for projects in responding to calls for tender (the New Coastal Highway on Reunion Island, Véna Bridge in south-eastern France, etc.) to add environmental variants to the basic project solution.

VINCI is developing new systems for both housing and offices, drawing on the expertise of VINCI Construction to minimise energy losses through the building shell and on that of VINCI Energies to install innovative equipment such as all-air heating using the Green Floor process.

VINCI Construction France is taking an active role in co-developing the new building regulations set to pass in 2020 that will take into account all of a residential or commercial building's impacts throughout its life cycle using the Énergie Positive & Réduction Carbone, or E+C–, label. This new label covers the entire life cycle of a building, from material manufacturing through to deconstruction, over a theoretical life span of 50 years. In addition to calculating the carbon impact, energy consumption at each of these stages will be tracked. Every player will have to determine the best possible balance between energy performance and greenhouse gas emissions reduction. Test projects led as part of this experiment include the Origine & Nouvelle Vague mixed-use urban development in Nanterre near Paris, the housing worksite on Rue Obert in Wambrechies in northern France, the La Canopée residence in Nantes to the west, and the Bastide Bondoux office buildings in Chaponost in the east of the country.

• Developing service offers

Omexom, the VINCI Energies brand specialised in electrical power generation, transmission, transformation and distribution, takes part in developing renewable energy, contributing to the installation of more than 20% of the wind power in France and 56% of that in Morocco. In 2019, Omexom continued to expand its international operations. For example in Brazil's Amazon region, the company installed mini power plants (solar panels and batteries) with a generation capacity of 1.8 MW to supply electricity to communities in remote rural areas. Omexom also installed and commissioned eight solar power plants, for total nominal capacity of 25 MWp, to provide remote regions in Senegal with electricity.

VINCI Energies companies have developed significant expertise in supporting local government authorities with the implementation of energy performance contracts (EPCs) for cities, through actions such as optimising public lighting, monitoring building energy consumption and installing smart grids. In 2019, VINCI Energies won 17 new EPCs, for a total of 129 currently in effect.

VINCI Energies' activities in facilities management are using their expertise in areas such as energy diagnostics and audits, monitoring and optimisation work to develop EPC solutions for their customers offered through a dedicated energy monitoring structure called Hub Energy and GreenAffair, a VINCI Energies sustainable development consulting and engineering company.

VINCI Construction shows building occupants how they can consume less energy through its Oxygen® solution, an eco-commitment that guarantees energy performance and assistance. To date, about 100 design-build and property development projects have been awarded the label. VINCI Construction France and the facilities management companies of VINCI Energies continued to develop the solution in 2019, focusing on indoor air quality. VINCI Construction is also developing technical solutions to industrialise construction and optimise the installation of onshore and offshore wind farms.

Within the framework of lab recherche environnement, Mines ParisTech has developed an energy and environmental performance simulation tool, NovaEquer, to be used on a neighbourhood-wide scale. The startup Kocliko, which grew out of a lab recherche environnement project, has created a platform that uses dynamic energy simulation and artificial intelligence to assess a building's energy consumption more accurately based on user behaviour or weather averages. The system then measures and checks performance once the building is completed or renovated.

Eurovia continues to work on the development of Power Road®, an innovative solution that captures solar energy, stores it in geothermal probes and releases it to de-ice the road network or heat nearby buildings.

3.3 Circular economy

3.3.1 Supporting the circular economy

Sustainable resource and waste management is a fundamental component of VINCI's environmental ambition. Focusing on Ademe's three key areas of action (supply from economic stakeholders, consumer demand and behaviour, and waste management) and seven pillars, VINCI's businesses aim to incorporate circular economy principles into each step in the value chain through three main concepts: eco-design, a systemic and regional approach, and inclusive and collaborative methods.

Over the next few years, the environmental ambition will involve further development of these concepts across all activities with a response at three levels:

– promoting construction techniques and materials that economise on natural resources, by taking a responsible sourcing approach;
– improving waste sorting and recovery;
– limiting extraction of virgin materials in favour of recycled materials.

At VINCI business lines, circular economy issues are addressed through local actions and initiatives. To support this, a circular economy community of experts from VINCI divisions was formed to share best practices, monitor regulatory compliance and foster the adoption of common, cross-business practices.

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3.3.2 Circular economy actions

3.3.2.1 Responsible sourcing

For VINCI, raw materials sourcing is a central issue in implementing a circular economy approach. In the Concessions business, most raw materials consumption is monitored and consolidated, for example the consumption of asphalt mix to maintain motorways in France. In 2019, VINCI Autoroutes used 420,540 tonnes of recycled mix out of a total of 1,726,867 tonnes for motorway maintenance. Furthermore, a total of 22,633 tonnes of de-icing salt was used, as against 42,032 tonnes in 2018. The larger volume in the previous year was due to harsher weather conditions in the first quarter of 2018 and the resulting enhanced preventive measures to guarantee user safety. To promote continuous dialogue throughout the value chain, in 2019 VINCI Airports prepared a set of environmental clauses (e.g. on single-use plastics) to include in contracts with the third parties that serve its airports. The clauses are specifically adapted to each business.
In the Contracting business, raw materials purchasing is decentralised, with purchases generally not consolidated at Group level. Efforts to manage raw materials consumption include purchasing reused, reconditioned and recycled materials that have equivalent performance to new materials, and sourcing local products.

In 2019, the different VINCI entities concerned came together to study circular economy issues, with the aim of developing Group-wide tools or initiatives that can facilitate the operational implementation of the circular economy model throughout the project life cycle. The Group continues to focus on the need to plan how to integrate reused or recycled materials in projects and to recycle the types of waste produced by construction activities. An intrapreneurial initiative was launched via the Leonard platform to promote reuse in VINCI's activities. VINCI Construction France set up a partnership with the firm Karibati to collect feedback on worksites that use biosourced materials.

Using low- and very low-carbon concrete also helps reduce environmental impacts. The subsidiaries of VINCI Construction France have developed techniques to produce concrete that reduces greenhouse gas (GHG) emissions by 40% compared with the commonly used CEM II. In partnership with the supplier Ecocem, an alkali activated slag concrete currently under testing was used in posts at the worksite for l'archipel, VINCI's future headquarters in Nanterre, near Paris. A subsidiary of VINCI Construction France was part of the first experiment to use hempcrete (a biocomposite made with hemp hurds, the wooden fibres from the plant's stalk, combined with water and lime) at a worksite for the Lucie Aubrac middle school project in Montévrain in the Greater Paris area.

A growing number of worksites have also begun reusing materials, especially for large-scale refurbishments. VINCI Construction France companies are able to rally their expertise to overcome the barriers to reusing materials. For example, in an office building restructuring project in Levallois Perret in the Greater Paris area, VINCI Construction France has developed a reuse programme to salvage nine types of deconstruction materials, both on site (e.g. for false flooring and ceilings) and off site.

3.3.2.2 Improving waste sorting and recovery

Together with responsible sourcing, Group subsidiaries work on producing less waste at the source, sorting waste and recovering waste. Waste management is important to both Contracting entities – which deal mainly with construction site waste – and Concessions entities, which have to dispose of their users' waste at airports, motorways, etc. The Group's subsidiaries implement waste management plans at their worksites in accordance with local waste management procedures and systems. VINCI makes an annual count of the amounts of waste it generates and recovers.

Hazardous and non-hazardous waste

	2019					2018				
(in tonnes)	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	VINCI Construction (*)	VINCI Autoroutes	VINCI Airports	Other concessions	VINCI Energies	VINCI Construction (**)
Non-hazardous waste produced (customers + operations)	20,925	37,093	11,844	462,886	1,040,380	22,885	30,630	19,702	452,995	1,201,212
Hazardous waste produced (customers + operations)	665	1,053	92	4,986	38,385	897	748	21	4,514	30,250

(*) Scope includes VINCI Construction UK and VINCI Construction Grands Projets.
(**) Scope is limited to VINCI Construction UK and 42% of the revenue of VINCI Construction Grands Projets.

Waste is monitored at all Concessions businesses, as well as at some of the Contracting businesses. At VINCI Airports, the increase in 2019 is due to the inclusion of new airports in the reporting scope.

Waste from VINCI Autoroutes' operations, once sorted, is delivered to external recovery and treatment facilities; 79% of VINCI Autoroutes waste was recovered in 2019 as in 2018. As for waste produced by users, all of the rest areas on the network are equipped with sorting bins. The staff at VINCI Autoroutes emphasise awareness and guidance campaigns to fight littering and encourage users to sort their waste, especially through summertime activities and events along motorways.

64%
of waste recovered by VINCI's Concessions businesses in 2019

In June 2018, stadium operators Consortium Stade de France, MMArena in Le Mans, Allianz Riviera in Nice and Matmut Atlantique in Bordeaux signed the Eco-responsible Commitments Charter of Major Sports Facility Operators and Host Venues, co-written with the French Ministry of Sports and WWF. The charter is comprised of 15 commitments to meet by 2020, including one on waste management. Signatories pledged to cut their waste 15% by 2020, to increase waste reuse, recycling and recovery by 40%, and to treat 60% of food waste using biowaste methods.

With its extensive international operations, VINCI Concessions must find alternatives to landfills for treating waste. That is why VINCI Concessions has set a target of zero waste to landfill by 2030, by focusing on the following actions:
– reducing waste at the source;
– improving waste sorting to recover waste more efficiently, with priority on materials recovery over energy recovery;
– building on-site sorting facilities when not available locally;
– installing on-site treatment systems (incinerators, autoclaves) when no other solution is available locally.

Concerning this last point, a collaboration agreement was signed with Dominicana Limpia in March 2019 to recover 160 tonnes of recyclable waste produced by Las Américas Airport in the Dominican Republic. The sorting centre opened in October. This partnership is supported by programmes to raise the awareness of airport users, passengers, employees and subcontractors about waste reduction and sorting. A sorting centre was installed at the Salvador airport in Brazil to meet the target of zero waste to landfill by 2020. As part of a programme to prevent waste dumping, several awareness actions were led in Peru along the motorway under concession, especially on plastics recycling.

In the Contracting businesses, on top of reducing the amount of waste produced, objectives include on-site waste sorting, traceability, as well as improvements of reuse and reconditioning actions and in the recovery rate for all categories of waste. In France, the Revalo programme was launched by VINCI Construction France and is supported by Ademe and France's Ministry for the Ecological and Inclusive Transition. This programme increases materials recovery while reducing the carbon impact of worksites by optimising waste sorting. In addition, the Optidéchets platform is used to improve waste management and prevention by applying key indicators (sorting rates, cost, average volume, density, etc.) throughout an organisation and provides each worksite with a regulatory registry and a report for its customers. This solution has been implemented at every VINCI Construction France building worksite in the Paris region. The waste recovery rate is 80%, exceeding the French and European regulatory requirement of 70%. As a founding member of Circolab, VINCI Construction France continues to work with this organisation, focused on educating stakeholders about waste recovery. Circolab aims to promote reuse in the property industry, encourage synergies, foster stakeholder engagement and tighten regulations. Its work focuses on defining new indicators and reducing the amount of waste to landfill.

3.3.2.3 Recycling of materials

Recycling materials has been a priority at Eurovia for the past 20 years. This issue has garnered increasing interest from customers in the development of innovative products and processes that use smaller amounts of natural resources and energy. Eurovia now has 150 platforms that recycle most of the waste produced by worksites. Founded in 2018, Mat'ild, a company whose French acronym refers to materials, innovation, logistics and waste, is pursuing its expansion within Eurovia's southern delegation. It operates platforms, such as professional waste centres, and sorting and recovery centres for non-inert and non-hazardous waste from deconstruction sites. This activity is part of Eurovia's circular economy programme. By integrating the collection and transformation of salvageable materials at Eurovia's quarrying sites, these platforms act as recycling centres that serve the local area.

Waste recycling and recovery at Eurovia, with change

	World			France		
	2019	2018	2019/2018 change	2019	2018	2019/2018 change
Percentage of asphalt mix made with reclaimed asphalt pavement	18.7	16.1	+16.1%	14.8	14.8	0.0%
Production of recycled material *(in millions of tonnes)*	11.0	10.6	+3.8%	7.0	6.9	+1.4%
Total recycled material as a percentage of total aggregate production	13.3	10.4	+27.9%	14.7	11.2	+31.3%

After opening a section of the first fully recycled road, Eurovia moved forward with several experiments conducted on the TRX100% continuous asphalt plant. The processes tested achieved high recycling rates, up to 70% on country road worksites. By raising industry standards on recycling for any type of road infrastructure, Eurovia is fully engaged in meeting the Group's goal to develop recycling solutions for construction materials.

13%
recycled aggregate mix produced in 2019 out of Eurovia's total production

3.3.3 Circular economy solutions

Above and beyond applying circular economy principles within their scope, Group companies are also designing more circular economy solutions for customers at every stage: development of biosourced materials, waste reduction and sorting, recovery, and so forth.

Many solutions are being developed to adopt responsible sourcing practices. Arbonis is a subsidiary of VINCI Construction France specialised in the design and construction of timber buildings. In 2019, the company was involved in major operations in France to build schools and logistics platforms, and to perform energy retrofits in housing developments. Arbonis draws on the EnergieSprong approach, a Dutch initiative that coordinates renovation activities to enable home energy retrofits on a large scale. By developing mass production through standards that can be industrialised, therefore reducing costs, this approach sets Arbonis apart on the renovation market. The biosourced, prefabricated materials used meet the criteria of the certifications and labels that appeal to customers, and the retrofit is completed in a short time frame, with a minimum impact on occupants.

Innovative projects developed through Leonard, VINCI's forward-looking innovation platform, include Waste Marketplace, a digital solution for managing worksite waste. Not only can this tool be used to coordinate the disposal of this waste more quickly and efficiently, Waste Marketplace also supports companies in implementing custom solutions to handle special waste through a network of waste treatment specialists and industrial users of secondary raw materials.

Industrial and territorial ecology, one of the circular economy pillars defined by Ademe, the French environment and energy management agency, applies to several Group businesses. Eurovia's Granulat+ programme – recognised since 2013 by France's Ministry of the Environment as a leading initiative in the circular economy – aims to recover all the resources needed to produce aggregates used in construction. Based on the combined efforts of quarry managers, local waste producers and raw materials users, Granulat+ has been rolled out in southern France, the Greater Paris region and Normandy.

At the VivaTech 2019 exhibition, VINCI Airports and VINCI Energies launched a challenge to apply automation and image recognition to waste recycling, in order to improve waste management at airport security checkpoints. The selected winner was the startup Greedy Station, a French company in south-eastern France specialised in recycling solutions. The companies joined forces to develop a smart sorting machine featuring optical sensors and image recognition technology. A pilot project to test the solution is being launched at the Lisbon airport, in partnership with VINCI Energies.

3.4 Natural environments

3.4.1 Protecting natural environments

In addition to its objective of adapting to climate change and supporting the circular economy, the Group pledges to take action to protect natural environments. In this effort, VINCI has identified three areas of response to issues affecting water, biodiversity and local pollution risks:
– assess and avoid noise pollution and environmental incidents in the Group's business activities;
– reduce water consumption, especially in areas of water stress;
– initiate a programme to achieve a zero net loss of biodiversity.

The Biodiversity Task Force, comprised of about 40 ecology experts and environment managers from VINCI's different activities, is responsible for the Group's governance of biodiversity. It is primarily responsible for monitoring the regulatory environment, developing scientific expertise, analysing risks, promoting initiatives and sharing best practices. The task force encourages organisations, engineering and design departments, government authority representatives and companies to transmit information on what they do and the tools they use. The Group has developed a network of more than 500 biodiversity coordinators who work on issues affecting all business lines. In 2018, VINCI joined some 60 French business leaders in the voluntary initiative act4nature, which aims to integrate biodiversity issues into all business strategies and models, and at every level in an organisation. Its commitments cover the improvement and dissemination of knowledge and best practices in biodiversity conservation, employee training and awareness, the development of new solutions and the strengthening of partnerships.

Several Group companies with long-cycle business activities that directly influence natural environments – notably those involved in the concession-construction of transport infrastructure (motorways, airports), earthworks and quarries – have introduced their own specially adapted biodiversity programme.

Based on the principle of avoiding and reducing impacts on natural environments or, in the last resort, offsetting them, measures from these programmes are developed and applied in partnership with the most appropriate stakeholders, depending on the project, location, species and ecosystem. Across all VINCI companies, more than 640 partnership agreements on biodiversity issues with non-profit organisations, research centres and engineering and design firms were signed or in effect in 2019.

3.4.2 Actions to protect natural environments

3.4.2.1 Pollution and incidents

VINCI companies work to avoid or reduce as much as possible the impact of their business activities on the environment. This commitment is adapted to take into account the local context, with appropriate environmental management systems. This policy of preventing impacts is also covered in the Group's duty of vigilance plan (see page 255). Along with water and biodiversity conservation (see the measures set out in paragraphs 3.4.2.2 and 3.4.2.3), Group businesses take steps to reduce noise and light pollution and to improve air quality.

- **Air quality**

VINCI companies focus on issues concerning both indoor and outdoor air quality. For Contracting companies, this area covers several aspects and requires a range of appropriate measures: limiting greenhouse gas emissions, reduction of nitrogen oxides in road surfaces, protecting indoor air quality in new and existing buildings in operation, etc. In Concessions, especially at VINCI Airports and VINCI Autoroutes, most air emissions are generated by users of cars, trucks, aircraft, etc. The entities concerned continuously implement actions to reduce these emissions (see "Greenhouse gas emissions" in paragraph 3.2.2.2, page 228).

Group companies also encourage reducing emissions from their own vehicles generated during their business activities. For instance, Spiecapag (Entrepose) has introduced an in-vehicle monitoring system (IVMS). Along with improving safety, the IVMS effectively manages fuel use for the project, for an average reduction in fuel consumption of 15%.

• Noise pollution
All VINCI projects are subject to a preliminary noise study to limit the pollution generated by urban construction sites, motorway traffic and so forth. VINCI companies systematically offer technical solutions during the construction phase, including changes to a motorway route, erecting noise barriers and embankments, and using special low-noise road surfacing materials such as Eurovia's Viaphone®. This quiet, fine-graded asphalt concrete substantially reduces road traffic noise, enhancing acoustic comfort. Meanwhile, VINCI Airports takes measures to reduce noise pollution as much as possible for local residents at all of its airports in operation. These measures include a system that continuously monitors noise and flight paths, noise insulation for nearby housing, and studies and action plans to reduce noise. Performance is measured by the monitoring system and is available online, as are flight paths. Initiatives supporting dialogue and consultation have also been taken by LISEA for the South Europe Atlantic high-speed rail line, with numerous meetings between local residents and mayors of municipalities affected by the project.

VINCI entities also work to reduce noise caused by machines used on worksites. Soletanche Bachy (Soletanche Freyssinet) has developed a partnership with Cetim, a French technical centre for mechanical industry, to find ways to reduce noise from using machines and equipment.

Noise levels on motorways in France are monitored regularly for their noise footprint to enable VINCI's motorway concession companies to identify and absorb noise black spots. Homes and other buildings that qualify are protected individually using noise insulation in their facades, or are protected at the noise source by noise barriers or embankments planted with shrubs or trees. Since 2010, 7,754 homes have been protected from noise on VINCI Autoroutes motorways.

• Light pollution
To limit light pollution caused by the operation of infrastructure, opaque screens can be installed along motorways and adapted lighting systems (light directed only towards the ground) set up at worksites and concessions in operation. Citeos (VINCI Energies) has incorporated measures into its contracts for operating public lighting networks. These measures include efficient anti-light pollution equipment, smart lighting systems, automatic shutdown of certain light sources, and consideration for "dark corridors" (reservoirs and corridors suitable for nocturnal species) provided for in lighting plans to reduce the impact on biodiversity.

3.4.2.2 Water and aquatic environments

The Group's water strategy is based on its environmental policy. It calls for including water consumption and pollution prevention in risk analyses, measuring and reducing water consumption resulting from its business activities and products, and protecting aquatic environments and their ecosystems.
VINCI answered the CDP Water Information Request for the eighth time, to be once again among the 2,435 companies worldwide capable of replying to the information request supported by 525 global investors. The Group achieved a score of B- for its performance in 2018, better than that of many other companies in its sector for water management. A marine and inland waterway works Pivot Club identifies expertise and designs new, specific offerings that account for approximately 5% of VINCI Construction's revenue. These offerings are mainly available through VINCI Construction Maritime et Fluvial, which has several dredging, undersea rock excavation and underwater works projects in progress.
Group companies monitor water resources particularly carefully. Subsidiaries have adopted a number of specific initiatives to reduce their consumption. Leak detection programmes have been implemented at VINCI Autoroutes. As part of the Group's new environmental ambition, VINCI Concessions has set a target to cut water consumption per unit of traffic in half. VINCI Construction has introduced a wastewater recycling policy in France. About 100 closed-loop concrete mixer washing stations have significantly reduced water consumption at worksites.

Consumption of water purchased (in cubic metres), with change

	2019	2018	Change
Concessions	**3,488,832**	**2,778,392**	**+25.6%**
VINCI Autoroutes	722,463	811,742	-4.8%
VINCI Airports	2,650,466	1,870,792	+41.7%
Other concessions	65,903	95,858	-31.2%
Contracting	**9,546,134**	**7,839,213**	**+21.8%**
VINCI Energies	442,807	326,170	+35.8%
Eurovia	3,272,993	3,085,122	+6.1%
VINCI Construction	5,830,334	4,427,921	+31.7%
VINCI Immobilier	**105,733**	**4,123**	**+2,464.5%**
Total	**13,140,699**	**10,621,728**	**+23.7%**

In the Contracting business, the marked variation in consumption is explained by the significant differences in the types of project from one year to the next. Consumption rose for the Concessions business, partly due to the inclusion of new airport concessions.

VINCI companies continuously improve their monitoring of water consumption by consolidating the monitoring of consumption of water from boreholes and of water pumped directly from the natural environment. But measuring the consumption of water purchased or taken directly from the environment by drilling or pumping remains complex. Measurements must be combined with a qualitative analysis to assess the actual impact of water use and how it returns to the natural environment. By way of example, earthworks activities use water mainly for hosing down work areas to reduce the amount of dust produced. In Africa, water is often pumped using electric generators installed near villages so that communities can have easy access to water. The water itself undergoes no transformation whatsoever. It either evaporates or runs back to the water table without being polluted. Rainwater is collected at Eurovia sites for use in sprinkler systems. For foundations operations (tunnels, metro lines), the underground water is pumped before returning into the water table, unpolluted, after analysis and treatment if needed. These examples show the complexity of measuring consumption given the diversity of VINCI's businesses.

Consumption of water taken directly from the natural environment (in cubic metres)

	2019				2018			
	VINCI Autoroutes	VINCI Airports	Other concessions	Total Concessions	VINCI Autoroutes	VINCI Airports	Other concessions	Total Concessions
Water from boreholes and taken directly from the natural environment	301,054	226,135	2,824	**530,013**	399,454	197,954	3,376	**600,784**

Conserving water resources also involves protecting wetlands. For example, of all the VINCI motorways in service in France, 79.2% have been equipped with either natural water protection systems or engineering structures that address potential problems to prevent accidental pollution in the surrounding natural environment.
The life cycle analysis tools used by VINCI provide a detailed assessment of the water footprint of specific neighbourhoods, with particular emphasis given to ground permeability, rainwater harvesting and wastewater treatment.

3.4.2.3 Biodiversity conservation

• Conserving biodiversity at concessions

Operators of linear infrastructure concessions are primarily concerned with limiting the fragmentation of natural habitats during construction work, focusing their efforts on the ecological transparency of their infrastructure, the reversibility of barriers and the restoration of sensitive environments and ecological connectivity. This includes installing wildlife crossings, making improvements to hydraulic structures, restoring and enhancing sites of ecological interest, redeveloping slopes, sustainable roadside grass mowing, and so on. Several wildlife crossings opened in 2019 along VINCI Autoroutes motorways. Partnerships were then developed with local organisations to implement environmental monitoring methods for these structures. As they design and operate infrastructure over the long term, concession companies can develop expertise and use their network under concession for field surveys and educational initiatives. For example, government agencies enlisted VINCI Autoroutes and its local partners on the A89 to study several structures along the Allier River, using radio-tracking to measure the effectiveness of the fishways built. These studies are part of conservation efforts to protect the Atlantic salmon, a highly endangered migratory species. VINCI Autoroutes also works to keep users informed about biodiversity conservation at the environmental awareness spaces it sets up at rest areas along summer routes, and invited children from nearby schools to visit wildlife crossing construction sites.

66% reduction
in the consumption of phytosanitary products at VINCI Autoroutes since 2008

Wildlife crossings and fenced sections on the motorways of VINCI Autoroutes companies

	2019	2018	2017
Crossings for small and large wildlife *(in number)*	957	956	883
Fenced sections *(in km)*	8,765	8,730	8,651

VINCI Autoroutes has also taken steps to reduce the impact of the operation phase of motorways on natural environments. For example, the considerable efforts engaged to limit the use of phytosanitary products have led to a 66% decrease in their use since 2008. The target to achieve zero use of phytosanitary products also applies at VINCI Airports, which has turned to alternative solutions such as thermal or mechanical control methods for plant protection. In 2018, VINCI Airports also signed a partnership with France's national beekeepers association (Unaf) to show that, if managed properly, land surrounding airports can provide a particularly favourable habitat for pollinators. These initiatives come under a global aim to protect natural environments and are supplemented with an assessment of biodiversity issues at each airport. These assessments can then be applied to adapt action plans to the local context, addressing wildlife hazards in particular.
For example, a whole region-wide network of partners – government services, environmental organisations, scientific partners, chambers of agriculture, hunting and fishing federations, and so on – is involved in the emblematic South Europe Atlantic high-speed rail line project. They bring together the ecological and local expertise necessary to make sure environmental measures are implemented properly along the entire line. The LISEA environmental observatory monitors all environmental measures throughout the duration of the concession and in every region crossed by the South Europe Atlantic high-speed rail line. This provides an overarching perspective of the steps taken to support the environment and address the impact of the infrastructure.

• Conserving biodiversity in quarries

The main biodiversity issue faced by Eurovia is the production of aggregates, either in connection with the operation of quarry sites or during the site rehabilitation phase. For example, extraction activities are likely to have a lasting impact on the land's biological balance. But new environments can be created during the rehabilitation phase, bringing back new, even protected, species. To assess the effectiveness of measures that are implemented at quarry sites to protect species, initial assessments are now improved by taking inventories while the sites are in operation. Biodiversity is even more carefully taken into account during the rehabilitation of quarries, a phase essential for remediating the site so that it regains its original ecological function.

Eurovia's partnership established in 2012 with PatriNat, a collaborative research and education entity focusing on natural heritage, was renewed in 2019. This partnership has resulted in a methodology used to analyse natural environments and a study on the balance of plant and animal life at each site. Using this approach, Eurovia sites can be mapped based on their natural environment and species living there. Measures can then be determined to conserve and provide a favourable environment for new plant and animal species. Based on an Ecological Quality Indicator (IQE) designed by France's Natural History Museum (MNHN), the method has been tested on about 30 sites since the partnership was founded.

Eurovia's biodiversity indicators specific to quarries

	2019	2018	2017
Quarries that have set up a CLCS (*)	40%	44%	39%
Quarries that have formed partnerships with local naturalists	18%	18%	35%
Number of data on flora and fauna sent to the INPN (**) by Eurovia quarries	13,214	12,867	12,120

(*) Local committee for consultation and monitoring.
(**) Inventaire National du Patrimoine Naturel (national inventory of natural heritage).

• Combating the loss of land and maintaining habitats

Combating the loss of natural and agricultural land and maintaining an attractive habitat for the species living there are factors taken into consideration before project implementation and throughout the operating life of infrastructure. More detailed study goes into projects with a significant or long-term impact on the land, such as linear infrastructure or Eurovia's quarries. Aware of the impact of their businesses, VINCI entities may go a step further than complying with measures required by regulations on ecological compensation. Some Group companies specialise in ecological engineering, including Eurovia's subsidiaries Cognac TP, GC3E and Sethy, as well as Equo Vivo, the new brand developed by VINCI Construction Terrassement. These subsidiaries take measures to restore the ecological balance of land and environments affected by construction works, such as planting native species, combating invasive non-native species, and restoring wetlands and waterways with diminished ecological functions.

VINCI Immobilier has developed expertise in establishing partnerships with land remediation experts, which is useful in development projects that require a global environmental approach due to their size or type of land. In early 2019, the company acquired a portfolio of industrial sites from Engie, in partnership with Brownfields. Once these sites have been restored, VINCI Immobilier and Brownfields will develop property programmes, mainly involving residential properties. Taking a global approach to property development helps limit energy consumption, encourages non-motorised mobility, promotes social integration and creates new living spaces.

In 2018, VINCI extended its partnership with the Institute for Sustainable Development and International Relations (IDDRI). Research focused on the loss of natural land, more specifically through the construction of business and retail parks.

3.4.3 Solutions for protecting natural environments

In addition to reducing the impact of their activities on biodiversity and natural environments, Group companies develop protection solutions to address a broad range of issues and at varying scales.

• Reducing pollution

To improve air quality when treating road surfaces, Eurovia has developed NOxer®, an innovative air pollution treatment process that removes nitrogen oxides. The process removes between 15% and 25% of total air pollution and eliminates up to 75% of nitrogen oxides for local residents. The solution has been adapted and combined with noise barriers to abate noise pollution as well.

VINCI companies also develop solutions to measure and control urban air quality for government organisations. For example, the VINCI Energies company Citeos develops its solutions under global energy performance contracts, such as in Marignane in the south of France. The company will develop a plan to reduce light pollution in the city, by 30% in inhabited areas, by creating a lighting environment that respects biodiversity. With the remote management of each light point and the use of LED lighting, the target of 70% energy savings is achievable within 10 years.

• Protecting water resources

Some subsidiaries have created specific products and services to conserve fresh water resources. VINCI Construction Terrassement has thus developed Aqua-eco, a new technology able to reduce by up to 40% the amount of water used for hosing down civil engineering project worksites. VINCI Construction Grands Projets has set up Water Management International, a structure designed to manage and optimise drinking water systems outside France. Research on urban rainwater management carried out as part of the activities of VINCI and ParisTech's lab recherche environnement came up with several solutions that could be applied to urban agriculture and the creation of green roofs. As a result, 65% of rainwater runoff can be collected in planters installed on roofs.

• Biodiversity conservation

Expertise in ecological engineering is growing at VINCI entities. Extract, a subsidiary of VINCI Construction France, is the French leader in the treatment of sediment. Its polluted site and soil remediation activities are primarily carried out at its recovery facility near Paris, which can treat up to about 250,000 tonnes of materials per year. Its operations align perfectly with the circular economy and improved use of land.

With the Equo Vivo brand, VINCI Construction Terrassement brings together its technical expertise, know-how and experience in environmental improvement projects to better serve its customers. Equo Vivo services cover three areas: ecological connectivity, renaturing of aquatic environments and wetlands (streams, marshes, ponds, etc.), and plant-based engineering.

Along with the growing development of market solutions and tools, the Group is involved in many partnerships to promote biodiversity. The LISEA Biodiversity Foundation, set up at the end of 2012 with a budget of €5 million for the period 2012-2020, helps to finance local projects submitted by non-profit organisations, companies or research centres located in any of the six French administrative departments crossed by the Tours–Bordeaux rail line: Indre et Loire, Vienne, Deux Sevres, Charente, Charente Maritime and Gironde.

Since 2014, VINCI has been part of the Strategic Guidance Council at the Foundation for Research on Biodiversity (FRB), whose members (non-profit organisations, research centres, government services, businesses, etc.) work to support dialogue and exchange on best practices to address biodiversity issues.
As part of the research activities of lab recherche environnement, students at AgroParisTech have developed a number of tools and solutions designed to conserve biodiversity in the urban environment. For example, Biodi(V)strict® is a diagnostic and decision-making tool used to measure the biodiversity potential of an urban or peri-urban development project. Also, Urbalia, created in 2017, is the culmination of a unique partnership initiated by AgroParisTech and VINCI in connection with lab recherche environnement to promote biodiversity and urban agriculture. Urbalia supports property professionals in creating spaces that strengthen biodiversity and integrate local agriculture. These spaces are not only more resilient to climate change, but also provide a better setting for people to live in, along with numerous services (urban cooling, rainwater management, local production, and health and well-being areas). Having earned the BiodiverCity® label and Effinature certification, in 2019 Urbalia assisted the Agro Paris-Saclay Campus project in Palaiseau outside Paris as well as a 32-unit housing programme in Montreuil to the east of the capital in obtaining widely recognised certifications.

4. Duty of vigilance plan

This section of the annual report aims to satisfy the requirements of French law no. 2017-399 on the duty of vigilance of parent companies and subcontracting companies to identify risks and prevent severe impacts on human rights and fundamental freedoms, on people's health and safety and on the environment, resulting from the activities of the company, those of its subsidiaries or those of the subcontractors or suppliers with whom they have an established business relationship.

4.1 The Group's organisation, business activities and value chain

The objective of VINCI's activities is all-round performance, which in addition to economic and financial performance includes attaining social and environmental goals. This is the only possible vision for a regional contributor whose activities and constructions are designed for the long term and have a major impact on local communities. Improving the local living environment is a goal shared by all Group companies, which strive to:
• contribute to projects in the public interest that benefit local populations;
• proactively offer innovative solutions that best meet customers' needs;
• work collaboratively by engaging all stakeholders in a shared project.

Due to the very nature and diversity of its businesses and activities, VINCI is first and foremost a multi-local Group. Regardless of whether its companies develop construction projects or infrastructure concessions, they establish local operations, produce locally with mainly local management, partners and staff, for local use in local conditions. VINCI is made up of a network of companies, often small or medium-sized, that have long-established roots in their operating regions and that strive to contribute positively to their development. Conscious of its commitments to regional development, the Group works to stimulate local entrepreneurship.

At 31 December 2019:

1,542 companies, **67%** of which have fewer than **100** employees

222,397 staff worldwide in over **100** countries

75%	11%	7%	5%	2%	84%
Europe (45% in France)	Americas	Africa	Asia and the Middle East	Oceania	in OECD countries

Group entities frequently undertake project-based work. This means that they provide services over variable periods of time (ranging from a few weeks to a few years), for projects of varying sizes and natures. They work with a variety of partners and subcontractors for varying periods of time, involving fluctuating numbers of workers, in changing geographical areas. They are sometimes the subcontracting company and sometimes a subcontractor for customers with diverse sets of requirements and priorities with regard to environmental, employment and social issues. Consequently, each project has its own ecosystem, so any action must be targeted and address operational issues.

Another feature of the construction and concessions businesses is the fact that operations are often highly integrated, meaning that an essential portion of the supply chain operates on VINCI sites. Subcontractors of all levels work alongside the Group's teams at its worksites or sites under operation. The subcontractor supply chain is therefore closely monitored and subject to a shared set of rules. The same applies to workers recruited through temporary employment agencies. Both subcontracting and temporary labour are essential to the Group's business activities, whether in construction or concessions, and account for a significantly high volume of purchases. Accordingly, these two components of the value chain have been included in VINCI's duty of vigilance plan as priority areas for improvement. The Group's other purchases (the main categories of which include materials, such as concrete and bitumen, and purchased or leased worksite equipment) are also, by nature, mainly local and often part of a short supply chain. Gradually, these purchases will also be incorporated into the Group's duty of vigilance plan. In support of this, purchasing governance was reinforced in 2019 (see paragraph 2.2, "Relations with suppliers and subcontractors", page 216).

35%
of purchases are
subcontracting purchases

Whatever the business activities, projects or worksites of VINCI companies, and regardless of whether their customers are public (such as public or local authorities or government-owned companies) or private (such as property developers or other private-sector companies), VINCI's companies invariably serve customers who order the design or construction of infrastructure or who delegate its management, maintenance and operation. VINCI companies perform their work under contract and report continuously on their activity to their customers and, in some cases, to the inspection bodies and regulators in charge of project monitoring and inspection. In an intensely competitive industry, VINCI companies not only meet the requirements set by customers, but also strive to spread best practices and promote innovation, including in social and environmental matters, while complying with applicable laws and the Group's commitments. Contracts with public authorities increasingly include social and environmental obligations that are reported on and verified on a regular basis. Lastly, Group companies operate within a specific value chain involving a large number of players (architects, design firms, engineers, regulators, inspectors, investors, lenders, partners, government and local authorities, etc.) in addition to its customers. As a result, Group companies do not necessarily act as contracting authorities and are not always in a position to choose which service providers, techniques and supplies are employed.

33%
of customers are public
sector organisations

VINCI takes all of these parameters into account in designing and implementing vigilance measures that are relevant and effective with regard to its organisational model, value chain and the specific challenges of each sector.

4.2 Duty of vigilance governance

VINCI's duty of vigilance plan encompasses all entities controlled by VINCI as defined in article 233-3 of the French Commercial Code. It builds on the sustainable development commitments in the Group's Manifesto, the Code of Ethics and Conduct and, more broadly, Group policies that help prevent risks to people and the environment by promoting the implementation of vigilance measures in the three areas covered by the duty of vigilance law.

Vigilance measures and their implementation in each of these areas – people's health and safety, human rights and the environment – are supervised by distinct governance structures.

• Health and safety governance

The Group's health and safety policy, reinforced by a joint declaration of essential actions concerning occupational health and safety (www.vinci.com/vinci.nsf/en/item/essential-and-fundamental-actions-concerning-occupational-health-and-safety.htm), is supervised by the Health and Safety Coordination unit, overseen by the VINCI Executive Committee. Signed by the Chairman and CEO of VINCI and the Secretary of the European Works Council, the declaration sets a reference framework for the Group by identifying essential and fundamental occupational health and safety actions.

The Coordination unit is made up of the health and safety directors of the Group's business lines, so that a strong safety culture can be spread and shared by all VINCI companies. Its mission is to build this shared culture, mainly by facilitating best practice sharing and the exchange of feedback, assessing existing procedures, enhancing the reliability of indicators and by suggesting new paths of improvement adapted to each activity. Accident prevention Pivot Clubs and internal collaboration platforms help disseminate and monitor measures throughout the community of health and safety officers, coordinators and experts. These measures are also carried out by a network of more than 2,500 employees working in health and safety roles throughout the Group.

In 2019, one meeting of all the Health and Safety Pivot Club coordinators was held and the Coordination unit met three times. During the unit's meetings, briefings on any significant accidents or events in each business line were given, and human resources needs in health and safety were discussed. The Coordination unit also continued to map major risks and build a skills inventory in health and safety.

The health and safety policy is presented to the Board of Directors' Strategy and CSR Committee each year. In early 2020, each business line presented its health and safety policy and the 2019 results to VINCI's Executive Committee. Health and safety holds a central place in the Group's labour-management dialogue and leads the agenda at every Group Works Council or European Works Council meeting.

• Human rights governance

The Group's human rights risk prevention policy is communicated in VINCI's Guide on Human Rights, which forms the backbone of its work in this area (www.vinci.com/vinci.nsf/en/item/guide-on-Human-rights.htm). The Group has set up an organisation and procedures to coordinate and monitor measures and thereby ensure that its commitments and principles are being cascaded to VINCI entities, their projects and their worksites.

At VINCI, human rights issues are championed at the Group's highest level. In 2019, the Chairman and CEO confirmed the Group's commitment to raise the bar on respect for human rights and embed them in its corporate culture by signing the French version of the CEO Guide to Human Rights, published by the World Business Council for Sustainable Development (WBCSD), along with nine other French top executives.

The human rights policy is coordinated by the Human Resources Department and its director, who is a member of VINCI's Executive Committee, and promoted throughout the Group by a human rights steering committee, comprised of the human resources directors of all business lines and divisions. As VINCI's management is highly decentralised, this committee created in 2015 facilitates decision-making, discussions and collaboration among the Group's business lines and divisions. Members keep their respective management committees informed and are in charge of disseminating and rolling out measures in their respective business lines and divisions. At every meeting, the steering committee assesses the progress made regarding the human rights component of the duty of vigilance plan. The committee meets on a quarterly basis. The teams working on the operational side to ensure the respect of human rights are therefore primarily the Group's human resources professionals, as well as its operational managers, who occupy key roles in the Group's organisation.

Day to day, the human rights policy is coordinated by the Corporate Social Responsibility Department, reporting to the Human Resources Department, which provides support to business lines and divisions in integrating and disseminating Group measures, develops and enhances mapping and assessment tools, conducts assessments, builds awareness among management committees and employees, and communicates with Purchasing, Internal Control, Ethics and Vigilance and other departments. The team is in frequent contact with external stakeholders involved in human rights to address identified issues, answer questions and provide further information about the measures taken in the Group.

In October 2019, the human rights component of the duty of vigilance plan was discussed by the 25 members of the European Works Council and their deputies (see paragraph 4.4, "Duty of vigilance with regard to human rights"). Furthermore, the Group Human Resources Director presents the human rights policy implementation to the Board of Directors' Strategy and CSR Committee each year.

• Environmental governance

Management of VINCI's environmental issues is built on the commitments made by its Executive Committee and expressed in the Group's new environmental ambition. The related goals are supported and coordinated at the Group's highest echelon by the Environment Department.

The Group's Environment Department organises the environmental component of the Group's duty of vigilance plan, based on the shared environmental goals of VINCI's business lines and entities in three areas: climate change, the circular economy and natural environments. The Environment Department leads the environmental committees, whose members are the environmental managers and directors of the Group's business lines, and the environmental network of more than 500 correspondents.

Duty of vigilance measures relating to the environment are cascaded to each entity and followed up locally, in accordance with the Group's decentralised structure, so that the action taken is adapted to local realities. Group initiatives are based on the measures and processes that VINCI companies have already implemented for many years to avoid or reduce the environmental impact of their activity in the countries in which they operate. In this manner, the Group's entities define their own risk prevention procedures for their activities. More specifically, they build environmental policies that align with the Group's new environmental ambition, implement environmental management systems and develop internal environmental standards and labels.

In subsidiaries, chief executives and senior management are in charge of ensuring regulatory compliance and the implementation of risk prevention procedures for their operational scope. They are assisted by the network of environmental correspondents, who provide environmental expertise.

The environmental component of the duty of vigilance plan was presented to the European Works Council and discussed by its members in November 2019.

• Overall duty of vigilance governance

The Ethics and Vigilance Department provides support in implementing the Group's compliance procedures, in particular with regard to the Code of Ethics and Conduct. The department, which reports to the Group's Executive Management, was created on 1 January 2018 (see paragraph 2.4, "Business ethics").

Implementation of the duty of vigilance plan is regularly reviewed by the Ethics and Vigilance Committee, formed in March 2018. This seven-member committee includes five Executive Committee members and ensures that the compliance procedures covered by the Code of Ethics and Conduct are diffused and amended as necessary. These include procedures relating to the fight against corruption and the prevention of severe impacts on human rights and fundamental freedoms, on people's health and safety and on the environment, resulting from the Group's activities. The committee meets at least once every quarter and met six times in 2019. It reports annually on its activity to the Board of Directors' Strategy and CSR Committee.

4.3 Duty of vigilance with regard to health and safety

As its activities carry inherent risks, VINCI has made health and safety at work a priority. The Group's health and safety policy aims to anticipate and prevent these risks, including psychosocial risks, to ensure hygiene, health, safety and quality of life in the workplace, and to ensure the redeployment of employees who have suffered a workplace accident or illness. The Group also aims to achieve zero accidents, which applies to employees, temporary workers and external staff at VINCI worksites or sites operated by VINCI. This goal is one of the commitments published in VINCI's Manifesto in 2012. Due to continually changing jobs, tools, techniques, processes and new technologies, constant vigilance is needed. Therefore, VINCI not only applies rules and procedures, but also calls for the continuous development of a prevention and safety culture for all that addresses all types of risk to people's health and safety and is shared at all levels of the organisation.

4.3.1 Mapping of the Group's major risks

• Identification and ranking of VINCI's main issues

In VINCI's sectors, taking a targeted approach, based on the business activity and country, has always been fundamental in identifying and preventing risks to people's health and safety. Each business line and division has its own risk map specific to its business activities and operational environments. At the operational level, each Group site must conduct a health and safety risk analysis ahead of any work situation, taking into account the geographical context, the characteristics of the work being considered and its technical specificities. These multiple levels of analysis are essential to developing initiatives and responses tailored to the operational issues of each project, activity and country.

In addition, with the assistance of the Institut pour une Culture de Sécurité Industrielle (ICSI), a mapping of major risks at Group level was conducted in 2018. ICSI interviewed the health and safety directors of VINCI business lines and divisions over several months to highlight the major risks inherent to their respective businesses and analyse the documents used to manage these risks and related Group processes. The map revealed the most common major risks shared by the Group's activities. A milestone review is currently under way, with the support of ICSI.

• VINCI's main issues

This work resulted in the identification of six main risk categories and various types of potentially major events, which range from events affecting the entire Group to events specific to the activities of particular business lines and divisions. The Health and Safety Coordination unit identifies major risks by combining an assessment of the likelihood of an event (actual or potential) and the severity of its outcome (actual or potential). A major risk is therefore the risk that a major event occurs and has severe consequences for a subject (employee, temporary worker, subcontractor or third party). Severity level is determined based on situations and events that have actually occurred as well as those for which the potential severity was high, meaning that in slightly different circumstances, the consequences could have been major.

These main categories of risks to people's health and safety are:

Main risk categories	Types of potentially major event
Risks relating to moving masses	Collision with moving equipment or materials
	Collision with worksite machines or vehicles
	Collision with third-party vehicles
Risks relating to falling objects or loads	Blows from falling objects or materials
	Blows from the collapse of a construction
	Crushing from the fall of a suspended load
Risks relating to working at height	Falling from heights
Risks relating to energised or pressure equipment	Electrocution
	Projection of high-pressure fluids
	Projection of pressure machinery parts
Risks relating to handheld mechanical tools	Cuts and punctures from sharp handheld mechanical tools
Risks relating to road traffic	Road accidents

4.3.2 Measures to assess the situation of subsidiaries, subcontractors and suppliers

Business lines and divisions develop their own prevention policies that are adapted to their activity, geographical area and operational environment. These policies establish rules that should enable all foreseeable situations to be planned for, but also rely on the ability of individuals and teams to use their experience and training to manage unexpected events. The policies are implemented with varying degrees of decentralisation, so that any situation that arises can be handled as effectively as possible. The established procedures make no distinction between employees of Group companies and temporary or subcontractor staff: all active personnel at any given site work in the same conditions. Annual action plans and specific audit schedules support these policies, which are monitored by line management superiors and the network of health and safety officers. Every business line and division in the Group therefore has a risk prevention policy, an associated action plan, a schedule of audits and a dedicated team of specialists. Safety inspections and audits carried out by safety officers, whether of VINCI's entities and employees or of worksites operated by external companies (whether or not they belong to the Group), are an essential part of this policy.

The Group is also expanding the practice of cross-auditing by health and safety representatives in its various companies. For example, VINCI Autoroutes' internal control programme includes cross-audits among the business line's three companies (ASF, Cofiroute and Escota), conducted by a member of the prevention team in each company. Twelve internal audits, each carried out by regional management and based on a shared set of internal guidelines, are also conducted annually. Using a standard set of criteria, various issues are given a score reflecting their level of management and maturity, and strengths and areas for improvement are identified. Audited issues include

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prevention policy and its organisation and coordination; training programmes and initiatives; preparation and organisation of work; management of materials, equipment and products; management of accidental events; medical monitoring of employees; and the management of works and services entrusted to external companies. Each audit concludes with a detailed report of observations made and a plan for corrective actions to be monitored by the relevant regional management.

VINCI Construction's divisions have rolled out robust health and safety systems. VINCI Construction Grands Projets has a dedicated audit team within its Quality, Safety, Environment and Information Systems Department (DQSE-I). Rules have been established that require each project to be audited by VINCI Construction Grands Projets headquarters every two years and also require a dedicated QSE management system and corresponding audit schedule to be set up for every project as soon as it is created. Each year, the VINCI Construction Grands Projets management committee sets the annual audit schedule to be implemented and monitored by the audit team. A notification is sent prior to each audit, along with a detailed, tailored audit plan. Audits are based on applicable standards (ISO 9001, ISO 14001, ISO 45001, etc.) and guidelines applied by VINCI, VINCI Construction and VINCI Construction Grands Projets, as well as special requirements (a safety plan, process map, contract, partner requirements, local standards, etc.) identified from the start due to the project's particularities. ISO 9001, a core standard for audits, covers all aspects relating to the management, selection, monitoring and assessment of subcontractors. It should be noted that audits cover the entire site and, particularly with regard to health and safety, all site personnel (including subcontractors and other staff) without distinction. Upon completion of an audit, observations are shared with project heads and the audit report is sent to all levels of project management, including the general management of VINCI Construction Grands Projets. Once the audit report is received, the entity suggests actions to remedy any issues. Project managers and the audit team share responsibility for monitoring the action plan: in general, the project's QSE manager informs the auditor when measures are implemented and provides evidence of achievements. Periodic progress reports on achievements and trends are also made. The audit team keeps track of all these measures and supporting documents in a regularly updated dashboard. In 2019, 29 audits were performed, including internal audits at headquarters, amounting to 58 audit days. At 31 December 2019, more than 85% of the corrective actions taken in 2018 had been completed.

85%
of actions completed following 2018 health and safety audits by VINCI Construction Grands Projets

Audit procedures relating to health and safety at Group entities also involve obtaining certifications. The standards in question often require their own audits, which may be conducted by external auditors. Such audits involve every business line and division. Similarly, at their own level, projects, sites under operation and worksites implement risk management systems and, therefore, tools to monitor the management of health and safety risks. These systems draw on the results of the risk analysis performed and regularly updated for every Group site, to address issues specific to the worksite or site under operation. All these different levels of risk monitoring and assessment reinforce and complement each other.

Health and safety audit procedures in VINCI business lines

- Health and safety policy, procedure, internal audit schedules and dedicated department for every VINCI business line
- Health and safety audits conducted on worksites and sites under operation by health and safety officers at different levels of the organisation (more than 2,500 employees in health and safety roles) and by teams from Group departments
- Expanded cross-auditing practices among companies
- Continuous certification process under way in the Group (ISO 45001, MASE, OHSAS 18001, etc.)
- Close involvement of company managers in audit outcomes and improvement actions to be taken
- Inclusion of all site personnel (VINCI employees, temporary workers, subcontractors, etc.) in safety audits on worksites and sites under operation

4.3.3 Tailored actions to mitigate risks or prevent serious impacts

For each site or worksite at which VINCI companies inspect the performance of work, a common set of rules applies to all, with no distinction made between employees, temporary workers or subcontractor staff. Where applicable, the Group entities help the subcontractors and temporary employment agencies they work with to improve their own performance. This assistance is mainly provided at the site under operation or at the worksite.

a. Actions developed and implemented at Group level

• Group-level health and safety policy and guidelines applicable to all

The Group's health and safety policy, which is covered in its Code of Ethics and Conduct and VINCI's Manifesto, was reinforced in 2017 by the signature of a joint declaration by the Chairman and CEO of VINCI and the Secretary of the European Works Council. The statement sets a standard for the Group by identifying essential and fundamental occupational health and safety initiatives. It is currently available in 21 languages and can be accessed by the public on VINCI's website (www.vinci.com/vinci.nsf/en/item/essential-and-fundamental-actions-concerning-occupational-health-and-safety.htm). The declaration is the product of steady, constructive dialogue between management and labour and contributes to a continuous improvement process that should engage all employees to promote a safety culture at VINCI. Its broad dissemination is evidence of its visibility and the level of engagement at the highest echelon of the Group's management. Furthermore, the short-term variable remuneration of VINCI's Chairman and CEO is linked to environmental, social and governance (ESG) criteria, including occupational health and safety indicators.

• Essential and fundamental occupational health and safety actions
The joint statement reiterates the main thrusts of VINCI's health and safety policy, describes the initiatives and measures to be implemented at all the Group's sites and provides for the monitoring of results.

At the operational level, each and every site must conduct a risk analysis at the earliest possible stage ahead of any work situation and, based on the findings of the risk analysis, incorporate preventive measures into operating procedures and methods. Each entity must supply suitable personal protective equipment for each work situation and ensure that each worker fully understands the risks associated with their activity and the measures to take to manage them. Work must also be organised at the site in such a way as to safeguard employees' health and safety.

Employee representatives must be involved in the implementation of initiatives, notably in the prevention of workplace accidents and occupational hazards, and must be consulted for suggestions. Safety awareness and training, to ensure that all workers understand the risks, are essential to promoting occupational health and safety. The training must be provided to employees during their work hours; more specifically, employees must be given instructions and explanations relating to their job or assignment. They must be familiar with operating procedures and safety regulations and comply with them. Materials and tools must be used as intended, and personal protection equipment must be worn correctly.

1,542
meetings of health, safety and working conditions committees in 2019

These rules apply to everyone at VINCI, in all activities, in all companies and in all countries where the Group operates.

• Risk prevention for subcontractors and temporary employment agencies
Across the Group, VINCI's Subcontractor Relations Guidelines (www.vinci.com/vinci.nsf/en/item/subcontractor-relations-guidelines.htm) underscore the Group's determination to ensure that the employees of its partner companies work under the same safety conditions as those of its own staff. Disseminated by the regional Pivot Clubs, where the regional managers of the Group's businesses meet regularly and exchange ideas, the guidelines are a tool for Group entities to use in their relations with subcontractors. At VINCI Construction France, a two-day safety training session and assessment is also offered to temporary workers to enable them to obtain a safety passport called Pasi. The passport demonstrates acquisition of the safety fundamentals that temporary workers must understand before they start working at a worksite. Initially created by VINCI Construction France, after it was observed that accidents were more frequent among temporary than permanent staff, the Pasi is now used throughout the industry. The initiative reflects a firm commitment to protect employees and partners alike, in particular by implementing a robust prevention policy. With the Pasi's more widespread use, the training offer has been expanded beyond the Cesame centres of Construction France by providing a shared set of specifications to training providers. As a result, the number and geographic coverage of the safety fundamentals sessions has significantly increased. Many VINCI companies have also signed framework contracts with their subcontractors. The zero accidents objective is the common denominator in these contracts, which include special clauses covering essential measures such as wearing personal protective equipment, reporting workplace accidents and providing ongoing information on any changes in worksite hazards.

In addition, workforce-related and social criteria have been incorporated into the framework contracts signed by the Group with approved temporary employment agencies. These criteria require that the agency demonstrate a strong track record in people's health and safety and a safety culture in the workplace. The latest selection of approved temporary employment agencies in France went into effect on 1 January 2016, for a four-year period. It is compulsory for Group entities to use approved agencies for their temporary recruitments. In 2019, a process was initiated to renew the contracts with the approved agencies. Negotiations began and an action plan to improve quality of service and safety, specific to each company, was added to the procedure. The improvement plans are based on an analysis of the results of the previous phase, especially the health and safety aspects, and contain specific measures to increase the safety of temporary staff, along with indicators to track safety goals. These measures include, for example, surveys of temporary staff, feedback on prevention initiatives, awareness-raising and training events conducted by the company and improved registration of workers' safety documents (ID card, Pasi, etc.). Subject to the outcome of the negotiations, framework contracts with the agencies will be renewed for three years.

47
temporary employment agencies excluded based on ESG criteria during the latest selection process

• Innovation Awards

Every three years, VINCI presents the Innovation Awards. The competition aims to accelerate the spread of local initiatives by its operational employees. The awards distinguish not only technological achievements but also innovations that promote the Group's continuous improvement, notably in the areas of safety, sustainable development and working conditions. One of the award categories recognises innovations for the health and safety of employees, partners and/or customers. For the latest Innovation Awards in 2017, more than 2,000 applications were submitted by more than 5,000 employees, and nearly 150 innovations were distinguished around the world, of which 28% were related to people's health and safety. The selection of judges and the organisation of ceremonies give visibility to the event and show all employees that the topic is an important one for the Group's management. Furthermore, highlighting in-house achievements in occupational health and safety innovation is a reminder to all of the need for constant vigilance, commitment and improvement in this area.

b. Actions adapted by the Group's business lines and divisions

• Guidelines specific to the Group's various activities

Business lines and divisions define guidelines and/or golden rules specific to their activities and take action in their companies, close to the employees who will implement them. Each entity has multiple sources of guidelines – the Group, the business line, the division, the entity itself, and so on. These guidelines reinforce and complement each other to provide a tailored response to the situation of each sector and activity. Audits and prevention measures take into account all these rules and guidelines.

• Negociation of collective agreements on health and safety issues

Labour-management dialogue takes place at every level of the company. As part of its health and safety policy, VINCI negotiates and enters into specific agreements with trade unions and employee representatives on subjects related to improving staff working conditions, thereby enhancing the overall performance of Group companies. In 2019, 29 health, safety & prevention agreements were signed by Group companies.

• Continuous, tailored awareness and training initiatives for employees and managers

Each activity has its own toolbox of measures that are tailored to its own situation and integrates health and safety awareness into its daily routines, such as pre-start and pre-task briefings and 15-minute safety sessions. Initiatives such as these have been rolled out by most activities and offer daily opportunities to review basic safety rules, explain operating procedures, introduce the work environment and engage employees. Many awareness raising and training sessions focus on issues specific to each activity, such as working at height, driving vehicles or hand injury risks. Innovation is also central to these training efforts, in order to continuously improve their effectiveness and adapt them to changing activities.

In addition to on-site training for employees, most of the Group's activities have developed training programmes for executives to strengthen the safety culture among managers. At VINCI Construction, the "Managing with Safety" programme launched in May 2017 has already reached more than 3,700 managers in the target group of 8,000 managers worldwide. It promotes five essential actions, the first of which is to assess the safety culture of managers prior to their annual performance review. The programme addresses the organisational and human factors in accident prevention. Its aim is to help company executives develop a just culture and improve prevention through a better understanding of root causes. Similar training initiatives were developed in other business lines, such as Eurovia's programme entitled "Managing Health & Safety at Eurovia". Worksite visits take place regularly in all Group entities. In addition, a variety of materials are published and events held to make the management's commitment to safety known and visible to all. Meetings of management include health and safety issues on their agenda.

36%
of training hours in 2019 devoted to health and safety

At Group level, ICSI's Safety Academy training resources were added to the VINCI Up! e-learning platform, which makes specialised training modules available to employees at all times.

• Organisation of international health and safety events

Promoting a shared safety culture in the company and in relations with stakeholders is an important driver for developing everyone's skills, motivation and creative potential. For this reason, international health and safety events are regularly organised by the various business lines and divisions, such as International Safety Week, held each year since 2014 by VINCI Construction for its 70,000 employees, or International Prevention Day. VINCI companies continue to involve more and more temporary staff and subcontractors, as well as customers, in safety training and awareness. These events reflect the management's commitment to each activity. Many VINCI subsidiaries organise in-house competitions to reward health and safety initiatives, such as the HSE Challenge at Entrepose and Soletanche Freyssinet (VINCI Construction) and the Security Challenge by VINCI Concessions.

• Health and safety perception surveys

Surveys of employees' perception of the health and safety culture in their company are becoming more common in various parts of the world. They provide specific, objective evaluations of the effectiveness of health and safety policies and help to encourage dialogue in companies for the development of improvement plans.

30,000
employees answered a perception survey on the health and safety environment at Eurovia

• Health and safety certification initiatives
Group companies are stepping up certification efforts in the area of health and safety. Their aim is to promote the continuous analysis of each procedure through a series of audits and thereby improve their performance. These efforts include OHSAS 18001 certification for the optimisation of occupational health and safety management; LSC-VCA-SCC or Mase-UIC certifications; and certification processes for ISO 45001, the new international standard for occupational health and safety. It calls for periodic in-house audits by trained and specialised employees, as well as external audits conducted by competent bodies. A growing number of companies are gradually starting the process to obtain ISO 45001 certification.

Health and safety certifications at VINCI in 2019
- VINCI Construction: 53% of revenue certified OHSAS 18001 and 16.8% of revenue certified ISO 45001
- VINCI Energies: 50% of revenue certified OHSAS 18001
- Eurovia: 46% of revenue from the works activity certified OHSAS 18001
- VINCI Autoroutes: Cofiroute obtained ISO 45001 in April 2019, ASF began the process with the aim of obtaining certification in 2020 and Escota will begin the process in 2020

4.3.4 Alert mechanisms and processing of reports

The joint declaration signed in 2017 by Xavier Huillard and the European Works Council emphasises that any situation observed by employees that represents an imminent threat to health and safety must be immediately reported to the employer or relevant superior. No employee can be reprimanded for making such a report. Likewise, depending on the operational context, employees can avail themselves of procedures such as exercising the right to refuse work, if they believe the situation presents a serious and imminent danger to their life or health.

Managers are strongly encouraged to raise alerts and report hazards. Business lines and divisions have developed dedicated tools to facilitate, streamline and process these reports. An application called "Move Safe" was launched in May 2019 for all VINCI Autoroutes entities. It enables any employee to electronically report a dangerous situation or near miss. The number of reports doubled through use of the application, compared to paper reporting. VINCI Construction and VINCI Energies have developed similar applications for reporting hazardous situations, called Watch and Safety Up, respectively, and made them available to employees. The Watch application for smartphones is intended for use as an additional prevention tool to enhance the effectiveness of accident prevention policies. It has been observed that when hazardous worksite situations are identified, reported and corrected, the risk of an accident caused by that situation is diminished. Since Watch was launched in August 2015, more than 20,000 situations have been reported due to safety, quality or environmental issues. Among the reported safety issues, 53% were hazardous situations, 15% were near misses and 32% were best practices. For each division, the most frequently occurring situations are analysed to identify corrective actions to be taken. The application was inspired directly by Group company initiatives that received the VINCI Innovation Award. In the interests of transparency and encouraging dialogue, the Health, Safety and Working Conditions Committees were consulted prior to rollout of the application.

4.3.5 Monitoring of the implementation and effectiveness of measures

• Health and safety monitoring indicators
Local processes to identify and manage risks are measured and reviewed on a regular basis and information is communicated to the Group. The outcomes of initiatives are measured by relevant indicators, which are presented to the management committees of the business lines and divisions, providing the opportunity to discuss how to improve them. At VINCI Autoroutes, the management committee examines key indicators every two weeks. At Group level, in addition to presentations to VINCI's Executive Management, presentations are made to the Board of Directors' Strategy and CSR Committee, Remuneration Committee and Appointments and Corporate Governance Committee, in order to evaluate managers' performance, and to the Board of Directors itself.

72%
of Group companies had no lost-time workplace accidents in 2019

Safety data on temporary staff and subcontractors is increasingly included in health and safety performance monitoring indicators.

Lost-time workplace accident frequency rate, worldwide:
- VINCI employees (*): 5.90 in 2019 (6.10 in 2018 and 7.51 in 2014)
- Temporary staff: 16.24 in 2019 (15.03 in 2018 and 23.02 in 2014)
- Lost-time workplace accident severity rate (VINCI employees) (*): 0.38 in 2019 (0.42 in 2018 and 0.49 in 2014)
- Percentage of Group companies with no lost-time workplace accidents in 2019: 72% (72% in 2018 and 69% in 2014)

Definitions
Lost-time workplace accident frequency rate = (number of lost-time workplace accidents x 1,000,000)/number of hours worked.
Lost-time workplace accident severity rate = (number of days lost due to workplace accidents x 1,000)/number of hours worked.
(*) These indicators were verified with a reasonable level of assurance.

The gap between the workplace accident frequency rates of VINCI employees and temporary staff reflects differences in the jobs performed, in safety awareness, and in technical know-how and experience. Reports on workplace accidents involving temporary staff enable VINCI companies to take concrete steps to prevent them from recurring.
This data is verified by independent third-party bodies. The close monitoring carried out by the Group and its business lines and divisions may trigger the commissioning of a third-party audit, especially in the event of the decline of a key performance indicator.

• Specific monitoring for potentially severe events and alert procedure for fatal accidents
The health and safety of all employees and workers is an absolute priority for VINCI. Every accident is methodically and thoroughly investigated and analysed, and the findings are shared with the employee representatives. Pursuant to an agreement with the VINCI European Works Council, a quarterly report is submitted to the Council Board on workplace accidents, commuting accidents and occupational illnesses. Business lines and divisions monitor events with potentially severe consequences in a particular manner. Events found to meet this description during their analysis are consolidated, compared and studied from a macroscopic perspective in order to identify underlying risks, root causes and trends. This helps to develop both curative and preventive measures, by making it possible to anticipate the potential occurrence of a severe accident. Severe accidents are presented to management committees once the root cause analysis has been carried out.

When a fatal accident occurs or the victim of an accident has suffered a life-threatening injury, VINCI's management must be informed. This is done in addition to the internal procedures in place for the relevant Group company, business line and division. A written procedure, validated by VINCI's Human Resources Director, is applied by all business lines and the Health and Safety Coordination unit. The procedure provides for the notification within 24 hours of any fatal accident involving a VINCI company, whatever the cause or the type of relationship – direct or indirect, contractual or not – between the victim and the Group. A full report is then made in the presence of, in particular, the Chairman and CEO of VINCI, the Human Resources Director, the head of Health and Safety Coordination and the business line's director and accident prevention director. This procedure applies systematically, whether the victim is a Group employee, a temporary worker, an employee of a subcontractor, joint contractor or leasing company, or a third party. The report includes a detailed description of the circumstances of the accident, an explanation and analysis of the causes and a presentation of the corrective actions that have been taken.

4.4 Duty of vigilance with regard to human rights

For several years, VINCI has made public commitments to support and protect the rights of people and local communities that may be impacted by its projects and activities. Conscious of this commitment made at the highest level of the Group, VINCI continuously develops and strengthens its procedures to assess and prevent human rights risks, while also assisting its entities to engage on the issue and find operational solutions. This is because the Group understands that issues affect people's lives at the local level and considers that solutions must therefore be developed on the ground, close to its operations. Fully aware of the complexity of the challenge, VINCI has also adopted a continuous improvement approach with its stakeholders and peers.

4.4.1 Mapping of the Group's major risks

• Identification of VINCI's main issues
At the end of 2015, VINCI formed a human rights steering committee to step up its work in this area and identify the Group's key issues. Meetings were organised with many employees in France and abroad to build awareness of human rights issues and compare viewpoints. At the same time, opportunities were provided for certain representatives of civil society or other companies outside of VINCI to share their experience. The steering committee also took into account various specialised studies (such as those of the Danish Institute for Human Rights) and guidelines or previous work produced by the Group or its entities (the handbook on fundamental social rights, standards for living conditions, etc.).

Main international standards and conventions underlying VINCI's approach
- Universal Declaration of Human Rights (UDHR)
- International Covenant on Civil and Political Rights (ICCPR)
- International Covenant on Economic, Social and Cultural Rights (ICESCR)
- Eight fundamental conventions of the International Labour Organisation (ILO)
- Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- United Nations Guiding Principles on Business and Human Rights

Furthermore, the analysis of risks and issues took into account the results of the human rights impact assessment in Qatar, commissioned by VINCI and carried out by an independent third party, Business for Social Responsibility (BSR), at the end of 2015. The methodology used for the assessment was to first identify, in the rights enshrined in the International Bill of Human Rights and the ILO's fundamental conventions, the issues that were relevant to the Group's activities. Based on this first selection, sectoral research was analysed and interviews were held with key VINCI stakeholders, such as the Building and Wood Workers' International (BWI), the ILO, the International Organisation for Migration (IOM), the French National Consultative Commission on Human Rights (CNCDH), the Danish Institute for Human Rights, and NGOs having worked on human rights issues in that region (Amnesty International, Human Rights Watch, Engineers Against Poverty, Business & Human Rights Resource Centre, etc.).

All or some of the members of the steering committee met monthly, sometimes in the presence of third parties who shared their expertise and/or past experience in a given area. In the summer of 2016, the steering committee validated the Group's key issues and corresponding guidelines, which translate into rules applying to all VINCI entities.

• VINCI's main issues

The critical analysis of all of these sources led to the identification of five main issues, broken down into 17 specific themes. They span VINCI activities that can have a significant impact on human rights, including those of employees, subcontractors, temporary staff, local residents and local communities. These five areas cover the entire project life cycle, from the response to the call for tenders to the preparation of sites and construction, until the commissioning and operational phases. This work led to the publication of VINCI's Guide on Human Rights, which is a public document available to all on the VINCI website (www.vinci.com/vinci.nsf/en/item/guide-on-Human-rights.htm). Following the release of this guide, the relevance of the key issues it identifies was confirmed by various Group entities and validated by feedback from operational teams in different countries.

The five main issues and 17 themes are:

Main issues	Description	Themes
1. Labour migration and recruitment practices	In the course of their activities, VINCI companies may recruit migrant workers, whether directly or through temporary employment agencies. The situation of these migrant workers can reflect a range of scenarios, depending on the conditions of their migration (travel, administration, recruitment, accommodation, etc.). Due to varying recruitment practices and national legislation on migration, specific risks of breaching the rights of migrant workers might arise.	1. Recruitment fees and debts 2. Contract substitution 3. Work permit, ID, visa, passport, and exit permit
2. Working conditions	This issue relates to potential breaches of fundamental employment rights that could result from a lack of vigilance concerning working conditions, such as wages and their payment, number of hours worked, paid holidays and employment benefits, and restrictions to freedom of association. Given the nature of the Group's activities, employee health and safety is a separate important issue, which has been specifically addressed by the Group and its various entities for many years now.	4. Wage levels 5. Working hours 6. Paid holidays and other benefits 7. Workers representation 8. Hiring underage workers 9. Discrimination 10. Health and safety 11. Worksite security
3. Living conditions	In some situations, employers may supply accommodation to workers, due to the size, location or mobile nature of the project or worksite. In these cases, employers must ensure that the living conditions provided to workers guarantee their physical security and safety and satisfy their fundamental needs.	12. Labour community standards on accommodation: health, safety and security 13. Freedom of movement, consultation, and grievance mechanism
4. Human rights practices in the value chain	This issue concerns the monitoring of the living and working conditions of subcontractor employees or temporary staff on sites. VINCI considers that the challenges it faces are identical to those faced by its subcontractors, particularly in the area of health and safety.	14. Raise awareness, identify risks and enter into contractual agreements
5. Local communities	Construction and infrastructure operation projects can impact local communities. Customers, concession holders and construction companies all share responsibilities, varying from one project to another, and must work in close collaboration to identify, avoid or mitigate each project's potentially negative impact on local communities.	15. Socio-environmental issues 16. Land-related issues 17. Community dialogue, engagement, and remediation mechanisms

• Country-specific analysis and prioritisation of issues

Although the Group has identified the main issues for all of its activities and defined a common baseline of minimum requirements for each theme, applied to all activities in all countries, it also believes that the national context is fundamental in assessing the relevance of these issues and themes in a given environment and prioritising them. For this reason, VINCI develops human rights risk maps to identify priorities and help local entities to better understand and manage their environment and find the right response to local issues. All 17 themes identified by the Group are analysed for the given country, using the information in reports from public administrations, international organisations, non-governmental organisations (NGOs), academics, trade unions, the media, and so on. The analysis offers a more precise picture of the specific risks inherent to each country and sector of activity as perceived and reported by a set of relevant third parties. It includes information on the legal and institutional framework surrounding the various aspects covered and reiterates the Group's human rights guidelines. The analysis is an important tool that is used in the assessment of each subsidiary's situation and in setting priorities. It is also an essential resource for raising the awareness of Group employees and teams in relation to risks requiring increased vigilance in a given country, including those faced when entering into contractual relationships or partnerships.

This approach is being deployed progressively, and target countries are chosen based on a combination of recognised international indicators established by international organisations, NGOs or trade union organisations [(*)] and of internal indicators of the extent of the local presence of VINCI companies (workforce and revenue). Priority is given to countries where VINCI's presence is strong and/or human rights are deemed to be at risk. The ranking is reviewed each year, to take into account project-based activities of VINCI companies, which can increase or decrease their geographical presence or their level of activity. If needed, other countries may be prioritised to better identify potential issues when preparing a response to a call for tenders. An initial analysis is subsequently fine-tuned based on new research, feedback from operational teams and reported alerts.

(*) World Bank Governance Indicators – Rule of Law; Transparency International – Corruption Perceptions Index; United Nations Development Programme (UNDP) – Human Development Index; World Economic Forum – Global Gender Gap Report; US Department of State – Trafficking in Persons Report; International Labour Organisation (ILO) – Eight fundamental conventions; Freedom House – Freedom in the World index; International Trade Union Confederation (ITUC) – Global Rights Index.

Country-specific analysis of human rights risks

- 19 country-specific human rights risk maps developed with the assistance of an external provider, of which 10 completed in 2019 (Peru, Mexico, Thailand, Serbia, the Czech Republic, etc.)
- 23% of the employees covered by these risk maps outside of France
- 14 human rights country fact sheets or analyses produced in 2019 by the CSR Department, including those to support responses to calls for tenders

4.4.2 Measures to assess the situation of subsidiaries, subcontractors and suppliers

• Assessing the situation of subsidiaries

The Group has also developed a performance assessment tool based on the Group's five main issues and 17 themes, along with the corresponding guidelines. All documents produced are therefore based on the same elements: the country's risk map and the assessment tool. For each of the 17 themes, the tool presents a series of precise questions to determine whether the management systems in place conform to Group guidelines and whether they adequately manage and prevent the risks specifically identified in the country's risk map. This approach offers an in-depth, qualitative analysis of the performance of an entity or a project. Based on its results, entities are then in charge of building a plan of action or improvement and reporting on it to the division's Human Resources Department, which in turn informs the Group through its steering committee representative. As necessary, the Group will specifically monitor major risks. Where applicable, the tool is also used to varying degrees to analyse major projects, whether during the tender process or once the project is under way. Sometimes, on their own initiative, entities will approach the Group for guidance, to ensure that the action they are taking is sufficient to prevent a risk.

With regard to internal control, the Group may initiate unannounced verifications of compliance with the rules set out in its reference documents, as a complement to the controls put in place by business lines and divisions.

• Assessing the situation of subcontractors and suppliers

The Group has provided all entities with a due diligence methodology in five steps: mapping of human rights risks for subcontractors, use of specific criteria during selection procedures, inclusion of specific clauses in contracts, control of these contractual requirements, and the implementation of monitoring procedures. Other verifications and audits are carried out on a case-by-case basis. In Qatar, the subsidiary QDVC set up a robust assessment and monitoring process for subcontractors many years ago, which includes audits of documentation as well as interviews with management and with workers. Over the 2018-2019 period, QDVC conducted 49 audits focusing on human rights and working conditions and 208 audits looking at the living conditions provided by subcontractors and labour suppliers. To further these efforts, the Group is also implementing new pilot projects on methodologies to analyse and prevent social risks in subcontracting. These projects aim to assess social risk management practices already in place, identify improvement areas and construct an operational method to evaluate, prioritise and manage risks (see page 242, "Risk prevention for subcontractors and temporary employment agencies").

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audits of the working and living conditions for QDVC's subcontractors in 2018-2019

For the Group's key categories of purchases such as temporary labour, the Group's Purchasing Coordination unit has set up framework contracts with selected suppliers. Invitations to tender and specifications integrate social and environmental criteria. Depending on the purchasing category, these criteria may include the environmental impact of the suppliers' products and services, the conditions in which they are produced (including health and safety aspects), the suppliers' societal commitments, and so on. Supplier assessment is therefore tailored to the purchasing category and to issues specific to the sector. Based on how they perform against the criteria, some suppliers are eliminated, while for others, a CSR improvement plan is proposed, with the aim to promote collective upskilling. The contracts provide for the possibility of audits, and each year a review is conducted with approved suppliers.

• Audits by third parties

In some cases, audits or other external controls have been set up by the Group and/or its subsidiaries. This is the case in Qatar, where a framework agreement was signed in November 2017 by VINCI, its subsidiary QDVC, and Building and Wood Workers' International (BWI). It provides for an extensive system involving monitoring, reporting, checks, inspections and audits under the aegis of a reference group composed of representatives of the three parties. The agreement covers human rights in the workplace, accommodation, and issues relating to the fair recruitment and the employment rights of workers. It applies to all workers employed by QDVC in Qatar and stipulates a due diligence procedure for subcontractors. An audit was conducted on 8 and 9 January 2019, during which representatives of the three signatories were present, including BWI's auditors and VINCI's trade union representatives. It covered every point in the agreement, and the auditors also had the opportunity to observe the election of Workers' Welfare Committee members at the end of a two-year term. The final audit report was issued jointly and can be accessed by the public on VINCI's website (www.vinci.com/publi/vinci/2019-01-BWI-QDVC-VINCI-Joint-Audit-Report-En.pdf).

In 2018, with regard to its airport activities in Cambodia, VINCI commissioned an audit of psychosocial risks from an independent body, along with new audits of three main temporary employment agency partners. These measures were taken following mediation by the French National Contact Point (NCP) regarding implementation of the OECD Guidelines for Multinational Enterprises. The NCP found that the Group respected the OECD Guidelines in a complex national context and had taken appropriate due diligence measures for its Cambodian subsidiary. In 2019, the application of the NCP's recommendations, finalised in December 2018, as well as those from the independent psychosocial risks audit, were specifically monitored by Cambodia Airports, VINCI Airports and VINCI. Measures implemented in 2019 included increasing the workforce, reinforcing medical follow-up for selected categories of staff and replacing aging equipment to facilitate certain tasks and reduce the associated physical strain. Likewise, audits of the three main temporary employment partners were performed and the results are being monitored by the Cambodia Airports teams. In December 2019, a progress report was made to the NCP on the implementation of its recommendations.

4.4.3 Tailored actions to mitigate risks or prevent serious impacts

a. Actions implemented at Group level

VINCI issues guidelines to provide a shared framework for all of its business lines and employees.

• Guidelines addressing the main issues and applicable across the Group

At the core of its approach is a framework document developed by VINCI and applied across the Group: VINCI's Guide on Human Rights, which was validated by the Group's Executive Committee in April 2017. It contains guidelines for entities to follow when setting up human rights risk prevention practices and measures. The operational nature of the document, which was designed to reflect the complexities of the Group's sectors and activities, confirms VINCI's commitment to root its action in on-the-ground realities. The guide is distributed with an annexe describing the main issues in detail, explaining the challenges involved and offering recommendations and best practices to better support employees. Prior to publication, in early 2017, the European Works Council was consulted and approved the Group's initiative.

For each of the 17 themes identified by VINCI, specific guidelines have been developed. They translate each of the human rights issues identified by the Group into operational terms and make practical recommendations for operational teams, all countries and activities combined.

Excerpt from the Group's guidelines

"In the course of the work conducted to identify the Group's main issues, it was revealed that labour migration combined with poor recruitment practices and a restrictive legal environment created a risk with regard to which the Group and its entities must be particularly vigilant. One of the key aspects of this issue, and an identified risk factor, is debt bondage. Accordingly, to provide practical assistance to operational teams on how to prevent this risk, the following guidelines were established:
- no fees are to be charged to candidates at any stage of the selection, recruitment and hiring process;
- all contracts signed with recruitment agencies must include a "no fees" policy;
recruitment agencies must be transparent to end-user companies with regard to their practices, in particular the use of agents or subagents, and their costs and terms of engagement;
- the company and its recruitment agencies must ensure that candidates are made aware that no fees should be charged at any stage of the recruitment process;
- confidential channels for reporting complaints about fees must be made available to migrant workers.
When assessing the situation of subsidiaries, the Group is especially vigilant about this issue."

The development and circulation of these guidelines also reflect VINCI's efforts to anticipate risk factors as early as possible and provide suitable responses to prevent abuses. For each of the 17 themes identified by the Group, guidelines of this sort have been developed.

VINCI's Guide on Human Rights was widely distributed among the Group's operational entities and was presented to the management committees of the Group's business lines and divisions. Continuous efforts are made to build awareness in management committees through similar initiatives. In 2019, the CSR team attended more than 40 meetings of management committees, HR boards and regional and thematic Pivot Clubs to maintain and increase awareness among executives and managers. According to the 2019 survey of VINCI's internal control, 83% of entities, all business lines and divisions combined, had communicated about the Guide and its guidelines to their employees at end-September 2019, an increase of 12 points over the previous year. For the majority of the remaining entities, a plan of action is under way to do the same. To facilitate the adoption and dissemination of the guidelines, the guide, which primarily targets VINCI employees, was translated into 22 languages, thereby covering more than 98% of the Group's workforce, based on the official languages of the countries where the Group operates. External stakeholders can also access the guide on VINCI's website.

83%
of entities in VINCI's internal control survey communicated to employees on VINCI's Guide on Human Rights

As a result of these considerable efforts to raise in-house awareness, certain business lines and divisions have incorporated the guidelines directly into their internal rules or procedures. For example, in 2019, VINCI Construction Grands Projets added a human rights alerts mechanism to its internal procedures manuals for key project processes such as recruitment. Internal standards for living conditions, which are based on the Group's guidelines but adapted to the division's business activities, were also reviewed and validated, as in other Group divisions. The human rights component of the division's tendering manual was significantly reinforced to improve the early understanding and management of risks by teams in charge of preparing responses to calls for tenders.

Lastly, some issues such as wage levels, working hours, paid holidays, workers' representation, discrimination, and hiring underage workers are first assessed through the human resources rules and procedures applied by companies and projects, which thereby form a first level of risk prevention. Likewise, site safety rules enhance risk prevention in the Group's activities as well as at the various levels of subcontracting at the sites that are under Group companies' control.

• Risk management and prevention with regard to temporary employment agencies

In VINCI's sectors, whether contracting or concessions, the major challenges are at the operational level. Accordingly, when it comes to vigilance with regard to human rights risks in the value chain, the subcontractor and temporary employment agency workers on sites are a priority. Because temporary labour is a significant purchase category, the Group's Purchasing Coordination unit set up a framework contract to use with temporary employment agencies. The non-financial criteria used to assess them relate to occupational health and safety, training, diversity, the prevention of illegal and undeclared work, and the existence of a whistleblowing system for employees. The latest selection of approved temporary employment agencies went into effect on 1 January 2016, for a four-year period. It is compulsory for Group entities to use approved agencies for their temporary recruitments. During the selection process, 47 agencies were excluded based on non-financial criteria and 90 were selected after rolling out improvement plans. In 2019, a process was initiated to renew the contracts with the approved agencies. Negotiations began and all companies approached were sent a questionnaire on ethics and duty of vigilance, which also addressed human rights. An action plan to improve quality of service and safety, containing additional measures to increase the safety of temporary staff, specific to each company, was added to the procedure. Subject to the outcome of the negotiations, framework contracts with the agencies will be renewed for three years (see paragraph 4.3, "Duty of vigilance with regard to health and safety").

• Awareness and training initiatives

The Group considers that in matters of human rights, managers play a decisive role. It places emphasis on awareness and training initiatives that target managers and other employees and reflect their on-the-ground realities. The objective is to develop a prevention culture in this area, similar to what has been achieved in safety and security, and to provide operational teams with the means of acting as early as possible. The Group considers it essential to train employees in these issues so that they are able to identify problematic risk situations and understand how to prevent them. As a complement to the face-to-face presentations and training sessions regularly held in France and abroad, an e-learning module to raise awareness of human rights risks was launched in February 2019, culminating a year of collaborative development. It is available to all entities and employees on the Group's e-learning portal. Managers and people in charge of human resources, administration, finance and quality, and health and safety have been identified as priority target groups for this training. The human rights steering committee monitors completion of the e-learning module at regular intervals.

In addition, several of the Group's core, emblematic training programmes now include a human rights module. One example is the Team Grands Projets training programme implemented across the Contracting business lines. The addition of the human rights module was validated after a trial period in 2019. Teams Grand Projets addresses site managers, technical directors, works directors, equipment managers and administrative and financial directors. Its objective is to bolster the skills of people in charge of major projects and help them manage increasingly complex environments using a risk approach. The CAP HR programme, specific to VINCI Construction Grands Projets, is another example. It presents the division's human resources policy to all managers, whatever their project or country of work. The human rights module is now an integral part of the programme.

• European Works Council involvement

The 25 members of the European Works Council (EWC) and their deputies discussed the human rights component of the duty of vigilance plan during the EWC training session held in mid-October 2019. The Group's Human Resources Director, Director of Employment Affairs and the Director of Corporate Social Responsibility attended the event to facilitate discussion about the duty of vigilance plan and initiatives taken by the Group. The general secretary of the Entreprises Pour les Droits de l'Homme / Businesses for Human Rights (EDH) non-profit was also invited to present the duty of vigilance law, the organisation's expectations and the results of its analysis of the duty of vigilance plans published in 2018 and 2019. The Group will pursue this dialogue in 2020.

• Active participation in collaborative initiatives

The issues facing VINCI and its entities are often complex and involve multiple players throughout the value chain. Although VINCI continually enhances its risk prevention and management systems, it does not always have the influence necessary to pursue every possible action, due to its position in the value chain and the cyclical nature of its activities. In addition, the highly decentralised and cyclical nature of the Group's activities can make it difficult, in some contexts, to implement an approval process for partners in the sector. For this reason, as a complement to its in-house efforts, VINCI has joined a number of external networks and initiatives in order to work collaboratively with other stakeholders on tools, methodologies and initiatives to promote the respect of human rights and, in particular, to help develop ethical labour sourcing in certain parts of the world.

Main collaborative initiatives in which VINCI participates

- **Building Responsibly,** of which VINCI is a founding member. Launched in February 2017, Building Responsibly brings together engineering and construction firms in order to develop common approaches and standards, share best practices, tools and experiences, and engage stakeholders and all actors in the value chain to find concrete and collective solutions to the challenges faced by the sector. Following the June 2018 publication of the Workers' Welfare Principles, the result of extensive work by its members and diverse stakeholders (research institutes, NGOs, companies, industry initiatives, the ILO, professional organisations, among others), Building Responsibly developed Guidance Notes to help the industry understand each principle. Its members also pursued discussions with various players (non-profit, professional and institutional organisations) to determine how to incorporate these principles into business relationships. This is an essential step towards effectively addressing challenges while providing a level playing field. Four new firms joined the initiative this year and increased efforts are being made to further recruit industry players.
- **Leadership Group for Responsible Recruitment,** which welcomed VINCI to its steering committee in June 2017. This collaborative initiative between leading companies and expert organisations strives to promote responsible recruitment practices.
- **Entreprises pour les droits de l'Homme** / Businesses for Human Rights, of which VINCI is an executive board member. This association of 16 leading French companies is a forum for discussion, initiatives and proposals by these businesses to promote improved integration of human rights into business policies and practices.
- **Global Compact**

b. Actions adapted to local contexts

This section presents two significant initiatives that were implemented and followed up by the Group and its companies in 2019 to prevent risks or promote human rights. They illustrate the complementary nature of VINCI's approach, which combines general guidelines, promoted and disseminated by the Group, with tailored solutions obtained by adapting the guidelines to local challenges.

• Prevention of social risks in subcontracting in France

The issues faced by VINCI are not limited to regions outside of France: tensions in the building and civil engineering markets and increased competition and labour flows in Europe have led the Group to strengthen its duty of vigilance approach, in particular with regard to social risks along the supply chain in France. In 2018, VINCI launched pilot projects to identify more precisely the risks faced by its personnel, assess the effectiveness of measures in place to manage social risks and to determine areas for improvement.

The civil engineering and building businesses of VINCI Construction France in the Greater Paris area were the first to participate in the pilot projects. Their work was carried out in three phases:

– diagnosis and mapping of social risks in subcontracting based on purchasing category;
– diagnosis of the effectiveness of existing risk prevention measures;
– development of an action plan using the most effective risk reduction levers and including enhanced vigilance measures for the categories with the highest risks.

The awareness and involvement of managers at all levels of the organisation, from head office to worksites (including functional directors, regional directors, business unit heads, works managers, works supervisors, team leaders, etc.) and in the main support functions (such as human resources, legal, purchasing and risk prevention) was ensured. A steering committee was formed at the top management level of VINCI Construction France, headed by the General Secretary, the Human Resources Director, the Technical and Operational Resources Director, and the Purchasing Director. In all, several hundred people contributed their input to the diagnoses to provide the most complete picture, as true as possible to on-the-ground realities.

In addition to these fundamental steps to enhance the effectiveness of prevention initiatives, a process was begun in 2019 to conduct social audits in subcontracting. Since social compliance auditing is a new concept for the industry in France, specific tools and assessment criteria adapted to the building and civil engineering sector had to be developed before implementing the social audits to be conducted by external auditors and monitored by the Group. The audit procedure was therefore adapted to worksites of different types (major project, launch phase, finalisation phase, joint venture, etc.). For these audits, added focus is placed on issues related to employment contracts, payment of wages, fulfilment of employer's obligations and compliance with working time and health and safety requirements. These audits were positively perceived by worksite teams and enabled the collection of feedback to fine-tune prevention initiatives and, if required, update the risk map and the selection of approved partner companies.

The pilot projects will be extended to VINCI Immobilier and VINCI Energies business units, and VINCI Construction France will expand its social risk prevention initiative to include all its activities. The management of VINCI Construction France has given each entity the goal of setting out a responsible subcontracting policy in 2020, based on a set of centrally defined and reaffirmed fundamentals. The policy will be adapted to the realities of the entity's business activity and its region's socio-economic situation and will be updated using the same approach. Training was delivered to a team of four in each regional division (the chief legal officer, the human resources director and the chief purchasing officer, possibly assisted by the quality director) to help the entity achieve its goal. An operational toolkit was developed and made available. It includes fact sheets, presentation materials, and tools for risk mapping and implementing VINCI Construction France's guidelines. The action plans that are developed must include the core measures of VINCI Construction France, such as creating a roles and responsibilities table and assessing the corporate social responsibility performance of subcontractors.

• Prevention of human rights risks in Qatar

VINCI is present in Qatar via its joint venture QDVC. For a number of years, the company has sought to ensure better working and living conditions for its employees and fights against all infringements of fundamental human rights. In 2015, among other steps taken to verify that measures put in place by QDVC were effective, VINCI decided to enlist the services of an independent third party to conduct a human rights impact assessment (HRIA) at the company. In November 2017, following several years of constructive dialogue, VINCI, QDVC and Building and Wood Workers' International (BWI) signed a framework agreement on workers' rights at the ILO's headquarters, during a ceremony attended by its CEO. The agreement, accessible by the public on VINCI's website, covers human rights in the workplace, accommodation, and issues relating to the fair recruitment and the employment rights of workers. It applies to all workers employed by QDVC in Qatar and stipulates a due diligence procedure for subcontractors. The agreement is the first of its kind in Qatar between a union federation and a Qatari company. It provides for an extensive system involving monitoring, reporting, checks, inspections and audits under the aegis of a reference group composed of representatives of the three parties. In January 2019, BWI conducted the first audit, accompanied by French trade union representatives. The joint report, published in March 2019, confirmed QDVC's fair recruitment practices, continued high standards for health and safety on sites and continued measures to protect and respect workers' rights.

January 2019
BWI–VINCI–QDVC joint audit available online

In March 2019, a press visit was held and included a tour of QDVC's worksites and the workers' accommodation. The latest report by Business and Human Rights Resource Centre (BHRRC), an NGO, published in 2019, ranks VINCI/QDVC first in its benchmarking of Gulf companies, based on its transparency regarding recruitment practices, remuneration, living conditions, freedom of movement, health and safety, workers' representation, measures to mitigate risks relating to subcontracting and consultation and grievance mechanisms (www.business-humanrights.org/sites/default/files/BHRRC-Shaky-Ground-Construction-Briefing-v1.1.pdf and www.business-humanrights.org/en/vinciqdvc-2018).

• Preventing risks relating to recruitment practices

To fight debt bondage, a major factor contributing to the vulnerability of migrant workers in Qatar, QDVC has set up robust processes to monitor recruitment agencies in countries of origin (Bangladesh, India, Nepal, etc.), with specific rules governing the costs covered by QDVC. To monitor the process, QDVC staff have travelled to these countries on several occasions to verify agency compliance with rules, spread the information among applicants that recruitment is free, examine the actual working conditions offered and participate directly in recruitment interviews. In addition, various surveys have been carried out among workers to check that measures have been appropriately implemented and, in particular, to find out if any workers did ultimately pay fees to third parties, despite the efforts deployed. What these surveys have shown over the years is that the measures implemented by QDVC have resulted in a clear reduction of these risks.

QDVC is pursuing its efforts and seeking to spread its ethical recruitment practices to its subcontractors and placement agencies, in particular through a public-private partnership signed in May 2018 with the ILO Project Office in Qatar, as part of a pilot project between the ILO Project Office and the State of Qatar. It is aimed at developing a migration corridor between Qatar and Bangladesh with no recruitment fees for workers. The main components of the project are an initial audit performed in July 2018 by the NGO Vérité, followed by a capacity-building programme for both recruitment and placement agencies in the countries of origin. The programme, which was delivered in 2018 and 2019, brings together QDVC, recruitment and placement agencies in Bangladesh and Qatar, the ILO, Qatar's Ministry of Administrative Development, Labour and Social Affairs (ADLSA), and the Fair Hiring Initiative. In May 2019, an on-site visit was conducted in Dhaka to monitor recruitment, following corrective action taken during the capacity-building programme. An impact study is under way at Tufts University, mainly based on interviews with workers.

QDVC also participated in a study at the New York University Stern Center on the economic benefits of ethical recruitment. Based on the quantitative and qualitative information provided by QDVC, the report published in 2019 concluded that the ethical recruitment of migrant workers could be achieved at a cost of less than 1% of the overall cost of the project and that it contributed to other benefits such as enhanced retention, stronger loyalty to QDVC and higher satisfaction rates among migrant workers.

• Reinforcing employee representation

QDVC took steps early on to provide employee representation and encourage and strengthen labour-management dialogue in the company. A workers' committee was formed as of 2011 and has gradually expanded its powers and scope over the years. It now discusses issues such as working conditions, wages, living conditions and health and safety. In November 2016, QDVC held an election for employee representatives, the first ever in Qatar. The company communicated extensively on the process and the committee leading up to the event. A new workers' committee election took place in January 2019, with an increased participation rate of 84%. Representatives from BWI, French trade unions and VINCI were able to observe the election process during their joint audit, and a video recording of the election was published on the BWI website. In accordance with the terms of the 2017 framework agreement, BWI provided training to the newly elected employee representatives in Doha in 2018, with support from QDVC and VINCI. Training was delivered again in 2019, to the members of the new committee, and extended to some of QDVC's subcontractors' employees. Also in 2019, QDVC formed a committee of representatives of administrative staff, which met for the first time in November.

84%
participation in the election of employee representatives in Qatar

• Improving working conditions

Other measures were introduced or maintained to improve workers' living and working conditions. The workers' accommodation sites managed by QDVC align with standards set by the Qatar Foundation. In partnership with Eutelmed, QDVC also created an innovative psychosocial risk prevention programme that gives employees access to individual or group sessions with a psychologist and an emergency hotline. Confidentiality is ensured. QDVC's employees have been trained to provide psychological first aid in a crisis event and recognise signs of post-traumatic stress disorder (PTSD). With respect to its subcontractors and placement agencies, QDVC has been conducting scheduled audits and occasional assessments for several years. Over the 2018-2019 period, QDVC performed 49 audits focusing on human rights and working conditions and 208 audits looking at living conditions.

4.4.4 Alert mechanisms and processing of reports

Multiple and diverse procedures exist by which employees can report concerns. These grievance procedures include contacting human resources departments, health and safety representatives, line management superiors or employee representative bodies. If confidentiality is a concern, employees can also approach the ethics officers of the Group's business lines and divisions or at Group level. In many countries, employees also have the right to refuse to work in a situation of serious and imminent danger. In addition to these resources, since 2018, VINCI has reinforced its whistleblowing system to take into account recent legislative changes and also created a new Ethics and Vigilance Department, reporting directly to the Executive Management (see paragraph 4.6, "The Group's system for whistleblowing, alerts and the processing of reports", page 257).

Although the Group has a system in place, in light of VINCI's multi-local organisation and the nature of its activities, the implementation of local complaint channels at the project level is also encouraged. The Group's view is that grievance procedures, including those initiated by end users or local residents, are more effective when they are local, since the company, project or worksite is then better positioned to proactively handle reports, identify any weak areas, improve processes and reinforce prevention. A number of Group companies, operating in many different countries, have set up alert mechanisms in addition to hierarchical channels to report behaviours or situations that present a risk, such as a human rights risk. These companies are located in Latin America (Mexico, Colombia, Argentina, Brazil), Australia, North America (Canada and the United States) and Europe (Greece, Albania, Germany, the Netherlands, Sweden, Poland, Spain, the United Kingdom, etc.). The alternative alert mechanisms include a dedicated email address, hotline or IT solution. Some companies, such as LISEA in France and Lamsac in Peru, have a contact point for the public on their websites. Others outsource the processing of reports to an independent body. This is the case for Seymour Whyte in Australia as well as Lamsac.

Local procedures are sometimes adapted to very specific contexts and involve independent bodies. In Qatar, in addition to existing internal systems enabling workers to report concerns, in their own language, to the CSR or QSE officer or to the Workers' Committee, an independent complaint procedure was created at the end of 2017. Employees of QDVC or its subcontractors can approach Building and Wood Workers' International (BWI), which then informs QDVC or VINCI. This independent channel has proven effective, since BWI has already handled complaints from employees, including those of subcontractors.

Although VINCI entities may act as clients, very often they are also the subcontractor or service provider for clients in the public or private sectors. In these situations, Group entities are encouraged to participate in the processes put in place by their clients.

4.4.5 Monitoring of the implementation and effectiveness of measures

To complement the information in this section describing the measures that have been implemented, quantitative data is provided here. The Group's initiatives are reaching a growing number of workers, in more and more countries, and at more levels. Measures are implemented in all subsidiaries operating in the same country in order to facilitate dialogue among the businesses and promote consistency.

Human rights assessments in the Group (*)

- 57 Group subsidiaries in 23 countries assessed since 2018
- More than 12,500 employees in the Group covered by human rights assessments conducted in 2018 and 2019, amounting to 11% of the Group's workforce outside of France and 23% of its workforce in non-OECD member countries
- 35% of the workforce in high-priority countries (as identified by the Group by comparing recognised international indicators and VINCI's presence) covered by human rights assessments conducted to date

(*) The 2019 action plan was based on data at 31 December 2018.

Some business lines and divisions have also created indicators to monitor the deployment of human rights initiatives and assess their impact. For example, VINCI Construction Grands Projets developed indicators using the results of project assessments performed by a dedicated officer. The indicators are monitored and presented monthly to the management committee. They measure audits and their follow-up, as well as trends in results and corrective actions. Currently, priority is given to projects located in the countries with the highest risk, according to the VINCI risk map, which takes into account eight international indicators (see paragraph 4.4.1). To date, VINCI Construction Grands Projets has conducted human rights audits on 14 projects or subsidiaries in nine countries. If an action plan is in place, it is regularly monitored with the aim of continuous improvement, and follow-up inspections are made.

Lastly, VINCI's annual internal control survey was revised in 2019 to reinforce the portion devoted to the prevention of human rights risks. The survey aligns with the requirements of the reference framework published by the Autorité des Marchés Financiers (AMF, the French securities regulator), which states that parent companies must ensure that subsidiaries have risk management and internal control systems. Questions about the dissemination of the Group's framework publications and resources and about risk prevention measures when working with subcontractors or temporary employment agencies were developed in more detail. Survey findings are presented to the Group's Board of Directors. In addition to serving as a monitoring tool, they build awareness and help the Group refine and guide its future initiatives.

4.5 Duty of vigilance with regard to the environment

For many years now, VINCI companies have implemented measures and processes to avoid and reduce the environmental impact of their activity in the countries in which they operate. VINCI has introduced a new environmental ambition, which extends the environmental actions of VINCI companies beyond regulatory compliance.

With regard to the environment, measures to identify and prevent risks are closely tied to the operational context of companies, their activities in the region and the vulnerability of the surrounding area. Group-level environmental initiatives are presented in this document and translated into operational steps that reflect these specific characteristics.

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VINCI's duty of vigilance approach and measures taken are adapted to Group policy with the aim of continuous improvement. VINCI's decentralised management model encourages companies to make their own commitments, tailored to their activities and geographies.

4.5.1 Mapping of the Group's major risks

a. Identification of VINCI's main issues

Since 2017, the Group has used risk mapping to identify the major environmental issues resulting from its activities. For this task, it collaborates with an outside provider to ensure that the mapping is thorough and the methodology is valid. The map will be updated on a regular basis. Based on a detailed analysis of operational activities, the risk map established in 2018 provides a structured assessment of the environmental risks that could result from the activity of VINCI companies. The environmental managers of VINCI companies collaborated with the initiative in the following manner:
– all the environmental risks that could arise all along the value chain of VINCI's activities were identified, based on a materiality assessment, industry knowledge and complementary bibliographical research. Approximately 15 inherent environmental risks were thus revealed;
– the business lines' environmental managers rated these risks against three criteria: severity, probability of occurrence and degree of control (based on existing governance, processes and tools to manage the risks);
– the ratings made it possible to group together inherent and residual environmental risks at Group and business-line levels.

In 2019, the risk mapping exercise was continued in more detail to identify, among the Group's main businesses sorted into 15 categories, the operational activities and environmental aspects at the origin of the Group's main risks as presented by the risk map. A business-based analysis makes it possible to adapt and round out action plans addressing the specific operational risks identified.

The Group's Environment Department coordinated the work, with the input of the environmental managers and operational directors of the relevant businesses.

Risk mapping is complemented by the identification of other types of risk, such as geographical aspects or the effects relating to joint ventures (by business lines). In addition, environmental issues will continue to be taken into account in purchasing processes in 2020.

b. VINCI's main issues

The major environmental issues on which the activities of VINCI companies may have a significant impact were sorted into three areas for action. They span the entire project life cycle, from the response to the call for tenders to the preparation of sites and construction, through to the operation phase. They also involve subcontractors and suppliers.

Major issues	Description	Main risks
Climate change	Three types of activity contribute to energy consumption and greenhouse gas emissions: - production of raw materials (aggregates, asphalt mix, concrete, etc.) needed to carry out projects; - transport of materials, employees and customers of the concession infrastructure under operation (motorways, airports); - operation and maintenance of the infrastructure and buildings. In addition, because some projects contribute to urbanisation and the loss of natural land, they may also have an influence on the occurrence of extreme weather events (floods, heatwaves, etc.).	- Contribution to climate change - Intensification of extreme weather events
Circular economy	The construction sector consumes significant quantities of raw materials (sand, steel, bitumen, wood, aggregates, etc.). The production, processing and disposal of waste resulting from the Group's activity and that of its suppliers are a source of greenhouse gas emissions, create risks of deterioration of natural environments and constitute a nuisance for local populations.	- Depletion of natural resources - Risks related to waste production, processing and disposal
Natural environments	The construction and concessions activities of VINCI can have short-, medium- and long-term impacts on natural environments, habitats and species. Projects may also pose a nuisance for local residents.	- Water pollution - Noise pollution - Soil pollution - Air pollution - Light pollution - Soil depletion, erosion and loss of natural land - Damage to and destruction of species - Deterioration of natural environments - Depletion of water resources

4.5.2 Procedures for assessing the situation of subsidiaries, subcontractors and suppliers

a. Assessing the situation of subsidiaries and subcontractors

Multiple environmental assessment processes are in place to fulfil regulatory requirements, meet stakeholder expectations and comply with internal company policies.

• Environmental certification

Implementing an effective, ISO 14001-certified environmental management system is the most common environmental assessment process implemented by Group entities. Environmental management systems guarantee a robust level of risk prevention and management with annual external audits. The percentage of the Group's activity covered by ISO 14001 certification stands between 50% and 100% of business line revenue (or other relevant indicator), and coverage is increasing each year (see paragraph 3.1.1.2, "Turning risk management into opportunity", page 222).

• Third-party controls
The activity of the Group and its subcontractors is also reviewed by other external bodies:
- government agencies carry out inspections to ensure compliance with regulations on worksites;
- customers and contracting authorities order design offices to conduct environmental audits of worksites on a regular basis, to monitor compliance with the Group's regulatory and contractual obligations;
- nearby residents and local civil society organisations increasingly scrutinise construction worksites, especially when a consultation process has been established that enables partner organisations to visit the site and verify that the commitments made are being fulfilled;
- financial institutions and international financing providers sometimes take special measures to monitor projects with a high risk of environmental impact;
- more specifically, independent design offices perform audits on worksites to check compliance of waste storage, processing and disposal procedures.
When these audits or monitoring processes reveal nonconformities, the onus is on the companies responsible to explain the shortcomings and promptly correct them.

• Internal controls
VINCI's business activities also undergo internal controls on a regular basis. Group companies measure the environmental footprint of their projects and activities and report on the internal and external resources implemented to protect the environment. Regardless of whether these activities are performed by VINCI or its subcontractors, regular inspections are carried out by the environmental correspondents.

When certain worksites present a high risk of environmental impact, in particular with regard to local biodiversity, environmental managers partner with ecologists (specialised design offices, research institutions or non-profit organisations) to increase monitoring.

Additional analyses and various controls may be carried out at the subsidiary or project level.

Business line	Examples of internal controls
VINCI Autoroutes	- Inspection of measures to protect wildlife around motorways and supervision and monitoring agreements with many local and national organisations, such as the Bird Protection League (LPO) - Inspection of work performed by specialised providers (including environmental performance) - Publicly released assessments of socio-economic and environmental impacts, called "LOTI audits", established by the French domestic transport planning law (Law no. 82-1153 of 30 December 1982), for new transport connections
VINCI Airports	- Environmental due diligence for projects under development in order to analyse and manage environmental risks at the earliest possible stage of a project
VINCI Energies	- Risk assessment and environmental health and safety regulatory watch, centralised on an internal tool designed for VINCI Energies companies
Eurovia	- Internal audit of worksites applying for the Environmental Excellence label - Internal quality audits including an environmental component - Regulatory watch developed using a tool specific to Eurovia's businesses
VINCI Construction	- Internal audit of worksites applying for the Attitude Environnement label (VINCI Construction France) - Internal assessment of environmental risks for each project using a questionnaire based on local regulations and ISO 14001 (VINCI Construction Terrassement) - Assessment of subcontractors, suppliers and partners after completion of their work using a dedicated internal tool (VINCI Construction Terrassement and Dodin Campenon Bernard)

b. Assessing the situation of suppliers
As indicated in section 2.2.3, "Taking social and environmental criteria into account in the Group's purchases", page 218, a process to evaluate suppliers and subcontractors was defined and disseminated by the Group Purchasing Coordination unit for the following environmental risks: depletion of resources, climate change, loss of biodiversity and pollution. The Responsible Purchasing Committee has provided a sample checklist for risk assessment for each purchasing category. Based on these assessments, a supplier may be excluded from a tender process or an action plan may be proposed, together with measures to verify its implementation. For Group purchases, a questionnaire on responsible purchasing is included in the tender process. In addition, responsible purchasing audits of Group suppliers have been conducted by some companies for the past six years.

For local purchases, special attention is paid to materials suppliers, in particular by asking them to provide information on their environmental footprint (CO_2 emissions, use of bio-based materials, etc.) during the selection process. Increasingly, preference is given to suppliers that integrate environmental protection in their practices, and suppliers' practices are regularly audited in this respect, particularly when contracts are up for renewal. At VINCI Construction France, environmental data modelling tools for construction materials have been developed in collaboration with engineers from the École des Ponts ParisTech to assess the exact environmental footprint, especially the greenhouse gas emissions, of the concrete used in its projects. The aim is to be able to generate data that its teams can use for their life cycle analysis calculations.

Additional measures are taken by business lines and subsidiaries, for example:

Business line	Examples of supplier assessment
VINCI Autoroutes	– Due diligence during consultations – Assessment of suppliers while the service is being provided, using dedicated internal tools – Auditing of suppliers
VINCI Airports	– Preparation of environmental clauses to be included in contracts with third parties
VINCI Energies	– Assessment of suppliers using the Ecovadis platform – Assessment of suppliers using a dedicated internal tool at Actemium
Eurovia	– Annual assessment of equipment suppliers – Specific criteria developed for suppliers of raw materials (plastics, etc.)
VINCI Construction	– Assessment of suppliers, subcontractors and partners upon completion of their service using a dedicated internal tool that includes an environmental evaluation (VINCI Construction Terrassement and Dodin Campenon Bernard): in 2019, 289 environmental assessments were performed for VINCI Construction Terrassement out of a total of 335 suppliers, subcontractors and partners

4.5.3 Tailored actions to mitigate risks or prevent serious impacts

a. Policies and procedures to prevent and mitigate risks in operations

To address the major issues identified for VINCI's business activities, the Group's environmental ambition for 2030 has been translated into key targets and action plans in three areas: climate change, the circular economy and protection of natural environments.

Areas	Objectives and actions
Climate change	- Reduce the direct impact of the Group's activities, with a first milestone for 2030 being a 40% reduction of direct greenhouse gas emissions (scope 1 and 2) in absolute terms (like-for-like, excluding acquisitions, but including organic growth) - Strive to diminish the indirect footprint of its activities by reducing Scope 3 emissions within the sphere of influence of its activities - Incorporate the notion of resilience into its practices and solutions to facilitate adaptation to climate change
Circular economy	- Reduce the extraction and use of virgin raw materials in favour of recycled materials - Promote the use of construction materials and techniques that use natural resources reasonably - Improve waste sorting, recycling and reuse
Natural environments	- Assess and avoid environmental nuisances and incidents in VINCI's business activities - Reduce water consumption, especially in water-stressed regions - Initiate measures to reach the "zero net loss" of biodiversity target

Locally, environmental management systems support risk prevention measures in Group entities (see section 3.1.1.2, "Turning risk management into opportunity", page 222). To complement these systems, the majority of which are ISO 14001 certified, VINCI's business lines, divisions and subsidiaries participate in initiatives and develop labels to prevent risks that are specific to their activity. By 2019, 18 of Eurovia's worksites had obtained its in-house label Environmental Excellence, based on five criteria: protection of soil and water resources, the fight against climate change, waste management, recycling and reuse, biodiversity conservation and responsiveness to local residents' needs.

Business lines also conduct awareness-raising and training initiatives. Awareness is built among employees and subcontractors alike during 15-minute environmental sessions at worksites. In 2019, 42,055 training hours were devoted to environmental issues, a 14% increase over the previous year.

• Mitigating and adapting to climate change

To address climate change, action plans are implemented to reduce the Group's direct greenhouse gas emissions. Some measures are being implemented by all Group companies: gradual increase of electric power for the light vehicle fleet, training in eco-driving practices, modernisation of site machinery and heavy vehicle fleets and the increased use of electricity from renewable sources. Others are being implemented by specific businesses. They include the replacement of heavy fuel oil by natural gas in industrial processes (Eurovia), the use of warm-mix and cold-mix asphalts (Eurovia), regulation of temperature in buildings and terminals (VINCI Energies, VINCI Concessions), testing the use of biogas fuels for some utility vehicles (VINCI Autoroutes), improved energy efficiency of worksite facilities (VINCI Construction), and the production of solar power for self-consumption, with 4.7 MWp already installed in the Dominican Republic (VINCI Airports).

28%
reduction in CO_2 intensity in 2019 compared with 2009

Ensuring the energy efficiency of buildings under construction or renovation is an important objective for the Group. The companies of VINCI Construction are able to meet the requirements of labels and certificates setting the highest standards in the building industry, going beyond compliance with current regulations. They are able to make commitments with regard to the actual energy performance of buildings (through the Oxygen® label, attributed to 80 buildings in France), which is consistent with the energy efficiency guarantee by VINCI Energies applying to the operation phase. Thanks in particular to eco-design software developed in partnership with the Mines ParisTech engineering school, VINCI Construction teams also offer solutions for planning and managing the energy consumption of buildings delivered. These companies therefore predict energy consumption throughout the building's life cycle.

Working proactively to adapt buildings to extreme weather events and developing technical skills and knowledge to reinforce building structures are a core part of solutions to climate change challenges. VINCI has conducted research on issues including flood prevention, adapting neighbourhoods to heatwaves and managing the urban heat island effect. The Resalliance startup is an in-house design office providing consulting, modelling and project management services to help projects and geographies adapt to climate change.

• Raw material conservation and waste reduction, recycling and reuse
To support the circular economy, VINCI companies strive to reduce their consumption of raw materials and to limit, sort, recycle and reuse an increasing share of the waste produced by their activities.

The rollout of recycling platforms for materials, especially inert materials, supports the circular economy by allowing for their reuse on worksites of the Group's companies in a more systematic manner. For example, about 10 years ago, Eurovia rolled out its Granulat+ programme, which uses innovative treatments and recovery-sorting-recycling facilities to recover the resources needed to produce aggregates. Quarry sites receive all inert excavation material, earthworks and demolition materials from worksites, thereby participating in a materials recycling programme.

Nearly **19%**
of recycled asphalt mix in Eurovia's total production in 2019

To meet its goal of sending zero waste to landfills, VINCI Airports has built on-site sorting centres for its airports in Brazil and the Dominican Republic. To support the initiative, a programme was introduced to raise the awareness of users, employees and subcontractors on waste reduction and sorting.

• Protecting natural environments
Protecting natural environments is a key concern for VINCI companies. From the earliest design stage of projects, they strive to avoid, reduce and offset the impacts of their activities on species and natural environments. VINCI companies comply with a range of local regulations and requirements of varying complexity. Above and beyond their legal obligations, they undertake risk analyses of their projects and implement measures to manage the identified risks.

Retention ponds are created on the sites of VINCI Autoroutes and Eurovia infrastructure to allow suspended solids in run-off and pumped water to settle and avoid polluting neighbouring watercourses receiving the discharge. The water is only discharged once its quality has been verified through sampling. In all its airports, VINCI Airports systematically installs oil-water separators wherever there is a risk of water contamination.

In addition, to reduce light and sound pollution from the operation of infrastructure, opaque screens are regularly placed along motorways, and adapted lighting systems (light directed only towards the ground) may be installed.

Efforts are also made to limit the use of phytosanitary products for road maintenance to the strict minimum. They are currently reserved for hard-to-access areas or fighting invasive species, and their use has been reduced to one-ninth of the level in 2008.

The VINCI Group leverages internal and external expertise in ecological engineering to offset residual impacts on species. Specific ecological restoration measures are taken as a last resort, after all means of adaptation have been attempted.

b. Policies and procedures to prevent and mitigate risks among suppliers
The additional mapping of environmental issues, sorted by business, that was conducted in 2019 identified which purchasing categories are most associated with environmental risks. These categories include materials and energy purchases, whose early environmental impact is high (depletion of natural resources or a high carbon impact during manufacturing). Other categories also present significant environmental risks, depending on the business.

In 2019, the Group produced and disseminated a practical guide to responsible purchasing. It states that the sourcing of innovative solutions to protect the environment, fight climate change and achieve energy transition is an integral part of the Group's responsible purchasing. Locally, environmental clauses are also included in the supplier contracts signed with some business lines, divisions and subsidiaries. All of the framework agreements signed between VINCI Energies and its European suppliers or subcontractors include environmental clauses. For VINCI Autoroutes, all contracts for the provision of programme management services by ASF include one or more environmental clauses. In addition, all large contracts for works (greater than €500,000) or intellectual services require suppliers to provide a full environmental impact statement. Some VINCI Construction contracts with suppliers contain environmental requirements and recommendations, in particular regarding low-carbon concrete. At VINCI Construction Terrassement, standard subcontracting contracts also contain environmental clauses.

100%
of framework contracts signed by Purchasing Coordination included one or several environmental criteria in 2019

4.5.4 Group alert mechanisms and processing of reports

The Group has set up an alert system, using a dedicated online platform, to process disclosures about serious damage to the environment. The system is managed by the Ethics and Vigilance Department. At the same time, the Environment Department monitors major environmental incidents as part of the Group's annual reporting. A major incident is defined as one that requires the intervention of an external specialist and whose consequences stretch beyond the entity's responsibility.

At the local level, the Group's subsidiaries, divisions and business lines have their own procedures to notify management if an environmental incident occurs so as to promptly implement corrective actions. For example, the environmental managers of construction companies must make a detailed report of any environmental incident. The report is shared with the top management of the relevant company.

• Eole incident

In 2019, an abnormal and exceptional operating incident involving the unintentional spillage of materials into the river Seine occurred at the concrete mixing plant in Nanterre, which supplies the sites for the e-déf Eole-La Défense project. The management of the site was alerted of the spillage of materials into the Seine and immediately took the necessary steps to stop it.
VINCI Construction conducted a full environmental diagnosis and suggested restoration and offsetting measures for the site. The diagnosis showed that a volume of 2 cubic metres of materials had impacted 25 square metres at the bottom of the quayside. The spillage was of grey water contaminated with sand and traces of deactivated cement.

At the end of 2019, the following restoration and offsetting measures had been implemented:
–Restoration by the removal of 1.75 cubic metres of sand deposited at the bottom of the quayside
–Offsetting by the creation of a lithophilic spawning bed covering 25 square metres upstream of the site.
Other supportive measures are under way, such as treating the site for Japanese knotweed, an invasive species found on the embankment to the right, and creating an aquatic plant-type spawning bed on the right bank of the river at Île Fleurie.
Following the incident, the analysis of risks based on business, carried out for the duty of vigilance plan, was a valuable complement to existing analyses. As a result, action plans could be tailored more specifically to each business.

4.5.5 Monitoring of the implementation and effectiveness of measures

Monitoring of these measures and the assessment of their effectiveness is supervised by VINCI's Environment Department, together with the Internal Control, Ethics and Vigilance, and Purchasing departments. The work is performed on a continuous basis, thanks to the coordination of internal committees focusing on the Group's main environmental issues (the Environment Committee, the Biodiversity Task Force, and the Circular Economy Group). Monitoring and assessment are also carried out by the Group's network of environmental correspondents. Among other tasks, these correspondents respond to the annual environmental reporting questionnaire, which contains about 60 quantitative indicators based on Global Reporting Initiative standards and provides a framework for evaluating corporate sustainable development policy. The annual reporting process is an excellent resource for managing and following up on action taken to reduce the environmental risks relating to VINCI's activities. It also incorporates some data on the subcontractors of VINCI companies.

96%
of Group revenue covered by environmental reporting in 2019

This monitoring and assessment work accompanies the Group's new environmental ambition, which aims to strengthen the commitments made by Group companies and sets targets for reducing the environmental footprint of their activity. The goals are regularly reviewed by VINCI's Executive Committee and Board of Directors.

4.6 The Group's system for whistleblowing, alerts and the processing of reports

• A procedure available to all stakeholders

The Group has set up a unique whistleblowing procedure that can be used by any concerned person to report any serious irregularities relating to the work context, and of which they have personal knowledge. The persons covered by the whistleblowing procedure are:
–employees of companies in the VINCI Group;
–external or temporary employees of companies in the VINCI Group (such as temporary staff or employees of subcontractors, suppliers, service providers, etc.);
–persons who are stakeholders in a project, for subjects relating to duty of vigilance in the environmental and social domains.

• A procedure addressing all areas of concern

Whistleblowing in the work context may involve the following areas:
–behaviour or a situation that infringes VINCI's Code of Ethics and Conduct or its Anti-corruption Code of Conduct;
–behaviour or a situation that infringes VINCI's Guide on Human Rights or is a serious violation of human rights and fundamental freedoms;
–behaviour or a situation that infringes VINCI's "fundamental and essential workplace health and safety initiatives" or will have a severe impact on people's health and safety;
–behaviour or a situation that infringes VINCI's environmental commitments or will have a severe impact on the environment.

• A multimodal procedure
Multiple, complementary channels are available for processing reports. Whatever the means used, all exchanges are kept strictly confidential.

Initially, employees inform their direct or indirect supervisor, or an officer designated for this purpose within the entity to which they belong. They may then use their entity's specific whistleblowing system, if it has one. Employees can also contact the Group's Ethics Officer directly or use VINCI Integrity, the Group's intranet whistleblowing system, set up at the end of 2018 after receiving the go-ahead from the European Works Council. VINCI guarantees that no employee of the Group will be penalised or dismissed, and that no disciplinary action will be taken against the employee, whether directly or indirectly, for having reported or given evidence, in good faith, under the whistleblowing procedure, concerning acts of which the employee obtained personal knowledge during the course of his or her duties. This remains the case even if the allegation made is determined to be false after investigation. Similarly, the identity of the accused person is treated with the utmost confidentiality.

External stakeholders can access VINCI Integrity from the Group's website.

These mechanisms ensure a secure and reliable method of reporting.

5. Note on the methods used in workforce-related, social and environmental reporting

VINCI's workforce-related, social and environmental reporting framework complies with Articles L.225-102-1, R.225-104 and R.225-105 of the French Commercial Code, as well as French Order no. 2017-1180 and Decree no. 2017-1265 and is based on the Global Reporting Initiative (GRI) standards – see the cross-reference table on page 373.

5.1 Methodological procedures

VINCI's procedures are specified in the following materials:

• for workforce-related indicators:
–a guidebook in four languages (French, English, German and Spanish) containing workforce-related indicator definitions;
–a methodological guide to VINCI's workforce data reporting system, including a reporting tool users' manual in four languages (French, English, German and Spanish);
–a guide to consistency checks in two languages (French and English);
–an audit guide helping entities to prepare for audits and make good use of their results (available in French, English, German and Spanish);

• for environmental indicators:
–a methodological guide to VINCI's environmental reporting system, including a guide to the definition of common indicators, which entities can use to set up their environmental reporting procedures. This guide is available in three languages (French, English and Spanish);
–a reporting tool users' manual in two languages (French and English);
–an audit guide helping entities to prepare for audits and make good use of their results (available in French and English).

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

The Group's efforts to accelerate its workforce-related and environmental reporting process in 2010 resulted in:
• new methods for earlier preparation of workforce indicators, applicable to all entities since 2011;
• the shifting of the reference period for environmental reporting by one quarter (the reference period for year Y is now from 1 October Y-1 to 30 September Y). This change has applied to all entities since 2010.

5.2 Scope

The reporting scope is intended to be representative of all VINCI's business activities:
• workforce-related reporting has covered all worldwide revenue since 2002. Two companies with fewer than 100 employees acquired in 2019 did not provide full information in some areas. The indicators concerned are training, salaries, safety, number of hours worked, labour-management relations and disability. These companies account for 0.02% of the Group's total workforce;
• environmental reporting covered 96% of Group revenue in 2019. Excluded from environmental reporting in 2019 are entities whose environmental impacts are not material and which do not have an environmental correspondent. These exclusions must not exceed 5% of the environmental impact of each entity.

However, for certain specific environmental indicators, the reporting coverage of the indicators published may be more limited. Reporting on waste generated is now reliable for a scope covering 48% of the Group's activities (VINCI Autoroutes, VINCI Energies, VINCI Construction UK, VINCI Construction Grands Projets, VINCI Airports, VINCI Highways and VINCI Railways). Reporting on waste recovered covers 12% of the Group's activities (VINCI Autoroutes). Reporting on raw materials covers the activities of VINCI Autoroutes. Reporting on the consumption of water from boreholes covers 16% of the Group's activities (VINCI's concession activities). VINCI is continuing its efforts to expand and improve the reliability of the reporting of these indicators for all the business activities where they are of relevance.

Since 2011, the consolidation rules used for these scopes have been the same as for financial consolidation.
These consolidation rules apply to all reporting indicators, except the "number of environmental incidents" indicator, in which all incidents count for 1.

In the event of a change in scope:
• workforce-related reporting: changes in scope in year Y are taken into account in the same year;
• environmental reporting: changes in scope in year Y are taken into account in year Y+1.

Significant new additions to the scope (revenue higher than €50 million) during 2019:
• VINCI Airports: London Gatwick Airport (United Kingdom);
• VINCI Energies Europe West: De Bosman Bedrijven BV (Netherlands);
• Eurovia: Eurovia Atlantic Coast LLC (United States).

Furthermore, since the inclusion of the motorway concessions held by Granvia (Slovakia), Gefyra (Greece), Jamaican Infrastructure Operator (Jamaica), Cofiroute USA (United States) and Lamsac (Peru), virtually all concessions are now covered by the environmental reporting system, following the reporting procedure that applies financial consolidation rules.

5.3 Indicator selection

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

There are four levels of core social indicators:
• those specified in Articles R.225-104 and R.225-105 of the French Commercial Code;
• the GRI standards;
• those included in the workforce-related information, as required by French law; and
• specific indicators reflecting VINCI's human resources policy.
The complementary nature of these four levels of indicators makes it possible to measure the results of the Group's human resources policy and social commitments.

The core environmental indicators are made up of five types:
• resource consumption (energy and water);
• waste management and recycling;
• certifications and projects having received other types of label;
• protection of natural environments;
• environmental incidents and provisions for environmental risks.
These five types of indicator were taken from the following sources:
• Articles R.225-104 and R.225-105 of the French Commercial Code;
• GRI standards.
Each business line continues to use its own additional indicators, which are based on its specific environmental challenges.

5.4 Methodological explanations and limitations

The methodologies used for some workforce-related and environmental indicators may be subject to limitations due to:
• differences between French and international definitions (which VINCI continually works on to harmonise);
• differences in labour and social laws in some countries;
• changes in indicator definitions that could affect their comparability;
• changes in business scope from one year to the next;
• the difficulty of collecting data from a subcontractor or joint venture with external partners;
• the procedures for collecting and entering this information.

Due to the presence of subcontractors at many sites, the question of whether to include their activities in the environmental reporting has been raised. Currently, their data is included whenever VINCI is directly responsible for it (i.e. services or resources provided by VINCI). In the event that VINCI companies operate as subcontractors, as may be the case for VINCI Energies, and do not have access to the data or their consumption is not material, then their water and electricity consumption data is not included.

The methodological guide to VINCI's environmental reporting system allows for environmental data to be calculated based on spending and average unit prices for the base period, if source data is not available. This method is used in particular for VINCI Construction France worksites, VINCI Construction Terrassement worksites, Soletanche Freyssinet worksites in France and for Eurovia. In France, average unit prices come from the following sources: Engie's regulated tariffs (for natural gas consumption), the Ministry for the Ecological and Inclusive Transition (for fuel consumption), the General Commission for Sustainable Development (for electricity consumption), and the Eaufrance internet portal, which is a public information service on water and aquatic environments (for water consumption).

Reporting of water consumption currently covers all water purchased. Water volume withdrawn directly from natural environments is recorded for concession businesses and now included in consolidated reporting. VINCI is continuing its efforts to expand and improve the reliability of this reporting item over a broader scope. Reporting on the use of phytosanitary products covers the scope of VINCI Autoroutes and VINCI Concessions.

The number of certified projects is limited to VINCI Construction and VINCI Immobilier. A project with several certifications will be counted several times. Only projects handed over during the year are taken into account.

Total energy consumption (excluding energy from heating networks, which is not material and therefore not included) is expressed in megawatt hours (MWh) higher calorific value (HCV). The conversion factors used are 0.0104 MWh/litre, 12.027 MWh/tonne and 4.839 MWh/tonne for motor fuel, heavy fuel oil and coal (lignite), respectively, and were taken from the Ademe Base Carbone® database. For greenhouse gas emissions, Ademe's conversion factors were also used and taken from the Base Carbone® database for 2016 (the 2012 database is also used to track the Group's emissions-reduction commitments).

In 2019, the location-based and market-based methods were used to calculate the greenhouse gas emissions produced by the consumption of electricity by Group entities (Scope 2). The location-based method takes into account the average electricity mix of the grid for each country where the electricity is consumed, applying an emission factor of zero to renewable energy use for self-consumption and Power Purchase Agreements. The market-based method calculates the emissions from the electricity actually purchased, applying an emission factor of zero for the consumption of electricity from renewable sources (including guaranteed sources).

The fuel savings resulting from the use of electronic toll collection (ETC) lanes were validated in 2012 by an independent consultant and the data shared with the Association des Sociétés Françaises d'Autoroutes (Asfa, the association of French motorway companies):

- for light vehicles: 0.03 litres of fuel saved per toll use;
- for heavy vehicles: 0.3 litres of fuel saved per toll use.

The amount of CO_2 emissions prevented is calculated based on the assumption that all vehicles use diesel fuel. Only emissions from fuel combustion are taken into account; emissions from other processes (fuel production) are not included in the calculation.

The motorway users greenhouse gas emissions indicator is calculated using a tool developed by Asfa and takes into account all kilometres travelled by users (whether on toll or free roads) in the VINCI Autoroutes network during the financial year. The velocity profile per vehicle class used is the default 130 km/hour profile pre-configured in the tool. Traffic is assumed to be 100% fluid; the effect of inclines or radars is not included in the calculation. The influence zone of toll collection is assumed to be 0.1 km. The entire network is also assumed to be an intercity network.

The figures in the Annual Report are based on data known at the end of the financial year. They may, however, be adjusted the following year if a significant anomaly is observed and provided that the adjustment is substantiated in detail. None of the figures published in the 2018 Annual Report were adjusted in 2019.

In 2019, the method for establishing the number of training hours was modified: all training hours are now accounted for without taking into account a minimal duration.

Occupational illnesses are defined as illnesses contracted following prolonged exposure to a professional risk (noise, hazardous products, posture, etc.) and recognised as such by the regulations in force, where such regulations exist. The calculation of the number of days of absenteeism for occupational illness includes days lost due to illnesses declared as occupational and recognised as such, where such regulations exist. The Group continues to educate subsidiaries about the need to harmonise reporting practices.

5.5 Consolidation and internal control

Workforce-related data is collected from each operational entity using a specific package of the Vision III data reporting system, including automatic controls. Data is checked and validated by the Group entities themselves. This data is then consolidated in two steps:

- Step 1: each business line consolidates all data within its scope. When consolidation takes place, data consistency checks are carried out. Having been consolidated and checked at the business-line level, data is then provided to the Group Human Resources Department;
- Step 2: the Group HR Department consolidates data across the whole scope and checks its consistency.

Environmental data is collected, checked, consolidated and validated by the environment managers in each business line and division using their own IT tools. The data is then consolidated centrally using Vision III. When consolidation takes place, data consistency checks are carried out at Group level by the Delegation for Sustainable Development. Comparisons are made with the previous year's data and any material discrepancies are analysed in detail.

5.6 External controls

From 2002 to 2013, VINCI asked its Statutory Auditors to give their opinion on the quality of the procedures used to report social and environmental information. Since 2014, a Statutory Auditor has been appointed as the independent third-party body in charge of verifying the completeness and fair presentation of information published in the "Workforce-related, social and environmental information" chapter and, since 2018, of information in the non-financial performance statement. The nature of the auditing work carried out and the findings are presented on pages 268 to 269.

F. General information about the Company and its share capital

1. Corporate identity

Corporate name: VINCI.
Registered office: 1 cours Ferdinand de Lesseps, 92500 Rueil Malmaison, France.
Telephone: +33 1 47 16 35 00; **Fax:** +33 1 47 16 33 60.
Type of company: French public limited company ("Société Anonyme") with a Board of Directors.
Applicable legislation: French.
Date of formation: 1 July 1908.
Legal term of existence: The legal term of existence was set on 21 December 1979 at 99 years. The date of expiry is thus 21 December 2078, unless the term of existence is extended once again or the Company is liquidated at an earlier date.
Financial year: From 1 January to 31 December.
Registration number: RCS 552 037 806 Nanterre – Siret no. 552 037 806 00585 – Code NAF: 7010Z.
Places where legal documents can be consulted: Legal documents relating to VINCI are available at its registered office, at the Clerk's Office of the Nanterre Commercial Court and on the Company's website (www.vinci.com).

Business purpose (Article 2 of the Articles of Association)

"The Company has the following purpose:
- the undertaking of any public and private works, in any form, and in particular the operation of the business originally conveyed by the Sainrapt et Brice company and the continuation of the activities carried on by that business, a specialist in all kinds of underground work, foundations, hydraulics and reinforced cement;
- and generally, all industrial, commercial and financial operations and operations relating to movables and immovables that are directly or indirectly connected with the purposes specified above.

"The Company shall be entitled to carry out the said operations in France, in the French overseas departments and territories, and abroad, either alone, or under a joint venture, or in negotiation in any form whatsoever, either directly, or by way of transfer, rental or subcontracting, or by way of brokerage and commission.
"In addition, it shall be entitled to carry out any type of exploitation, either by itself or by any other means without any exception, create any companies both private and commercial, make any conveyances to existing companies, merge or form an alliance with them, subscribe to, purchase and resell any securities and business interest, acquire any partnerships and make any loans, credits and advances."

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

"From the profit, reduced by the prior losses if any, one deducts at least 5% to constitute the reserve fund prescribed by law. The said deduction ceases to be mandatory when the reserve fund has reached an amount equal to one-tenth of the share capital. It resumes if the reserve falls to a level below the said one-tenth.
"The distributable profit consists of the profit for the financial year reduced by the prior losses as well as by the amounts to be entered in the reserves pursuant to the law or the Articles of Association, and increased by the retained earnings.
At the Shareholders' General Meeting, resolutions are voted on to deduct the following from this distributable profit, in succession:
- the amounts recognised as useful by the Board of Directors to constitute or supplement any ordinary or extraordinary reserves, or for carryover to the following financial year;
- the amount necessary in order to pay an initial dividend to the shareholders of 5% of the amounts in which their shares are paid up and unredeemed, but if the profit for a financial year does not allow such payment, the shareholders shall not be entitled to demand it from the profits recorded in later years;
- the available balance, after the said deductions, is divided among all of the shares in proportion to the amount of capital they represent.

"On the basis of a proposal made by the shareholders may decide at the Shareholders' General Meeting to pay out amounts deducted from the reserves available. In this case, the decision must explicitly indicate the reserve headings from which the deductions are made. Excluding the case of a capital reduction, no distribution may be made to the shareholders when the shareholders' equity is, or will become following such distribution, less than the amount of capital increased by the reserves that the law or the Articles of Association preclude from distribution.
"The procedures regarding payment of dividends voted at the Shareholders' General Meeting are laid down at that meeting, or failing this, by the Board of Directors. The dividends must be paid within a maximum of nine months following the end of the financial year, in the absence of an extension of the said period by a court decision.
"At the Meeting, the shareholders have the option of granting, with respect to all or part of the dividends or of the interim dividends paid out, an option between payment in cash and payment in shares to each shareholder."

Shareholders' General Meetings (Article 17 and excerpt from Article 8 of the Articles of Association)

Article 17 of the Articles of Association is set out in section 8 of chapter C, "Report on corporate governance", on page 177 of this report.
Excerpt from Article 8 of the Articles of Association:
"Each share gives a right to only one vote at the Shareholders' General Meetings, regardless of the duration or form of share ownership. The double voting rights provided for under Article 7 of Law no. 2014-384 of 29 March 2014 are hereby expressly excluded. In addition, each share gives a right to a portion, proportional to the number and nominal value of the existing shares, of business assets, profits or any liquidation surplus."

Provisions on statutory shareholding thresholds (excerpt from Article 10a of the Articles of Association)

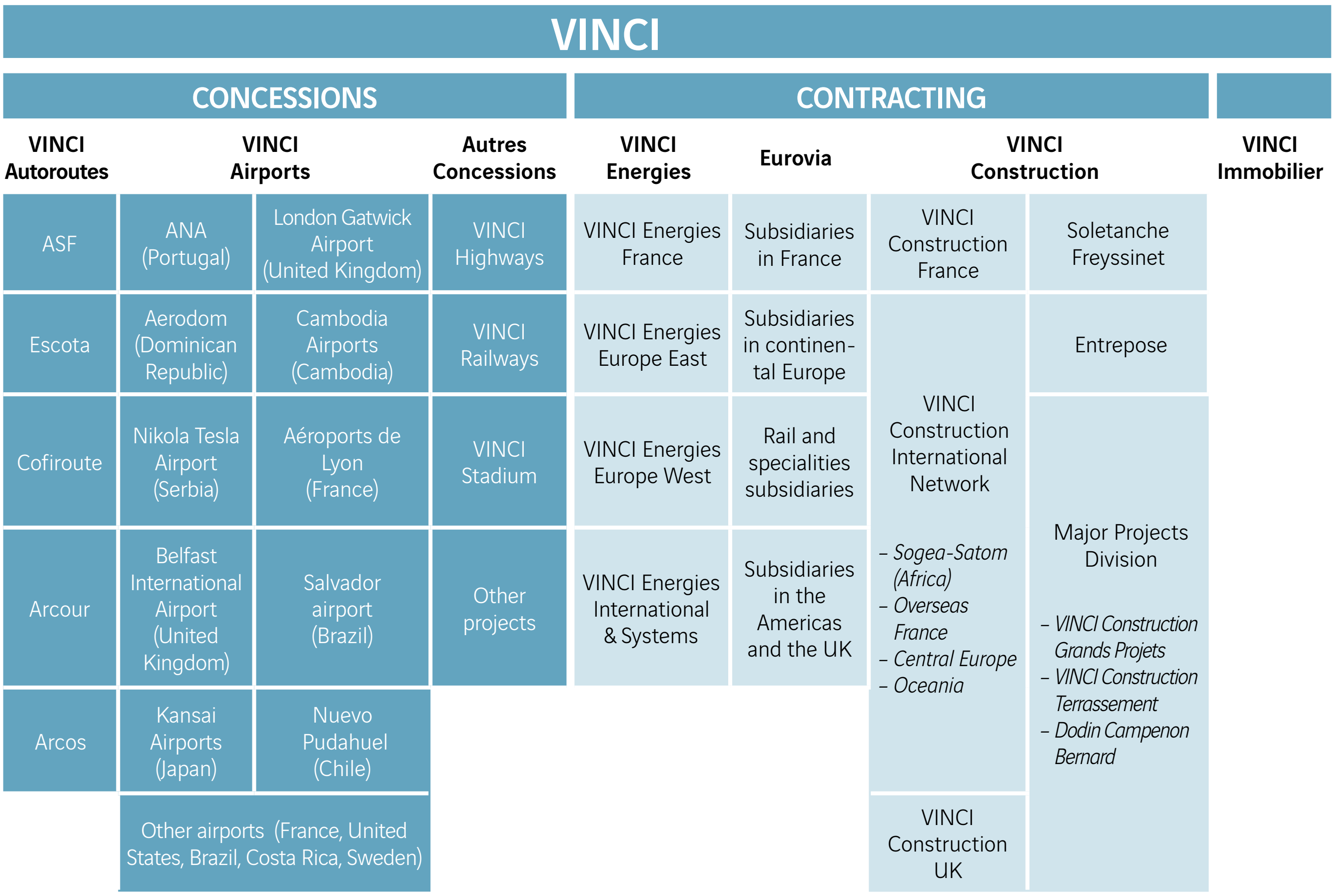
"In addition to the obligations laid down in the first paragraph of Article L.233-7 of the Commercial Code, any natural or legal person, acting alone or in concert, who comes to hold or ceases to hold a fraction of the capital, of the voting rights or of the securities providing eventual access to the Company's capital equal to or greater than 1%, or a multiple of that fraction, including beyond the reporting threshold provided for in legislative and regulatory provisions is required to notify the Company, within a period of five trading days starting with the date of crossing of one of the said thresholds or, when a Shareholders' General Meeting has been convened, no later than midnight (Paris time) of the third business day preceding the meeting, of the total number of shares, of voting rights or of securities offering eventual access to the capital that it possesses alone, directly or indirectly, or else in concert.

"Non-observance of the present obligation may be sanctioned by a loss of voting rights for the shares or rights attached thereto exceeding the unreported fraction, this at any Shareholders' General Meeting held until the expiration of a period of two years following the date of service of the notification provided for above.
"The sanction is applied if it is requested in an application entered in the meeting minutes by one or several shareholders holding at least 5% of the Company's capital."

Shareholder identification (excerpt from Article 10a of the Articles of Association)
"The Company is entitled to request the entity handling the clearing of securities, and under the conditions provided for in the regulations in force, to provide the name, nationality and address of the natural or legal persons holding securities that grant, immediately or eventually, a voting right at its own Shareholders' General Meetings, as well as the quantity of securities held by each of them and, if the case arises, the restrictions that may affect the said securities."

2. Relations between the parent company and its subsidiaries

2.1 Organisation chart (*)



(*) Simplified organisation chart of the Group at 31 December 2019.
The ownership ties between VINCI and its main direct subsidiaries are mentioned on page 362.
The various subsidiaries that comprise the Group and VINCI's equity interest (whether direct or indirect) in these entities are presented in the list of consolidated companies found on the Group's website: www.vinci.com.

2.2 Role of the VINCI holding company towards its subsidiaries

The Group's operational activities are managed by its subsidiaries (there were 2,236 consolidated entities at 31 December 2019), which are organised into two core businesses (Concessions and Contracting). The principal business lines are: for Concessions, VINCI Autoroutes and VINCI Airports; and for Contracting, VINCI Energies, Eurovia and VINCI Construction. VINCI Immobilier, which is in charge of property development activities, reports directly to the VINCI holding company.
The VINCI holding company provides leadership, support and supervisory functions for the Group's subsidiaries. In this role, it supplies services and strategic and operational support in the following areas:
• development and implementation of strategy, execution of acquisitions and disposals, and the study and implementation of industrial and commercial synergies within the Group;
• high-level relations with government authorities, political leaders, elected officials, professional organisations, the media, the academic world, financial institutions and large companies, both nationally and internationally;
• provision of expertise in administrative, legal, financial, IT, insurance, purchasing, human resources, communication and sustainable development matters.

VINCI shares with its subsidiaries the benefits associated with the Group's size and reputation, such as access to internationally recognised partners; optimisation of terms for financing, purchases and insurance; easier access to regulatory authorities; and public and institutional relations in France and abroad.

2.3 Movements of funds between the VINCI holding company and its subsidiaries

The main movements of funds between the VINCI holding company and its subsidiaries, other than the dividends that the holding company receives (the total amount of which is provided in Note D.17 to the parent company financial statements, page 361), are as follows:

Assistance to its subsidiaries

VINCI SA receives compensation in exchange for providing assistance to its subsidiaries and allowing them to use its intangible assets. In 2019, this compensation amounted to €149 million.

Centralised cash management

The available cash of the Group's French subsidiaries is invested with VINCI SA through a cash pooling system. In return, the holding company meets their financing needs. The holding company acts on the money and financial markets on its own behalf or on its subsidiaries' behalf, investing and borrowing funds as necessary. With some exceptions, this system applies to all French subsidiaries directly or indirectly controlled by VINCI (subject to the condition, for subsidiaries not wholly owned by VINCI, that minority shareholders agree, if so required by a shareholders' agreement).
VINCI Finance International, a wholly owned subsidiary of VINCI SA, centralises all the cash flows of the Group's subsidiaries working outside France and carries out the corresponding market transactions.

VINCI and VINCI Finance International may make medium-term loans to the Group's subsidiaries to finance investments and working capital requirements and may receive funds from subsidiaries for term deposits. At 31 December 2019, medium-term loans represented outstandings for VINCI of €14,568 million and outstandings for VINCI Finance International of €10,686 million. At that same date, term deposits at VINCI Finance International represented outstandings of €153 million.

Regulated agreements

Regulated agreements between VINCI and its subsidiaries are subject to prior authorisation by the Board of Directors. They are described in special reports by the Statutory Auditors, for approval by the shareholders at the Shareholders' General Meeting.

Shareholder agreements

Since the head companies of each business line and VINCI Immobilier are wholly owned by VINCI, they are not subject to any shareholder agreements. However, the formation of companies owned jointly with other parties, by VINCI or by its subsidiaries, may result in agreements being made. This is the case in particular for certain companies created specifically for the needs of securing and managing infrastructure concessions. The main purpose of these agreements is to organise the respective rights of shareholders in the event of the disposal of shares, and if applicable, to set certain operating principles for the corporate governing bodies.

3. General information about VINCI's share capital

All changes in share capital or in the rights attached to the shares are subject to general legal provisions. The Articles of Association do not provide for additional conditions (except as regards voting rights and statutory shareholding thresholds; see section 1 above, "Corporate identity"). At 31 December 2019, VINCI's share capital amounted to €1,513,094,223, represented by 605,237,689 shares, each with a nominal value of €2.50, fully paid-up and all of the same class. VINCI shares are registered or bearer shares, at the shareholder's choice, and may be traded freely.

3.1 Movements in share capital over five years

	Capital increase/ (reduction) *(in €)*	Share premium arising on contributions or mergers *(in €)*	Number of shares issued or cancelled	Number of shares outstanding	Share capital *(in €)*
Position at 31/12/2014				**590,098,637**	**1,475,246,593**
Group savings plan	17,675,140	292,190,175	7,070,056	597,168,693	1,492,921,733
Share subscription options exercised	8,210,955	118,724,967	3,284,382	600,453,075	1,501,132,688
Cancellation of shares	(30,000,000)	-	(12,000,000)	588,453,075	1,471,132,688
Position at 31/12/2015				**588,453,075**	**1,471,132,688**
Group savings plan	14,890,160	312,952,788	5,956,064	594,409,139	1,486,022,848
Share subscription options exercised	7,240,953	105,358,398	2,896,381	597,305,520	1,493,263,800
Cancellation of shares	(20,000,000)		(8,000,000)	589,305,520	1,473,263,800
Position at 31/12/2016				**589,305,520**	**1,473,263,800**
Group savings plan	14,623,400	358,172,600	5,849,360	595,154,880	1,487,887,200
Share subscription options exercised	4,497,640	65,231,102	1,799,056	596,953,936	1,492,384,840
Cancellation of shares	(14,342,470)	(138,935)	(5,736,988)	591,216,948	1,478,042,370
Position at 31/12/2017				**591,216,948**	**1,478,042,370**
Group savings plan	14,511,260	433,848,415	5,804,504	597,021,452	1,492,553,630
Share subscription options exercised	1,236,330	18,933,679	494,532	597,515,984	1,493,789,960
Cancellation of shares	-	-	-	597,515,984	1,493,789,960
Position at 31/12/2018				**597,515,984**	**1,493,789,960**
Group savings plan	18,153,948	523,555,382	7,261,579	604,777,563	1,511,943,908
Share subscription options exercised	1,150,315	16,813,004	460,126	605,237,689	1,513,094,223
Cancellation of shares	-	-	-	605,237,689	1,513,094,223
Position at 31/12/2019				**605,237,689**	**1,513,094,223**

3.2 Potential capital

At 31 December 2019, there were no existing financial instruments that could cause the creation of new shares.

3.3 Changes in the breakdown of share capital and voting rights during the last three years

Breakdown of share capital (*)

	December 2019				December 2018				December 2017			
	Number of shares	% capital	Number of net voting rights (**)	% net voting rights (**)	Number of shares	% capital	Number of net voting rights (**)	% net voting rights (**)	Number of shares	% capital	Number of net voting rights (**)	% net voting rights (**)
Treasury shares (***)	**50,491,699**	**8.3%**	-	-	**42,749,600**	**7.2%**	-	-	**36,317,368**	**6.1%**	-	-
Employees (company mutual funds)	53,359,438	8.8%	53,359,438	9.6%	53,736,107	9.0%	53,736,107	9.7%	52,064,915	8.8%	52,064,915	9.4%
Individual shareholders	**41,113,807**	**6.8%**	**41,113,807**	**7.4%**	**46,100,636**	**7.7%**	**46,100,636**	**8.3%**	**45,228,091**	**7.7%**	**45,228,091**	**8.1%**
Qatar Holding LLC	22,375,000	3.7%	22,375,000	4.0%	22,375,000	3.7%	22,375,000	4.0%	22,375,000	3.8%	22,375,000	4.0%
Other institutional investors	437,897,745	72.4%	437,897,745	78.9%	432,554,641	72.4%	432,554,641	78.0%	435,231,574	73.6%	435,231,574	78.4%
Total institutional investors	**460,272,745**	**76.1%**	**460,272,745**	**83.0%**	**454,929,641**	**76.1%**	**454,929,641**	**82.0%**	**457,606,574**	**77.4%**	**457,606,574**	**82.5%**
Total	**605,237,689**	**100%**	**554,745,990**	**100%**	**597,515,984**	**100%**	**554,766,384**	**100%**	**591,216,948**	**100%**	**554,899,580**	**100%**

(*) Estimate at end-December on the basis of registered named shareholders, a schedule of identifiable bearer shares and a shareholding survey conducted with institutional investors.
(**) Voting rights exercisable at a Shareholders' General Meeting.
(***) Treasury shares held by VINCI SA.

To the best of the Company's knowledge, there is no individual or legal entity, whether acting alone, jointly or in concert, which directly or indirectly has control over VINCI's share capital, and there is no shareholder acting alone or in concert which directly or indirectly holds more than 5% of the capital or voting rights other than those mentioned in the table above and the company BlackRock, Inc. (see "Crossing of shareholding thresholds" below).

Employee shareholders

Details of the Group savings plan are given in chapter E, "Workforce-related, social and environmental information", of the Report of the Board of Directors on page 202, and in Notes I.23 and K.30.2 to the consolidated financial statements, pages 316 and 339.
At 31 December 2019, to the best of the Company's knowledge, under the meaning of Article L.225-102 of the French Commercial Code, the number of shares in the Company held directly or indirectly by employees of the Company or related entities under the Group savings plan was 57,217,963. These shares represent 9.5% of the Company's share capital and encompass 53,359,438 shares held through company mutual funds, 1,015,234 shares held in registered form by salaried company officers and 2,843,291 shares held in registered form by non-executive employees.
At 31 December 2019, 1,343,522 performance shares were held in registered form by employees.

Rights attached to all shares

The rights attached to shares are those defined by laws and regulations and include:
- the right to vote at meetings;
- the right to receive dividends;
- the right to be kept informed about the company and its results;
- the preferential right to subscribe for share issues to be paid for in cash and for issues of securities giving access to the share capital;
- the right to a share of the business assets and liquidation surplus.

There are no double voting rights or different voting rights. The difference between the breakdown of shareholdings and exercisable voting rights at a Shareholders' General Meeting is due to the absence of voting rights attached to treasury shares.
At the Shareholders' General Meeting of 14 April 2015, shareholders approved the amendment to Article 8 of the Articles of Association in order to rule out the provision of Law no. 2014-384 of 29 March 2014 pertaining to the acquisition of double voting rights for shares held in registered form in the name of the same shareholder for at least two years.

Crossing of shareholding thresholds

VINCI received several declarations in 2019 notifying that the legal thresholds or the 1% thresholds provided for in the Articles of Association had been crossed. The shareholders identified at 31 December 2019 as holding more than 1% of the capital or voting rights and for whom the Company received a declaration in 2019 notifying the crossing of the legal thresholds or the thresholds provided for in the Articles of Association were as follows:

- BlackRock, Inc. declared that on 1 November 2019 it crossed below the 5% threshold for capital, holding 29,914,928 shares, accounting for 4.94% of VINCI's capital. On 4 November 2019, BlackRock, Inc. declared that it had crossed above the 5% threshold for capital, holding 30,490,930 shares, accounting for 5.04% of VINCI's capital. On 5 November 2019, BlackRock, Inc. declared that it had crossed below the 5% threshold for capital, holding 29,988,678 shares, accounting for 4.95% of VINCI's capital. On 11 November 2019, BlackRock, Inc. declared that it had crossed above the 5% threshold for capital, holding 30,727,125 shares, accounting for 5.08% of VINCI's capital.
- Amundi, as the management company for VINCI's Castor company mutual fund, declared that on 25 July 2019 it crossed below the 8% threshold for capital, holding 48,020,328 shares under the Castor fund, accounting for 7.99% of VINCI's capital. On 4 October 2019, Amundi, as the management company for VINCI's Castor company mutual fund, declared that it had crossed above the 8% threshold for capital, holding 50,667,532 shares under the Castor company mutual fund, accounting for 8.43% of VINCI's capital.

• Wellington Management Group declared that on 22 August 2019 it crossed above the 1% threshold for capital, holding 6,126,831 shares, accounting for 1.01% of VINCI's capital. On 2 October 2019, Wellington Management Group declared that it had crossed above the 2% threshold for capital, holding 14,240,290 shares, accounting for 2.37% of VINCI's capital.
• TCI Fund Management Limited declared that on 20 May 2019 it crossed above the 1% threshold for capital, holding 6,357,763 shares, accounting for 1.06% of VINCI's capital. On 12 August 2019, TCI Fund Management Limited declared that it had crossed above the 2% threshold for capital, holding 12,148,896 shares, accounting for 2.02% of VINCI's capital.
• La Française Investment Solutions declared that on 11 March 2019 it crossed above the 1% threshold for capital, holding 6,190,564 shares, accounting for 1.03% of VINCI's capital. On 22 March 2019, La Française Investment Solutions declared that it had crossed below the 1% threshold for capital, holding 5,662,014 shares, accounting for 0.94% of VINCI's capital. On 18 April 2019, La Française Investment Solutions declared that it had crossed above the 1% threshold for capital, holding 6,180,385 shares, accounting for 1.04% of VINCI's capital. On 7 November 2019, La Française Investment Solutions declared that it had crossed above the 1% threshold for capital, holding 8,602,700 shares, accounting for 1.44% of VINCI's capital.

Pledging of registered shares

At 31 December 2019, to the best of the Company's knowledge, a total of 14,506 shares whose registration is managed by the Company and 690,651 shares whose registration is managed by a financial institution were pledged, accounting for 0.12% of the capital.

Shareholder agreements / concerted actions

None.

3.4 Treasury shares

The disclosures required under Article L.225-211 of the French Commercial Code are made in Note B.3 to the parent company financial statements, page 355.

3.5 VINCI shares and the stock market

The VINCI share is traded on the regulated market of Euronext Paris (Compartment A) and may also be traded through several multilateral trading facilities (MTFs), the main ones being Chi-X, Turquoise and BATS, as well as over the counter (OTC), with trades mainly reported to BATS Chi-X and BOAT.

The VINCI share is included in particular in the CAC 40, Dow Jones Brookfield Global Infrastructure Index, Euronext 100, Stoxx Europe 50, Euro Stoxx 50 and Stoxx Europe 600 Construction & Materials indexes.

VINCI is also included in two of the principal responsible investment indexes:
• Vigeo's Euronext Vigeo Europe 120, composed of the highest-ranking listed companies according to their ESG performance;
• CDP's international CDLI (Carbon Disclosure Leadership Index), listing the companies that provide the most transparent environmental information.

Changes in the VINCI share price and trading volumes over the last 18 months

Based on data from Euronext, the only marketplace from which reliable statistics could be retrieved.

		Highest during trading sessions *(in €)*	Lowest during trading sessions *(in €)*	Volume of transactions *(in millions of shares)*	Average daily transaction volume *(in millions of shares)*	Value of transactions *(in € millions)*	Average price *(in €)*
2018	July	87.4	81.1	24.2	1.1	2,055.8	84.9
	August	86.0	80.0	21.5	0.9	1,785.5	83.2
	September	83.0	79.2	23.9	1.2	1,941.9	81.4
	October	82.5	74.1	32.2	1.4	2,520.3	78.3
	November	79.7	75.6	22.6	1.0	1,756.9	77.9
	December	78.3	70.0	28.6	1.5	2,088.5	73.1
2019	January	77.5	70.2	23.6	1.1	1,753.1	74.2
	February	83.9	76.0	23.6	1.2	1,874.0	79.4
	March	87.4	83.0	28.3	1.3	2,407.9	85.0
	April	90.1	86.6	25.4	1.3	2,255.0	88.7
	May	90.5	84.5	24.6	1.1	2,163.3	88.0
	June	93.3	87.4	23.3	1.2	2,109.6	90.4
	July	95.0	89.6	24.9	1.1	2,285.9	92.0
	August	99.8	88.4	28.9	1.3	2,735.6	94.6
	September	101.7	96.4	23.7	1.1	2,327.2	98.2
	October	101.4	94.4	24.2	1.1	2,363.7	97.9
	November	102.5	98.3	18.8	0.9	1,882.3	100.1
	December	100.0	96.0	20.6	1.0	2,025.1	98.1

4. Other information on the Company forming an integral part of the Report of the Board of Directors

The non-financial performance statement (page 373), "Stock market and shareholder base" chapter (pages 18 to 21), parent company financial statements (pages 349 to 362), consolidated financial statements (pages 272 to 344) and five-year financial summary table (page 363) form an integral part of the Report of the Board of Directors.

Statutory Auditor's reasonable assurance report on selected social and environmental information

For the year ended 31 December 2019

Pursuant to your request and as one of the Statutory Auditors of VINCI SA, we performed a review in the aim of providing reasonable assurance on the environmental and social indicators selected by VINCI SA and identified by the sign ☑ in section E of the Group's management report for fiscal year 2019 (the "Data"(*)).

Responsibility of the Company

The Data has been prepared under the responsibility of VINCI SA's Executive Managemernt, in accordance with the criteria used by the Company (hereinafter the "Reporting Criteria") for social and environmental reporting data, available on the Company's website or upon request at the Company's headquarters.

Independence and quality control

Our independence is defined by regulatory texts, the profession's Code of Ethics as well as the provisions set forth in Article L.822-11-3 of the French Commercial Code (Code de commerce). Furthermore, we have set up a quality control system that includes the documented policies and procedures designed to ensure compliance with ethical rules, professional standards and the applicable legal texts and regulations.

Responsibility of the Statutory Auditors

Based on our work, our responsibility is to express reasonable assurance on the fact that the Data has been prepared, in all material aspects, in accordance with the Reporting Criteria. The conclusions expressed here below cover only this Data and not all of the information set forth in section E of the Group's management report.

We have performed the procedures described below in accordance with the professional guidance issued by the national auditing body (Compagnie Nationale des Commissaires aux Comptes) relating to this operation and ISAE 3000(**):

- We have assessed the appropriateness of the Reporting Criteria with respect to its relevance, completeness, reliability, neutrality and clarity, by taking into consideration, when relevant, the sector's best practices.
- We have verified the set-up of a process to collect, compile, process, and check the completeness and consistency of the Data.
- We have interviewed the relevant staff from the Company's Human Resources Department and the Company's Sustainable Development Department at its headquarters in order to analyse the deployment and application of the Reporting Criteria.
- We have set up analytical procedures on the Data and verified, using sampling techniques, the calculations as well as the consolidation of Data.
- We have tested the Data for a representative sample of entities that we selected(***) based on their activity, their contribution to the consolidated Data, their location and a risk analysis. We have conducted interviews to verify the proper application of procedures and conducted substantive tests, using sampling techniques, to verify the calculations performed and reconcile Data with supporting evidence. The selected sample covers between 64% and 100% of the consolidated data for the key performance indicators selected.

(*) *Environmental indicators: electricity consumption; total energy consumption; Scope 1 and 2 greenhouse gas emissions; greenhouse gas emissions avoided through use of no-stop electronic toll collection; motorway users' greenhouse gas emissions.*

Social and safety indicators: lost-time work accident frequency rate for VINCI employees; work accident severity rate for VINCI employees.

(**) *ISAE 3000 "Assurance engagements other than audits or reviews of historical financial information".*

(***) *Environmental indicators: ASF; Entrepose Contracting; Eurovia: Eurovia UK; Soletanche Freyssinet: Bachy Soletanche and Roger Bullivant (UK); VINCI Airports: VINCI Airports Serbia; VINCI Construction France: VINCI Construction France Nouvelle Aquitaine delegation; VINCI Construction Grands Projets; VINCI Construction International Network: Sogea-Satom, VINCI Construction DOM TOM, central European subsidiaries, HEB (New Zealand) and Seymour Whyte (Australia); VINCI Construction Terrassement; VINCI Construction UK; VINCI Energies Europe East; VINCI Energies Europe West; VINCI Energies France; VINCI Energies International & Systems: Electrix (New Zealand); Other concessions: VINCI Highways and VINCI Railways; VINCI Immobilier.*

Social and safety indicators: ASF; Cofiroute: Région Ouest (France); Escota; Eurovia (France): Centre and Aquitaine; Soletanche Freyssinet; VINCI Airports: ANA and Portway; VINCI Construction France: VINCI Construction France Nouvelle Aquitaine delegation; VINCI Construction Grands Projets; VINCI Construction International Network: HEB (New Zealand); VINCI Construction Terrassement: Benedetti-Guelpa (France); VINCI Construction UK; VINCI Energies France; VINCI Energies International & Systems: Electrix (New Zealand) and Cegelec (Morocco); VINCI Immobilier: VINCI Immobilier Promotion and Ovelia (France).

We believe that the sampling methods and sizes of the samples we have used in exercising our professional judgment enable us to express a reasonable assurance. Due to the use of sampling techniques and the other limits inherent to the operations of any information and internal control system, the risk that a material anomaly be identified in the Data cannot be totally eliminated.

We believe that these procedures enable us to express reasonable assurance on the Data.

Conclusion

In our opinion, the information selected by the Company and identified by the sign ☑ in section E of the Group's management report, has been prepared, in all material aspects, in accordance with the Reporting Criteria.

Paris La Défense, 7 February 2020
One of the Statutory Auditors
French original signed by

Deloitte & Associés

Mansour Belhiba
Partner, Audit

Eric Dugelay
Partner, Sustainability Services

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Report of one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement published in the Report of the Board of Directors

For the year ended 31 December 2019

To the Shareholders,

In our capacity as Statutory Auditor of VINCI SA, appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at www.cofrac.fr), we hereby report to you on the consolidated non-financial statement for the year ended 31 December 2019 (hereinafter the "Statement"), presented in the Report to the Board of Directors pursuant to the legal and regulatory provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code (Code de commerce).

Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement was prepared by applying the Company's procedures (hereinafter the "Guidelines"), summarised in the Statement and available on the Company's website or upon request at the Company's headquarters.

Independence and quality control

Our independence is defined by Article L.822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (Code de déontologie). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:
- the compliance of the Statement with Article R.225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R.225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

However, it is not our responsibility to provide any conclusion on:
- the Company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation;
- the compliance of products and services with the applicable regulations.

Nature and scope of procedures

We performed our work in accordance with Articles A.225-1 *et seq.* of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement and with ISAE 3000 ("Assurance engagements other than audits or reviews of historical financial information").

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:
- We familiarised ourselves with the Group's business activity, the report on the main social and environmental risks relating to this activity and the impacts thereof with regard to the respect for human rights and the fight against corruption and tax evasion, together with the subsequent policies and their results.
- We assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in section III of Article L.225-102-1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement presents the business model and the main risks relating to the Group's business activity, including, where relevant and proportionate, the risks generated by its business relations, products or services as well as policies, measures and outcomes, including key performance indicators.
- We verified that, when relevant to the main risks or policies presented, the Statement presents the information stipulated in section II of Article R.225-105.
- We assessed the process of selecting and validating the main risks.
- We inquired as to the existence of internal control and risk management procedures set up by the Company.
- We assessed the consistency of the results and key performance indicators used with regard to the main risks and policies presented.
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L.233-16, with the limits specified in the Statement.

- We assessed the collection process set up by the entity to ensure the completeness and fairness of the Information.
- For the key performance indicators and other quantitative outcomes[*] that in our judgment were of most significance, we carried out:

– analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;

– substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities[**] and covered between 23% and 100% of the consolidated data for the key performance indicators and outcomes selected for these tests.

- We consulted documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that in our judgment were of most significance.[***]
- We assessed the overall consistency of the Statement in relation to our knowledge of the Company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work engaged the skills of thirteen people between September 2019 and February 2020.
To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around thirty interviews with people responsible for preparing the Statement.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the non-financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Paris La Défense, 7 February 2020
One of the Statutory Auditors
French original signed by
Deloitte & Associés

Mansour Belhiba Partner, Audit	Eric Dugelay Partner, Sustainability Services

(*) <u>Environmental indicators:</u> purchased water consumption; consumed water taken directly from the natural environment; phytosanitary products consumption; hazardous waste and non-hazardous waste produced; percentage of waste recycled; percentage of revenue from ISO 14001-certified activities; percentage of ISO 14001-certified revenue (works agencies); ISO 14001-certified tonnage (quarries, coating plants and binder plants owned); kilometres of ISO 14001-certified motorways; percentage of mix manufactured with recycled mix aggregate; number and revenues of projects with green certifications.
<u>Social and safety indicators:</u> end-of-period workforce (split by age, gender, geographical area and socio-professional category); number of temporary employees in full-time equivalent; total recruitment; total departures (of which number of redundancies); total training hours (of which safety training); number of employees trained; occupational illness severity rate; total days of absenteeism; actual hours worked; number of employees with a disability; average salary of VINCI employees; average salary of VINCI women employees.

(**) <u>Environmental indicators:</u> ASF; Entrepose Contracting; Eurovia: Eurovia UK; Soletanche Freyssinet: Bachy Soletanche and Roger Bullivant (UK); VINCI Airports: VINCI Airports Serbia; VINCI Construction France: VINCI Construction France Nouvelle Aquitaine delegation; VINCI Construction Grands Projets; VINCI Construction International Network: Sogea-Satom, VINCI Construction DOM TOM, central European subsidiaries, HEB (New Zealand) and Seymour Whyte (Australia); VINCI Construction Terrassement; VINCI Construction UK; VINCI Energies Europe East; VINCI Energies Europe West; VINCI Energies France; VINCI Energies International & Systems: Electrix (New Zealand); Other concessions: VINCI Highways and VINCI Railways; VINCI Immobilier.

<u>Social and safety indicators:</u> ASF; Cofiroute: Région Ouest (France); Escota; Eurovia (France): Centre and Aquitaine; Soletanche Freyssinet; VINCI Airports: ANA and Portway; VINCI Construction France: VINCI Construction France Nouvelle Aquitaine delegation; VINCI Construction Grands Projets; VINCI Construction International Network: HEB (New Zealand); VINCI Construction Terrassement: Benedetti-Guelpa (France); VINCI Construction UK; VINCI Energies France; VINCI Energies International & Systems: Electrix (New Zealand) and Cegelec (Morocco); VINCI Immobilier: VINCI Immobilier Promotion and Ovelia (France).

(***) <u>Qualitative information:</u> general approach in favour of inclusion and diversity; VINCI's socio-economic footprint in France; general approach to business ethics; general approach to human rights; health and safety of temporary workers and subcontractors; prevention of environmental incidents; general approach to improve sorting and recovery of waste; responsible purchasing approach; general approach to protecting biodiversity; general approach to climate change adaptation.

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Report of the Lead Director of the Board of Directors

Yannick Assouad, who serves as Lead Director of VINCI, hereby reports on the duties that were assigned to her in this capacity during the period from 1 January to 31 December 2019.

This report was prepared by Mrs Assouad in liaison with the Company's Legal Department and was submitted to the VINCI Board of Directors at its meeting of 4 February 2020.

1. Terms of reference for the Lead Director

The terms of reference for the Lead Director are described as follows in Article 2.5 of the internal rules of the Board of Directors in the version available on the Company's website, www.vinci.com:

"The main duties of the Lead Director are to:
- serve as the point of contact for Board members on questions of corporate governance;
- be contacted by shareholders on questions of corporate governance. He or she maintains a dedicated email address for this purpose. The Lead Director is also informed of comments and suggestions from shareholders about corporate governance, and ensures that their concerns are addressed. When requested by the Chairman, the Lead Director makes himself or herself available to communicate with institutional shareholders and proxy advisers and reports to the Board on these contacts;
- be contacted about any conflict of interest concerning a Board member or decide on his or her own to investigate a conflict of interest, if necessary. He or she contributes to the management of conflicts of interest in accordance with Article 4.6.2 of these rules.

"To carry out his or her duties, the Lead Director has the power to:
- request that any item be included on the agenda of a Board meeting;
- request at any moment that the Chairman call a Board meeting to deliberate on a specific agenda, the Chairman being required to carry out this request;
- chair the Appointments and Corporate Governance Committee;
- organise a meeting of Board members without any executive company officer being present once each year. This meeting is not considered a regular Board meeting, but a report on it is given at a formal Board meeting. The main purpose of this meeting is to enable Board members to speak about questions of corporate governance as well as about the evaluation of the performance of the Executive Management, upon the recommendation of the relevant committees.

"To carry out these duties, the Lead Director can request the assistance of the Board Secretary at any moment.

"The Lead Director reports to the shareholders on the performance of his or her duties at the Shareholders' General Meeting."

2. Activities of the Lead Director in the performance of the duties assigned to her by the Board of Directors

Over the course of the 2019 financial year, Mrs Assouad chaired the Board meeting of 5 February 2019, which the Chairman and Chief Executive Officer did not attend, the aim of which was to evaluate the performance of the Executive Management.

In addition, Mrs Assouad:
- organised and chaired the five meetings of the Appointments and Corporate Governance Committee held during the year;
- had frequent contact with the Vice-Chairman and the other members of the Board;
- supervised the search process for a new Board member;
- organised the process for the assessment of the Board of Directors, which was carried out in the second half of 2019, with the assistance of an independent outside consultant;
- took part in a number of meetings with the Chairman and Chief Executive Officer to prepare a succession plan;
- participated in governance roadshows organised for French and foreign investors in both Paris and London.

Mrs Assouad will present her report to the shareholders on her activities during the 2019 financial year at the Shareholders' General Meeting of 9 April 2020.

It should be noted that no actual or potential conflicts of interest were brought to her attention during the 2019 financial year.

As a result of her work, Mrs Assouad concluded that the governing bodies functioned normally and satisfactorily in 2019. Consequently, she did not find it necessary to ask the Chairman to call a Board meeting to deliberate on a specific agenda.

Report of the Vice-Chairman of the Board of Directors

Yves-Thibault de Silguy, who serves as Vice-Chairman of the VINCI Board of Directors, hereby reports on the duties that were assigned to him in this capacity during the period from 1 January to 31 December 2019.

This report was prepared by Mr de Silguy in liaison with the Company's Legal Department and was submitted to the VINCI Board of Directors at its meeting of 4 February 2020.

1. Terms of reference for the Vice-Chairman

The terms of reference for the Vice-Chairman of the Board of Directors are described as follows in Article 2.4 of the internal rules of the Board of Directors in the version available on the Company's website, www.vinci.com:

"The main duties of the Vice-Chairman are to:
- assist the Chairman as needed in the exercise of the Chairman's responsibilities, at the latter's request;
- leverage his or her experience and knowledge of the Group to contribute information that the Board requires about the Group's business matters and organisation;
- represent the Group at the request of the Chairman;
- take part in meetings with shareholders or proxy advisers, at the request of the Chairman;
- chair Board meetings in the event the Chairman is unavailable.

"The Vice-Chairman is granted the necessary powers and is provided with the resources required to carry out his or her duties. Specifically, he or she:
- is kept informed by the Chief Executive Officer of material events or situations affecting the Group, notably relating to strategy, significant investment and divestment projects, organisation, financial reporting, major financial transactions, changes to the Company's share capital, and contacts with the Company's main current or potential shareholders;
- chairs the Strategy and CSR Committee;
- has direct access to the members of the Group's Executive Committee and, in coordination with the Chief Executive Officer, may organise any meeting with these executives and any employees designated by them that he or she deems appropriate or useful to the performance of his or her duties. He or she may consult with the managers responsible for internal control, risk and compliance as well as the Statutory Auditors;
- may access any document or information deemed necessary for the performance of his or her duties.

"The Chief Executive Officer facilitates the performance of these duties by providing the required instructions.

"The Vice-Chairman reports to the shareholders on the performance of his or her duties at the Shareholders' General Meeting."

2. Activities of the Vice-Chairman in the performance of the duties assigned to him by the Board of Directors

Over the course of the 2019 financial year, Mr de Silguy:
- organised nearly 160 meetings with the members of the Executive Committee or the Management and Coordination Committee, or with certain employees designated by these members, as well as with the Vice-President responsible for Ethics and Vigilance, in order to keep himself informed of the Group's business activities and news, and more generally its operational organisation;
- had frequent contact with the Lead Director and the other members of the Board;
- took part in all of the meetings of the Board, its Strategy and CSR Committee and its Appointments and Corporate Governance Committee, also attending the informal meetings organised for the Board, and participated in the review of the 2018 registration document;
- represented the Group at various conferences and forums, on corporate governance issues in particular, and in meetings with individual investors;
- represented the Group at meetings with foreign officials and other prominent foreign citizens, before professional bodies, during official trips and at the inauguration of structures built by the Group.

Mr de Silguy sent a detailed written report about the performance of his duties to the Chairman of the Audit Committee and to the Chairman of the Appointments and Corporate Governance Committee.

Consolidated financial statements at 31 December 2019

Notes to the consolidated financial statements at 31 December 2019

Consolidated financial statements

Key figures

(in € millions)	2019	2018
Revenue (*)	**48,053**	**43,519**
Revenue generated in France (*)	26,307	24,768
% of revenue (*)	*54.7%*	*56.9%*
Revenue generated outside France (*)	21,746	18,751
% of revenue (*)	*45.3%*	*43.1%*
Operating income from ordinary activities	5,734	4,997
% of revenue (*)	*11.9%*	*11.5%*
Recurring operating income	5,704	4,924
Operating income	5,664	4,920
Net income attributable to owners of the parent	**3,260**	**2,983**
% of revenue (*)	*6.8%*	*6.9%*
Diluted earnings per share *(in €)*	5.82	5.32
Dividend per share *(in €)*	3.05 (**)	2.67
Cash flows from operations before tax and financing costs	**8,497 (***)**	**6,898**
Operating investments (net of disposals)	(1,249)	(986)
Operating cash flow	**5,266**	**4,156**
Growth investments in concessions and PPPs	(1,065)	(977)
Free cash flow	**4,201**	**3,179**
Equity including non-controlling interests	23,042	19,818
Net financial debt	(21,654)	(15,554)

PPP: public-private partnership.
(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.
(**) Dividend proposed to the Shareholders' General Meeting of 9 April 2020, including an interim dividend of €0.79 per share paid on 7 November 2019.
(***) Including IFRS 16 impact of €575 million, representing a 14.8% increase excluding the IFRS 16 impact.

From 1 January 2019, the Group has applied IFRS 16 "Leases" according to the "simplified retrospective" approach, recognising the cumulative effects of first-time adoption on opening equity at 1 January 2019. As a result, 2018 figures have not been adjusted. The impacts of this first-time adoption are presented in Note A.4, "Change in accounting methods – IFRS 16 'Leases'".

Consolidated income statement for the period

(in € millions)	Notes	2019	2018
Revenue (*)	**1-2**	**48,053**	**43,519**
Concession subsidiaries' revenue derived from works carried out by non-Group companies		699	633
Total revenue		48,753	44,152
Revenue from ancillary activities	4	198	202
Operating expenses	4	(43,216)	(39,357)
Operating income from ordinary activities	**1-4**	**5,734**	**4,997**
Share-based payments (IFRS 2)	30	(291)	(206)
Profit/(loss) of companies accounted for under the equity method	4-10	212	88
Other recurring operating items	4	48	45
Recurring operating income	**4**	**5,704**	**4,924**
Non-recurring operating items	4	(40)	(4)
Operating income	**4**	**5,664**	**4,920**
Cost of gross financial debt		(592)	(491)
Financial income from cash investments		41	29
Cost of net financial debt	**5**	**(551)**	**(462)**
Other financial income and expense	6	(71)	17
Income tax expense	7	(1,634)	(1,418)
Net income		**3,408**	**3,057**
Net income attributable to non-controlling interests		148	74
Net income attributable to owners of the parent		**3,260**	**2,983**
Basic earnings per share *(in €)*	8	5.88	5.38
Diluted earnings per share *(in €)*	8	5.82	5.32

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Consolidated comprehensive income statement for the period

	2019			2018		
(in € millions)	**Attributable to owners of the parent**	**Attributable to non-controlling interests**	**Total**	**Attributable to owners of the parent**	**Attributable to non-controlling interests**	**Total**
Net income	**3,260**	**148**	**3,408**	**2,983**	**74**	**3,057**
Changes in fair value of cash flow and net investment hedging instruments (*)	(214)	-	(214)	(51)	-	(51)
Hedging costs	(8)	-	(8)	3	-	3
Tax (**)	39	-	39	(3)	-	(3)
Currency translation differences	181	34	215	22	2	23
Share in net profit of companies accounted for under the equity method	(84)	-	(84)	18	-	18
Other comprehensive income that may be recycled subsequently to net income	**(87)**	**34**	**(53)**	**(11)**	**2**	**(10)**
Equity instruments	(1)	-	(1)	-	-	-
Actuarial gains and losses on retirement benefit obligations	(293)	(20)	(313)	(46)	-	(46)
Tax	73	4	77	15	-	15
Share in net profit of companies accounted for under the equity method	(2)	-	(2)	(1)	-	(1)
Other comprehensive income that may not be recycled subsequently to net income	**(222)**	**(17)**	**(239)**	**(31)**	**-**	**(31)**
Total other comprehensive income recognised directly in equity	**(309)**	**17**	**(292)**	**(42)**	**2**	**(41)**
Comprehensive income	**2,951**	**165**	**3,117**	**2,940**	**76**	**3,016**

(*) Including a negative amount of €131 million related to cash flow hedge derivatives and a negative amount of €83 million related to net investment hedge instruments. Changes in the fair value of cash flow hedges are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.
(**) Tax effects relating to changes in the fair value of cash flow hedging financial instruments (effective portion) and hedging costs.

Consolidated balance sheet

Assets

(in € millions)	Notes	31/12/2019	31/12/2018
Non-current assets			
Concession intangible assets	13	26,869	27,118
Goodwill	9	11,647	9,792
Other intangible assets	17	7,410	632
Property, plant and equipment	17	10,131	5,359
Investments in companies accounted for under the equity method	10	1,870	1,674
Other non-current financial assets	11-14-18	1,525	1,332
Derivative financial instruments – non-current assets	27	1,051	511
Deferred tax assets	7	370	317
Total non-current assets		**60,873**	**46,736**
Current assets			
Inventories and work in progress	19	1,434	1,173
Trade and other receivables	19	14,523	13,584
Other current operating assets	19	5,252	5,033
Other current non-operating assets		48	52
Current tax assets		166	280
Other current financial assets		53	37
Derivative financial instruments – current assets	27	210	258
Cash management financial assets	26	287	245
Cash and cash equivalents	26	8,257	7,960
Total current assets		**30,229**	**28,621**
Total assets		**91,102**	**75,357**

Equity and liabilities

(in € millions)	Notes	31/12/2019	31/12/2018
Equity			
Share capital	23.1	1,513	1,494
Share premium	23.1	10,879	10,339
Treasury shares	23.2	(3,083)	(2,323)
Consolidated reserves		9,252	7,767
Currency translation reserves		(18)	(213)
Net income attributable to owners of the parent		3,260	2,983
Amounts recognised directly in equity	23.4	(1,364)	(861)
Equity attributable to owners of the parent		**20,438**	**19,185**
Non-controlling interests	23.5	2,604	633
Total equity		**23,042**	**19,818**
Non-current liabilities			
Non-current provisions	20	1,341	1,135
Provisions for employee benefits	29	1,911	1,519
Bonds	25	23,300	16,588
Other loans and borrowings	25	3,075	3,023
Derivative financial instruments – non-current liabilities	27	473	206
Non-current lease liabilities	21	1,311	-
Other non-current liabilities		451	345
Deferred tax liabilities	7	2,701	1,676
Total non-current liabilities		**34,563**	**24,491**
Current liabilities			
Current provisions	19	4,741	4,452
Trade payables	19	8,514	8,240
Other current operating liabilities	19	14,177	12,862
Other current non-operating liabilities		662	500
Current tax liabilities		292	282
Current lease liabilities	21	494	-
Derivative financial instruments – current liabilities	27	399	76
Current borrowings	25	4,217	4,635
Total current liabilities		**33,497**	**31,048**
Total equity and liabilities		**91,102**	**75,357**

Consolidated cash flow statement

(in € millions)	Notes	2019	2018
Consolidated net income for the period (including non-controlling interests)		**3,408**	**3,057**
Depreciation and amortisation	4.3	3,040	2,242
Net increase/(decrease) in provisions and impairment		90	(16)
Share-based payments (IFRS 2) and other restatements		64	21
Gain or loss on disposals		(67)	(88)
Change in fair value of financial instruments		(4)	(39)
Share of profit or loss of companies accounted for under the equity method and dividends received from unconsolidated companies		(218)	(104)
Cost of net financial debt recognised	5	551	462
Capitalised borrowing costs		(41)	(56)
Financial expense on leases	6	40	-
Current and deferred tax expense recognised	7.1	1,634	1,418
Cash flows from operations before tax and financing costs	**1**	**8,497**	**6,898**
Changes in operating working capital requirement and current provisions	19.1	428	(266)
Income taxes paid (*)		(1,547)	(1,222)
Net interest paid		(458)	(444)
Dividends received from companies accounted for under the equity method		170	176
Net cash flows (used in)/from operating activities (*)	**I**	**7,090**	**5,142**
Purchases of property, plant and equipment and intangible assets		*(1,365)*	*(1,095)*
Proceeds from sales of property, plant and equipment and intangible assets		*117*	*109*
Operating investments (net of disposals)	1	(1,249)	(986)
Investments in concession fixed assets (net of grants received)		*(1,031)*	*(986)*
Financial receivables (PPP contracts and others)		*(34)*	*8*
Growth investments in concessions and PPPs	1	(1,065)	(977)
Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated) (**)		*(3,611)*	*(1,570)*
Proceeds from sales of shares in subsidiaries and affiliates		*43*	*81*
Net financial investments		(3,568)	(1,489)
Other		(90)	(165)
Net cash flows (used in)/from investing activities	**II**	**(5,972)**	**(3,617)**
Share capital increases and decreases and repurchases of other equity instruments		560	469
Transactions on treasury shares	23.2	(903)	(639)
Non-controlling interests in share capital increases and decreases of subsidiaries		394	-
Acquisitions/disposals of non-controlling interests (without acquisition or loss of control)		(21)	(25)
Dividends paid	24	(1,772)	(1,443)
- to shareholders of VINCI SA		*(1,504)*	*(1,391)*
- to non-controlling interests	23.5	*(267)*	*(53)*
Proceeds from new long-term borrowings	25.1	4,626	4,163
Repayments of long-term borrowings	25.1	(2,335)	(2,707)
Repayments of lease liabilities and financial expense on leases		(575)	-
Change in cash management assets and other current financial debts	25	(630)	135
Net cash flows (used in)/from financing activities	**III**	**(656)**	**(48)**
Other changes	IV	102	(398)
Change in net cash	**I+II+III+IV**	**564**	**1,079**
Net cash and cash equivalents at beginning of period		**6,782**	**5,703**
Net cash and cash equivalents at end of period	**26.1**	**7,346**	**6,782**
Change in cash management assets and other current financial debts		630	(135)
(Proceeds from)/repayment of loans		(2,291)	(1,456)
Other changes		(5,003)	(1,042)
Debts assumed during business combinations		*(4,757)*	*(792)*
Change in net financial debt		**(6,100)**	**(1,553)**
Net financial debt at beginning of period		**(15,554)**	**(14,001)**
Net financial debt at end of period	**25**	**(21,654)**	**(15,554)**

(*) Including non-current tax effects in 2018: net inflow of €103 million.
(**) Including, in 2019, the acquisition of London Gatwick Airport for €3,080 million. In 2018, acquisitions at VINCI Airports (Nikola Tesla Airport in Belgrade, Serbia and Airports Worldwide), VINCI Energies (PrimeLine Utility Services and Wah Loon Engineering), and Eurovia (Lane Construction's Plants & Paving division).

Reconciliation of key performance indicators with the consolidated cash flow statement

(in € millions)	2019	2018
Net cash flows (used in)/from operating activities	**7,090**	**5,142**
Operating investments (net of disposals)	(1,249)	(986)
Repayments of lease liabilities and financial expense on leases	(575)	-
Operating cash flow	**5,266**	**4,156**
Growth investments in concessions and PPPs	(1,065)	(977)
Free cash flow	**4,201**	**3,179**
Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)	(3,611)	(1,570)
Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)	43	81
Net impact of changes in scope including net debt assumed	(4,677)	(1,149)
Net financial investments	**(8,245)**	**(2,638)**
Other	(90)	(165)
Total net financial investments	**(8,335)**	**(2,802)**

Consolidated statement of changes in equity

	Equity attributable to owners of the parent									
(in € millions)	Share capital	Share premium	Treasury shares	Consolidated reserves	Net income	Currency translation reserves	Amounts recognised directly in equity	Total attributable to owners of the parent	Non-controlling interests	Total
Balance at 01/01/2018	**1,478**	**9,886**	**(1,751)**	**6,375**	**2,747**	**(276)**	**(780)**	**17,679**	**572**	**18,251**
Net income for the period	-	-	-	-	2,983	-	-	2,983	74	3,057
Other comprehensive income recognised directly in the equity of controlled companies	-	-	-	-	-	22	(82)	(60)	2	(58)
Other comprehensive income recognised directly in the equity of companies accounted for under the equity method	-	-	-	-	-	18	(1)	17	-	17
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**2,983**	**40**	**(82)**	**2,940**	**76**	**3,016**
Increase in share capital	16	453	-	-	-	-	-	469	-	469
Decrease in share capital	-	-	-	-	-	-	-	-	-	-
Transactions on treasury shares	-	-	(572)	(67)	-	-	-	(639)	-	(639)
Allocation of net income and dividend payments	-	-	-	1,357	(2,747)	-	-	(1,391)	(53)	(1,443)
Share-based payments (IFRS 2)	-	-	-	138	-	-	-	138	-	138
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	(3)	-	-	-	(3)	(3)	(6)
Changes in consolidation scope	-	-	-	-	-	(1)	-	-	41	41
Other	-	-	-	(32)	-	23	-	(8)	-	(8)
Reported balance at 31/12/2018	**1,494**	**10,339**	**(2,323)**	**7,767**	**2,983**	**(213)**	**(861)**	**19,185**	**633**	**19,818**
Impact of changed methods(*)	-	-	-	(2)	-	-	-	(2)	-	(3)
Adjusted balance at 01/01/2019	**1,494**	**10,339**	**(2,323)**	**7,765**	**2,983**	**(213)**	**(861)**	**19,183**	**633**	**19,815**
Net income for the period	-	-	-	-	3,260	-	-	3,260	148	3,408
Other comprehensive income recognised directly in the equity of controlled companies	-	-	-	-	-	181	(404)	(223)	17	(206)
Other comprehensive income recognised directly in the equity of companies accounted for under the equity method	-	-	-	-	-	10	(97)	(86)	-	(86)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**3,260**	**191**	**(500)**	**2,951**	**165**	**3,116**
Increase in share capital	19	540	-	-	-	-	-	560	394	954
Decrease in share capital	-	-	-	-	-	-	-	-	-	-
Transactions on treasury shares	-	-	(760)	(142)	-	-	-	(903)	-	(903)
Allocation of net income and dividend payments	-	-	-	1,479	(2,983)	-	-	(1,504)	(267)	(1,772)
Share-based payments (IFRS 2)	-	-	-	195	-	-	-	195	-	195
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	(7)	-	(1)	-	(9)	(1)	(10)
Changes in consolidation scope	-	-	-	(7)	-	7	-	-	1,681	1,681
Other	-	-	-	(30)	-	(2)	(3)	(34)	-	(35)
Balance at 31/12/2019	**1,513**	**10,879**	**(3,083)**	**9,252**	**3,260**	**(18)**	**(1,364)**	**20,438**	**2,604**	**23,042**

(*) Change in accounting methods related to the first-time adoption on 1 January 2019 of IFRS 16, described in Note A.4, "Change in accounting methods – IFRS 16 'Leases'".

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A. Accounting policies, measurement methods and changes in methods

1. Basis for preparing the financial statements

Pursuant to Regulation (EC) No. 1606/2002 of 19 July 2002, VINCI's consolidated financial statements for the period ended 31 December 2019 have been prepared under the International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2019[*].

The accounting policies used at 31 December 2019 are the same as those used in preparing the consolidated financial statements at 31 December 2018, except for the standards and/or amendments of standards described below, adopted by the European Union and mandatorily applicable as from 1 January 2019.

The Group's consolidated financial statements are presented in millions of euros, rounded to the nearest million. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables.

The information relating to 2017, presented in the 2018 registration document D.19-0079 filed with the AMF on 27 February 2019, is deemed to be included herein.

The consolidated financial statements were adopted by the Board of Directors on 4 February 2020 and will be submitted for approval at the Shareholders' General Meeting on 9 April 2020.

New standards and interpretations applied from 1 January 2019

The impact of applying IFRS 16 "Leases" from 1 January 2019 is described in Note A.4, "Change in accounting methods – IFRS 16 'Leases'". Other standards and interpretations mandatorily applicable from 1 January 2019 have no material impact on VINCI's consolidated financial statements at 31 December 2019. These are mainly:

- IFRIC 23 "Uncertainty over Income Tax Treatments". This standard, which clarifies the rules on recognising and measuring uncertainties related to corporate income tax, has no material impact on the measurement of the Group's current and deferred tax at 1 January 2019. The balance sheet at 31 December 2018 has not been adjusted;
- Amendments to IFRS 9 "Prepayment Features with Negative Compensation";
- Amendments to IAS 28 "Investments in Associates and Joint Ventures";
- Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement";
- Annual Improvements 2015-2017.

On 16 January 2020, the European Union adopted the "Interest Rate Benchmark Reform" amendments to IFRS 9 and IFRS 7. The Group decided to apply them early from 1 January 2019.

Standards and interpretations adopted by the International Accounting Standards Board (IASB) but not yet applicable at 31 December 2019

The Group has not applied early the following standards and interpretations that could concern the Group and of which application was not mandatory at 1 January 2019:

- Amendments to IAS 1 and IAS 8 "Definition of Material";
- Amendments to IFRS 3 "Definition of a Business".

A study of the impacts and practical consequences of applying these amendments and interpretations is under way. However, they do not contain any provisions that are contrary to the Group's current accounting practices.

2. Consolidation methods

In accordance with IFRS 10, companies in which the Group holds, whether directly or indirectly, the majority of voting rights in shareholders' general meetings, in the Boards of Directors or in the equivalent management bodies, giving it the power to direct their operational and financial policies, are generally deemed to be controlled and are fully consolidated. To determine control, VINCI carries out an in-depth analysis of governance arrangements in place and of the rights held by other shareholders. Where necessary, an analysis is performed in relation to instruments held by the Group or by third parties (potential voting rights, dilutive instruments, convertible instruments, etc.) that, if exercised, could alter the type of influence exerted by each party.
For some infrastructure project companies operating under concessions or public-private partnership (PPP) contracts and in which VINCI is not the only capital investor, in addition to the analysis of the governance arrangements with each partner, the Group may look at the characteristics of subcontracting contracts to check that they do not confer powers that could lead to a situation of de facto control. This most often concerns construction contracts and contracts to operate/maintain concession assets.
An analysis is performed if a specific event takes place that may affect the level of control exerted by the Group, such as a change in an entity's ownership structure or governance, or the exercise of a dilutive financial instrument.

(*) Available at: http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_en.htm

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In accordance with IFRS 11, the joint arrangements in which the Group is involved fall into two categories (joint ventures and joint operations) depending on the nature of the rights and obligations held by each party. Classification is generally determined by the legal form of the project vehicle. The Group has joint control over all of these joint arrangements.
Joint operations: most joint arrangements in the Contracting business are joint operations because of the legal form of the vehicles used. In France, for example, parties generally use *sociétés en participation* (SEPs) to contractualise their joint works activities.
In some situations, where the facts and circumstances show that a company's activities amount to providing production to the parties, it is regarded as a joint operation even where the vehicle's legal form does not establish transparency between the joint operators' assets and those of the joint arrangement. In that situation, the parties have the rights to substantially all of the economic benefits associated with the company's assets, and will settle its liabilities.
Within the VINCI Group, this situation concerns certain coating plants held and used by Eurovia in its road infrastructure construction and renovation activities.
Associates are entities over which the Group exerts significant influence. They are accounted for under the equity method in accordance with IAS 28. Significant influence is presumed where the Group's stake is more than or equal to 20%. However, it may arise where the ownership interest is lower, particularly where the Group is represented on the Board of Directors or any equivalent governance body, and therefore takes part in determining the entity's operational and financial policies and strategy. This applies to the Group's stakes in Aéroports de Paris (ADP) and CFE in particular.
Joint ventures: French property development joint arrangements contractualised in the form of *sociétés civiles de construction-vente* (SCCVs) are joint ventures under IFRS 11 and accounted for under the equity method. The same is true of the Group's other joint arrangements to carry out a specific project through an entity with legal personality and where the partners do not take all of the joint venture's production.

The holding company that owns London Gatwick Airport's operations has material non-controlling interests (49.99%): the information required by IFRS 12 regarding non-controlling interests is provided in Note I.23.5, "Non-controlling interests". The Group's consolidation scope does not include any other individually material joint venture or associate. That assessment is based on the impact of those interests on the Group's financial performance, consolidated balance sheet and cash flow. VINCI does not own any interest in structured entities as defined by IFRS 12.

VINCI's consolidated financial statements include the financial statements of all companies with revenue of more than €2 million, and of companies whose revenue is below this figure but whose impact on certain of the Group's balance sheet and income statement indicators is material.

In accordance with Regulation no. 2016-09 of 2 December 2016, issued by the Autorité des Normes Comptables (ANC, the French accounting standards authority), the list of companies included in the consolidation scope and shares in unconsolidated subsidiaries and affiliates is available on VINCI's website at https://www.vinci.com/vinci.nsf/en/investors-composition-group.htm.

3. Use of estimates

The preparation of financial statements under IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.
These estimates assume the operation is a going concern and are made on the basis of information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.
The consolidated financial statements for the period have been prepared with reference to the immediate environment, in particular as regards the estimates given below.

Measurement of revenue from construction and service contracts

For revenue and income or losses on construction and service contracts, the Group applies general revenue recognition rules based on progress towards completion.
Progress towards completion and the revenue to be recognised are determined on the basis of a large number of estimates made by monitoring the work performed. Adjustments may therefore be made to initial estimates throughout contracts and may materially affect future results.

Values used in impairment tests

The assumptions and estimates made to determine the recoverable amount of goodwill, intangible assets and property, plant and equipment relate in particular to the assessment of market prospects needed to estimate the cash flow, and the discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount. The main assumptions used by the Group are described in Note E.9, "Goodwill and goodwill impairment tests".

Measurement of provisions

The factors that may cause a material change in the amount of provisions are:
- the estimates made using statistical methods on the basis of expenses incurred in previous years to determine after-sales-service provisions;
- the forecasts of expenditures on major maintenance over several years used as a basis for the provisions for obligations to maintain the condition of concession assets. These forecasts are estimated taking account of indexation clauses included in construction and civil engineering contracts (mainly the TP01, TP02 and TP09 indexes for France);
- the estimates of forecast profit or loss on construction contracts, which serve as a basis for the determination of losses on completion (see Note G, "Contracting business and VINCI Immobilier: construction and service contracts" and Note H.19.3, "Breakdown of current provisions");
- the discount rates used.

Measurement of leases

The assumptions and estimates made to determine the value of right-of-use assets in respect of leases and the related liabilities relate in particular to discount rates and lease terms. Details of the assumptions used and how they are determined are given in Note A.4, "Change in accounting methods – IFRS 16, 'Leases'".

Measurement at fair value

Fair value is the price that would be received from selling an asset or paid to transfer a liability in a normal transaction. It is recognised on the basis of the asset or liability's main market (or the most advantageous market if there is no main market), i.e. the one that offers the highest volume and activity levels. The fair value of derivative financial instruments includes a "counterparty risk" component for derivatives carried as assets and an "own credit risk" component for derivatives carried as liabilities.

The Group mainly uses fair value in measuring, on a consistent basis, the derivative instruments, cash and cash equivalents, shares in unconsolidated subsidiaries and affiliates, cash management financial assets and identifiable assets and liabilities acquired in business combinations on its balance sheet. The fair value of other financial instruments (particularly debt instruments and assets measured at amortised cost) is stated in Note J.28, "Book and fair value of financial instruments by accounting category" below.

To determine these fair values, the Group uses the following measurement methods:
- market-based approaches, based on observable market prices or transactions;
- revenue-based approaches, which convert future cash flow into a single present value;
- cost-based approaches, which take into account the asset's physical, technological and economic obsolescence.

The following three-level hierarchy of fair values is used:
- Level 1 – price quoted on an active market. Marketable securities, some shares in unconsolidated subsidiaries and affiliates and listed bond issues are measured in this way;
- Level 2 – internal model using internal measurement techniques with observable factors: these techniques are based on usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc.) traded over the counter is made on the basis of models commonly used to price such financial instruments. Every quarter, the internally calculated values of derivative instruments are checked for consistency with those sent to VINCI by the counterparties;
- Level 3 – internal model using non-observable factors: this model applies to customer relationships and contracts acquired through business combinations, as well as to holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

Measurement of retirement benefit obligations

The Group is involved in defined contribution and defined benefit retirement plans. For defined-benefit plans, obligations are measured using the actuarial projected unit credit method based on assumptions such as the discount rate, future increases in wages and salaries, employee turnover, mortality rates and the rate of increase of health expenses. Those obligations may therefore change if assumptions change, most of which are updated annually. Details of the assumptions used and how they are determined are given in Note K.29, "Provisions for employee benefits". The Group considers that the actuarial assumptions used are appropriate and justified in the current conditions.

Measurement of share-based payment expense

The Group recognises a share-based payment expense relating to share subscription, performance share and Group savings plans offered to employees or some of its employees. This expense is measured on the basis of actuarial calculations using estimated behavioural assumptions based on observation of past behaviour.
The main actuarial assumptions (volatility, return on shares, etc.) adopted by the Group are described for each plan in Note K.30, "Share-based payments".

4. Change in accounting methods – IFRS 16 "Leases"

The Group applied IFRS 16 to leases in existence on 1 January 2019, according to the "simplified retrospective" approach. The 2018 figures, presented for comparison purposes, have therefore not been adjusted to reflect the transitional provisions of IFRS 16.
IFRS 16 "Leases" changes the way that lessees recognise leases. It replaces the IAS 17 accounting standard along with the IFRIC 4, SIC 15 and SIC 27 interpretations. IFRS 16 requires lessees to use a single method for recognising leases, affecting the balance sheet in a similar way to finance leases as recognised until 31 December 2018 in accordance with IAS 17.
The Group is not a party to any material leases in which it is the lessor, other than certain intragroup leases. The accounting treatment of leases has not been significantly changed by IFRS 16.

The Group applies the IFRS 16 provisions described below for all its leases relating to underlying assets whose value, in brand-new condition, is material and/or where the lease term is more than 12 months taking into account renewal options provided for contractually.

Impact of the first-time adoption of IFRS 16 on the financial statements at 1 January 2019

Before IFRS 16 came into force, the Group designated each lease as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all the risks and rewards incidental to ownership of the asset; otherwise, the lease was classified as an operating lease. Finance leases resulted in the recognition of a non-current asset and a balancing liability, and lease payments were allocated to repayment of the liability and interest. The asset was depreciated over the lease term or its useful life where it was probable that a purchase option included in the lease would be exercised. For operating leases, non-current assets were not recognised on the balance sheet while lease payments were recognised on the income statement, spread over the lease term in equal proportions. Lease payments made in advance or still payable were recognised on the balance sheet in the working capital requirement.

Leases designated as finance leases at 31 December 2018

On the transition date of 1 January 2019, the Group did not adjust the value of assets and liabilities related to leases designated as finance leases under IAS 17. The assets were reclassified as right-of-use assets and finance lease liabilities are presented under overall lease liabilities. IFRS 16 is now applied to events taking place after the transition date.

Leases designated as operating leases at 31 December 2018

Since IFRS 16 came into force, the Group has recognised a lease liability reflecting the sum of lease payments still to be made, discounted at the marginal interest rate of the liability, determined using the approach explained below, with a balancing entry representing the right to use the underlying asset. According to the simplified approach, the amount of right-of-use assets is equal to the amount of the lease liability recognised (in some cases adjusted for lease payments paid in advance or still payable).

IFRS 16 does not apply to leases with terms of less than one year or relating to low-value assets; the related lease payments are still recognised in the income statement with no impact on the Group's balance sheet.

Lease terms include minimum lease terms and any renewal periods provided for in the leases. In France, a nine-year period has most commonly been adopted for property leases. Outside France, lease terms have been assessed on the basis of local law and the expected use of the premises. The Group has noted the decisions taken by the IFRS IC on 26 November 2019 concerning the assessment of lease terms for leases renewable by tacit agreement and cancellable leases (with no particular contractual end-date). The IFRS IC confirmed that the enforceable period must be determined, taking an economic view as well as assessing the lease's legal characteristics.
The Group could have to reassess the terms of some of its leases. However, no material impact is expected.

Variable lease payments or services related to the lease are not taken into account in determining the amount of the right-of-use asset or that of the lease liabilities. They are recognised as expenses when incurred (see Note D.4, "Operating income").

To determine the marginal interest rate used to calculate the lease liability, the Group takes into account the weighted average duration of payments, country risk and specific risk for each Group business line.

Deferred tax has been recognised on the difference between right-of-use assets and lease liabilities falling within the scope of IFRS 16, similar to the approach taken for finance leases.

The tables below set out the impacts of the first-time adoption of IFRS 16 at 1 January 2019 on the Group's opening balance sheet; they show that the application of that standard resulted in a decrease in equity attributable to owners of the parent amounting to €2 million net of deferred tax on 1 January 2019.

Consolidated balance sheet at 1 January 2019

Assets

(in € millions)	31/12/2018 reported	IFRS 16 impacts	01/01/2019 adjusted
Non-current assets			
Concession intangible assets	27,118	-	27,118
Goodwill	9,792	-	9,792
Other intangible assets	632	-	632
Property, plant and equipment	5,359	1,272	6,632
Investments in companies accounted for under the equity method	1,674	-	1,674
Other non-current financial assets	1,332	-	1,332
Derivative financial instruments – non-current assets	511	-	511
Deferred tax assets	317	78	395
Total non-current assets	**46,736**	**1,351**	**48,087**
Current assets			
Inventories and work in progress	1,173	-	1,173
Trade and other receivables	13,584	-	13,584
Other current operating assets	5,033	(15)	5,018
Other current non-operating assets	52	-	52
Current tax assets	280	-	280
Other current financial assets	37	-	37
Derivative financial instruments – current assets	258	-	258
Cash management financial assets	245	-	245
Cash and cash equivalents	7,960	-	7,960
Total current assets	**28,621**	**(15)**	**28,605**
Total assets	**75,357**	**1,335**	**76,692**

Equity and liabilities

(in € millions)	31/12/2018 reported	IFRS 16 impacts	01/01/2019 adjusted
Equity			
Share capital	1,494	-	1,494
Share premium	10,339	-	10,339
Treasury shares	(2,323)	-	(2,323)
Consolidated reserves	7,767	(2)	7,765
Currency translation reserves	(213)	-	(213)
Net income attributable to owners of the parent	2,983	-	2,983
Amounts recognised directly in equity	(861)	-	(861)
Equity attributable to owners of the parent	**19,185**	**(2)**	**19,183**
Non-controlling interests	633	-	633
Total equity	**19,818**	**(3)**	**19,815**
Non-current liabilities			
Non-current provisions	1,135	-	1,135
Provisions for employee benefits	1,519	-	1,519
Bonds	16,588	-	16,588
Other loans and borrowings	3,023	(123)	2,900
Derivative financial instruments – non-current liabilities	206	-	206
Non-current lease liabilities	-	986	986
Other non-current liabilities	345	-	345
Deferred tax liabilities	1,676	78	1,754
Total non-current liabilities	**24,491**	**941**	**25,433**
Current liabilities			
Current provisions	4,452	-	4,452
Trade payables	8,240	4	8,244
Other current operating liabilities	12,862	1	12,862
Other current non-operating liabilities	500	-	500
Current tax liabilities	282	-	282
Current lease liabilities	-	435	435
Derivative financial instruments – current liabilities	76	-	76
Current borrowings	4,635	(44)	4,592
Total current liabilities	**31,048**	**397**	**31,444**
Total equity and liabilities	**75,357**	**1,335**	**76,692**

Reconciliation between off-balance sheet lease commitments and IFRS 16 lease liabilities

(in € millions)	
Off-balance sheet commitments not discounted to present value at 31 December 2018 (operating leases)	**1,500**
Marginal average debt ratio	2.1%
Off-balance sheet commitments discounted at 1 January 2019	**1,327**
Commitments related to short-term contracts or low-value assets	(67)
Liabilities related to finance leases (IAS 17)	166
Renewal options and other unidentified adjustments in off-balance sheet commitments	(6)
Lease liabilities at 1 January 2019	**1,421**

B. Changes in consolidation scope

1. Changes in consolidation scope

The main changes in the period concern acquisitions made by the Group as part of its growth strategy. The main transaction in 2019 was VINCI Airports' acquisition of a 50.01% stake in the holding company that owns London Gatwick Airport. In addition, VINCI Energies acquired around 30 companies in France and elsewhere in Europe, while VINCI Immobilier purchased a 49.9% stake in Urbat.
Other changes relate mainly to legal restructuring within the Group's scope.

	31/12/2019			31/12/2018		
(number of companies)	**Total**	France	Foreign	**Total**	France	Foreign
Controlled companies	**2,047**	1,106	941	**2,003**	1,114	889
Joint ventures (*)	**151**	98	53	**158**	101	57
Associates (*)	**38**	20	18	**41**	20	21
Total	**2,236**	**1,224**	**1,012**	**2,202**	**1,235**	**967**

(*) Entities accounted for under the equity method.

1.1 Acquisition of a 50.01% stake in London Gatwick Airport

On 13 May 2019, VINCI Airports completed the acquisition of a 50.01% stake in the holding company that controls Gatwick Airport Limited, the company that owns London Gatwick Airport, the United Kingdom's second-largest airport. VINCI Airports and Global Infrastructure Partners, acting on behalf of non-controlling shareholders, signed a shareholders' agreement determining control over London Gatwick Airport. That agreement covers matters including the composition of the Board of Directors, the ability to appoint certain key executives (including the Chief Executive Officer) and a mechanism for approving substantive decisions such as those regarding the business plan and annual budget. In addition, a procedure has been established for resolving any disputes that may arise, which in certain scenarios will allow minority shareholders, after acceptance by VINCI, to sell their shares to VINCI. Based on these contractual provisions, London Gatwick Airport has been fully consolidated in VINCI's consolidated financial statements since 13 May 2019. The information required by IFRS 12 is provided in Note I.23.5, "Non-controlling interests".

The deal to take control of London Gatwick Airport involved the Group buying shares for €3,080 million in cash (£2,660 million) and assuming a shareholder loan in the amount of €396 million (£342 million).

In accordance with IFRS 3, VINCI is assessing the fair value of the identifiable assets and liabilities acquired, and determining the related deferred tax effects, in line with the principles for estimating fair value adopted by the Group. Values were provisionally allocated to identifiable assets and liabilities on the date control was acquired, based on information available. They may be adjusted during the 12 months following that date on the basis of new information obtained relating to the facts and circumstances prevailing at the time of the acquisition.

VINCI has used the partial goodwill method, and so non-controlling interests have not been remeasured at fair value.

Provisional determination of acquired London Gatwick Airport assets and liabilities at the date of acquiring control

(in € millions)	London Gatwick Airport
Fair value of assets and liabilities acquired	
Other intangible assets (*)	6,641
Property, plant and equipment	3,008
Other non-current financial assets	19
Deferred tax assets	279
Total non-current assets	**9,947**
Trade receivables, Other operating receivables, Inventories and work in progress	65
Other current assets	22
Cash and cash equivalents	35
Total current assets	**122**
Non-controlling interests	1,681
Provisions and other non-current liabilities	102
Loans and financial debt	4,315
Non-current lease liabilities	243
Deferred tax liabilities	1,479
Total non-current liabilities	**7,821**
Financial debt and current liabilities relating to derivative financial instruments	360
Current lease liabilities	3
Trade payables	173
Other current liabilities (including tax liabilities)	31
Total current liabilities	**567**
Net assets acquired	**1,681**
Acquisition-date fair value of the total consideration transferred	**3,080**
Provisional goodwill	**1,399**

(*) Right to operate measured using the multi-period excess earnings method (MPEEM) based on the 30-year acquisition business plan and a long-term growth rate of 2.5%.

Provisional goodwill, determined in the manner set out above, represents the future economic benefits that VINCI expects to derive from the acquisition of London Gatwick Airport. It has been allocated to the VINCI Airports business segment.

London Gatwick Airport made a €697 million contribution to VINCI's revenue and a €277 million contribution to its operating income from ordinary activities in 2019.

Over the whole of 2019, London Gatwick Airport's revenue and operating income from ordinary activities, on the basis of the same assumptions as those retained at the acquisition date, would have been €966 million and €313 million respectively (unaudited figures).

1.2 Acquisitions and disposals in previous periods

The main acquisitions in 2018 concerned VINCI Airports (Airports Worldwide), VINCI Energies (PrimeLine Utility Services and Wah Loon Engineering), and Eurovia (Lane Construction's Plants & Paving division).
In relation to these companies, VINCI assessed the fair value of the identifiable assets and liabilities acquired in accordance with IFRS 3. The values allocated to identifiable acquired assets and liabilities on the dates when control was acquired in 2018 were not adjusted materially in 2019. In 2019, the allocation of purchase prices resulted in the recognition of the following final goodwill amounts:
- VINCI Airports: Airports Worldwide (€114 million);
- VINCI Energies: PrimeLine Utility Services (€569 million), Wah Loon Engineering (€107 million);
- Eurovia: Lane Construction's Plants & Paving division (€191 million).

Details of these transactions are provided in Note B.2, "Changes in consolidation scope" in the 2018 registration document.

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C. Financial indicators by business line and geographical area

1. Information by operating segment

Based on the Group's organisational structure and internal reporting system, segment information is presented by business line.

The Group consists of two core businesses (Concessions and Contracting) and a business line that reports directly to the holding company, namely VINCI Immobilier. Each business in turn consists of business lines.

Concessions business
- VINCI Autoroutes: motorway concessions in France (ASF, Escota, Cofiroute, Arcour and Arcos).
- VINCI Airports: operation of airports in France and abroad, both owned and operated under concession or management contracts.
- Other concessions: VINCI Highways (motorway and road infrastructure, mainly outside France), VINCI Railways (rail infrastructure) and VINCI Stadium (stadium management).

Contracting business
- VINCI Energies: services to the manufacturing sector, infrastructure, facilities management, and information and communication technology.
- Eurovia: building and maintenance of roads, motorways and railways, urban infrastructure, production of materials (asphalt mixes), quarries, and services.
- VINCI Construction: design and construction of buildings (residential and commercial property) and civil engineering infrastructure, specialised civil engineering, water and pipeline infrastructure, major projects and works for the oil and gas sector.

VINCI Immobilier: property development (residential properties, business properties, managed residences and property services).

1.1 Information by business

The data below is for the Concessions business and each Contracting business line separately and is stated before elimination, at their own level, of transactions with the rest of the Group.

2019

(in € millions)	Concessions	Contracting: VINCI Energies	Contracting: Eurovia	Contracting: VINCI Construction	Contracting: Total	VINCI Immobilier and holding companies	Eliminations	Total
Income statement								
Revenue (*)	**8,544**	**13,749**	**10,209**	**14,926**	**38,884**	**1,320**	**(695)**	**48,053**
Concession subsidiaries' works revenue	1,038	-	-	-	-	-	(338) (**)	699
Total revenue	9,581	13,749	10,209	14,926	38,884	1,320	(1,033)	48,753
Operating income from ordinary activities	**3,989**	**827**	**430**	**396**	**1,654**	**92**	**-**	**5,734**
% of revenue (*)	*46.7%*	*6.0%*	*4.2%*	*2.7%*	*4.3%*	*-*	*-*	*11.9%*
Recurring operating income	**4,146**	**729**	**394**	**337**	**1,461**	**97**	**-**	**5,704**
Operating income	**4,167**	**723**	**363**	**314**	**1,400**	**97**	**-**	**5,664**
Cash flow statement								
Cash flows from operations before tax and financing costs	**5,796**	**1,065**	**694**	**688**	**2,446**	**254**	**-**	**8,497**
% of revenue (*)	*67.8%*	*7.7%*	*6.8%*	*4.6%*	*6.3%*	*-*	*-*	*17.7%*
Depreciation and amortisation	1,762	387	382	472	1,241	37	-	3,040
Operating investments (net of disposals)	(241)	(144)	(298)	(411)	(853)	(154)	-	(1,249)
Repayment of lease liabilities (***)	(26)	(259)	(101)	(157)	(516)	(32)	-	(575)
Operating cash flow	**3,800**	**781**	**466**	**234**	**1,482**	**(16)**	**-**	**5,266**
Growth investments in concessions and PPPs	(1,026)	2	-	(42)	(39)	-	-	(1,065)
Free cash flow	**2,774**	**784**	**466**	**193**	**1,443**	**(16)**	**-**	**4,201**
Balance sheet								
Capital employed at 31/12/2019	**41,030**	**4,777**	**1,746**	**903**	**7,426**	**1,545**	**-**	**50,001**
of which investments in companies accounted for under the equity method	*1,273*	*11*	*113*	*280*	*404*	*193*	*-*	*1,870*
of which right-of-use assets in respect of leases	*307*	*710*	*299*	*375*	*1,384*	*131*		*1,822*
Net financial surplus (debt)	**(33,952)**	**(1,186)**	**100**	**918**	**(168)**	**12,466**	**-**	**(21,654)**

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.
(**) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession-operating companies.
(***) Including associated financial expense.
NB: Public-Private Partnership (PPP)

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2018

(in € millions)	Concessions	Contracting: VINCI Energies	Contracting: Eurovia	Contracting: VINCI Construction	Contracting: Total	VINCI Immobilier and holding companies	Eliminations	Total
Income statement								
Revenue (*)	**7,261**	**12,603**	**8,934**	**14,231**	**35,769**	**1,104**	**(615)**	**43,519**
Concession subsidiaries' works revenue	823	-	-	-	-	-	(190) (**)	633
Total revenue	8,084	12,603	8,934	14,231	35,769	1,104	(806)	44,152
Operating income from ordinary activities	**3,429**	**727**	**345**	**400**	**1,472**	**95**	**-**	**4,997**
% of revenue (*)	*47.2%*	*5.8%*	*3.9%*	*2.8%*	*4.1%*	*-*	*-*	*11.5%*
Recurring operating income	**3,456**	**664**	**329**	**359**	**1,351**	**116**	**-**	**4,924**
Operating income	**3,480**	**654**	**320**	**355**	**1,328**	**111**	**-**	**4,920**
Cash flow statement								
Cash flows from operations before tax and financing costs	**4,963**	**749**	**513**	**553**	**1,815**	**120**	**-**	**6,898**
% of revenue (*)	*68.4%*	*5.9%*	*5.7%*	*3.9%*	*5.1%*	*-*	*-*	*15.9%*
Depreciation and amortisation	*1,537*	*146*	*256*	*299*	*700*	*5*	*-*	*2,242*
Operating investments (net of disposals)	(45)	(172)	(285)	(353)	(810)	(131)	-	(986)
Operating cash flow	**3,444**	**473**	**150**	**(169)**	**453**	**259**	**-**	**4,156**
Growth investments in concessions and PPPs	(980)	3	-	-	2	-	-	(977)
Free cash flow	**2,465**	**475**	**150**	**(170)**	**455**	**259**	**-**	**3,179**
Balance sheet								
Capital employed at 31/12/2018	**31,115**	**3,981**	**1,676**	**576**	**6,233**	**923**	**-**	**38,270**
of which investments in companies accounted for under the equity method	*1,143*	*8*	*109*	*293*	*411*	*120*	*-*	*1,674*
Net financial surplus (debt)	**(27,029)**	**(1,330)**	**(331)**	**752**	**(908)**	**12,382**	**-**	**(15,554)**

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.
(**) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession-operating companies.

1.2 Information relating to the Concessions business

2019

(in € millions)	Concessions: VINCI Autoroutes	Concessions: VINCI Airports	Concessions: VINCI Highways and other concessions	Total
Income statement				
Revenue (*)	**5,593**	**2,631**	**319**	**8,544**
Concession subsidiaries' works revenue	834	198	6	1,038
Total revenue	6,427	2,829	325	9,581
Operating income from ordinary activities	**2,967**	**1,016**	**6**	**3,989**
% of revenue (*)	*53.0%*	*38.6%*	*2.0%*	*46.7%*
Recurring operating income	**2,948**	**1,187**	**11**	**4,146**
Operating income	**2,948**	**1,179**	**41**	**4,167**
Cash flow statement				
Cash flows from operations before tax and financing costs	**4,178**	**1,466**	**152**	**5,796**
% of revenue (*)	*74.7%*	*55.7%*	*47.8%*	*67.8%*
Depreciation and amortisation	1,238	427	97	1,762
Operating investments (net of disposals)	(24)	(205)	(12)	(241)
Repayment of lease liabilities (**)	(5)	(11)	(10)	(26)
Operating cash flow	**2,822**	**899**	**78**	**3,800**
Growth investments in concessions and PPPs	(775)	(248)	(3)	(1,026)
Free cash flow	**2,048**	**651**	**75**	**2,774**
Balance sheet				
Capital employed at 31/12/2019	**20,773**	**17,153**	**3,104**	**41,030**
of which investments in companies accounted for under the equity method	*14*	*1,082*	*176*	*1,273*
of which right-of-use assets in respect of leases	*9*	*256*	*41*	*307*
Net financial surplus (debt)	**(19,964)**	**(10,530)**	**(3,458)**	**(33,952)**

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.
(**) Including associated financial expense.

2018

(in € millions)	Concessions			
	VINCI Autoroutes	VINCI Airports	VINCI Highways and other concessions	Total
Income statement				
Revenue (*)	**5,356**	**1,607**	**298**	**7,261**
Concession subsidiaries' works revenue	604	184	35	823
Total revenue	5,961	1,791	333	8,084
Operating income from ordinary activities	**2,686**	**689**	**54**	**3,429**
% of revenue (*)	*50.2%*	*42.9%*	*18.1%*	*47.2%*
Recurring operating income	**2,635**	**806**	**15**	**3,456**
Operating income	**2,634**	**806**	**40**	**3,480**
Cash flow statement				
Cash flows from operations before tax and financing costs	**3,895**	**941**	**127**	**4,963**
% of revenue (*)	*72.7%*	*58.6%*	*42.5%*	*68.4%*
Depreciation and amortisation	*1,221*	*245*	*71*	*1,537*
Operating investments (net of disposals)	(19)	(12)	(14)	(45)
Operating cash flow	**2,607**	**711**	**126**	**3,444**
Growth investments in concessions and PPPs	(673)	(274)	(33)	(980)
Free cash flow	**1,934**	**438**	**93**	**2,465**
Balance sheet				
Capital employed at 31/12/2018	**21,132**	**6,994**	**2,989**	**31,115**
of which investments in companies accounted for under the equity method	*14*	*988*	*141*	*1,143*
Net financial surplus (debt)	**(20,345)**	**(4,951)**	**(1,734)**	**(27,029)**

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

2. Breakdown of revenue by geographical area

Accounting policies

The Group's consolidated revenue corresponds to revenue from the Contracting business lines, the Concessions business and VINCI Immobilier.

IFRS 15 "Revenue from Contracts with Customers", which the Group has applied since 1 January 2018, requires a contract as well as the various performance obligations contained in the contract to be identified. The number of performance obligations depends on the types of contracts and activities. Most of the Group's contracts involve only one performance obligation.

Under IFRS 15, recognition of revenue from contracts with customers must reflect:

- the rate at which performance obligations are fulfilled, corresponding to the transfer to a customer of control of a good or service;
- the amount to which the seller expects to be entitled as consideration for its activities.

The way in which transfer of control of a good or service is analysed is crucial, since that transfer determines the recognition of revenue. The transfer of control of a good or service may take place continuously (revenue recognition on a progress towards completion basis) or on a specific date that corresponds to the completion of works.

Revenue from concession contracts consists of:

- tolls for the use of motorway infrastructure operated under concession, revenue from airport service concessions, and ancillary income such as fees from commercial installations, rental of telecommunications infrastructure and advertising space; and
- revenue in respect of the construction of new infrastructure under concession and recognised on a progress towards completion basis.

Consolidated revenue in the Contracting business (VINCI Energies, Eurovia and VINCI Construction) includes the total of the work, goods and services generated by the consolidated subsidiaries pursuing their main activity and the revenue for the construction of infrastructure under concession.

In the French property sector, revenue arising on lots sold is recognised as the property development proceeds, in accordance with IFRS 15 and statutory provisions relating to off-plan sales. In that respect, to measure progress towards completion of works, VINCI Immobilier uses the cost-based method. The cost of land is included in the progress towards completion calculation at the start of each contract.

Revenue from ancillary activities mainly relates to revenue from leases, sales of equipment, materials and merchandise, study work and fees.

The method for recognising revenue under concession contracts is explained in Note F, "Concessions business: PPP contracts, concession contracts and other infrastructure". The method for recognising revenue from construction and service contracts is explained in Note G.16, "Information on construction and service contracts".

(in € millions)	2019	%	2018	%
Revenue				
France	**26,307**	**54.7%**	**24,768**	**56.9%**
Germany	3,140	6.5%	3,002	6.9%
United Kingdom	3,002	6.2%	2,222	5.1%
Central and Eastern Europe (*)	2,219	4.6%	2,202	5.1%
Portugal	1,011	2.1%	942	2.2%
Other European countries	3,734	7.8%	3,355	7.7%
Europe excluding France	**13,106**	**27.3%**	**11,723**	**26.9%**
Europe (**)	**39,413**	**82.0%**	**36,491**	**83.9%**
Of which European Union	*38,292*	*79.7%*	*35,426*	*81.4%*
North America	3,166	6.6%	1,992	4.6%
Of which United States	*2,197*	*4.6%*	*1,267*	*2.9%*
Central and South America	1,264	2.6%	1,146	2.6%
Africa	1,603	3.3%	1,342	3.1%
Russia, Asia Pacific and Middle East	2,606	5.4%	2,548	5.9%
International excluding Europe	**8,640**	**18.0%**	**7,028**	**16.1%**
International excluding France	**21,746**	**45.3%**	**18,751**	**43.1%**
Total (***)	**48,053**	**100.0%**	**43,519**	**100.0%**

(*) Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine.
(**) Including the eurozone for €32,727 million (68.1% of total revenue) in 2019 and for €30,819 million (70.8% of total revenue) in 2018.
(***) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Revenue arising outside France amounted to €21,746 million in 2019, up 16% compared with 2018. It accounted for 45.3% of revenue excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (43.1% in 2018).

3. Detail of capital employed and breakdown by geographical area

Reconciliation between capital employed and the balance sheet

(in € millions)	Note	31/12/2019	31/12/2018
Capital employed – Assets		**78,388**	**64,607**
Concession intangible assets	13	26,869	27,118
- Deferred tax on business combination fair value adjustments		(2,708)	(1,647)
Goodwill, gross	9	11,873	10,016
Other intangible assets	17.1	7,410	632
Property, plant and equipment	17.2	10,131	5,359
Investments in companies accounted for under the equity method	10	1,870	1,674
Other non-current financial assets	11-14-18	1,525	1,332
- Collateralised loans and receivables (at more than one year)	25-27	(4)	-
Inventories and work in progress	19	1,434	1,173
Trade and other receivables	19	14,523	13,584
Other current operating assets	19	5,252	5,033
Other current non-operating assets		48	52
Current tax assets		166	280
Capital employed – Liabilities		**(28,387)**	**(26,336)**
Current provisions	19	(4,741)	(4,452)
Trade payables	19	(8,514)	(8,240)
Other current operating liabilities	19	(14,177)	(12,862)
Other current non-operating liabilities		(662)	(500)
Current tax liabilities		(292)	(282)
Total capital employed		**50,001**	**38,270**

Capital employed by geographical area

(in € millions)	31/12/2019	31/12/2018
France	27,158	26,763
Germany	379	259
United Kingdom	10,646	624
Portugal	2,544	2,605
Other European countries	2,928	2,439
Total Europe excluding France	**16,497**	**5,927**
Total Europe	**43,656**	**32,691**
North America	2,117	1,859
Of which United States	*1,712*	*1,430*
Central and South America	3,329	3,102
Africa	12	(124)
Russia, Asia, Pacific and Middle East	887	743
Total capital employed	**50,001**	**38,270**

At 31 December 2019, capital employed in the eurozone was €31.6 billion and made up 63% of the total (€30.9 billion and 81% of the total in 2018).

D. Main income statement items

4. Operating income

Accounting policies

Operating income from ordinary activities measures the operational performance of fully consolidated Group subsidiaries before taking into account share-based payment expense (IFRS 2). It also excludes the share of the profit or loss of companies accounted for under the equity method, and other recurring operating items and non-recurring items.

Recurring operating income is intended to present the Group's recurring operational performance excluding the impact of non-recurring transactions and events during the period. It is obtained by adding the impacts associated with share-based payments (IFRS 2), income/losses from companies accounted for under the equity method and other recurring operating income and expense to operating income from ordinary activities.

Goodwill impairment losses and other material non-recurring operating items, including gains or losses on the disposal of shares and the impact of remeasuring equity interests at fair value when changes of control take place, are recognised under **operating income**. Operating income is therefore obtained by adding income and expenses regarded as non-recurring to recurring operating income.

(in € millions)	2019	2018
Revenue (*)	**48,053**	**43,519**
Concession subsidiaries' revenue derived from works carried out by non-Group companies	699	633
Total revenue	48,753	44,152
Revenue from ancillary activities (**)	198	202
Purchases consumed	(10,382)	(9,833)
External services (***)	(5,384)	(5,503)
Temporary staff	(1,412)	(1,122)
Subcontracting (including concession operating companies' construction costs)	(9,776)	(8,848)
Taxes and levies	(1,192)	(1,124)
Employment costs	(11,836)	(10,877)
Other operating income and expense	84	98
Depreciation and amortisation	(3,040)	(2,242)
Net provision expense	(279)	94
Operating expenses	**(43,216)**	**(39,357)**
Operating income from ordinary activities	**5,734**	**4,997**
% of revenue (*)	*11.9%*	*11.5%*
Share-based payments (IFRS 2)	(291)	(206)
Profit/(loss) of companies accounted for under the equity method	212	88
Other recurring operating items	48	45
Recurring operating income	**5,704**	**4,924**
Goodwill impairment losses	(21)	(11)
Impact from changes in scope and gain/(loss) on disposals of shares	(18)	7
Total non-recurring operating items	*(40)*	*(4)*
Operating income	**5,664**	**4,920**

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.
(**) Revenue from ancillary activities mainly comprises rental income, sales of equipment, materials and merchandise, study work and fees other than those generated by concession operators.
(***) Including, in 2019, €989 million of lease payments not restated following the application of IFRS 16: low-value leases, short-term leases and variable lease payments.

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Other recurring operating items include financial income from shareholder loans and advances granted by the Group to certain associates and the impact of changes in indexation assumptions used to measure provisions for obligations to maintain the condition of concession infrastructure.

Non-recurring operating items produced a net expense of €40 million in 2019, as opposed to €4 million in 2018, and comprised:
• a negative scope effect of €18 million, due to net gains/losses from the sale of equity interests in the Concessions business (Toll Collect and TJH, the concession holder of a motorway in Jamaica) and in the Contracting business (Eurovia in Romania and Entrepose's drilling activities), along with earn-out payments and acquisition costs at VINCI Energies, Eurovia and VINCI Airports. In 2018, they included the positive impact of remeasuring the Gefyra stake at fair value after the change in consolidation method applied to that company;
• goodwill impairment losses of €21 million, mainly relating to Eurovia's rail construction business (€11 million in 2018).

4.1 Employment costs

(in € millions)	Note	2019	2018
Wages and other employment-related expense	**I**	**(11,632)**	**(10,678)**
Of which wages and salaries		*(8,841)*	*(8,066)*
Of which employer social contributions		*(2,151)*	*(2,014)*
Of which contributions to defined contribution plans	*29.1*	*(641)*	*(598)*
Profit-sharing and incentive plans	**II**	**(204)**	**(198)**
Total	**I+II**	**(11,836)**	**(10,877)**

The Group's average headcount was 219,267 on a full-time-equivalent basis in 2019, up 7.1% compared with 2018.

	2019	2018
Average number of employees (in full-time equivalent)	**219,267**	**204,775**
Of which managers	*43,109*	*39,886*
Of which other employees	*176,158*	*164,889*

4.2 Other operating income and expense

(in € millions)	2019	2018
Net gains or losses on disposal of property, plant and equipment and intangible assets	45	66
Share in operating income or loss of joint operations	16	19
Other	23	13
Total	**84**	**98**

4.3 Depreciation and amortisation

Depreciation and amortisation break down as follows:

(in € millions)	2019	2018
Concession intangible assets	(1,329)	(1,265)
Other intangible assets	(62)	(53)
Property, plant and equipment	(1,648)	(925)
Depreciation and amortisation	**(3,040)**	**(2,242)**

In 2019, depreciation of property, plant and equipment included €548 million of amortisation of rights of use under leases following implementation of IFRS 16 "Leases" (see Note A.4, "Change in accounting methods – IFRS 16 'Leases'").

5. Cost of net financial debt

Accounting policies

The cost of net financial debt includes:
• the cost of gross financial debt, which includes the interest expense calculated at the effective interest rate, and gains and losses on interest rate derivatives allocated to gross financial debt whether designated as hedges for accounting purposes or not;
• financial income from investments, which comprises the return on investments of cash and cash equivalents measured at fair value through profit and loss;
• recycling of financial hedging costs.

In 2019, the cost of net financial debt amounted to €551 million (€462 million in 2018), an increase of €89 million. That increase was due mainly to the financing and integration of recent acquisitions, particularly that of London Gatwick Airport.

The cost of net financial debt can be analysed as follows:

(in € millions)	2019	2018
Financial liabilities at amortised cost	(754)	(635)
Financial assets and liabilities at fair value through profit and loss	41	29
Derivatives designated as hedges: assets and liabilities	151	152
Derivatives at fair value through profit and loss: assets and liabilities	11	(9)
Total cost of net financial debt	**(551)**	**(462)**

The "Derivatives designated as hedges: assets and liabilities" item breaks down as follows:

(in € millions)	2019	2018
Net interest on derivatives designated as fair value hedges	225	196
Change in value of derivatives designated as fair value hedges	459	(4)
Change in value of the adjustment to fair value hedged financial debt	(459)	4
Ineffective portion of fair value hedges	(1)	-
Reserve recycled through profit or loss in respect of cash flow and net investment hedges	(62)	(42)
Ineffective portion of cash flow and net investment hedges	(11)	(2)
Gains and losses on derivative instruments allocated to net financial debt	**151**	**152**

6. Other financial income and expense

Accounting policies

Other financial income and expense comprises mainly discounting effects, the impact of capitalised borrowing costs, foreign exchange gains and losses relating to financial items and changes in the value of derivatives not allocated to hedging interest rate or exchange rate risk, along with financial expense relating to lease liabilities since the adoption of IFRS 16.

Capitalised borrowing costs relate to infrastructure under concession and are included during the construction period in the value of those assets. They are determined as follows:

- to the extent that funds are borrowed specifically for the purpose of constructing an asset, the borrowing costs eligible for capitalisation on that asset are the actual borrowing costs incurred during the period less any investment income arising from the temporary investment of those borrowings;
- when borrowing is not intended to finance a specific project, the interest eligible for capitalisation on an asset is determined by applying a capitalisation rate to the expenditure on that asset. This capitalisation rate is equal to the weighted average of the costs of borrowing funds for construction work, other than those specifically intended for the construction of given assets.

This does not relate to the construction of concession assets accounted for using the financial asset model (see Note F.14, "Public-private partnership (PPP) contracts recognised under the financial asset model").

Other financial income and expense break down as follows:

(in € millions)	2019	2018
Effect of discounting to present value	(80)	(31)
Borrowing costs capitalised	41	56
Financial expenses on lease liabilities	(40)	-
Foreign exchange gains and losses	8	(9)
Total other financial income and expense	**(71)**	**17**

The effect of discounting to present value relates mainly to provisions for retirement benefit obligations in an amount of €30 million in 2019 (€27 million in 2018), obligations to maintain the condition of concession assets, which rose from €1 million in 2018 to €26 million because of an increase at VINCI Autoroutes, and fixed fees at more than one year in relation to the Salvador airport in Brazil and the Belgrade airport in Serbia for a total of €15 million in 2019.

In 2019, capitalised borrowing costs mainly related to Arcos for €16 million (€13 million in 2018), the Salvador airport in Brazil, the Belgrade airport in Serbia and London Gatwick Airport in the United Kingdom for a total of €15 million, and the ASF group for €9 million (€12 million in 2018). The decrease was mainly attributable to Lamsac (€29 million in 2018) because the completion of the second section of the Línea Amarilla expressway in Lima (Peru), which came into service in June 2018.

The application of IFRS 16 from 1 January 2019 caused the Group to recognise financial expenses associated with lease liabilities in a total amount of €40 million.

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7. Income tax expense

Accounting policies

Income tax is computed in accordance with the tax legislation in force in the countries where the income is taxable.

In accordance with IAS 12, deferred tax is recognised on the temporary differences between the carrying amount and the tax base of assets and liabilities. It is calculated using the latest tax rates enacted or substantively enacted at the accounts closing date. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs, except where they relate to transactions recognised under other comprehensive income or directly in equity.

Deferred tax relating to share-based payments (IFRS 2) is taken to income to the extent that the deductible amount does not exceed the fair value of plans established according to IFRS 2.

Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in associates and certain joint ventures give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares.

Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per tax group. Deferred tax is reviewed at each balance sheet date to take account of the impact of changes in tax law and the prospect of recovery. Deferred tax assets are only recognised if their recovery is probable.

Deferred tax assets and liabilities are not discounted.

7.1 Breakdown of net tax expense

(in € millions)	2019	2018
Current tax	(1,791)	(1,529)
Deferred tax	157	111
of which temporary differences	*115*	*49*
of which losses carried forward	*42*	*62*
Total	**(1,634)**	**(1,418)**

The net tax expense for the period comprises:

- a tax expense recognised by French subsidiaries for €1,165 million (€1,055 million in 2018), including €1,136 million at VINCI SA, the lead company in the tax consolidation group that comprises 969 subsidiaries (€1,031 million in 2018);
- a tax expense of €469 million for foreign subsidiaries (€363 million in 2018).

7.2 Effective tax rate

The Group's effective tax rate was 33.8% in 2019 compared with 32.3% in 2018.

The effective tax rate for 2019 is higher than the theoretical tax rate of 32.02% in force in France, because French subsidiaries with revenue of over €250 million are taxed at 34.43% (mainly affecting VINCI Autoroutes and its subsidiaries and the VINCI tax group).

The difference between the tax calculated using the standard tax rate in force in France and the amount of tax effectively recognised in the year can be analysed as follows:

(in € millions)	2019	2018
Income before tax and profit/(loss) of companies accounted for under the equity method	4,831	4,387
Theoretical tax rate in France	32.0%	34.4%
Theoretical tax expense expected	**(1,547)**	**(1,511)**
Impact of taxes due on income taxed at a lower rate in France	-	9
Tax rate differential on foreign income	70	127
Impact of tax loss carryforwards and other temporary differences that are not recognised or that have previously been subject to limitation	3	11
Goodwill impairment losses	(7)	(3)
Permanent differences and other (*)	(154)	(50)
Tax expense recognised	**(1,634)**	**(1,418)**
Effective tax rate (**)	**33.8%**	**32.3%**

(*) Including €79 million of current tax related to the different tax rate applied to French companies with revenue of over €250 million.
(**) Excluding the Group's share of companies accounted for under the equity method.

7.3 Breakdown of deferred tax assets and liabilities

(in € millions)	31/12/2019	Changes: Income	Changes: Equity	Changes: Other	31/12/2018
Deferred tax assets					
Losses carried forward	487	43	6	(18)	456
Temporary differences on retirement benefit obligations	421	5	77	4	336
Temporary differences on provisions	624	35	1	8	580
Temporary differences on financial instruments	123	(4)	46	8	74
Temporary differences related to leases	322	(34)	(2)	334	25
Other	636	22	1	217	397
Netting of deferred tax assets and liabilities by tax group	(1,815)	-	-	(688)	(1,126)
Total deferred tax assets before impairment	**798**	**66**	**128**	**(136)**	**740**
Impairment	(428)	3	(5)	(4)	(423)
Total deferred tax assets after impairment	**370**	**70**	**123**	**(140)**	**317**
Deferred tax liabilities					
Remeasurement of assets (*)	(3,652)	21	(45)	(1,476)	(2,151)
Temporary differences related to leases	(302)	37	3	(312)	(29)
Temporary differences on financial instruments	(37)	7	-	(3)	(41)
Other	(525)	23	(1)	34	(581)
Netting of deferred tax assets and liabilities by tax group	1,815	-	-	688	1,126
Total deferred tax liabilities	**(2,701)**	**87**	**(43)**	**(1,069)**	**(1,676)**
Net deferred tax	**(2,331)**	**157**	**80**	**(1,209)**	**(1,359)**

(*) Including measurement at fair value of the assets and liabilities of London Gatwick Airport, ASF, Lamsac, Aéroports de Lyon and ANA at their dates of first consolidation, i.e. €1,141 million, €911 million, €208 million, €147 million and €112 million respectively at 31 December 2019.

Recognised deferred tax assets whose recovery is not probable are written down. They amounted to €428 million at 31 December 2019 (€423 million at 31 December 2018), including €412 million outside France (€392 million at 31 December 2018).

8. Earnings per share

Accounting policies

Basic earnings per share is the net income for the period after non-controlling interests, divided by the weighted average number of shares outstanding during the period less the weighted average number of treasury shares.

In calculating diluted earnings per share, the weighted average number of shares outstanding is adjusted for the potentially dilutive effect of all equity instruments issued by the company, in particular share subscription options and performance shares. The dilution resulting from the exercise of share subscription options and from performance shares is determined using the method defined in IAS 33. In accordance with this standard, plans of which the stock market price is greater than the average price during the period are excluded from the diluted earnings per share calculation.

In calculating basic and diluted earnings per share, earnings are also adjusted as necessary for changes in income and expenses taken directly to equity resulting from the conversion into shares of all potentially dilutive instruments.

The table below shows the reconciliation between basic and diluted earnings per share:

	2019			2018		
	Average number of shares	Net income *(in € millions)*	Earnings per share *(in €)*	Average number of shares	Net income *(in € millions)*	Earnings per share *(in €)*
Total shares	**601,090,748**			**595,046,296**		
Treasury shares	(46,548,305)			(40,269,807)		
Basic earnings per share	**554,542,443**	**3,260**	**5.88**	**554,776,489**	**2,983**	**5.38**
Subscription options	42,222			347,209		
Group savings plan	328,423			90,843		
Performance shares	5,494,713			5,206,228		
Diluted earnings per share	**560,407,801**	**3,260**	**5.82**	**560,420,769**	**2,983**	**5.32**

E. Investments in other companies

9. Goodwill and goodwill impairment tests

Accounting policies

Goodwill is the excess of the cost of a business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities at the date of acquisition, recognised on first consolidation.

Goodwill in fully consolidated subsidiaries is recognised under "Goodwill" in consolidated assets. Goodwill relating to companies accounted for under the equity method is included in the line item "Investments in companies accounted for under the equity method".

Goodwill is not amortised but is tested for impairment at least annually or when there is an indication that an impairment loss has arisen. If a goodwill impairment loss is recognised as a result, the difference between its carrying amount and its recoverable amount is charged irreversibly to operating income in the period.

Negative goodwill is taken to income in the year of acquisition.

Under IFRS 3 (amended), an option is available to measure non-controlling interests on the acquisition date either at fair value (the full goodwill method) or for the portion of the net assets acquired that they represent (the partial goodwill method). The choice can be made for each business combination.

9.1 Main goodwill items

Changes in the period were as follows:

(in € millions)	31/12/2019	31/12/2018
Net at beginning of period	**9,792**	**8,600**
Goodwill recognised during the period	1,737	1,127
Impairment losses	(21)	(11)
Currency translation differences	90	39
Other movements	50	38
Net at end of period	**11,647**	**9,792**

The increase during the period resulted mainly from the recognition of goodwill relating to the acquisition of London Gatwick Airport (€1,399 million, see Note B.1.1). That provisionally estimated goodwill is allocated to the VINCI Airports cash-generating unit (CGU).

In 2018, the main changes corresponded to the acquisitions of Airports Worldwide by VINCI Airports, PrimeLine Utility Services in the United States and Wah Loon Engineering in Singapore by VINCI Energies, and Lane Construction's Plants & Paving division in the United States by Eurovia.

The main items of goodwill at 31 December 2019 were as follows:

	31/12/2019			31/12/2018
(in € millions)	**Gross**	**Impairment losses**	**Net**	**Net**
VINCI Airports	2,525	-	2,525	1,081
VINCI Energies France	2,442	-	2,442	2,375
ASF group	1,935	-	1,935	1,935
VINCI Energies Germany	707	-	707	631
VINCI Energies North America	639	-	639	609
VINCI Energies Benelux	431	-	431	334
VINCI Energies Scandinavia	330	-	330	333
VINCI Highways	256	-	256	247
Eurovia USA	215	-	215	166
VINCI Energies Switzerland	205	-	205	199
Entrepose	201	-	201	201
Soletanche Bachy	171	-	171	171
VINCI Energies Spain	158	-	158	107
Other	1,658	(226)	1,432	1,404
Total	**11,873**	**(226)**	**11,647**	**9,792**

9.2 Goodwill impairment tests

Accounting policies

In accordance with IAS 36, "Impairment of Assets", the goodwill and other non-financial assets of cash-generating units (CGUs) were tested for impairment losses.

CGUs are identified in line with operational reporting and their recoverable amounts are based on a value in use calculation. Values in use are determined by discounting the forecast operating cash flow before tax (operating income plus depreciation and amortisation plus/minus the change in non-current provisions minus operating investments plus/minus the change in operating working capital requirement) at the rates below.

For concessions, forecast cash flow is determined across the length of contracts by applying a variable discount rate, determined for each period depending on the debt to equity ratio of the entity in question.
In the specific case of VINCI Airports, the CGU includes both concession contracts and owned airports. For the latter, projected cash flows are established over a 30-year period. At the end of that period, a terminal value is determined by capitalising the final year's projected cash flow to infinity, and that value is discounted to present value.

For the other CGUs, projected cash flow is generally established for a five-year period on the basis of management forecasts. At the end of that period, a terminal value is determined by capitalising the final year's projected cash flow to infinity, and that value is discounted to present value.

Goodwill was tested for impairment using the following assumptions:

	Parameters of the model applied to cash flow forecasts				Impairment losses recognised in the period	
			Discount rates			
(in € millions)	Growth rate (years n+1 to n+5)	Growth rate (terminal value)	31/12/2019	31/12/2018	2019	2018
VINCI Airports	(*)	(*)	7.6%	9.5%	-	-
VINCI Energies France	2.0%	1.0%	7.2%	7.3%	-	-
ASF group	(*)	(*)	6.8%	7.1%	-	-
VINCI Energies Germany	1.0%	1.0%	6.6%	6.7%	-	-
VINCI Energies North America	4.0%	2.0%	8.4%	8.2%	-	-
VINCI Energies Benelux	1.5%	1.0%	6.9%	7.2%	-	-
VINCI Energies Scandinavia	1.5%	1.0%	6.1%	6.7%	-	-
VINCI Highways	(*)	(*)	9.8%	9.5%	-	-
VINCI Energies Switzerland	0.2%	1.0%	5.6%	5.1%	-	-
Entrepose	5.0%	1.0%	8.6%	8.1%	-	-
Eurovia USA	1.5%	1.5%	10.0%	9.4%	-	-
Soletanche Bachy	3.5%	1.5%	8.6%	8.1%	-	-
VINCI Energies Spain	2.0%	1.0%	9.7%	10.1%	-	-
Other	-3% to 10%	1% to 6%	6% to 13%	7% to 17%	(21)	(11)
Total	**-**	**-**	**-**	**-**	**(21)**	**(11)**

(*) For concessions, cash flow projections are determined over the length of concession contracts.
The average revenue growth rate for the ASF group (ASF and Escota), based on the residual periods of contracts, is 1.6%. Those used by VINCI Airports and VINCI Highways are respectively 3.6% and 6.4%.

Sensitivity of the value in use of cash-generating units to the assumptions made
The following table shows the sensitivity of enterprise value to the assumptions made for the main goodwill items:

Sensitivity to discount and perpetual growth rates and to cash flow

	Sensitivity to rates				Sensitivity to cash flows	
	Discount rate for cash flows		Perpetual growth rate for cash flows		Change in forecast operating cash flows (before tax)	
(in € millions)	0.5%	-0.5%	0.5%	-0.5%	5.0%	-5.0%
VINCI Airports	(1,808)	2,014	(*)	(*)	1,331	(1,331)
VINCI Energies France	(523)	615	500	(425)	356	(356)
ASF group	(845)	889	(*)	(*)	1,331	(1,331)
VINCI Energies Germany	(209)	250	207	(173)	130	(130)
VINCI Energies North America	(61)	72	58	(49)	44	(44)
VINCI Energies Benelux	(107)	127	104	(88)	71	(71)
VINCI Energies Scandinavia	(73)	89	75	(62)	41	(41)
VINCI Highways	(152)	165	(*)	(*)	140	(140)
VINCI Energies Switzerland	(95)	118	100	(81)	50	(50)
Entrepose	(33)	38	30	(26)	24	(24)
Eurovia USA	(33)	38	25	(22)	34	(34)
Soletanche Bachy	(205)	236	187	(162)	155	(155)
VINCI Energies Spain	(19)	21	16	(14)	18	(18)

(*) Forecasts of cash flows are determined over the residual periods of the concession contracts.

These sensitivity calculations show that a change of 50 basis points in the assumptions for discount and perpetual growth rates or a +/-5% change in projected operating cash flow would not have a material impact on the results of impairment tests or, therefore, on the Group's consolidated financial statements at 31 December 2019.

10. Investments in companies accounted for under the equity method: associates and joint ventures (*)

Accounting policies

Investments in companies accounted for under the equity method are initially recognised at the cost of acquisition, including acquisition costs and any goodwill. Their carrying amount is then increased or decreased to recognise the Group's share of the entity's profits or losses after the date of acquisition. Whenever the cumulative losses are greater than the value of the Group's net investment in the equity-accounted company, those losses are not recognised unless the Group has entered into a commitment to recapitalise the company or provide it with funding.

If there is an indication that an impairment loss has arisen, the investment's recoverable amount is tested in a way similar to that described in Note E.9.2, "Goodwill impairment tests". Impairment losses shown by impairment tests are recognised in profit and loss and as a deduction from the carrying amount of the corresponding investments.

In order to present business lines' operational performance in the best way possible, the profit or loss of companies accounted for under the equity method is reported on a specific line for the determination of recurring operating income.

(*) The terms "associates" and "joint ventures" are defined in Note A.2, "Consolidation methods".

10.1 Movements during the period

	2019			2018		
(in € millions)	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Value of shares at beginning of period	**1,154**	**520**	**1,674**	**1,127**	**446**	**1,573**
of which Concessions	*745*	*398*	*1,143*	*722*	*333*	*1,054*
of which Contracting	*408*	*90*	*497*	*403*	*87*	*490*
of which VINCI Immobilier	*2*	*32*	*34*	*2*	*27*	*29*
Increase in share capital of companies accounted for under the equity method	-	33	33	-	18	18
Group share of profit or loss for the period	30	182	212	75	13	88
Group share of other comprehensive income for the period	(15)	(71)	(86)	(4)	22	17
Dividends paid	(46)	(124)	(170)	(52)	(124)	(176)
Changes in consolidation scope and other	22	41	63	(28)	18	(10)
Reclassifications (*)	53	91	144	37	128	165
Value of shares at end of period	**1,199**	**671**	**1,870**	**1,154**	**520**	**1,674**
of which Concessions	*782*	*491*	*1,273*	*745*	*398*	*1,143*
of which Contracting	*415*	*82*	*497*	*408*	*90*	*497*
of which VINCI Immobilier	*2*	*98*	*100*	*2*	*32*	*34*

(*) Reclassifications of shares in the negative net equity of equity-accounted companies under provisions for financial risks.

At 31 December 2019, the Group's interests in companies accounted for under the equity method included, for the Concessions business, the stake in the Aéroports de Paris group (€748 million), Kansai Airports (€307 million) and, for the Contracting business, the stake in the CFE group (€233 million).

Impacts included under "Group share of other comprehensive income for the period" relate mainly to cash flow and interest rate hedging transactions on concession and public-private partnership projects.

10.2 Aggregated financial information

The contribution of equity-accounted companies to the Group's consolidated comprehensive income is as follows:

	2019			2018		
(in € millions)	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Net income	**30**	**182**	**212**	**75**	**13**	**88**
of which Concessions	*7*	*115*	*121*	*43*	*(33)*	*10*
of which Contracting	*24*	*42*	*66*	*33*	*22*	*55*
of which VINCI Immobilier	*-*	*25*	*25*	*-*	*24*	*24*
Other comprehensive income	(15)	(71)	(86)	(4)	22	17
of which Concessions	*(10)*	*(67)*	*(77)*	*1*	*23*	*24*
of which Contracting	*(5)*	*(5)*	*(9)*	*(6)*	*(1)*	*(7)*
Comprehensive income	**15**	**110**	**126**	**70**	**35**	**105**
of which Concessions	*(4)*	*48*	*44*	*44*	*(10)*	*34*
of which Contracting	*19*	*37*	*57*	*27*	*21*	*48*
of which VINCI Immobilier	*-*	*25*	*25*	*-*	*24*	*24*

The revenue of companies accounted for under the equity method breaks down as follows (data reflecting the Group's share):

	2019			2018		
(in € millions)	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Revenue (*)	**1,459**	**2,199**	**3,658**	**1,413**	**2,102**	**3,515**
of which Concessions	*848*	*1,229*	*2,078*	*819*	*1,087*	*1,906*
of which Contracting	*609*	*667*	*1,276*	*593*	*785*	*1,377*
of which VINCI Immobilier	*1*	*303*	*304*	*1*	*230*	*232*

(*) Excluding works revenue related to concession activities.

In accordance with IAS 28, the Group's recognition of its share of losses at associates and joint ventures is limited to its liabilities. At 31 December 2019, losses thus unrecognised amounted to €175 million (€150 million at 31 December 2018).

The main features of concession and PPP contracts are given in Note F, "Concessions business: PPP contracts, concession contracts and other infrastructure". The list of companies accounted for under the equity method is available on the Group's website at https://www.vinci.com/vinci.nsf/en/investors-composition-group.htm.

10.3 Controlled subsidiaries' transactions with associates and joint ventures

The financial statements include certain commercial transactions between controlled subsidiaries and associates and joint ventures.

The main transactions are as follows:

	31/12/2019			31/12/2018		
(in € millions)	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Revenue	363	480	**843**	382	570	**952**
Trade receivables	62	90	**152**	95	90	**186**
Purchases	3	19	**23**	3	18	**21**
Trade payables	1	3	**4**	1	6	**7**

11. Other non-current financial assets

Accounting policies

At the balance sheet date, shares in unconsolidated subsidiaries and affiliates are measured either at their fair value through profit and loss or through equity, depending on the choice made at initial recognition, as detailed below. The fair value of shares in listed companies is determined on the basis of the stock market price at the relevant balance sheet date. For unlisted shares, if their fair value cannot be determined reliably, they continue to be measured at their initial fair value, of which the best estimate is the cost of acquisition plus transaction costs, adjusted for any increases or decreases in value determined by analysing the change in the proportion of equity.

Whenever further shares in subsidiaries and affiliates are acquired, an analysis of the Group's management intention is carried out to determine whether they will be measured at fair value through profit and loss or through equity. Only shares regarded as strategic will be measured at fair value through other comprehensive income.

At 31 December 2019, "Financial assets measured at amortised cost" mainly comprised receivables relating to shareholdings, such as shareholders' advances to subsidiaries managing concessions or PPP projects.

(in € millions)	31/12/2019	31/12/2018
Shares in subsidiaries and affiliates	158	101
Financial assets measured at amortised cost (*)	1,160	1,059
PPP financial receivables (*)	207	172
Other non-current financial assets	**1,525**	**1,332**

(*) Information relating to "PPP financial receivables" is provided in Note F.14 and information relating to "Financial assets measured at amortised cost" is provided in Note H.18.

During the period, shares in subsidiaries that do not meet VINCI's minimum financial criteria for consolidation varied as follows:

(in € millions)	31/12/2019	31/12/2018
Net at beginning of period	**101**	**95**
Acquisitions during period	78	18
Acquisitions as part of business combinations	-	5
Fair value adjustments recognised in equity	-	(1)
Impairment losses	(15)	(7)
Disposals during period	(5)	(2)
Other movements and currency translation differences	(2)	(8)
Net at end of period	**158**	**101**

F. Concessions business: PPP contracts, concession contracts and other infrastructure

Accounting policies

Under the terms of IFRIC 12 "Service Concession Arrangements", a concession operator may have two types of activities:
- a construction activity in respect of its obligations to design, build and finance new infrastructure to be constructed on behalf of the grantor;
- an operating and maintenance activity in respect of concession assets.

Revenue from each activity is recognised in accordance with IFRS 15.

In return for its activities, the operator receives remuneration from:
- **users: in this case, the intangible asset model applies.** The operator has a right to receive tolls (or any other form of remuneration) from users (vehicles, airlines, etc.) depending on traffic and passenger levels in consideration for the financing, construction and operation of the infrastructure. The intangible asset model also applies whenever the concession grantor remunerates the concession operator based on the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to it (under "pass through" or "shadow toll" agreements).
Under this model, the right to receive toll payments (or any other form of remuneration), net of any investment grants received, is recognised in the concession operator's balance sheet under "Concession intangible assets". This right corresponds to the fair value of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the arrangement in a manner that reflects the pattern in which the economic benefit derived from the concession asset is consumed by the entity, starting from the entry into service of the asset.
This treatment applies to most infrastructure concessions, in particular the concessions of VINCI Autoroutes in France, the main airports managed by VINCI Airports Group and certain bridges.
The corresponding motorway concession companies generally use the straight-line method of amortisation for concession intangible assets.

- **the grantor: in this case, the financial asset model applies.** The operator has an unconditional contractual right to receive payments from the concession grantor, irrespective of the amount of use made of the infrastructure.
Under this model, the operator recognises a financial receivable, attracting interest, in its balance sheet, in consideration for the services it provides (design and construction). On the balance sheet, this financial receivable is classified under "Other financial assets". The receivable is settled by means of the grantor's payments received. The income calculated on the basis of the effective interest rate is recognised under revenue from ancillary activities.

In the case of **bifurcated models,** the operator may be remunerated partly by users and partly by the grantor. The part of the investment that is covered by an unconditional contractual right to receive payments from the grantor (in the form of grants or rental) is recognised as a financial receivable up to the amount guaranteed. The unguaranteed balance, of which the amount is dependent on the extent of use of the infrastructure, is recognised under "Concession intangible assets".

VINCI Airports owns certain airports including London Gatwick Airport, which was acquired on 13 May 2019. Its rights to operate these airports are presented in Note H.17.1, "Other intangible assets".

12. Features of the main contracts in the Concessions business

The features of the main contracts in the Concessions business are set out by business line in the table below.

	Country	Concession end date	Model	Consolidation method
VINCI Autoroutes (*)				
ASF group				
ASF 2,730 km of toll motorways	France	2036	Intangible asset	FC
Escota 471 km of toll motorways	France	2032	Intangible asset	FC
Cofiroute				
Intercity network 1,100 km of toll motorways	France	2034	Intangible asset	FC
A86 Duplex 11 km toll tunnel west of Paris	France	2086	Intangible asset	FC
Arcour				
A19 101 km of toll motorways	France	2070	Intangible asset	FC
Arcos				
A355 24 km of toll motorways	France	2070	Intangible asset	FC
VINCI Airports (**)				
Société Concessionnaire Aéroports du Grand Ouest Nantes Atlantique and Saint-Nazaire airports	France	2021 (***)	Intangible asset	FC
Aéroports de Lyon Lyon – Saint Exupéry and Lyon-Bron airports	France	2047	Intangible asset	FC
ANA Group 10 airports	Portugal	2063	Intangible asset	FC
Belfast airport	UK	2993	Full ownership	FC
London Gatwick Airport	UK	NA	Full ownership	FC
Belgrade airport Nikola Tesla Airport	Serbia	2043	Intangible asset	FC
Salvador airport Deputado Luís Eduardo Magalhães Airport	Brazil	2047	Intangible asset	FC
Cambodia Airports Phnom Penh, Siem Reap and Sihanoukville airports	Cambodia	2040	Intangible asset	FC
Orlando Sanford International Airport	USA	2039	Intangible asset	FC
Aerodom Six airports	Dominican Republic	2030	Intangible asset	FC
Nuevo Pudahuel Santiago Arturo Merino Benítez Airport	Chile	2035	Intangible asset	EM
Liberia International Airport Daniel Oduber Quiros International Airport	Costa Rica	2030	Bifurcated model: intangible asset and financial asset	EM
Kansai Airports Kansai, Osaka and Kobe airports	Japan	2060	Intangible asset	EM

FC: Full consolidation; EM: Equity method.
(*) Remuneration is based on the pricing law as defined in the concession contract, and price increases must be validated by the grantor.
(**) Remuneration comes from both users and from airlines. Air tariffs are generally regulated.
(***) On 17 January 2018, the French prime minister announced his decision not to proceed with plans to build the proposed Notre Dame des Landes airport. That termination on the grounds of public interest was confirmed on 24 October 2019, and the termination is due to take effect on 15 December 2021.

	Country	Concession end date	Model	Consolidation method
VINCI Highways				
Gefyra Toll bridge between Rion and Antirion	Greece	2039	Intangible asset	FC
Lamsac Línea Amarilla: 25 km toll expressway in Lima	Peru	2049	Intangible asset	FC
A4 Horselberg A-Modell 45 km	Germany	2037	Intangible asset	EM
A5 Malsch-Offenburg A-Modell 60 km to be renovated, including 41.5 km to be widened to 2x3 lanes	Germany	2039	Intangible asset	EM
A7 Göttingen-Bockenen A-Modell 60 km to be renovated, including 29 km to be widened to 2x3 lanes	Germany	2047	Financial asset	EM
A9 Sixlane A-Modell 47 km	Germany	2031	Financial asset	EM
Olympia Odos Toll motorway connecting Elefsina, Corinth and Patras	Greece	2038	Intangible asset	EM
Hounslow Rehabilitation and maintenance of roadways, traffic signs and lighting	United Kingdom	2037	Financial asset	EM
Isle of Wight Rehabilitation and maintenance of roadways, traffic signs and lighting	UK	2038	Financial asset	EM
Moscow-St Petersburg motorway section 1 First section (43.2 km) of M11 motorway between Moscow and St Petersburg	Russia	2040	Intangible asset	EM
Moscow-St Petersburg motorway sections 7 and 8 Sections 7 and 8 (138 km) of M11 motorway between Moscow and St Petersburg	Russia	2041	Financial asset	EM
Granvia R1 Expressway	Slovakia	2041	Financial asset	EM
Regina Bypass 61 km expressway bypassing Regina	Canada	2049	Financial asset	EM
Via 40 Express Toll motorway connecting Bogota and Girardot (141 km including construction of a third lane over 65 km)	Colombia	2042	Intangible asset	EM
Ohio River Bridges East and Crossing Bridge over the Ohio River and access tunnel	USA	2051	Financial asset	EM
VINCI Railways				
LISEA South Europe Atlantic high-speed rail line (302 km) between Tours and Bordeaux	France	2061	Bifurcated model: intangible asset and financial asset	EM
VINCI Stadium				
Consortium Stade de France 80,000-seat stadium at Saint Denis	France	2025	Intangible asset	FC

FC: Full consolidation; EM: Equity method.

Certain contracts may benefit from investment grants from the grantor. This relates mainly to contracts under the financial asset model and certain contracts with traffic level risk (A19, Gefyra, section 1 of the Moscow–St Petersburg motorway, LISEA and Consortium Stade de France).
When the contracts end, the concession infrastructure is generally returned to the grantor for no consideration. In the event that the contract is terminated or the concession asset is bought out early by the grantor, compensation is generally payable to the concession holders. Its amount is determined in accordance with contractual or statutory provisions.

13. Concession intangible assets

(in € millions)	VINCI Autoroutes	VINCI Airports	Other concessions	Total
Gross				
01/01/2018	**32,278**	**4,370**	**2,017**	**38,665**
Acquisitions during period (*)	630	184	68	881
Disposals during period	(2)	(6)	-	(8)
Currency translation differences	-	17	11	28
Changes in scope and other	23	686	269	979
	32,929	**5,251**	**2,365**	**40,544**
Grants received	(2)	-	-	(2)
31/12/2018	**32,927**	**5,251**	**2,365**	**40,542**
Acquisitions during period (*)	859	208	5	1,072
Disposals during period	(1)	(6)	-	(6)
Currency translation differences	-	14	70	83
Changes in scope and other	11	(29)	1	(17)
	33,797	**5,437**	**2,440**	**41,674**
Grants received	(7)	-	-	(7)
31/12/2019	**33,789**	**5,437**	**2,440**	**41,667**
Amortisation and impairment losses				
01/01/2018	**(11,471)**	**(458)**	**(197)**	**(12,126)**
Amortisation during period	(1,063)	(138)	(64)	(1,265)
Impairment losses	-	(5)	(3)	(8)
Disposals during period	-	2	-	2
Currency translation differences	-	(11)	-	(11)
Other movements	(14)	(2)	-	(16)
31/12/2018	**(12,548)**	**(612)**	**(264)**	**(13,424)**
Amortisation during period	(1,087)	(170)	(71)	(1,329)
Impairment losses	-	(14)	-	(14)
Disposals during period	-	1	-	1
Currency translation differences	-	(5)	(3)	(8)
Other movements	(14)	(4)	(7)	(24)
31/12/2019	**(13,649)**	**(804)**	**(345)**	**(14,798)**
Net				
01/01/2018	**20,807**	**3,912**	**1,820**	**26,539**
31/12/2018	**20,379**	**4,639**	**2,101**	**27,118**
31/12/2019	**20,141**	**4,633**	**2,095**	**26,869**

(*) Including capitalised borrowing costs.

In 2019, acquisitions of concession intangible assets amounted to €1,072 million. They included investments by the ASF group for €419 million (€388 million in 2018), by Arcos for €243 million (€70 million in 2018), by Cofiroute for €158 million (€139 million in 2018) and by VINCI Airports for €190 million (€184 million in 2018).

Concession intangible assets include assets under construction for €1,791 million at 31 December 2019 (€1,210 million at 31 December 2018). These relate to VINCI Autoroutes subsidiaries for €1,617 million (including ASF for €733 million, Arcos for €418 million, Cofiroute for €269 million and Escota for €190 million) and VINCI Airports for €172 million.

In 2018, scope effects at VINCI Airports mainly concerned the Belgrade airport in Serbia and Orlando Sanford International Airport in the United States (Airports Worldwide).

14. Public-private partnership (PPP) contracts recognised under the financial asset model

The main PPP contracts operated by Group subsidiaries are presented on the asset side of the consolidated balance sheet for their part at more than one year under "Other non-current financial assets" and concern:
• Caraibus (right-of-way public transport system in Martinique): this contract is recognised under the financial asset model;
• MMArena (Le Mans stadium in France) and Park Azur (business complex for car rental firms at the Nice airport in France): both contracts are recognised under the bifurcated model (intangible asset and financial asset).

Their change during the period and their breakdown by maturity are as follows:

(in € millions)	2019	2018
Beginning of period	**172**	**177**
Acquisitions during period	49	12
Redemptions	(15)	(20)
Other movements and currency translation differences	-	3
End of period	**207**	**172**
Of which:		
Between 1 and 5 years	*47*	*49*
Over 5 years	*159*	*123*

The part at less than one year is included in the balance sheet under "Other current financial assets". At 31 December 2019, it amounted to €6 million (€6 million at 31 December 2018).

15. Off-balance sheet commitments made under concession and PPP contracts

15.1 Commitments made in respect of companies controlled by the Group

Contractual investment and renewal obligations

(in € millions)	31/12/2019	31/12/2018
ASF group	1,024	1,245
Cofiroute	762	869
Belgrade airport (Serbia)	441	460
ANA group (Portugal)	220	79
Arcos	143	403
Cambodia Airports	132	32
Lamsac (Peru)	127	154
London Gatwick Airport (United Kingdom)	96	3,220 (*)
ADL - Aéroports de Lyon (France)	36	1
Société Concessionnaire Aéroport du Grand Ouest (Scago)	35	35
Salvador airport (Brazil)	2	116
Other	43	35
Total	**3,060**	**6,648**

(*) Commitment to purchase a 50.01% stake in London Gatwick Airport.

Contractual investment obligations of motorway concession companies consist mainly of undertakings made under concession contracts, multi-year master contracts as part of the 2015 motorway stimulus plan and the motorway investment plan approved in 2018. In 2019, progress with works by VINCI Autoroutes companies led to a €587 million reduction in their commitments to €1,930 million at 31 December 2019.
The above amounts do not include obligations relating to maintenance expenditure on infrastructure under concession, in respect of which specific provisions based on maintenance plans are set aside (see Note H.19.3, "Breakdown of current provisions").

Where the financial asset or bifurcated model applies, subsidiaries receive a guarantee of payment from the concession grantor in return for their investment commitment.

Collateral security connected with financing

Collateral security (in the form of pledges of shares) is generally granted to secure financing arranged within subsidiaries, and breaks down as follows:

(in € millions)	Start date	End date	Amount at 31/12/2019
London Gatwick Airport	2011	2049	2,744
Arcour	2008	2047	646
Lamsac	2016	2037	364
Aerodom	2017	2029	358
ADL - Aéroports de Lyon	2016	2032	225
Gefyra	1997	2029	188
Belgrade airport	2018	2035	183
Caraibus	2015	2035	66
Arcos	2018	2045	61
Belfast airport (United Kingdom)	2016	2023	36
Park Azur	2008	2036	35
Le Mans Stadium	2008	2043	31
Other concession operating companies			18

15.2 Commitments made in respect of companies accounted for under the equity method

Contractual investment obligations

At 31 December 2019, the Group's share of investment commitments given by these companies amounted to €529 million (€642 million at 31 December 2018). They relate mainly to projects involving infrastructure under construction in the Concessions business, the Via 40 Express motorway between the cities of Bogotá and Girardot in Colombia (€238 million), a section of the A7 motorway in Germany (€87 million) and the Santiago airport in Chile (€63 million).

The €113 million decrease in these commitments during the year was due to progress with works carried out on projects, particularly works on the motorway between Moscow and St Petersburg, the Santiago airport in Chile and the section of the A7 motorway in Germany.

Collateral security connected with financing

Collateral security has been granted in the form of pledges of shares in companies accounted for under the equity method.
The net carrying amount of the shares pledged at 31 December 2019 was €42 million and included shares in WVB East End Partners (the company holding the concession for the Ohio River Bridges – East End Crossing project in the United States) for €20 million, Synerail (the PPP contract for the GSM-Rail system, under the Global System for Mobile communications - Railway standard) for €12 million and SMTPC (the holder of the concession for the Prado Carénage road tunnel in Marseille) for €10 million.

Funding commitments

The Group has made commitments to provide funding (capital and/or subordinated loans) to companies accounted for under the equity method. At 31 December 2019, those commitments amounted to €85 million (€162 million at 31 December 2018). They mainly concern the company holding the concession for the Santiago airport in Chile for €39 million (€87 million at 31 December 2018).

G. Contracting business and VINCI Immobilier: construction and service contracts

16. Information on construction and service contracts

Accounting policies

Consolidated revenue relating to construction and service contracts is recognised in accordance with IFRS 15.

In view of the Group's main activities, construction and service contracts generally involve only one performance obligation, which is fulfilled as the contract is completed.
However, where a contract includes several distinct performance obligations, the Group allocates the overall price provided for by the contract between the performance obligations in accordance with IFRS 15.
Where the price to which the Group considers itself entitled includes a variable component, that component is recognised where its receipt is regarded as highly probable.

Progress with construction and service contracts is measured using either the physical progress towards completion or cost-to-cost method, depending on the type of activities involved.

Contract amendments, relating in particular to the price and/or scope of the contract, are recognised when approved by the client. If amendments relate to new goods or services regarded as distinct under IFRS 15, and if the contract price increases by an amount reflecting "stand-alone selling prices" of the additional goods or services, those amendments are recognised as a distinct contract.

Where a third party (such as a subcontractor) is involved in the supply of a distinct good or service, the Group must determine whether it obtains control of that good or service before it is transferred to the client. Where control is obtained before transfer to the client, the Group recognises as revenue the gross amount to which it expects to be entitled in exchange for the corresponding good or service. However, where control is not obtained, the Group takes the view that it is not the principal in the transaction and only recognises as revenue the amount corresponding to its remuneration as intermediary.

The Group's trade receivables represent the unconditional right to receive payment when the goods or services to be provided to the customer under the contract have been provided. In accordance with IFRS 15, the opening and closing balances of trade receivables are presented in Note H.19, "Working capital requirement and current provisions".

Contract assets correspond to invoices not yet raised, advances paid to subcontractors or retention payments. In accordance with IFRS 9, contract assets are analysed to assess any risk of non-recovery ("credit risk"). Where a payment due to the Group is dependent on the transfer of other goods or services and/or the completion of milestones or stages defined in the contract, the Group regards the amount representing that "conditional" right as a contract asset.

Contract liabilities mainly consist of advances received and prepaid income.
Amounts relating to any Group obligation to transfer goods or services for which it has already received a payment, or for which the right to such payment is enforceable, are regarded as contract liabilities under IFRS 15.

If the estimate of the final outcome of a contract indicates a loss, a provision is made for the loss on completion in accordance with IAS 37, regardless of progress towards completion, and based on the best estimates of income, including, if need be, any rights to additional revenue or claims, where it is regarded as highly probable and can be reliably estimated. Provisions for losses on completion are shown under liabilities (see Note H.19.3, "Breakdown of current provisions").

16.1 Financial information on contracts

Contract assets

(in € millions)		31/12/2019	Changes: Business-related changes	Changes: Changes in consolidation scope	Changes: Other changes (*)	31/12/2018
VINCI Energies		2,608	171	112	6	2,318
Eurovia		615	45	(86)	7	649
VINCI Construction		3,317	(53)	19	30	3,321
Contracting	I	6,540	164	45	43	6,288
VINCI Immobilier	II	149	11	-	-	138
Contract assets	**I+II**	**6,689**	**174**	**45**	**43**	**6,426**

(*) Including currency translation differences.

Contract assets relate to the portion of performance obligations fulfilled by the Group for which the definitive right to be paid is subject to completing other work specified in the relevant contracts. Contract assets turn into receivables as works are received by the client, giving rise to the Group's unconditional right to be paid.

Contract liabilities

(in € millions)		31/12/2019	Changes: Business-related changes	Changes: Changes in consolidation scope	Changes: Other changes (*)	31/12/2018
VINCI Energies		2,632	274	75	(23)	2,306
Eurovia		821	150	1	4	666
VINCI Construction		2,348	64	18	15	2,251
Contracting	I	5,801	489	94	(4)	5,222
VINCI Immobilier	II	622	530	-	-	92
Contract liabilities	**I+II**	**6,424**	**1,019**	**94**	**(4)**	**5,315**

(*) Including currency translation differences.

Those liabilities mainly correspond to advances and payments on account received on orders and other current liabilities representing the amount of obligations still to be fulfilled for which payment has been received from the client.
The fulfilment of the performance obligations will extinguish these liabilities as the counterpart of revenue recognition, with no impact on the Group's cash position.

16.2 Order book

(in € billions)	31/12/2019	Book-to-bill ratio (number of months of average business activity represented by the order book)
VINCI Energies	9.1	8
Eurovia	8.0	9
VINCI Construction	19.4	16
Contracting	**36.5**	**11**
VINCI Immobilier	**1.1**	**NA**

The order book in the Contracting business represents the volume of business yet to be carried out on projects where the contract is in force (in particular after service orders have been obtained or after conditions precedent have been met) and financed.
At 31 December 2019, the total order book of the Contracting business lines (VINCI Energies, Eurovia and VINCI Construction) stood at €36.5 billion, up 10% year-on-year (€33.1 billion at 31 December 2018).

VINCI Immobilier's order book corresponds to the revenue, recognised on a progress towards completion basis, that is yet to be generated on a given date with respect to property sales confirmed by a notarised deed or with respect to property development contracts on which the works order has been given by the project owner.
At 31 December 2019, VINCI Immobilier's order book amounted to €1.1 billion, up 37% relative to 31 December 2018 (€0.8 billion).

16.3 Commitments made and received in connection with construction and service contracts

In connection with these contracts, the Group makes and receives guarantees (personal sureties or collateral security).
The amount of the guarantees given below consists mainly of guarantees on works contracts, issued by financial institutions or insurance companies.
Group companies, meanwhile, benefit from guarantees issued by financial institutions at the request of the joint contractors or subcontractors (guarantees received).

	31/12/2019		31/12/2018	
(in € millions)	Guarantees given	Guarantees received	Guarantees given	Guarantees received
Performance guarantees and performance bonds	6,328	994	5,929	799
Retentions	3,673	425	3,213	464
Deferred payments to subcontractors and suppliers	1,543	456	1,776	300
Bid bonds	215	1	164	-
Real security interests	74	3	70	3
Total	**11,832**	**1,880**	**11,152**	**1,566**

Whenever events such as late completion or disputes about the execution of a contract make it likely that an execution risk covered by a guarantee will materialise, a provision is taken in respect of that risk.

In general, any risk of loss in connection with performance of a commitment given by VINCI or its subsidiaries results in a provision being recognised in the Group's financial statements. However, VINCI considers that the off-balance sheet commitments above are unlikely to have a material impact on the Group's financial position or net assets.

VINCI also grants after-sales service warranties covering several years in its normal course of business. These warranties lead to provisions estimated either on a statistical basis having regard to past experience or on an individual basis in the case of any problems identified. These commitments are therefore not included in the above table.

In connection with the construction of the South Europe Atlantic high-speed rail line between Tours and Bordeaux, the Group provided various security interests and guarantees in favour of concession company LISEA under which it guarantees contract performance by the design and construction joint venture (GIE COSEA). At 31 December 2019, GIE COSEA's remaining commitments consisted of a conclusion guarantee and retention money, which remain in force until the end of a 32-month period after acceptance of the infrastructure (July 2017).

In addition, guarantees related to construction contracts on behalf of companies accounted for under the equity method had been given in an amount of €364 million at 31 December 2019 (€362 million at 31 December 2018).

Joint and several guarantees covering unconsolidated partnerships (SNCs, economic interest groupings, etc.)

Part of VINCI's construction and roadworks business is conducted through unincorporated joint venture partnerships (SEPs). Since the partners in a partnership are legally jointly and severally liable for its debts to third parties, the Group may set up crossed counter guarantees with its partners.

Whenever the Group is aware of a particular risk relating to a joint venture partnership's activity that could lead to an outflow of resources for the Group, a provision is set aside.

The amount shown under off-balance sheet commitments in respect of joint and several guarantees is the Group's share of the liabilities of the partnerships in question less equity and financial debt (loans or current account advances) due to partners. That amount was €50 million at 31 December 2019 (€49 million at 31 December 2018), as opposed to total commitments of €123 million at 31 December 2019 (€125 million at 31 December 2018). Given the quality of its partners, the Group considers that the risk of its guarantee being invoked in respect of these commitments is not material.

H. Other balance sheet items and business-related commitments

17. Property, plant and equipment and other intangible assets

17.1 Other intangible assets

Accounting policies
Other intangible assets are measured at cost less amortisation and any cumulative impairment losses.
They include:
- Rights to operate owned airports. Since those rights are analogous to a perpetual licence, in accordance with IAS 38 "Intangible assets" they are not amortised. They are tested for impairment annually or whenever there is there is an indication of impairment.
- Quarrying rights, which are amortised as materials are extracted (volumes extracted during the period are compared with the estimated total volume of deposits to be extracted from the quarry over its useful life) in order to reflect the decline in value due to depletion.
- Other intangible assets, which are amortised on a straight-line basis over their useful life.

(in € millions)	Patents and licenses	Software	Other intangible assets	Total
Gross				
31/12/2018	**262**	**485**	**460**	**1,207**
Acquisitions as part of business combinations	-	23	6,825	6,847
Other acquisitions during period	2	23	42	67
Disposals during period	-	(24)	(3)	(27)
Currency translation differences	2	1	114	117
Changes in scope and other	(11)	42	(216)	(185)
31/12/2019	**253**	**551**	**7,221**	**8,026**
Amortisation and impairment losses				
31/12/2018	**(53)**	**(409)**	**(113)**	**(575)**
Amortisation during period	(3)	(46)	(12)	(62)
Impairment losses	-	(2)	(5)	(8)
Reversals of impairment losses	-	-	5	5
Disposals during period	-	23	3	26
Currency translation differences	-	(1)	(1)	(2)
Other movements	10	(15)	4	(1)
31/12/2019	**(46)**	**(450)**	**(121)**	**(616)**
Net				
31/12/2018	**209**	**76**	**347**	**632**
31/12/2019	**208**	**101**	**7,101**	**7,410**

The €6,778 million increase in the net value of other intangible assets during the period is the result of VINCI Airports acquiring ownership of London Gatwick Airport on 13 May 2019. At 31 December 2019, the right to operate the airport was measured at €6,621 million.

Amortisation recognised during the period totalled €62 million (€53 million in 2018).

17.2 Property, plant and equipment

Accounting policies

Items of property, plant and equipment are recorded at their acquisition or production cost net of any investment grants received, less cumulative depreciation and impairment losses. They are not remeasured. They also include concession operating assets not controlled by the grantor but necessary for operation of the concession: buildings intended for operational use, signage and data transmission equipment, vehicles and other equipment.

Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may sometimes be used when it appears more appropriate to the conditions under which the asset is used.
For certain complex assets comprising several components, each component of the asset is depreciated over its own period of use.
To reflect the consumption of economic benefits associated with the asset, quarries are depreciated as materials are extracted (volumes extracted during the period are compared with the estimated total volume of deposits to be extracted from the quarry over its useful life).

Investment property is property held to earn rentals or for capital appreciation. It is recorded at its acquisition cost less cumulative depreciation and any impairment losses.

The main periods of use of the various categories of items of property, plant and equipment are as follows:

Constructions:	
- Structure	Between 20 and 50 years
- General technical installations	Between 5 and 20 years
Site equipment and technical installations	Between 3 and 12 years
Vehicles	Between 3 and 5 years
Fixtures and fittings	Between 8 and 10 years
Office furniture and equipment	Between 3 and 10 years

Depreciation commences as from the date when the asset is ready to enter service.

Right-of-use assets under leases are amortised on a straight-line basis over the lease term, and adjusted each time that the lease liability is remeasured.

(in € millions)	Concession operating fixed assets	Land	Constructions and investment property	Plant, equipment and fixtures	Right-of-use assets in respect of leases: Concession operating fixed assets	Right-of-use assets in respect of leases: Property	Right-of-use assets in respect of leases: Movable assets	Total
Gross								
01/01/2018	**4,169**	**905**	**1,201**	**7,141**	**-**	**-**	**-**	**13,416**
Acquisitions as part of business combinations	-	196	130	457	-	-	-	783
Other acquisitions during period	192	31	331	669	-	-	-	1,223
Disposals during period	(37)	(13)	(50)	(460)	-	-	-	(560)
Currency translation differences	10	(8)	(2)	(3)	-	-	-	(4)
Changes in scope and other	(12)	16	(39)	50	-	-	-	16
31/12/2018	**4,321**	**1,126**	**1,572**	**7,855**	**-**	**-**	**-**	**14,874**
01/01/2019 adjusted (*)	**4,316**	**1,121**	**1,551**	**7,551**	**13**	**989**	**800**	**16,341**
Acquisitions as part of business combinations	-	141	1,676	1,170	-	44	244	3,275
Other acquisitions during period	150	20	600	651	-	1	3	1,425
Disposals during period	(53)	(13)	(65)	(469)	-	-	-	(599)
Currency translation differences	4	15	39	80	-	7	8	152
Scope effects, changes in leases and other	11	(10)	(335)	173	3	240	264	346
31/12/2019	**4,429**	**1,273**	**3,465**	**9,156**	**16**	**1,281**	**1,319**	**20,940**
Depreciation and impairment losses								
01/01/2018	**(2,804)**	**(333)**	**(645)**	**(5,213)**	**-**	**-**	**-**	**(8,996)**
Depreciation during period	(239)	(21)	(50)	(614)	-	-	-	(924)
Impairment losses	-	-	(1)	(7)	-	-	-	(7)
Reversals of impairment losses	-	4	2	6	-	-	-	11
Disposals during period	35	6	39	431	-	-	-	511
Currency translation differences	(4)	2	1	2	-	-	-	1
Other movements	(3)	(7)	(17)	(83)	-	-	-	(110)
31/12/2018	**(3,015)**	**(349)**	**(672)**	**(5,478)**	**-**	**-**	**-**	**(9,515)**
01/01/2019 adjusted (*)	**(3,012)**	**(349)**	**(653)**	**(5,315)**	**(3)**	**(95)**	**(282)**	**(9,710)**
Depreciation during period	(236)	(23)	(102)	(739)	(5)	(248)	(295)	(1,648)
Impairment losses	-	-	(3)	(7)	-	-	-	(11)
Reversals of impairment losses	-	1	1	5	-	-	-	7
Disposals during period	48	6	22	444	-	-	-	520
Currency translation differences	(2)	(2)	(4)	(42)	-	(1)	(2)	(53)
Other movements	5	(3)	(6)	(47)	3	21	113	86
31/12/2019	**(3,197)**	**(371)**	**(745)**	**(5,702)**	**(5)**	**(324)**	**(466)**	**(10,809)**
Net								
01/01/2018	**1,365**	**572**	**556**	**1,928**	**-**	**-**	**-**	**4,421**
31/12/2018	**1,306**	**777**	**900**	**2,377**	**-**	**-**	**-**	**5,359**
01/01/2019 adjusted (*)	**1,304**	**772**	**898**	**2,236**	**10**	**894**	**518**	**6,631**
31/12/2019	**1,232**	**903**	**2,720**	**3,455**	**11**	**958**	**853**	**10,131**

(*) See Note A.4, "Change in accounting methods – IFRS 16 'Leases'".

Property, plant and equipment includes assets under construction for €1,023 million at 31 December 2019 (€544 million at 31 December 2018). At 31 December 2018, they included €150 million of assets acquired under finance leases. They are now presented under right-of-use assets under leases, following the adoption of IFRS 16.

The leases to which the Group is a party mainly concern properties, vehicles and certain equipment required for the construction and maintenance businesses.

In 2019, the "Acquisitions as part of business combinations" item mainly concerns London Gatwick Airport.

At 31 December 2019, the breakdown of property, plant and equipment by business was as follows:

(in € millions)	Concessions	Contracting				VINCI Immobilier and holding companies	Total
		VINCI Energies	Eurovia	VINCI Construction	Total		
Concession operating fixed assets	1,231	-	-	-	-	-	1,232
Land	144	55	638	65	758	1	903
Constructions and investment property	1,734	148	250	281	680	306	2,720
Plant, equipment and fixtures	1,179	327	932	997	2,255	20	3,455
Right-of-use assets in respect of leases	307	710	299	375	1,384	131	1,822
Total at 31 December 2019	**4,596**	**1,240**	**2,120**	**1,718**	**5,077**	**458**	**10,131**
Total at 31 December 2018	**1,544**	**569**	**1,870**	**1,213**	**3,653**	**162**	**5,359**

17.3 Impairment losses on property, plant and equipment and intangible assets

Accounting policies

Impairment tests are performed on property, plant and equipment and intangible assets where evidence of an impairment loss arises. For intangible assets with an indefinite useful life and construction work in progress, a test is performed at least annually or whenever there is an indication of an impairment.

Assets to be tested for impairment are grouped within cash-generating units (CGUs) that correspond to homogeneous groups of assets that generate identifiable cash inflows from their use.
In accordance with IAS 36, the criteria adopted to assess indications that an impairment loss has arisen are either external (e.g. a material change in market conditions) or internal (e.g. a material reduction in revenue), without distinction.

The Group did not recognise any material impairment losses on property, plant and equipment or intangible assets in either 2019 or 2018.

18. Financial assets measured at amortised cost

Accounting policies

Financial assets measured at amortised cost mainly consist of loans and receivables.
When first recognised, loans and receivables are recognised at their fair value less the directly attributable transaction costs.
From the outset, the Group recognises impairment on its loans and receivables in relation to their risk of non-recovery, in accordance with IFRS 9 “Financial instruments”.

At each balance sheet date, these assets are measured at their amortised cost using the effective interest method and the Group analyses credit risk to determine whether further impairment must be recognised.
If credit risk is found to have increased, additional impairment will be recognised in profit and loss, taking into account this risk over the asset’s life.

Loans and receivables at amortised cost mainly comprise receivables relating to shareholdings, including shareholders’ advances to Concessions business or PPP project companies for €842 million (€774 million at 31 December 2018). They are presented on the asset side of the consolidated balance sheet under “Other non-current financial assets” (for the part at more than one year). The part at less than one year of loans and receivables is included under “Other current financial assets” for €47 million at 31 December 2019 (€30 million at 31 December 2018).

Changes in loans and receivables at amortised cost during the period and their breakdown by maturity are as follows:

(in € millions)	2019	2018
Beginning of period	**1,059**	**830**
Acquisitions during period	146	248
Acquisitions as part of business combinations	21	1
Impairment losses	(4)	(4)
Disposals during period	(59)	(65)
Other movements and currency translation differences	(3)	48
End of period	**1,160**	**1,059**
Of which:		
Between 1 and 5 years	*534*	*556*
Over 5 years	*626*	*502*

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19. Working capital requirement and current provisions

Accounting policies

Trade receivables are current financial assets and are initially measured at their fair value, which is generally their nominal value, barring any discounting effect.
The Group uses the simplified approach as defined in IFRS 9, and therefore records impairment on its trade receivables to correspond with the expected credit loss at maturity.

At each balance sheet date, trade receivables are measured at their amortised cost less any impairment losses in the event of any non-recovery risks. The assessment of that risk takes into account payment delays and guarantees obtained.

Trade payables are current financial liabilities and are initially measured at their fair value, which is generally their nominal value, barring any discounting effect.

Inventories and work in progress are recognised at their cost of acquisition or of production by the entity. At each balance sheet date, they are measured at the lower of cost and net realisable value.

19.1 Change in working capital requirement

(in € millions)		31/12/2019	31/12/2018	Changes: Changes in operating WCR	Changes: Changes in consolidation scope	Changes: Other changes (*)
Inventories and work in progress		1,434	1,173	213	47	1
Trade and other receivables		14,523	13,584	609	218	111
Other current operating assets		5,252	5,033	252	75	(108)
Inventories and operating receivables	I	**21,209**	**19,790**	**1,074**	**341**	**4**
Trade payables		(8,514)	(8,240)	(111)	(177)	14
Other current operating liabilities		(14,177)	(12,862)	(1,142)	(131)	(42)
Trade and other operating payables	II	**(22,691)**	**(21,102)**	**(1,253)**	**(308)**	**(28)**
Working capital requirement (excluding current provisions)	**I+II**	**(1,482)**	**(1,311)**	**(179)**	**33**	**(24)**
Current provisions		**(4,741)**	**(4,452)**	**(249)**	**29**	**(69)**
of which part at less than one year of non-current provisions		*(193)*	*(234)*	*17*	*24*	*-*
Working capital requirement (including current provisions)		**(6,223)**	**(5,764)**	**(428)**	**62**	**(93)**

(*) Mainly currency translation differences.

19.2 Current operating assets and liabilities

Current operating assets and liabilities break down as follows:

(in € millions)		31/12/2019	Maturity: Within 1 year: 1 to 3 months	3 to 6 months	6 to 12 months	Between 1 and 5 years	After 5 years
Inventories and work in progress		1,434	590	64	364	412	4
Trade and other receivables		14,523	11,438	808	1,109	1,112	55
Other current operating assets		5,252	4,076	365	481	314	15
Inventories and operating receivables	**I**	**21,209**	**16,104**	**1,237**	**1,955**	**1,838**	**75**
Trade payables		(8,514)	(7,266)	(496)	(433)	(312)	(6)
Other current operating liabilities		(14,177)	(11,150)	(626)	(768)	(1,478)	(155)
Trade and other operating payables	**II**	**(22,691)**	**(18,416)**	**(1,122)**	**(1,201)**	**(1,790)**	**(162)**
Working capital requirement connected with operations	**I+II**	**(1,482)**	**(2,312)**	**115**	**754**	**48**	**(87)**

(in € millions)		31/12/2018	Maturity: Within 1 year: 1 to 3 months	3 to 6 months	6 to 12 months	Between 1 and 5 years	After 5 years
Inventories and work in progress		1,173	478	71	144	473	7
Trade and other receivables		13,584	11,347	788	695	697	56
Other current operating assets		5,033	4,098	262	287	373	14
Inventories and operating receivables	**I**	**19,790**	**15,923**	**1,120**	**1,127**	**1,542**	**78**
Trade payables		(8,240)	(7,210)	(448)	(175)	(401)	(6)
Other current operating liabilities		(12,862)	(10,658)	(563)	(517)	(982)	(142)
Trade and other operating payables	**II**	**(21,102)**	**(17,868)**	**(1,011)**	**(692)**	**(1,383)**	**(147)**
Working capital requirement connected with operations	**I+II**	**(1,311)**	**(1,945)**	**109**	**435**	**159**	**(69)**

Breakdown of trade receivables

(in € millions)	31/12/2019	31/12/2018
Trade receivables	8,306	7,578
Allowances against trade receivables	(612)	(541)
Trade receivables, net	**7,694**	**7,036**

At 31 December 2019, trade receivables between six and 12 months past due amounted to €435 million (compared with €508 million at 31 December 2018). €64 million of impairment has been recognised in consequence (€70 million at 31 December 2018). Receivables more than one year past due amounted to €386 million (€387 million at 31 December 2018) and impairment of €276 million has been recognised in consequence (€257 million at 31 December 2018).

19.3 Breakdown of current provisions

Accounting policies

Current provisions are directly related to the operating cycle. They are recognised in accordance with IAS 37 and include the part at less than one year of non-current provisions not directly linked to the operating cycle.

These provisions are recognised at their present value. The effect of discounting provisions is recognised under "Other financial income and expense".

Provisions are taken for contractual obligations to maintain the condition of concession assets. They concern the motorway concession operating companies and cover the expense of major road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels and hydraulic infrastructure. They also include expenses to be incurred by airport concession companies (repairs to runways, traffic lanes and other paved surfaces) and are calculated on the basis of maintenance expense plans spanning several years, which are updated annually. These expenses are reassessed on the basis of appropriate indexes (mainly the TP01, TP02 and TP09 indexes in France). Provisions are also taken whenever signs of defects are encountered on certain infrastructure.

Provisions for after-sales service cover Group entities' commitments under statutory warranties relating to completed projects, in particular the 10-year warranty on building projects in France. They are estimated statistically on the basis of expenses incurred in previous years or individually on the basis of specifically identified events.

Provisions for losses on completion of contracts and for construction project liabilities are set aside mainly when end-of-contract projections, based on the most likely estimated outcome, indicate a loss, and those covering work yet to be carried out in respect of completed projects under completion warranties.

Provisions for disputes connected with operations relate mainly to disputes with customers, subcontractors, joint contractors or suppliers.

Restructuring provisions include the cost of plans and measures for which there is a commitment whenever these have been announced before the period end.

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals	Changes in consolidation scope and miscellaneous	Change in the part at less than one year	Currency translation differences	Closing
01/01/2018	**4,172**	**1,741**	**(1,383)**	**(195)**	**48**	**(29)**	**(33)**	**4,322**
Obligation to maintain the condition of concession assets	827	135	(94)	(14)	47	-	2	903
After-sales service	406	105	(99)	(30)	9	-	-	391
Losses on completion and construction project liabilities	1,336	738	(718)	(58)	49	-	(1)	1,346
Disputes	541	138	(114)	(52)	-	-	(1)	513
Restructuring costs	30	18	(17)	(3)	3	-	-	31
Other current liabilities	974	400	(298)	(39)	(1)	-	(1)	1,035
Reclassification of the part at less than one year	208	-	-	-	(16)	42	-	234
31/12/2018	**4,322**	**1,534**	**(1,339)**	**(196)**	**92**	**42**	**(2)**	**4,452**
Obligation to maintain the condition of concession assets	903	182	(110)	(15)	(14)	-	1	946
After-sales service	391	135	(117)	(12)	(4)	-	3	396
Losses on completion and construction project liabilities	1,346	804	(701)	(66)	37	-	8	1,428
Disputes	513	168	(120)	(32)	2	-	1	533
Restructuring costs	31	18	(14)	(6)	(2)	-	-	27
Other current liabilities	1,035	542	(321)	(56)	15	-	3	1,219
Reclassification of the part at less than one year	234	-	-	-	(24)	(17)	-	193
31/12/2019	**4,452**	**1,849**	**(1,384)**	**(186)**	**11**	**(17)**	**17**	**4,741**

At 31 December 2019, contractual obligations to maintain the condition of concession assets mainly comprised €453 million for the ASF group (€418 million at 31 December 2018), €269 million for Cofiroute (€258 million at 31 December 2018), and €194 million for VINCI Airports (€189 million at 31 December 2018) including €85 million for the ANA group (€74 million at 31 December 2018).

Provisions for other current liabilities include provisions for worksite restoration and removal costs for €195 million (€176 million at 31 December 2018).

20. Non-current provisions

Accounting policies

Non-current provisions are recognised whenever, at the balance sheet date, the Group has a legal or constructive present obligation towards non-Group companies arising from a past event, whenever it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and whenever a reliable estimate can be made of the amount of the obligation. These provisions are measured at their present value, corresponding to the best estimate of the outflow of resources required to settle the corresponding obligation.

The part at less than one year of provisions not directly linked to the operating cycle is reported under "Current provisions".
The part at less than one year of other employee benefits is reported under "Other current non-operating liabilities".

Detail of non-current provisions

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year	Currency translation differences	Closing
01/01/2018	**945**	**201**	**(140)**	**(32)**	**56**	**29**	**(6)**	**1,053**
Financial risks	685	4	(30)	(4)	170	-	-	826
Other liabilities	576	165	(125)	(26)	(47)	-	1	544
Reclassification of the part at less than one year	(208)	-	-	-	16	(42)	-	(234)
31/12/2018	**1,053**	**169**	**(155)**	**(29)**	**139**	**(42)**	**1**	**1,135**
Financial risks	826	20	(13)	-	145	-	-	978
Other liabilities	544	120	(81)	(58)	30	-	2	557
Reclassification of the part at less than one year	(234)	-	-	-	24	17	-	(193)
31/12/2019	**1,135**	**140**	**(94)**	**(59)**	**199**	**17**	**2**	**1,341**

Provisions for financial risks

Provisions for financial risks include the Group's share of the negative net equity of companies accounted for under the equity method. That negative net equity results from the measurement of interest rate derivative instruments (cash flow hedges) at fair value in the financial statements of the companies concerned.

Provisions for other liabilities

Provisions for other liabilities, not directly linked to the operating cycle, include provisions for disputes and arbitration, some of which are described in Note M, "Note on litigation". These amounted to €557 million at 31 December 2019 (€544 million at 31 December 2018), including €382 million at more than one year (€326 million at 31 December 2018).

21. Lease liabilities

Accounting policies

At the start of the lease, the liability is measured on the basis of the present value of payments remaining payable to the lessor, i.e.:

- fixed lease payments, minus any sums received from the lessor as an incentive to enter into the lease;
- variable lease payments that are determined by an index or interest rate, with future payments determined on the basis of the index level or interest rate on the lease start date;
- payments to be made by the lessee under a residual value guarantee;
- the exercise price of an option to buy if the lessee is reasonably certain to exercise that option;
- penalties to be paid if an option to terminate the lease is exercised, if the lease term was determined on the assumption that the lessee would exercise the option.

The liability may be remeasured in the following situations: adjustment of the lease term; adjustment related to the assessment of whether the exercise of an option is reasonably certain or not; a new estimate relating to residual value guarantees; revision of interest rates or indices on which lease payments are based at the time that lease payments are adjusted.

On 1 January 2019, following the application of IFRS 16 "Leases", the Group recognised €1,421 million of liabilities with respect to leases. At 31 December 2019, lease liabilities amounted to €1,805 million, including €1,311 million for the part at more than one year and €494 million for the part at less than one year.

The net change of €384 million in 2019 breaks down as follows:

- new lease liabilities: €596 million;
- companies entering the consolidation scope: €286 million (mainly London Gatwick Airport for €245 million);
- repayments of lease liabilities: negative amount of €535 million;
- other changes: €37 million.

Maturity schedule of non-current lease liabilities

(in € millions)	Non-current lease liability	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Lease liabilities related to property assets	781	225	288	267
Lease liabilities related to moveable assets	530	191	151	188
31/12/2019	**1,311**	**417**	**439**	**455**

22. Other contractual obligations of an operational nature and other commitments given and received

22.1 Other contractual obligations of an operational nature

(in € millions)	31/12/2019	31/12/2018
Purchase and capital expenditure obligations (*)	538	312
Obligations related to quarrying rights	119	115

(*) Excluding capital investment obligations related to concession and PPP contracts (see Note F, "Concessions business: PPP contracts, concession contracts and other infrastructure").

At 31 December 2018, operating lease commitments amounted to €1,500 million, including €1,024 million relating to property and €476 million relating to moveable items. The reconciliation between operating lease commitments and liabilities recognised on the balance sheet at 1 January 2019, when the Group first adopted IFRS 16 "Leases", is detailed in Note A.4, "Change in accounting methods – IFRS 16 'Leases'".

Purchase and capital expenditure obligations, excluding those relating to concession contracts, mainly concern Eurovia, VINCI Energies and VINCI Immobilier. The increase in those commitments results essentially from VINCI Immobilier's office property development activities and its commitment to buy the remaining shares in Urbat after it acquired a 49% stake in February 2019.
Those commitments include the Group's investment obligations with respect to PPP contracts and relate in particular to the public-private partnership for the La Cotinière fishing port at Saint Pierre d'Oléron at VINCI Construction for €27 million at 31 December 2019 (€48 million at 31 December 2018).

Quarry leases excluded from IFRS 16, and quarrying rights, which mainly concern Eurovia, are presented under obligations related to quarry operations.

22.2 Other commitments made and received

(in € millions)	31/12/2019	31/12/2018
Other commitments made	1,119	1,059
Other commitments received	361	265

These amounts include personal sureties provided as performance guarantees relating to work done by concession companies described in Note F.15.1, "Contractual investment and renewal obligations" and various tax and social security-related guarantees.

The Group's off-balance sheet commitments are subject to specific reporting at each full-year and half-year closing. They are presented according to the activity to which they relate, in the corresponding notes:
- Note F.15, "Off-balance sheet commitments made under concession and PPP contracts";
- Note G.16.3, "Commitments made and received in connection with construction and service contracts";
- Note K.29.1, "Provisions for retirement benefit obligations".

I. Equity

23. Information on equity

Capital management policy
In 2019, VINCI continued its policy of purchasing its own shares under the programme approved at the Shareholders' General Meeting held on 17 April 2018 and the programme approved at the Shareholders' General Meeting of 17 April 2019, for a period of 18 months and relating to a maximum amount of €2 billion at a maximum share price of €120. In 2019, 10,104,964 shares were bought at an average price of €89.07, for a total of €900 million.

Treasury shares (see Note I.23.2, "Treasury shares") are allocated to financing external growth transactions and to covering performance share plans and the employer contributions to international employee share ownership plans. They may also be cancelled.

VINCI's employee savings policy aims to make it easier for Group employees to become shareholders. At 31 December 2019, over 50% of the Group's employees were VINCI shareholders through unit funds invested in VINCI shares (100% in France). Since those funds own 8.82% of the company's shares, the Group's current and former employees form its largest group of shareholders.

There are no financial covenants that take into account the Group's consolidated equity or the equity of parent company VINCI SA.

23.1 Share capital
At 31 December 2019, the parent company's share capital was represented by 605,237,689 ordinary shares of €2.5 nominal value each.

The changes in the number of shares during the period were as follows:

	31/12/2019	31/12/2018
Number of shares at beginning of period	**597,515,984**	**591,216,948**
Increases in share capital	7,721,705	6,299,036
Cancelled treasury shares		
Number of shares at end of period	**605,237,689**	**597,515,984**
Number of shares issued and fully paid	605,237,689	597,515,984
Nominal value of one share *(in €)*	2.5	2.5
Treasury shares held directly by VINCI	50,491,699	42,749,600
of which shares allocated to covering performance share plans and employee share ownership plans	*21,328,744*	*13,586,645*

The changes in capital during 2019 and 2018 break down as follows:

	Increases (reductions) in share capital *(in €)*	Share premiums arising on contributions or mergers *(in €)*	Number of shares representing the share capital
01/01/2018	**1,478,042,370**	**9,989,227,862**	**591,216,948**
Group savings plan	14,511,260	433,848,415	5,804,504
Exercise of share subscription options	1,236,330	18,933,679	494,532
31/12/2018	**1,493,789,960**	**10,442,009,956**	**597,515,984**
Group savings plan	18,153,947	523,555,381	7,261,579
Exercise of share subscription options	1,150,315	16,813,004	460,126
31/12/2019	**1,513,094,222**	**10,982,378,341**	**605,237,689**

23.2 Treasury shares

Accounting policies
Treasury shares held by the Group are booked as a deduction from equity at their cost of acquisition. Any gains or losses connected with the purchase, sale or cancellation of treasury shares are recognised directly in equity without affecting the income statement.

Changes in treasury shares were as follows:

	31/12/2019	31/12/2018
Number of shares at beginning of period	**42,749,600**	**36,317,368**
Purchases of shares	10,104,964	7,667,561
Allocation of 2015 performance shares to employees		(935,763)
Allocation of 2016 performance shares to employees	(2,009,323)	
Allocation of 2017 performance shares to employees	(900)	
Allocation of 2018 performance shares to employees	(900)	
Allocation of 2019 performance shares to employees	(1,050)	
Employer contribution in connection with the Castor International plan	(350,692)	(299,566)
Number of shares at end of period	**50,491,699**	**42,749,600**

At 31 December 2019, the total number of treasury shares held was 50,491,699. These were recognised as a deduction from consolidated equity for €3,083 million.
A total of 21,328,744 shares are allocated to covering long-term incentive plans and employee share ownership transactions and 29,162,955 are intended to be used as payment in external growth transactions, sold or cancelled.

23.3 Distributable reserves and statutory reserve

At 31 December 2019, VINCI SA's distributable reserves amounted to €30 billion (€29 billion at 31 December 2018) and its statutory reserve to €150 million (€150 million at 31 December 2018).

23.4 Amounts recognised directly in equity

		31/12/2019			31/12/2018		
(in € millions)		**Attributable to owners of the parent**	**Attributable to non-controlling interests**	**Total**	**Attributable to owners of the parent**	**Attributable to non-controlling interests**	**Total**
Hedging costs							
Reserve at beginning of period		**2**	**-**	**2**	**(3)**	**-**	**(3)**
Gross reserve before tax effect at balance sheet date	**I**	**(7)**	**-**	**(7)**	**2**	**-**	**2**
Cash flow hedge and net investment hedges							
Reserve at beginning of period		**(663)**	**-**	**(664)**	**(589)**	**-**	**(590)**
Changes in fair value of companies accounted for under the equity method		(121)	-	(121)	1	-	1
Other changes in fair value in the period		(277)	-	(277)	(93)	-	(93)
Items recognised in profit or loss		62	-	62	42	-	42
Changes in consolidation scope and miscellaneous		(3)	-	(3)	(24)	-	(24)
Gross reserve before tax effect at balance sheet date	**II**	**(1,002)**	**-**	**(1,002)**	**(663)**	**-**	**(664)**
of which gross reserve relating to companies accounted for under the equity method		*(671)*	-	*(671)*	*(549)*	-	*(549)*
Total gross reserve before tax effects (items that may be recycled to income)	**I+II**	**(1,008)**	**-**	**(1,009)**	**(661)**	**-**	**(662)**
Associated tax effect		233	-	233	167	-	167
Reserve net of tax (items that may be recycled to income)	**III**	**(775)**	**-**	**(776)**	**(495)**	**-**	**(495)**
Equity instruments							
Reserve at beginning of period		**1**	**-**	**1**	**1**	**-**	**1**
Gross reserve before tax effect at balance sheet date	**IV**	**-**	**-**	**-**	**1**	**-**	**1**
Actuarial gains and losses on retirement benefit obligations							
Reserve at beginning of period		**(367)**	**-**	**(367)**	**(346)**	**-**	**(345)**
Actuarial gains and losses recognised in the period		(295)	(20)	(315)	(46)	-	(46)
Associated tax effect		73	4	77	15	-	15
Changes in consolidation scope and miscellaneous		-	-	(1)	9	-	9
Reserve net of tax at end of period	**V**	**(589)**	**(17)**	**(606)**	**(367)**	**-**	**(367)**
Total reserve net of tax (items that may not be recycled to income)	**IV+V**	**(589)**	**(17)**	**(606)**	**(366)**	**-**	**(366)**
Total amounts recognised directly in equity	**III+IV+V**	**(1,364)**	**(17)**	**(1,381)**	**(861)**	**-**	**(861)**

The amounts recorded directly in equity relate to cash flow hedging transactions (negative effect of €884 million), net investment hedging transactions (negative effect of €118 million) and actuarial gains and losses on retirement benefit obligations (negative effect of €589 million after tax).
Transactions relating to the hedging of interest rate risk had a negative effect of €871 million, comprising:
• a negative effect of €214 million concerning fully consolidated subsidiaries, including VINCI SA (negative effect of €97 million) and VINCI Autoroutes (negative effect of €72 million);
• a negative effect of €658 million relating to companies accounted for under the equity method, including LISEA (negative effect of €410 million).
These transactions are described in Note J.27.1.2, "Cash flow hedges".

23.5 Non-controlling interests

At 31 December 2019, the Group owned one subsidiary in which there were material non-controlling interests. This was the holding company indirectly owning a 50.01% stake in London Gatwick Airport, whose condensed financial information is presented below. The information was prepared in accordance with IFRSs, adjusted where appropriate for fair value remeasurements on the date control was acquired (13 May 2019) and adjustments to harmonise accounting policies with those of the Group.

The amounts are presented before elimination of intercompany accounts and transactions for the period from 13 May 2019 to 31 December 2019.

(in € millions)	London Gatwick Airport
Revenue	697
Net income	**172**
of which attributable to non-controlling interests	*86*
Other comprehensive income	(32)
Total comprehensive income	**140**
of which attributable to non-controlling interests	*70*
Non-current assets	10,125
Current assets	77
Non-current liabilities	(5,738)
Current liabilities	(544)
Net assets	**3,920**
of which attributable to non-controlling interests	*1,960*
Net operating cash flows	338
Net cash flows from investing activities	(191)
Net cash flows from financing activities	(158)
Other changes	(11)
Change in net cash	**(22)**
Dividends paid to non-controlling interests	**219**

24. Dividends

The dividend paid by VINCI SA to its shareholders in respect of 2019 and 2018 breaks down as follows:

	2019	2018
Dividend per share *(in €)*		
Interim dividend	0.79	0.75
Final dividend	2.26	1.92
Net total dividend	**3.05**	**2.67**
Amount of dividend *(in € millions)*		
Interim dividend	440	417
Final dividend	1,255 (*)	1,065
Net total dividend	**1,695**	**1,482**

(*) Estimate based on the number of shares with dividend entitlement at 25 January 2020, i.e. 555,305,132 shares.

VINCI paid the final dividend in respect of 2018 on 25 April 2019 and an interim dividend in respect of 2019 on 7 November 2019.
At the Shareholders' Ordinary General Meeting of 9 April 2020, the shareholders will be asked to approve the final dividend of €2.26 in respect of 2019 (see Note N.33, "Appropriation of 2019 net income").

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J. Financing and financial risk management

25. Net financial debt

Accounting policies

Bonds, other loans and financial debt are recognised at amortised cost using the effective interest method. The effective interest rate is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured actuarially and reported under the cost of gross financial debt.

The economic benefit of a loan at a significantly below-market rate of interest, which is the case in particular for project finance granted by public sector organisations, is treated as a government grant and recognised as a reduction of the debt and the related investments, in accordance with IAS 20.

Certain financing contracts provide for early redemption options, for amounts that are always close to the amortised cost of the financial liabilities that are recognised as a result. Consequently, the Group does not recognise any derivative financial instrument separately from the original contracts.

The part at less than one year of borrowings is included in "Current borrowings".

At 31 December 2019, net financial debt, as defined by the Group, stood at almost €21.7 billion, up €6.1 billion compared with 31 December 2018. It breaks down as follows:

Analysis by accounting heading	*(in € millions)*	Note	31/12/2019 Non-current	31/12/2019 Current [1]	31/12/2019 Total	31/12/2018 Non-current	31/12/2018 Current [1]	31/12/2018 Total
Financial liabilities at amortised cost	Bonds	25.1	(23,300)	(1,795)	(25,094)	(16,588)	(1,576)	(18,164)
	Other bank loans and other financial debt	25.1	(3,075)	(630)	(3,705)	(2,900)	(439)	(3,339)
	Finance lease debt [2]		-	-	-	(123)	(44)	(166)
	Long-term financial debt [3]	25.1	**(26,374)**	**(2,425)**	**(28,799)**	**(19,611)**	**(2,059)**	**(21,669)**
	Commercial paper	26.2	-	(800)	(800)	-	(1,281)	(1,281)
	Other current financial liabilities	26.1	-	(50)	(50)	-	(41)	(41)
	Bank overdrafts	26.1	-	(911)	(911)	-	(1,178)	(1,178)
	Financial current accounts - liabilities	26.1	-	(31)	(31)	-	(77)	(77)
	I - Gross financial debt		**(26,374)**	**(4,217)**	**(30,591)**	**(19,611)**	**(4,635)**	**(24,246)**
	of which impact of fair value hedges		*(889)*	*(10)*	*(898)*	*(413)*	*(27)*	*(440)*
	of which effect of recognising London Gatwick Airport's debt at fair value in VINCI's consolidated financial statements [4]		*(516)*	-	*(516)*	-	-	-
Financial assets at amortised cost	Loans and collateralised financial receivables		4	-	4	-	-	-
	Financial current accounts, assets	26.1	-	47	47	-	29	29
Financial assets measured at fair value through profit or loss	Cash management financial assets	26.1	-	239	239	-	216	216
	Cash equivalents	26.1	-	3,083	3,083	-	3,595	3,595
	Cash	26.1	-	5,174	5,174	-	4,364	4,364
	II - Financial assets		**4**	**8,543**	**8,548**	**-**	**8,204**	**8,204**
Derivatives	Derivative financial instruments – liabilities	27	(473)	(399)	(872)	(206)	(76)	(282)
	Derivative financial instruments – assets	27	1,051	210	1,261	511	258	769
	III - Derivative financial instruments		**579**	**(189)**	**390**	**305**	**182**	**487**
	Net financial debt (I+II+III)		**(25,791)**	**4,137**	**(21,654)**	**(19,305)**	**3,751**	**(15,554)**
	Net financial debt breaks down by business as follows:							
	Concessions		*(35,783)*	*1,831*	*(33,952)*	*(26,698)*	*(331)*	*(27,029)*
	Contracting		*(4,093)*	*3,924*	*(168)*	*(4,227)*	*3,319*	*(908)*
	Holding companies and VINCI Immobilier		*14,084*	*(1,618)*	*12,466*	*11,619*	*763*	*12,382*

(1) The current part includes accrued interest not matured.
(2) After the adoption of IFRS 16 "Leases", IAS 17 finance lease debt is now presented under lease liabilities (see Note H.21, "Lease liabilities").
(3) Including the part at less than one year.
(4) After VINCI Airports took control of London Gatwick Airport.

Change in net financial debt

(in € millions)	Opening	Cash flows	Ref.	"Non-cash" changes: Changes in consolidation scope	Exchange rate effect	Changes in fair value	Other changes	Total "non-cash"	Ref.	Closing
Bonds	(16,588)	(3,386)	*(3)*	(3,384)	(107)	(476)	641	(3,326)	*(4)*	(23,300)
Other loans and borrowings	(3,023)	627	*(3)*	(941)	6	-	257	(678)	*(4)*	(3,075)
Current borrowings	(4,635)	1,456		(191)	(28)	17	(837)	(1,039)		(4,217)
of which the part at less than one year of long-term debts	*(1,762)*	*516*	*(3)*	*(16)*	*(3)*	*17*	*(794)*	*(796)*	*(4)*	*(2,042)*
of which current financial debts at inception	*(1,398)*	*631*	*(2)*	*(128)*	*9*	*-*	*5*	*(113)*	*(4)*	*(881)*
of which accrued interest on bank debts	*(297)*	*-*	*(4)*	*(39)*	*(3)*	*-*	*(45)*	*(86)*	*(4)*	*(384)*
of which bank overdrafts	*(1,178)*	*310*	*(1)*	*(9)*	*(31)*	*-*	*(3)*	*(43)*	*(1)*	*(911)*
Collateralised loans and receivables	-	2	*(4)*	-	-	-	2	2	*(4)*	4
Cash management financial assets	245	-		54	3	-	(15)	42		287
of which cash management financial assets (excluding accrued interest)	*244*	*-*	*(2)*	*54*	*3*	*-*	*(15)*	*42*	*(4)*	*286*
of which accrued interest on cash management assets	*-*	*-*	*(4)*	*-*	*-*	*-*	*-*	*-*	*(4)*	*-*
Cash and cash equivalents	7,960	152	*(1)*	89	45	1	10	146	*(1)*	8,257
Derivative financial instruments	487	(47)		(305)	(46)	311	(11)	(50)		390
of which fair value of derivatives	*353*	*(47)*	*(3)*	*(306)*	*(46)*	*311*	*-*	*(41)*	*(4)*	*265*
of which accrued interest on derivatives	*134*	*-*	*(4)*	*2*	*-*	*-*	*(11)*	*(9)*	*(4)*	*125*
Net financial debt	**(15,554)**	**(1,196)**	***(5)***	**(4,678)**	**(126)**	**(147)**	**47**	**(4,903)**	***(5)***	**(21,654)**

Changes in consolidation scope (resulting in a €4,678 million increase in debt) relate mainly to the integration of London Gatwick Airport. Cash flows for the period (outflow of €1,196 million) are the result of bond issues by the Group in order to finance the London Gatwick Airport acquisition and refinance acquisitions made in US dollars in 2018, offset by repayments of long-term debts and a reduction in commercial paper outstandings.

The table below reconciles changes in net financial debt with the cash flow statement.

Reconciliation of net financial debt with financing flows on the cash flow statement:

(in € millions)	Ref.	2019
Change in net cash	*(1)*	564
Change in cash management assets and other current financial debts	*(2)*	630
(Proceeds from)/repayment of loans	*(3)*	(2,291)
Other changes	*(4)*	(5,004)
Change in net financial debt	*(5)*	(6,100)

25.1 Detail of long-term financial debt by business

As a result, the breakdown of net long-term financial debt (including the part at less than one year) by business at 31 December 2019 was as follows:

(in € millions)	31/12/2019: Concessions	Contracting	Holding companies and VINCI Immobilier	Total	31/12/2018: Concessions	Contracting	Holding companies and VINCI Immobilier	Total
Bonds	(18,054)	-	(7,040)	(25,094)	(14,238)	-	(3,926)	(18,164)
Other bank loans and other financial debt	(3,338)	(112)	(255)	(3,705)	(3,012)	(81)	(246)	(3,339)
Finance lease debt (*)	-	-	-	-	(22)	(144)	(1)	(166)
Long-term financial debt	**(21,392)**	**(113)**	**(7,295)**	**(28,799)**	**(17,272)**	**(225)**	**(4,172)**	**(21,669)**

(*) After the adoption of IFRS 16 "Leases", IAS 17 finance lease debt is now presented under lease liabilities (see Note H.21, "Lease liabilities").

At 31 December 2019, long-term financial debt amounted to €28.8 billion, up €7.1 billion relative to 31 December 2018 (€21.7 billion). The increase was due mainly to the following transactions:
- VINCI SA made the following issues as part of its EMTN (Euro Medium Term Notes) programme:
  - in January, a €950 million, 10-year bond issue with a coupon of 1.625%;
  - in March, two inaugural bond issues totalling £800 million, comprising a first £400 million tranche due to mature in March 2027 with a coupon of 2.25% and a second £400 million tranche due to mature in September 2034 with a coupon of 2.75%;
  - in March, a €75 million private placement of notes linked to the 20-year constant maturity swap (CMS) rate.
- In April, VINCI SA also carried out its inaugural 144A bond issue, consisting of $1 billion of bonds due to mature in April 2029 with an annual coupon of 3.750%.
- In January, VINCI SA redeemed a €75 million private placement arranged in 2012 and bearing interest at 4.15%.
- In February, as part of its EMTN programme, ASF issued €1 billion of 12-year bonds with a coupon of 1.375% and in the first quarter redeemed a €200 million private placement bearing interest at 4.961% and €970 million of bonds bearing interest at 7.375%. ASF also repaid €105 million of borrowings from the European Investment Bank (EIB).
- Cofiroute repaid €254 million of borrowings from the EIB.
- In March, Lamsac, which holds the concession for the Lima expressway in Peru, arranged an 18-month bridging loan in an amount of 1.2 billion Peruvian sol.
- Debt assumed following the integration of London Gatwick Airport in May 2019, including eight bond issues for a total of £2.5 billion with maturities of between 2024 and 2048 and an average interest rate of 4.625%, and a £300 million credit facility of which £85 million was drawn at 31 December 2019.
- In July 2019, Gatwick Funding Limited issued a further £300 million of bonds with a 30-year maturity and an annual coupon of 2.875%.

Details of the Group's main financial debts are given in the tables below:

Concessions

			31/12/2019					31/12/2018	
(in € millions)		Currency	Contractual interest rate	Maturity	Capital remaining due	Carrying amount	of which accrued interest not matured	Capital remaining due	Carrying amount
Bonds	**I**				**16,789**	**18,054**	**309**	**13,676**	**14,238**
ASF group					**9,307**	**9,916**	**162**	**9,495**	**10,028**
of which:									
ASF 2007 bond issue and supplement		EUR	5.6%	July 2022	1,575	1,719	44	1,575	1,752
ASF 2009 bond issue and supplement		EUR	7.4%	March 2019			-	970	1,028
ASF 2010 bond issue and supplement		EUR	4.1%	April 2020	650	676	19	650	697
ASF 2013 bond issue		EUR	2.9%	January 2023	700	759	19	700	763
ASF 2014 bond issue		EUR	3.0%	January 2024	600	614	17	600	613
ASF 2016 bond issue		EUR	1.0%	May 2026	500	517	3	500	497
ASF 2017 bond issue		EUR	1.1%	April 2026	500	502	4	500	502
ASF 2017 bond issue		EUR	1.3%	January 2027	1,000	1,004	12	1,000	1,003
ASF 2018 bond issue		EUR	1.4%	June 2028	700	746	5	700	706
ASF 2018 bond issue		EUR	1.4%	January 2030	1,000	1,090	13	1,000	1,016
ASF 2019 bond issue		EUR	1.4%	February 2031	1,000	1,054	12		
Cofiroute					**3,157**	**3,233**	**39**	**3,157**	**3,187**
of which:									
2006 bond issue and supplement in 2007		EUR	5.0%	May 2021	1,100	1,154	33	1,100	1,166
2016 bond issue		EUR	0.4%	February 2025	650	652	2	650	648
2016 bond issue		EUR	0.8%	September 2028	650	661	2	650	619
2017 bond issue		EUR	1.1%	October 2027	750	760	2	750	746
Arcour					**410**	**407**	**-**	**415**	**412**
of which Arcour 2017		EUR	2.8%	November 2047	410	407	-	415	412
VINCI Airports					**3,573**	**4,140**	**108**	**277**	**271**
Aerodom 2017		USD	6.8%	March 2029	282	277	-	277	271
Gatwick Airport Limited 2011		GBP	6.1%	March 2026	353	367	18		
Gatwick Airport Limited 2011		GBP	6.5%	March 2041	353	*350*	3		
Gatwick Airport Limited 2012		GBP	5.3%	January 2024	353	368	17		
Gatwick Airport Limited 2012		GBP	5.8%	January 2037	353	363	19		
Gatwick Airport Limited 2014		GBP	4.6%	March 2034	411	419	15		
Gatwick Airport Limited 2016		GBP	2.6%	October 2046	353	349	2		
Gatwick Airport Limited 2017		GBP	3.1%	September 2039	411	427	19		
Gatwick Airport Limited 2018		GBP	3.3%	February 2048	353	355	10		
Gatwick Airport Limited 2019		GBP	2.9%	July 2049	353	349	5		
Other concessions					**343**	**357**	**-**	**333**	**342**
of which Lamsac 2012		PEN	inflation	June 2037	246	238	-	239	248
Other bank loans and other financial debt	**II**				**3,381**	**3,338**	**6**	**3,066**	**3,012**
ASF group					**588**	**576**	**-**	**691**	**671**
Cofiroute					**462**	**461**	**3**	**716**	**714**
Arcour					**188**	**170**	**-**	**190**	**171**
Arcos					**219**	**215**	**-**		**(3)**
VINCI Airports					**1,248**	**1,235**	**2**	**1,090**	**1,084**
of which ADL (Aéroports de Lyon) group including ADLP					314	314	1	327	326
of which Aerodom 2017		USD	L3M	March 2024	181	176	-	146	143
of which VINCI Airports Serbia 2018					288	280	-	288	288
Other concessions					**676**	**682**	**-**	**381**	**376**
of which Lamsac 2019		PEN	5.3%	September 2020	321	331	-		
Finance lease debt	**III**							**22**	**22**
Long-term financial debt	**I+II+III**				**20,170**	**21,392**	**315**	**16,764**	**17,272**

Holding companies

					31/12/2019			31/12/2018	
(in € millions)		Currency	Contractual interest rate	Maturity	Capital remaining due	Carrying amount	of which accrued interest not matured	Capital remaining due	Carrying amount
Bonds	**I**				**6,689**	**7,040**	**66**	**3,916**	**3,926**
VINCI SA					**6,689**	**7,040**	**66**	**3,916**	**3,926**
of which:									
2012 bond issue		EUR	3.4%	March 2020	750	772	19	750	784
2017 bond issue and supplement (*)		USD	0.4%	February 2022	662	625	1	662	596
2018 bond issue		EUR	1.0%	September 2025	750	778	2	750	755
2018 bond issue and supplement		EUR	1.8%	September 2030	1,100	1,202	5	1,100	1,115
2019 bond issue		GBP	2.3%	March 2027	468	476	8		
2019 bond issue		EUR	1.6%	January 2029	950	1,011	15		
2019 bond issue		USD	3.8%	April 2029	887	940	8		
2019 bond issue		GBP	2.8%	September 2034	468	470	4		
Other bank loans and other financial debt	**II**				**267**	**255**	**1**	**263**	**247**
VINCI SA					**267**	**255**	**1**	**262**	**246**
Long-term financial debt	**I+II**				**6,956**	**7,295**	**67**	**4,179**	**4,172**

(*) Corresponding to non-dilutive convertible bonds.

Breakdown of long-term financial debt by currency

At 31 December 2019, 59% of the Group's long-term financial debt was denominated in euros, 26% in sterling and 9% in US dollars. Most foreign-currency debts of companies of which the functional currency is the euro (mainly VINCI and ASF) were hedged at their time of issue and do not generate any exposure to exchange rate risk. Generally, the Group's activities in foreign countries are financed in the local currency.

25.2 Net financial debt maturity schedule

On the basis of interest rates at 31 December 2019, the Group's debt and associated interest payments break down as follows, by maturity date:

		31/12/2019					
(in € millions)		Carrying amount	Capital and interest payments (*)	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Bonds							
Capital		(25,094)	(23,477)	(1,414)	(1,362)	(4,453)	(16,249)
Interest payments		-	(5,686)	(640)	(587)	(1,375)	(3,084)
Other bank loans and other financial debt							
Capital		(3,705)	(3,760)	(623)	(252)	(1,322)	(1,563)
Interest payments		-	(330)	(62)	(39)	(100)	(129)
Long-term financial debt		**(28,799)**	**(33,254)**	**(2,739)**	**(2,240)**	**(7,249)**	**(21,025)**
Commercial paper		(800)	(800)	(800)	-	-	-
Other current financial liabilities		(50)	(50)	(50)	-	-	-
Bank overdrafts		(911)	(911)	(911)	-	-	-
Financial current accounts - liabilities		(31)	(31)	(31)	-	-	-
Financial debt	**I**	**(30,591)**	**(35,047)**	**(4,531)**	**(2,240)**	**(7,249)**	**(21,025)**
Financial assets	**II**	**8,548 (**)**	**8,548**	**8,548**			
Derivative financial instruments – liabilities		(872)	(78)	(40)	(29)	(43)	33
Derivative financial instruments – assets		1,261	1,431	234	204	450	542
Derivative financial instruments	**III**	**390**	**1,352**	**195**	**175**	**407**	**576**
Net financial debt	**I+II+III**	**(21,654)**					

(*) For derivative financial instruments, amounts correspond solely to interest flows.
(**) Including €8.5 billion at less than three months, consisting mainly of €3.1 billion of cash equivalents and €5.2 billion of cash (see Note J.26.1, "Net cash managed").

At 31 December 2019, the average maturity of the Group's long-term financial debt was 8.1 years (6.4 years at 31 December 2018). The average maturity was 8.5 years in Concession subsidiaries, 2 years for the Contracting business and 7.2 years for holding companies and VINCI Immobilier.

25.3 Credit ratings and financial covenants

Credit ratings

At 31 December 2019, the Group's credit ratings were:

		Rating		
	Agency	**Long term**	**Outlook**	**Short term**
VINCI SA	Standard & Poor's	A-	Positive	A2
	Moody's	A3	Stable	P1
ASF	Standard & Poor's	A-	Positive	A2
	Moody's	A3	Stable	
Cofiroute	Standard & Poor's	A-	Positive	A2
Gatwick Funding Limited (*)	Moody's	Baa1	Stable	
	Fitch	BBB+		

(*) Company that raises funding for London Gatwick Airport.

Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with financial ratios. All such ratios were complied with at 31 December 2019.

Some finance agreements entered into by Group entities provide that a change in control of the borrower may constitute a case for mandatory early redemption or trigger a demand for early repayment.

26. Net cash managed and available resources

Accounting policies

Cash and cash equivalents comprise current accounts at banks and short-term liquid investments subject to negligible risks of fluctuations of value. Cash equivalents include money market UCITS and certificates of deposit with maturities not exceeding three months at the origin. Bank overdrafts are not included in cash and are reported under "Current financial liabilities". Changes in the fair value of these instruments are recognised directly in profit or loss.

"Cash management financial assets" comprises investments in money market securities and bonds, and units in UCITS, made with a short-term management objective, that do not satisfy the IAS 7 criteria for recognition as cash. They are measured and recognised at their fair value. Changes in value are recognised in profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.

At 31 December 2019, the Group's available resources amounted to €15.0 billion, including almost €6.8 billion net cash managed and €8.3 billion of available, confirmed medium-term bank credit facilities. These available resources enable the Group to manage its liquidity risk (see Note J.25.2, "Net financial debt maturity schedule").

26.1 Net cash managed

Net cash managed, which includes in particular cash management financial assets and commercial paper issued, breaks down as follows:

	31/12/2019			
(in € millions)	Concessions	Contracting	Holding companies and VINCI Immobilier	Total
Cash equivalents	**305**	**99**	**2,680**	**3,083**
Marketable securities and mutual funds (UCITS)	-	13	983	996
Negotiable debt securities with an original maturity of less than 3 months (*)	305	86	1,696	2,087
Cash	**845**	**2,527**	**1,801**	**5,174**
Bank overdrafts	**(3)**	**(817)**	**(91)**	**(911)**
Net cash and cash equivalents	**1,146**	**1,809**	**4,390**	**7,346**
Cash management financial assets	**37**	**56**	**146**	**239**
Marketable securities and mutual funds (UCITS) (**)	-	43	145	188
Negotiable debt securities and bonds with an original maturity of less than 3 months	32	1	1	34
Negotiable debt securities and bonds with an original maturity of more than 3 months	5	12	-	17
Commercial paper issued	**-**	**-**	**(800)**	**(800)**
Other current financial liabilities	**(8)**	**(41)**	**-**	**(50)**
Balance of cash management current accounts	**2,425**	**2,156**	**(4,564)**	**16**
Net cash managed	**3,600**	**3,981**	**(829)**	**6,751**

(*) Including term deposits, interest earning accounts and certificates of deposit.
(**) Short-term investments in UCITS units that do not meet the criteria to be designated as cash equivalents as defined by IAS 7.

	31/12/2018			
(in € millions)	Concessions	Contracting	Holding companies and VINCI Immobilier	Total
Cash equivalents	**64**	**248**	**3,283**	**3,595**
Marketable securities and mutual funds (UCITS)	-	1	1,407	1,409
Negotiable debt securities with an original maturity of less than 3 months (*)	64	247	1,876	2,187
Cash	**684**	**2,316**	**1,364**	**4,364**
Bank overdrafts	**-**	**(992)**	**(186)**	**(1,178)**
Net cash and cash equivalents	**748**	**1,573**	**4,461**	**6,782**
Cash management financial assets	**119**	**96**	**1**	**216**
Marketable securities and mutual funds (UCITS) (**)	-	34	-	34
Negotiable debt securities and bonds with an original maturity of less than 3 months	8	45	1	54
Negotiable debt securities and bonds with an original maturity of more than 3 months	111	17	-	128
Commercial paper issued	**-**	**-**	**(1,281)**	**(1,281)**
Other current financial liabilities	**(17)**	**(23)**	**-**	**(41)**
Balance of cash management current accounts	**585**	**1,761**	**(2,394)**	**(49)**
Net cash managed	**1,435**	**3,407**	**786**	**5,628**

(*) Including term deposits, interest earning accounts and certificates of deposit.
(**) Short-term investments in UCITS units that do not meet the criteria to be designated as cash equivalents as defined by IAS 7.

The investment vehicles used by the Group are money market UCITS, interest earning accounts, term deposits and negotiable debt securities (certificates of deposit generally with a maturity of less than three months). They are measured and recognised at their fair value.

Net cash is managed with limited risk to capital. The performance and the risks associated with these investments of net cash are monitored regularly through a report detailing the yield of the various assets on the basis of their fair value and analysing the associated level of risk.

At 31 December 2019, net cash managed by VINCI SA amounted to €2.8 billion, arising mainly from the cash surpluses transferred upwards from French subsidiaries through a cash pooling system. VINCI Finance International, a wholly owned subsidiary of VINCI that centralises the cash surpluses of foreign subsidiaries, managed investments and cash of €0.9 billion at 31 December 2019. This centralisation enables the management of financial resources to be optimised at Group level and the risks relating to the counterparties and investment vehicles used to be better managed.

Other subsidiaries' cash investments are managed in a decentralised manner while complying with the guidelines and instructions issued by VINCI, which define the investment vehicles and the counterparties authorised. The investments amounted to almost €3 billion at 31 December 2019, comprising €1.2 billion for the Concessions business and €1.8 billion for the Contracting business.

26.2 Other available resources

Revolving credit facilities

VINCI has a €8 billion confirmed syndicated revolving loan facility with two one-year extension options at the lenders' discretion. After the first extension option was exercised in November 2019, the facility is due to expire in November 2024. It does not contain any default clause relating to non-compliance with financial ratios. This credit facility was undrawn at 31 December 2019.
The company that owns London Gatwick Airport has a £300 million credit facility with two one-year extension options at the borrower's discretion. After the first extension option was exercised in June 2019, the facility is due to expire in June 2024. Drawings on that facility amounted to £85 million at 31 December 2019.

Commercial paper

VINCI has a €5 billion commercial paper programme rated A2 by Standard & Poor's and P1 by Moody's.
At 31 December 2019, €0.8 billion had been issued under that programme.

27. Financial risk management

Management rules

VINCI has implemented a system to manage and monitor the financial risks to which it is exposed, principally interest rate risk.
In accordance with the rules laid down by the Group's Finance Department, the responsibility for identifying, measuring and hedging financial risks lies with the operational entity in question. On the other hand, derivative financial instruments are, in general, managed by the Group Finance Department on behalf of the subsidiaries in question.
Treasury committees, in which the Group's Finance Department and the concerned companies participate, analyse the main exposures regularly and decide on management strategies for the entities that have the most material exposure to financial risks (VINCI SA, ASF, Cofiroute, VINCI Finance International).
In order to manage its exposure to market risks, the Group uses derivative financial instruments.

Accounting policies

Most interest rate and foreign currency exchange rate derivatives used by VINCI are designated as hedging instruments. Hedge accounting is applicable if the conditions provided for in IFRS 9 are satisfied:
- at the time of setting up the hedge, there is a formal designation and documentation of the hedging relationship;
- the economic relationship between the hedged item and the hedging instrument must be documented, as must potential sources of ineffectiveness;
- retrospective ineffectiveness must be measured at each accounts closing date.

Changes in fair value from one period to the next are recognised differently depending on whether the instrument is designated for accounting purposes as:
- a fair value hedge of an asset or a liability or of an unrecognised firm commitment;
- a cash flow hedge; or
- a hedge of a net investment in a foreign entity.

The Group applies the permitted or required provisions of IFRS 9 as regards the treatment of hedging costs of all instruments qualifying for hedge accounting.

A fair value hedge enables the exposure to the risk of a change in the fair value of a financial asset, a financial liability or unrecognised firm commitment to be hedged.
Changes in the fair value of the hedging instrument are recognised in the income statement for the period. The change in value of the hedged item attributable to the hedged risk is also recognised symmetrically in the income statement for the period (and adjusts the value of the hedged item). Except for the ineffective part of the hedge, these two revaluations offset each other within the same line items in the income statement.

A cash flow hedge allows exposure to variability in future cash flows associated with an existing asset or liability, or a highly probable forecast transaction, to be hedged.
Changes in the fair value of the hedging instrument are recognised under "Other comprehensive income" (OCI) for the effective portion and in the income statement for the period for the ineffective portion. Gains or losses accumulated under equity (OCI) are taken to profit or loss under the same line item as the hedged item – i.e. under "Operating income and expenses" for cash flows from operations and under "Financial income and expense" otherwise – when the hedged cash flow occurs.
If the hedging relationship is disqualified because it is no longer considered effective, the cumulative gains or losses in respect of the hedging instrument are retained in equity (OCI) and reclassified in the income statement as and when the hedged cash flows occur, with subsequent changes in fair value recorded directly in the income statement. If the future cash flow is no longer expected, the gains and losses previously recognised in equity (OCI) are recognised in the income statement.

A net investment hedge consists of hedging the exchange rate risk relating to the equity of an investment in a consolidated subsidiary outside of the eurozone. Changes in the value of the hedging instrument are recorded in equity under "Currency translation differences" for the effective portion. The portion of the changes in the value of the hedging instrument regarded as ineffective is recognised in the cost of net financial debt. Currency translation differences relates to changes in the value of the hedging instrument are recognised in the income statement when the foreign entity in which the initial investment was made leaves the consolidation scope.

Derivative financial instruments that are not designated as hedging instruments are reported in the balance sheet at fair value and changes in their fair value are recognised in the income statement.
Cross-currency swaps are regarded as interest rate instruments where they are designated as fair-value or cash-flow hedges for accounting purposes, or as foreign exchange instruments.

Derivative financial instruments

At the balance sheet date, the fair value of derivative financial instruments breaks down as follows:

(in € millions)	Balance sheet line	Note	31/12/2019 Asset	31/12/2019 Liability	31/12/2019 Fair value (*)	31/12/2018 Asset	31/12/2018 Liability	31/12/2018 Fair value (*)
Derivatives related to net financial debt								
Interest rate derivatives: fair value hedges		27.1.2	1,051	37	1,014	620	83	537
Interest rate derivatives: cash flow hedges		27.1.2	-	227	(227)	-	81	(81)
Interest rate derivatives not designated as hedges		27.1.3	65	59	6	85	62	23
Interest rate derivatives	Net financial debt		**1,116**	**323**	**792**	**705**	**226**	**479**
Foreign currency exchange rate derivatives: fair value hedges		27.2	-	-	-	-	-	-
Foreign currency exchange rate derivatives: cash flow hedges		27.2	-	-	-	-	-	-
Foreign currency exchange rate derivatives: hedges of net foreign investments		27.2	2	111	(108)	5	8	(2)
Foreign currency exchange rate derivatives not designated as hedges		27.2	8	13	(4)	23	11	13
Foreign currency exchange rate derivatives	Net financial debt		**11**	**124**	**(113)**	**29**	**18**	**11**
Other derivatives	Net financial debt		**135**	**424**	**(290)**	**35**	**37**	**(2)**
Derivatives related to WCR								
Foreign currency exchange rate derivatives: fair value hedges		27.2	5	1	3	6	3	3
Foreign currency exchange rate derivatives: cash flow hedges		27.2	-	3	(3)	1	4	(2)
Foreign currency exchange rate derivatives not designated as hedges		27.2	-	-	-	-	-	-
Foreign currency exchange rate derivatives	Working capital requirement		**5**	**5**	**-**	**7**	**7**	**1**
Other derivatives	Working capital requirement		**-**	**-**	**-**	**-**	**2**	**(1)**
Total derivative financial instruments			**1,266**	**876**	**390**	**776**	**290**	**487**

(*) Fair value includes interest accrued but not matured of €125 million at 31 December 2019 and €134 million at 31 December 2018.

Other hedging instruments

The asset-related exchange rate risk related to ownership of assets in foreign currencies is generally, where possible, hedged by financial debt denominated in the same currency.

27.1 Interest rate risk

Interest rate risk is managed within the Group, making a distinction between the Concessions business, the Contracting business and holding companies as their respective financial profiles are not the same.

For concession operating subsidiaries, interest rate risk is managed with two timescales: the long term, aiming to ensure and maintain the concession's economic equilibrium, and the short term, with an objective of limiting the impact of the cost of debt on earnings for the period.
Over the long term, the objective is to ensure that the breakdown between fixed and floating rate debt is adjusted according to the level of debt, with a greater proportion at fixed rate when the level of debt is high.
As regards Contracting business lines and holding companies, they have a structural net operating cash surplus. For these activities, the objective is to ensure that financial assets and financial liabilities are well matched in terms of maturity.

To hedge its interest rate risk, the Group uses derivative financial instruments in the form of options or swaps of which the start may be deferred. These derivatives may be designated as hedges for accounting purposes or not, in accordance with the IFRSs. The Group takes care to ensure that the ineffective portion of hedges is not material.

At 31 December 2019, the Group used the approach permitted by amendments to IFRS 7 and IFRS 9 "Interest Rate Benchmark Reform", allowing it not to take into account the effects of the interest rate reform, including when assessing the highly probable nature of hedged interest flows, until the transition to new indices becomes effective. As a result, interest rate swaps are still designated as hedging instruments.
The main indices used by the Group and concerned by the reform are Euribor, Libor USD, Libor GBP and Libor CHF.
The Group is in talks with its counterparties for the purpose of taking these index changes into account.
The amounts of the hedges affected by the reform are set out in the tables below.

27.1.1 Long-term financial debt before and after interest rate hedging and sensitivity to interest rate risk

Long-term financial debt before and after interest rate hedging

The table below shows the breakdown at 31 December 2019 of long-term debt between fixed rate, capped floating rate or inflation-linked debt, and the part at floating rate before and after taking account of hedging derivative financial instruments:

	Breakdown between fixed and floating rate before hedging										
	Fixed rate			Inflation-linked			Floating rate			Total	
(in € millions)	Debt	*Proportion*	Rate	Debt	*Proportion*	Rate	Debt	*Proportion*	Rate	Debt	Rate
Concessions	17,784	*88%*	3.08%	246	*1%*	6.45%	2,141	*11%*	1.64%	20,170	2.97%
Contracting	97	*87%*	3.03%	-	-	-	15	*13%*	0.00%	112	2.63%
Holding companies	6,363	*91%*	2.14%	-	-	-	592	*9%*	1.49%	6,955	2.09%
Total at 31/12/2019	**24,244**	***89%***	**2.83%**	**246**	***1%***	**6.45%**	**2,748**	***10%***	**1.60%**	**27,237**	**2.74%**
Total at 31/12/2018	**18,113**	***86%***	**3.03%**	**431**	***2%***	**8.10%**	**2,481**	***12%***	**1.65%**	**21,025**	**2.97%**

	Breakdown between fixed and floating rate after hedging										
	Fixed rate			Inflation-linked			Floating rate			Total	
(in € millions)	Debt	*Proportion*	Rate	Debt	*Proportion*	Rate	Debt	*Proportion*	Rate	Debt	Rate
Concessions	10,877	*54%*	3.31%	274	*1%*	5.29%	9,019	*45%*	0.81%	20,170	2.22%
Contracting	97	*87%*	3.03%	-	-	-	15	*13%*	0.00%	112	2.63%
Holding companies	4,230	*61%*	2.44%	-	-	-	2,725	*39%*	1.25%	6,955	1.98%
Total at 31/12/2019	**15,204**	***56%***	**3.07%**	**274**	***1%***	**5.29%**	**11,759**	***43%***	**0.91%**	**27,237**	**2.16%**
Total at 31/12/2018	**7,728**	***37%***	**3.87%**	**262**	***1%***	**5.99%**	**13,035**	***62%***	**0.76%**	**21,025**	**1.88%**

Sensitivity to interest rate risk

VINCI is exposed to the risk of fluctuations in interest rates, given:
- the cash flow connected with net floating rate financial debt;
- fixed rate financial instruments, recognised on the balance sheet at fair value through profit and loss;
- derivative financial instruments that are not designated as hedges. These mainly comprise net call option positions on which the maximum loss over the life of the transaction does not exceed the premium paid.

On the other hand, fluctuations in the value of derivatives designated as cash flow hedges are recognised directly in equity and have no effect on profit or loss (for the effective portion).
The analysis below has been prepared assuming that the amount of the financial debt and derivatives at 31 December 2019 remains constant over one year. The consequence of a variation in interest rates of 25 basis points at the balance sheet date would be an increase or decrease of equity and pre-tax income for the amounts shown below. For the purpose of this analysis, the other variables are assumed to remain constant.

	31/12/2019			
	Income		Equity	
(in € millions)	Impact of sensitivity calculation +25 bp	Impact of sensitivity calculation -25 bp	Impact of sensitivity calculation +25 bp	Impact of sensitivity calculation -25 bp
Floating rate debt after hedging (accounting basis)	(26)	26	-	-
Floating rate assets after hedging (accounting basis)	13	(13)	-	-
Derivatives not designated as hedges for accounting purposes	10	(10)	-	-
Derivatives designated as cash flow hedges	-	-	138	(138)
Total	**(4)**	**4**	**138**	**(138)**

27.1.2 Description of hedging transactions

Fair value hedges

At the balance sheet date, details of the instruments designated as fair value hedges, which include receive fixed/pay floating interest rate swaps and cross-currency swaps, were as follows:

	Receive fixed/pay floating interest rate swap (incl. cross currency swaps)					
(in € millions)	Fair value	Notional	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
31/12/2019	1,014	17,536	1,254	533	2,317	13,433
31/12/2018	537	12,769	1,301	1,163	2,556	7,749

These transactions relate mainly to the fixed rate bond issues by ASF, VINCI SA and Cofiroute.

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Cash flow hedges

The Group is exposed to fluctuations in interest rates on its floating rate debt and may set up receive floating/pay fixed interest rate swaps designated as cash flow hedges to hedge this risk.

The Group has thus set up interest rate swaps that serve to fix interest payments on floating rate debt. Contractual cash flow relating to swaps is paid symmetrically with the hedged interest payment flows. The amount deferred in equity is recognised in profit or loss in the period in which the interest payment cash flow affects profit or loss.
In April 2018, Arcos set up swaps with a deferred start in 2020 to hedge its financing, with maturities of up to 2037. Those swaps, for a notional amount of €295 million, serve to fix the interest payments on future issues of debt considered as highly probable. At 31 December 2019, the portfolio of these swaps had a negative fair value of €48 million.

At 31 December 2019, details of the instruments designated as cash flow hedges were as follows:

	31/12/2019					
(in € millions)	Fair value	Notional	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Receive floating/pay fixed interest rate swaps (incl. cross currency swaps)	(224)	13,681	2,312	3,252	740	7,377
Interest rate options (caps, floors and collars)	(3)	28	4	4	14	6
Total interest rate derivatives designated for accounting purposes as cash flow hedges	**(227)**	**13,709**	**2,316**	**3,256**	**754**	**7,384**
Of which hedging of contractual cash flows	*(179)*	*13,414*	*2,315*	*3,255*	*747*	*7,097*
Of which hedging of highly probable cash flows	*(48)*	*295*	*-*	*1*	*7*	*287*

	31/12/2018					
(in € millions)	Fair value	Notional	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Receive floating/pay fixed interest rate swaps	(78)	3,340	(17)	2,242	456	659
Interest rate options (caps, floors and collars)	(3)	32	4	4	13	11
Total interest rate derivatives designated for accounting purposes as cash flow hedges	**(81)**	**3,371**	**(14)**	**2,246**	**469**	**670**
Of which hedging of contractual cash flows	*(80)*	*1,371*	*(7)*	*255*	*483*	*641*
Of which hedging of highly probable cash flows	*(1)*	*2,000*	*(6)*	*1,991*	*(14)*	*30*

The following table shows the periods in which the Group expects the amounts recorded in equity at 31 December 2019 for the instruments designated as cash flow hedges to have an impact on profit or loss:

	31/12/2019				
	Amount recorded in equity of controlled companies	Amount recycled in profit or loss			
(in € millions)		Within 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Total interest rate derivatives designated for accounting purposes as cash flow hedges	**(214)**	**(29)**	**(40)**	**(10)**	**(134)**
Of which hedging of contractual cash flows	*(165)*	*(29)*	*(40)*	*(9)*	*(87)*
Of which hedging of highly probable forecast cash flows	*(48)*	*-*	*-*	*(1)*	*(47)*

27.1.3 Description of non-hedging transactions

	Interest rate swaps					
(in € millions)	Fair value	Notional	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
31/12/2019	6	425	-	-	350	75
31/12/2018	23	1,000	1,000	-	-	-

At 31 December 2019, non-hedging derivative instruments related in particular to swaps arranged as pre-hedges at Arcour, which no longer met the criteria for hedge accounting.

27.2 Management of foreign currency exchange rate risk

Nature of the Group's risk exposure

Almost 68.1% of VINCI's revenue is generated in the eurozone. Contracts outside the eurozone are generally carried out in the local currency in respect of local subsidiaries' activities, and usually in euros and dollars in the case of major export projects. The Group's exposure to currency risk is therefore limited.
VINCI's foreign currency risk management policy consists of hedging the transactional risk connected with subsidiaries' commercial or financial flows denominated in currencies other than their functional currency.

The Group's strategy is intended to minimise asset-related exchange-rate risk. Through regular monitoring, hedging levels are adjusted in line with currency exposures relating to net assets owned. A risk analysis is carried out for each new investment to decide whether or not to hedge the exposure, by converting euro-denominated financing into foreign currency or financing directly in foreign currency.

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Detail of foreign currency exchange rate derivatives related to net financial debt

Transactions in exchange rate derivatives carried out by the Group, intended in particular to hedge its financial transactions, break down as follows:

(in € millions)	31/12/2019					
	Fair value	Notional	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Forward foreign exchange transactions	-	18	18	-	-	-
Cash flow hedges	**-**	**18**	**18**	**-**	**-**	**-**
Currency swaps (incl. cross currency swaps)	(108)	3,039	866	15	630	1,528
Forward foreign exchange transactions	-	59	59	-	-	-
Hedges of net foreign investments	**(108)**	**3,098**	**925**	**15**	**630**	**1,528**
Currency swaps (incl. cross currency swaps)	(4)	433	47	88	298	-
Forward foreign exchange transactions	-	282	282	-	-	-
Foreign currency exchange rate derivatives not designated as hedges for accounting purposes	**(4)**	**714**	**328**	**88**	**298**	**-**
Total foreign currency exchange rate derivatives	**(113)**	**3,830**	**1,271**	**103**	**928**	**1,528**

(in € millions)	31/12/2018					
	Fair value	Notional	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Forward foreign exchange transactions	-	17	17	-	-	-
Cash flow hedges	**-**	**17**	**17**	**-**	**-**	**-**
Currency swaps (incl. cross currency swaps)	(1)	195	-	-	195	-
Forward foreign exchange transactions	(1)	680	680	-	-	-
Hedges of net foreign investments	**(2)**	**875**	**680**	**-**	**195**	**-**
Currency swaps (incl. cross currency swaps)	15	636	56	20	560	-
Forward foreign exchange transactions	(2)	801	801	-	-	-
Foreign currency exchange rate derivatives not designated as hedges for accounting purposes	**13**	**1,437**	**857**	**20**	**560**	**-**
Total foreign currency exchange rate derivatives	**11**	**2,330**	**1,555**	**20**	**755**	**-**

Detail of hedges qualifying for hedge accounting as part of a net foreign investment hedging relationship

The Group's principal hedges of net foreign investments were as follows at 31 December 2019:

(in € millions)	31/12/2019				
Currency	**GBP (Pound sterling)**	**USD (US dollar)**	**JPY (Japanese yen)**	**SGD (Singapore dollar)**	**SEK (Swedish krona)**
Notional amount of derivatives designated as NIH	2,792	62	-	119	92
Nominal amount of debt designated as NIH	940	1,003	140	-	-

NIH: net investment hedge.

The Group hedges the net assets of its main subsidiaries in foreign currencies, particularly subsidiaries whose functional currency is the US dollar (USD), pound sterling (GPB), Singapore dollar, Japanese yen, Australian dollar, New Zealand dollar or any of the Scandinavian currencies.

At 31 December 2019, the main net investment hedging positions concerned acquisitions:
- at VINCI Airports – GBP exposure related to London Gatwick Airport and the Belfast airport, and USD exposure related to Aerodom;
- at Eurovia – USD exposure related to Lane Construction's Plants & Paving division;
- at VINCI Energies – USD exposure related to PrimeLine Utility Services.

Analysis of operational foreign currency exchange rate risk

The principal foreign exchange risk exposure was as follows at 31 December 2019:

(in € millions)	31/12/2019				
Currency	**USD (US dollar)**	**NZD (New Zealand dollar)**	**GBP (Pound sterling)**	**MAD (Moroccan dirham)**	**CLP (Chilean peso)**
Closing rate	1.1234	1.6653	0.8508	10.781	844.86
Exposure	124	61	54	(29)	(18)
Hedging	25	-	(18)	7	-
Net position	**149**	**61**	**36**	**(22)**	**(18)**

Given a residual exposure on some non-hedged assets, a 10% appreciation of foreign currencies against the euro would have a positive impact on pre-tax earnings of €23 million.

Detail of foreign currency exchange rate derivatives related to operational flows

Transactions in exchange rate derivatives carried out by the Group, intended in particular to hedge its operational flows, break down as follows:

(in € millions)	31/12/2019				
Exchange rate	**PLN (*)/EUR**	**COP (**)/EUR**	**USD/EUR**	**CAD (***)/EUR**	**GBP/EUR**
Fair value	2	1	(1)	(1)	(1)
Notional	79	38	119	43	23
Average maturity (months)	6	1	6	18	4
Buy/Sell	Buy/Sell	Buy/Sell	Buy/Sell	Sell	Buy/Sell

(*) Polish zloty.
(**) Colombian peso.
(***) Canadian dollar.

27.3 Management of credit and counterparty risk

VINCI is exposed to credit risk in the event of default by its customers and to counterparty risk in respect of its investments of cash (mainly credit balances at banks, negotiable debt securities, term deposits and marketable securities), subscription to derivatives, commitments received (sureties and guarantees received), unused authorised credit facilities, and financial receivables.
The Group has set up procedures to manage and limit credit risk and counterparty risk.

Trade receivables

Approximately a third of consolidated revenue is generated with public-sector or quasi-public-sector customers. Moreover, VINCI considers that the concentration of credit risk connected with trade receivables is limited because of the large number of customers and the fact that they are geographically dispersed. No customer accounts for more than 10% of VINCI's revenue. In export markets, the risk of non-payment is covered, as far as possible, by appropriate insurance policies (Coface, documentary credits and other insurance). Trade receivables are broken down in Note H.19.2, "Breakdown of trade receivables".

Financial instruments (cash investments and derivatives)

Financial instruments (cash investments and derivatives) are set up with financial institutions that meet the Group's credit rating criteria. The Group has also set up a system of counterparty limits to manage its counterparty risk, along with maximum control ratios of a given investment. Maximum risk amounts by counterparty are defined taking account of their credit ratings attributed by rating agencies. The imits are regularly monitored and updated on the basis of a consolidated quarterly reporting system.
The Group Finance Department also distributes instructions to subsidiaries laying down the authorised limits by counterparty, the list of authorised UCITS (French subsidiaries) and the selection criteria for money market funds (foreign subsidiaries).

The measurement of the fair value of derivative financial instruments carried by the Group includes a "counterparty risk" component for derivatives carried as assets and a "credit risk" component for derivatives carried as liabilities. Credit risk is measured using standard mathematical models for market participants. At 31 December 2019, adjustments recognised with respect to counterparty risk and own credit risk were not material.

Netting agreements relating to derivative financial instruments

At 31 December 2019 and in accordance with IAS 32, the Group's financial assets and liabilities (including derivative financial instruments) are not netted on the balance sheet, except where the Group has netting agreements. In the event of default by the Group or the financial institutions with which it has contracted, these agreements provide for netting between the fair values of assets and liabilities arising from derivative financial instruments presented in the consolidated balance sheet.
The table below sets out the Group's net exposure arising from these netting agreements:

	31/12/2019			31/12/2018		
(in € millions)	**Fair value of derivatives recognised on the balance sheet (*)**	**Impact of netting**	**Total**	**Fair value of derivatives recognised on the balance sheet (*)**	**Impact of netting**	**Total**
Derivative financial instruments – assets	1,266	(201)	1,065	769	(174)	594
Derivative financial instruments – liabilities	(876)	201	(676)	(282)	174	(107)
Net derivative instruments	**390**		**390**	**487**		**487**

(*) Gross amounts as stated on the Group's consolidated balance sheet.

27.4 Management of other risks

Equity risk

At 31 December 2019, the Group held 50,491,699 VINCI shares (representing 8.34% of the share capital) acquired at an average price of €61.07. Increases or decreases of the stock market price of these treasury shares have no impact on the Group's consolidated profit or loss or equity.

Regarding assets to cover retirement benefit obligations, a breakdown by asset type is given in Note K.29.1, "Provisions for retirement benefit obligations".

After issues of non-dilutive convertible bonds, VINCI is exposed to the risk of changes in their redemption value, which depends on VINCI's share price. To protect against an increase in the redemption value caused by a rise in the share price, the Group has taken out options with the same maturity. Together, all of these transactions mean that VINCI is not exposed to any risks in relation to treasury shares.

Inflation risk

Certain Group entities are exposed to inflation risk, particularly London Gatwick Airport, since part of its revenue is linked to local inflation.
To protect against a fall in inflation, inflation swaps (receiving fixed or floating rate and paying inflation) have been arranged.

Commodity risks

Most of the Group's revenue arises either from contracts that include price revision clauses or under short-term contracts. The risks associated with an increase in commodity prices are therefore generally limited.
For major contracts with no price revision clauses, the commodity risks are analysed on a case-by-case basis and managed, depending on the case, by negotiating firm price agreements with suppliers, cash-and-carry deals or hedging derivatives based on commodity indexes.
Eurovia has set up a policy to manage bitumen price risks on part of its exposure through short-maturity hedging derivatives (swaps of less than three months on average). This policy applies to small contracts in France with an average length of less than three months and which do not include price revision clauses.
VINCI uses little unprocessed raw material, other than the aggregates produced and used by Eurovia. In 2019, approximately 34% of Eurovia's aggregates came from Group quarries.

28. Book and fair value of financial instruments by accounting category

The method of measuring the fair value of financial assets and liabilities has not changed since the 31 December 2018 accounts closing date.
The following table shows the carrying amount and fair value of financial assets and liabilities in the balance sheet by accounting category as defined in IFRS 9:

31/12/2019	Accounting categories							Fair value			
Balance sheet headings and classes of instrument *(in € millions)*	Derivatives at fair value through profit and loss	Derivatives designated as hedges	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total net book value	Level 1: quoted prices and cash	Level 2: internal model using observable factors	Level 3: internal model using non-observable factors	Fair value
Equity instruments	-	-	152	7	-	-	158	1	-	157	158
Financial assets at amortised cost and PPP financial receivables	-	-	-	-	1,366	-	1,366	-	1,366	-	1,366
I - Non-current financial assets (*)	**-**	**-**	**152**	**7**	**1,366**	**-**	**1,525**	**1**	**1,366**	**157**	**1,525**
II - Derivative financial instruments – assets	**208**	**1,058**	**-**	**-**	**-**	**-**	**1,266**	**-**	**1,266**	**-**	**1,266**
Cash management financial assets	-	-	239	-	-	-	239	188	51	-	239
Financial current accounts, assets	-	-	-	-	47	-	47	47	-	-	47
Cash equivalents	-	-	3,083	-	-	-	3,083	996	2,087 (**)	-	3,083
Cash	-	-	5,174	-	-	-	5,174	5,174	-	-	5,174
III - Current financial assets	**-**	**-**	**8,496**	**-**	**47**	**-**	**8,543**	**6,405**	**2,138**	**-**	**8,543**
Total assets	**208**	**1,058**	**8,648**	**7**	**1,414**	**-**	**11,334**	**6,406**	**4,771**	**157**	**11,334**
Bonds						(25,094)	(25,094)	(25,012)	(1,407)	-	(26,419)
Other bank loans and other financial debt						(3,705)	(3,705)	-	(3,779)	-	(3,779)
IV - Long-term financial debt	**-**	**-**	**-**	**-**	**-**	**(28,799)**	**(28,799)**	**(25,012)**	**(5,186)**	**-**	**(30,198)**
V - Derivative financial instruments – liabilities	**(496)**	**(380)**	**-**	**-**	**-**	**-**	**(876)**	**-**	**(876)**	**-**	**(876)**
Other current financial liabilities						(850)	(850)	-	(850)	-	(850)
Financial current accounts - liabilities						(31)	(31)	(31)	-	-	(31)
Bank overdrafts						(911)	(911)	(911)	-	-	(911)
VI - Current financial liabilities	**-**	**-**	**-**	**-**	**-**	**(1,792)**	**(1,792)**	**(942)**	**(850)**	**-**	**(1,792)**
Total liabilities	**(496)**	**(380)**	**-**	**-**	**-**	**(30,591)**	**(31,468)**	**(25,954)**	**(6,912)**	**-**	**(32,867)**
Total	**(288)**	**678**	**8,648**	**7**	**1,414**	**(30,591)**	**(20,134)**	**(19,548)**	**(2,141)**	**157**	**(21,532)**

(*) See Notes E.11, "Other non-current financial assets" and F.14, "Public-private partnership (PPP) contracts recognised under the financial asset model".
(**) Mainly comprising certificates of deposit, term deposits and interest bearing accounts.

The table below shows the carrying amount and fair value of financial assets and liabilities as reported at 31 December 2018 by accounting category as defined by IFRS 9:

31/12/2018	Accounting categories							Fair value			
Balance sheet headings and classes of instrument *(in € millions)*	Derivatives at fair value through profit and loss	Derivatives designated as hedges	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	**Total net book value**	Level 1: quoted prices and cash	Level 2: internal model using observable factors	Level 3: internal model using non-observable factors	**Fair value**
Equity instruments	-	-	95	7	-	-	101	1	-	101	101
Financial assets at amortised cost and PPP financial receivables	-	-	-	-	1,231	-	1,231	-	1,231	-	1,231
I - Non-current financial assets (*)	**-**	**-**	**95**	**7**	**1,231**	**-**	**1,332**	**1**	**1,231**	**101**	**1,332**
II - Derivative financial instruments – assets	**143**	**633**	**-**	**-**	**-**	**-**	**776**	**-**	**776**	**-**	**776**
Cash management financial assets	-	-	216	-	-	-	216	34	182	-	216
Financial current accounts, assets	-	-	-	-	29	-	29	29	-	-	29
Cash equivalents			3,595				3,595	1,409	2,187 (**)	-	3,595
Cash			4,364				4,364	4,364	-	-	4,364
III - Current financial assets	**-**	**-**	**8,176**	**-**	**29**	**-**	**8,204**	**5,836**	**2,369**	**-**	**8,204**
Total assets	**143**	**633**	**8,270**	**7**	**1,260**	**-**	**10,313**	**5,836**	**4,376**	**101**	**10,313**
Bonds	-	-	-	-	-	(18,164)	(18,164)	(17,152)	(1,466)	-	(18,617)
Other bank loans and other financial debt	-	-	-	-	-	(3,339)	(3,339)	-	(3,410)	-	(3,410)
Finance lease debt	-	-	-	-	-	(166)	(166)	-	(166)	-	(166)
IV - Long-term financial debt	**-**	**-**	**-**	**-**	**-**	**(21,669)**	**(21,669)**	**(17,152)**	**(5,042)**	**-**	**(22,194)**
V - Derivative financial instruments – liabilities	**(110)**	**(180)**	**-**	**-**	**-**	**-**	**(290)**	**-**	**(290)**	**-**	**(290)**
Other current financial liabilities	-	-	-	-	-	(1,322)	(1,322)	-	(1,322)	-	(1,322)
Financial current accounts - liabilities	-	-	-	-	-	(77)	(77)	(77)	-	-	(77)
Bank overdrafts	-	-	-	-	-	(1,178)	(1,178)	(1,178)	-	-	(1,178)
VI - Current financial liabilities	**-**	**-**	**-**	**-**	**-**	**(2,577)**	**(2,577)**	**(1,255)**	**(1,322)**	**-**	**(2,577)**
Total liabilities	**(110)**	**(180)**	**-**	**-**	**-**	**(24,246)**	**(24,535)**	**(18,407)**	**(6,653)**	**-**	**(25,060)**
Total	**33**	**454**	**8,270**	**7**	**1,260**	**(24,246)**	**(14,223)**	**(12,571)**	**(2,277)**	**101**	**(14,747)**

(*) See Notes E.11, "Other non-current financial assets" and F.14, "Public-private partnership (PPP) contracts recognised under the financial asset model".
(**) Mainly comprising certificates of deposit, term deposits and interest bearing accounts.

K. Employee benefits and share-based payments

29. Provisions for employee benefits

At 31 December 2019, the part at more than one year of provisions for employee benefits broke down as follows:

(in € millions)	Note	31/12/2019	31/12/2018
Provisions for retirement benefit obligations	29.1	1,805	1,422
Long-term employee benefits	29.2	106	97
Total provisions for employee benefits		**1,911**	**1,519**

29.1 Provisions for retirement benefit obligations

Accounting policies

Provisions are taken on the liabilities side of the consolidated balance sheet for obligations connected with defined benefit retirement plans for both current and former employees (people who have retired and those with deferred rights). These provisions are determined using the projected unit credit method on the basis of actuarial valuations made at each annual balance sheet date. The actuarial assumptions used to determine the obligations vary depending on the economic conditions of the country or monetary zone in which the plan is operated. Each plan's obligations are recognised separately.

Under IAS 19, for defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the consolidated balance sheet. That recognition is subject to asset ceiling rules and minimum funding requirements set out in IFRIC 14.

The expense recognised under operating income or loss in each period comprises the current service cost and the effects of any change, reduction or winding up of the plan. The accretion impact recognised on actuarial liabilities and interest income on plan assets are recognised under other financial income and expenses. Interest income from plan assets is calculated using the discount rate used to calculate obligations with respect to defined benefit plans.

The impacts of remeasuring net liabilities relating to defined benefit pension plans are recorded under other comprehensive income. They comprise:

- actuarial gains and losses on obligations resulting from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and that which has actually occurred);
- plan asset outperformance/underperformance (i.e. the difference between the effective return on plan assets and the return calculated using the discount rate applied to the actuarial liability); and
- changes in the asset ceiling effect.

At 31 December 2019, provisions for retirement benefit obligations comprised provisions for lump sums on retirement and provisions with respect to obligations for supplementary retirement benefits.

(in € millions)	31/12/2019	31/12/2018
At more than one year	1,805	1,422
At less than one year (*)	55	50
Total provisions for retirement benefit obligations	**1,860**	**1,472**

(*) The part of provisions for retirement benefit obligations that matures within less than one year is shown under "Other current non-operating liabilities".

The VINCI Group's main supplementary retirement benefit obligations relate to defined benefit plans, which have the following characteristics:

- For French subsidiaries, these are contractual lump sums paid on retirement (generally based on a percentage of final salary, depending on the employee's length of service and applicable collective agreements), supplementary defined benefit retirement plans of which some of the Group's employees, retired employees and officers are members, and a specific obligation in respect of the Vice-Chairman of VINCI SA's Board of Directors.

Some plans, of which several Group executives are members, are pre-financed through two insurance policies taken out with Cardif and one policy taken out with Allianz. These policies involve active management with reference to composite indexes, and aim to achieve a good balance between the expected return on investments and the associated risks. Sufficient liquidity, in view of the timescale of plan liabilities, is maintained so that pensions and other one-off payments can be met. These plans are closed to new members.

- To cover the liabilities of VINCI's UK subsidiaries and those of VINCI Energies' Swiss subsidiary Etavis, plans are funded through independent pension funds.

In the UK, defined benefit plans for certain Group employees and former employees give rise to benefits that are mainly based on final salaries. They also provide benefits in the event of death and disability. These plans are closed to new members.

At 31 December 2019, 6,602 people, including 2,921 retired people, were covered by the plans. The average duration of the plans is 19 years.

The investment strategy for plan assets is defined by the trustees representing the pension funds. Contribution schedules and the plan's level of funding are determined by the employer and the trustee, based on three-yearly actuarial valuations. Contribution schedules are intended to cover future service costs and any deficit arising from vested rights.

In Switzerland, plans for the Group's employees and former employees (2,479 people at 31 December 2019, of which over 90% are active) are "cash balance" pension plans that guarantee their members a minimum return on their contributions. They provide benefits in the event of death or disability, along with a pension when members stop working. Plans are open to new members. Their duration is around 17 years.

- For German subsidiaries, there are several internal plans within the Group, including so-called "direct promises" plans. These plans provide members with pensions or death and disability benefits. At 31 December 2019, 9,458 individuals were covered by the plans, including 5,737 retired people, 2,136 people working for Group subsidiaries and 1,585 people who were generally still working but no longer working for the Group. Most of these plans were closed at 31 December 2019. Their average duration is 13 years.

Commitments relating to lump-sum payments on retirement for manual construction workers in France, which are met by contributions to an outside multi-employer insurance fund (CNPO), are considered as being under defined contribution plans and are therefore recognised as an expense as and when contributions are payable.

The main retirement benefit obligations covered by provisions recognised in the balance sheet are calculated using the following assumptions:

	Eurozone		United Kingdom		Switzerland	
Assumptions	31/12/2019	31/12/2018	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Discount rate	0.60%	1.70%	1.85% - 1.95%	2.70%	0.00%	1.05%
Inflation rate	1.60%	1.60%	2.10% - 2.25% (*) 3.10% - 3.25% (**)	2.25% - 3.25%	1.30%	1.20%
Rate of salary increases	1.60% - 4.00%	1.60% - 4.00%	1.00% - 3.25%	2.00% - 4.25%	1.80%	1.70%
Rate of pension increases	0.80% - 1.60%	0.80% - 1.60%	2.10% - 5.00%	2.25% - 5.00%	NA	NA

(*) CPI.
(**) RPI.

Discount rates have been determined by geographical area on the basis of the yields on private-sector bonds with a rating of AA and whose maturities correspond to the plans' expected cash flow.
The other local actuarial assumptions (economic and demographic assumptions) are set on the basis of the specific features of each of the countries in question.
Plan assets are valued at their fair value at 31 December 2019. The book value at 31 December 2019 is used for assets invested with insurance companies.
On the basis of the actuarial assumptions referred to above, details of the retirement benefit obligations, provisions recognised in the balance sheet, and the retirement benefit expenses recognised in 2019 are provided below.

Result of actuarial valuations in the period

Breakdown by type of obligation

		31/12/2019			31/12/2018		
(in € millions)		Lump sums paid on retirement in France	Pensions, supplementary pensions and other	Total	Lump sums paid on retirement in France	Pensions, supplementary pensions and other	Total
Actuarial liability from retirement benefit obligations		965	2,978	3,943	800	2,003	2,803
Plan assets at fair value		43	2,047	2,090	45	1,317	1,362
Deficit (or surplus)		**922**	**931**	**1,853**	**755**	**687**	**1,441**
Provision recognised under liabilities on the balance sheet	**I**	**922**	**939**	**1,860**	**755**	**718**	**1,472**
Overfunded plans recognised under assets on the balance sheet	II	-	4	4	-	5	5
Asset ceiling effect (IFRIC 14) (*)	III	-	4	4	-	26	26
Total	**I-II-III**	**922**	**931**	**1,853**	**755**	**687**	**1,441**

(*) Effect of asset ceiling rules and minimum funding requirements.

Overall, at 31 December 2019, the proportion of obligations relating to retired beneficiaries was around 30%.

Breakdown by country

		31/12/2019					
(in € millions)		France	Germany	United Kingdom	Switzerland	Other countries	Total
Actuarial liability from retirement benefit obligations		1,229	487	1,590	456	181	3,943
Plan assets at fair value		154	7	1,328	449	152	2,090
Deficit (or surplus)		**1,074**	**479**	**262**	**7**	**30**	**1,853**
Provision recognised under liabilities on the balance sheet	**I**	**1,074**	**479**	**262**	**7**	**37**	**1,860**
Overfunded plans recognised under assets on the balance sheet	II	-	-	-	-	4	4
Asset ceiling effect (IFRIC 14) (*)	III	-	-	-	-	4	4
Total	**I-II-III**	**1,074**	**479**	**262**	**7**	**30**	**1,853**

(*) Effect of asset ceiling rules and minimum funding requirements.

		31/12/2018					
(in € millions)		France	Germany	United Kingdom	Switzerland	Other countries	Total
Actuarial liability from retirement benefit obligations		1,044	435	736	361	227	2,803
Plan assets at fair value		163	7	608	384	199	1,362
Deficit (or surplus)		**881**	**427**	**128**	**(23)**	**28**	**1,441**
Provision recognised under liabilities on the balance sheet	**I**	**881**	**427**	**128**	**2**	**34**	**1,472**
Overfunded plans recognised under assets on the balance sheet	II	-	-	-	2	3	5
Asset ceiling effect (IFRIC 14) (*)	III	-	-	-	23	3	26
Total	**I-II-III**	**881**	**427**	**128**	**(23)**	**28**	**1,441**

(*) Effect of asset ceiling rules and minimum funding requirements.

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Change in actuarial liability and plan assets

(in € millions)		2019	2018
Actuarial liability from retirement benefit obligations			
At beginning of period		**2,803**	**2,712**
of which obligations covered by plan assets		*1,724*	*1,649*
Current service cost		69	66
Actuarial liability discount cost		64	52
Past service cost (plan changes and curtailments)		(3)	(2)
Plan settlements		-	(18)
Actuarial gains and losses recognised in other comprehensive income		460	19
of which impact of changes in demographic assumptions		*(19)*	*6*
of which impact of changes in financial assumptions		*472*	*(18)*
of which experience gains and losses		*8*	*31*
Benefits paid to beneficiaries		(129)	(123)
Employee contributions		12	12
Business combinations		593	74
Disposals of companies and other assets		1	6
Currency translation differences		72	4
At end of period	**I**	**3,943**	**2,803**
of which obligations covered by plan assets		*2,673*	*1,724*
Plan assets			
At beginning of period		**1,362**	**1,311**
Interest income during period		37	26
Actuarial gains and losses recognised in other comprehensive income (*)		123	(26)
Plan settlements		-	(16)
Benefits paid to beneficiaries		(70)	(59)
Contributions paid to funds by the employer		41	32
Contributions paid to funds by employees		12	11
Business combinations		527	69
Disposals of companies and other assets		(3)	8
Currency translation differences		63	6
At end of period	**II**	**2,090**	**1,362**
Deficit (or surplus)	**I-II**	**1,853**	**1,441**

(*) Experience gains and losses corresponding to the observed difference between the actual return on plan assets and a nominal return based on the discount rate for the actuarial liability.

The decrease in the discount rate across all geographic areas led to the recognition of significant actuarial losses at 31 December 2019.

The amounts in the "Business combinations" rows relate to VINCI Airports' acquisition of London Gatwick Airport in May 2019.

VINCI estimates the payments to be made in 2020 in respect of retirement benefit obligations at €101 million, comprising €53 million of benefits to be paid to retired employees or beneficiaries (benefits not covered by plan assets), and €48 million of contributions to be paid to fund managing bodies.
Pension funds are also likely to pay €85 million of benefits to retired employees or their beneficiaries, without any impact on the Group's cash position.

Change in provisions for retirement benefit obligations during the period

(in € millions)	2019	2018
Provisions for retirement benefit obligations recognised under liabilities on the balance sheet		
At beginning of period	**1,472**	**1,439**
Total charge recognised with respect to retirement benefit obligations	94	90
Actuarial gains and losses recognised in other comprehensive income	337	45
Benefits paid to beneficiaries by the employer	(59)	(64)
Contributions paid to funds by the employer	(41)	(32)
Business combinations and disposals of companies	71	3
Asset ceiling effect (IFRIC 14) and overfunded plans	(23)	(7)
Currency translation differences	10	(2)
At end of period	**1,860**	**1,472**

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Breakdown of expenses recognised in respect of defined benefit plans

(in € millions)	2019	2018
Current service cost	(69)	(66)
Actuarial liability discount cost	(64)	(52)
Interest income on plan assets	37	26
Past service cost (plan changes and curtailments)	3	2
Impact of plan settlements and other	-	1
Total	**(94)**	**(90)**

Breakdown of plan assets by country and type of investment

The breakdown of plan assets by type of investment is as follows:

	31/12/2019				
	United Kingdom	Switzerland	France	Other countries	Weighted average
Breakdown of plan assets					
Equities	22%	32%	14%	36%	25%
Bonds	25%	42%	28%	33%	29%
Property	10%	20%	4%	7%	11%
Money-market securities	2%	7%	1%	2%	3%
Other investments	41%	0%	54%	23%	32%
Total	100%	100%	100%	100%	100%
Plan assets *(in € millions)*	**1,328**	**449**	**154**	**159**	**2,090**
Plan assets by country *(% of total)*	**64%**	**21%**	**7%**	**8%**	**100%**

	31/12/2018				
	United Kingdom	Switzerland	France	Other countries	Weighted average
Breakdown of plan assets					
Equities	31%	30%	15%	32%	29%
Bonds	37%	45%	28%	34%	38%
Property	15%	20%	4%	8%	14%
Money-market securities	3%	5%	1%	9%	4%
Other investments	15%	0%	53%	18%	16%
Total	100%	100%	100%	100%	100%
Plan assets *(in € millions)*	**608**	**384**	**163**	**206**	**1,362**
Plan assets by country *(% of total)*	**45%**	**28%**	**12%**	**15%**	**100%**

At 31 December 2019, the amount of plan assets listed on active markets (fair value level 1 as defined by IFRS 13) was €1,733 million (€1,001 million at 31 December 2018). During the period, the actual rate of return on plan assets was 9.1% in the UK, 7.7% in Switzerland and 3.6% in France.

Sensitivity analysis

For all post-employment benefit plans for Group employees (lump sums paid on retirement, pensions and supplementary pensions), a 0.5 point fall in the discount rate would increase the actuarial liability by around 9%.

For all pension and supplementary pension plans in force within the Group, a 0.5 point increase in long-term inflation rates would increase the value of obligations by some 6%.

For pension and supplementary pension plans in Switzerland and the UK, sensitivity to mortality rates is calculated based on a one-year reduction in the age of each beneficiary. Applying this assumption increases the corresponding obligation by around 2%.

Expenses recognised in respect of defined contribution plans

In some countries, and more especially in France and Spain, the Group contributes to basic state pension plans, for which the expense recognised is the amount of the contributions called by the state bodies. These state pension plans are considered as being defined contribution plans.

The amounts taken as an expense in the period in respect of defined contribution plans (other than basic state plans) totalled €641 million in 2019 (€598 million in 2018). These amounts include the contributions paid in France to the external multi-employer fund (CNPO) in respect of obligations in regard to lump sums paid on retirement to construction workers.

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29.2 Other employee benefits

Provisions for other employee benefits mainly include long-service bonuses and jubilee bonuses.
At 31 December 2019, they amounted to €120 million, including €14 million for the part at less than one year (€110 million including €12 million for the part at less than one year at 31 December 2018).

Long-service bonuses and jubilee bonuses have been calculated using the following actuarial assumptions:

	31/12/2019	31/12/2018
Discount rate	0.60%	1.70%
Inflation rate	1.60%	1.60%
Rate of salary increases	1.60% - 2.60%	1.60% - 2.60%

30. Share-based payments

Accounting policies

The measurement and recognition methods for share subscription plans, Group savings plans and performance share plans, are defined by IFRS 2 “Share-based Payment”. The granting of performance shares and share subscription options and offers to subscribe to Group savings plans in France and abroad represent a benefit granted to their beneficiaries and therefore constitute supplementary remuneration borne by VINCI.
Because such transactions do not give rise to monetary transactions, the benefits granted in this way are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. Benefits are measured by an external actuary on the basis of the fair value, at the grant date, of the equity instruments granted.

Benefits arising from grants of performance shares and share subscription options and Group savings plans are implemented as decided by VINCI’s Board of Directors after approval at the Shareholders’ General Meeting. Since their measurement is not directly linked to operational activity, it has been deemed appropriate not to include the corresponding expense in operating income from ordinary activities, which is an indicator of business lines’ performance, but to report it on a separate line, labelled “Share-based payment expense (IFRS 2)”, in recurring operating income.

30.1 Performance shares

Performance shares have been granted to certain Group employees and senior executives. Under the corresponding plans, definitive vesting of the shares is conditional on financial criteria being met. The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is therefore adjusted for the impact of the change in the likelihood of these financial criteria being met.

Information on changes in performance share plans currently in force

	31/12/2019	31/12/2018
Number of shares granted subject to performance conditions at beginning of period	**6,733,994**	**5,407,402**
Shares granted	2,453,497	2,349,324
Shares acquired by beneficiaries	(2,012,173)	(935,763)
Shares cancelled	(184,722)	(86,969)
Number of shares granted subject to performance conditions not vested at end of period	**6,990,596**	**6,733,994**

Information on the features of the performance share plans currently in force

	Plan granted on 17/04/2019	Plan granted on 17/04/2018	Plan granted on 20/04/2017	Plan granted on 19/04/2016
Original number of beneficiaries	3,271	2,947	2,537	2,051
Vesting date of the shares granted	17/04/2022	17/04/2021	20/04/2020	19/04/2019
Number of shares granted subject to performance conditions originally	**2,453,497**	**2,349,324**	**2,325,383**	**2,249,676**
Shares cancelled	-	(29,110)	(104,148)	(235,753)
Shares acquired by beneficiaries	(1,050)	(900)	(2,400)	(2,013,923)
Number of shares granted subject to performance conditions at end of period	**2,452,447**	**2,319,314**	**2,218,835**	**-**

On 5 February 2019, VINCI’s Board of Directors decided to grant definitively to beneficiaries meeting the criterion of continuing presence within the Group (i.e. 1,838 staff members) 97.27% of the performance shares in the 2016 plan, i.e. 2,009,323 shares. It was found that the external performance criterion was not 100% fulfilled: the difference between VINCI’s TSR between 2016 and 2018 and that of the CAC 40 over the same period was 7.27%, less than the 10% required for the 20% portion of performance shares to be granted in full; the internal performance criterion (covering 80% of the grant) was 100% fulfilled.

On 17 April 2019, VINCI's Board of Directors decided to set up a new performance share plan involving conditionally allotting performance shares (2,453,497 shares) to 3,271 employees. They will not be granted definitively until a three-year period has elapsed, subject to beneficiaries being employed by the Group until the end of the vesting period, and subject to the fulfilment of the following performance conditions:
• an internal economic criterion (65% weighting) consisting of the ratio at 31 December 2021 of return on capital employed (ROCE) to the average weighted average cost of capital (WACC), with each of those indicators calculated as an average over the previous three years (2019, 2020 and 2021).
This ratio must be equal to or greater than 1.1 for all performance shares granted to vest. If the ratio is between 1 and 1.1, the number of performance shares that vest will be reduced in proportion and no shares will vest if the ratio is equal to or less than 1.
• an external economic criterion (20% weighting) consisting of the difference, at 31 December 2021, between:
- the total return on VINCI shares between 1 January 2019 and 31 December 2021;
- the total return on the CAC 40 index between 1 January 2019 and 31 December 2021.
Total shareholder returns include dividends.
The difference must be equal to or greater than +5% for all performance shares granted to vest.
If the difference is between 0% and +5%, the number of performance shares that vest will be reduced in proportion and no shares will vest if the difference is less than 0%;
• an external environmental criterion (15% weighting) measured by the "Climate Change" score delivered by CDP Worldwide to VINCI each year in respect of the 2019, 2020 and 2021 financial years.
This score must be equal to or higher than B on three occasions for all performance shares granted to vest. If the score is equal to or higher than B on one or two occasions, the number of performance shares that vest will be reduced in proportion and no shares will vest if the score is less than B on three occasions.

Fair value of the performance share plans

The fair value of the performance shares has been calculated by an external actuary at the respective grant dates of the shares on the basis of the following characteristics and assumptions:

	2019 plan	2018 plan	2017 plan	2016 plan
Price of VINCI share on date plan was announced *(in €)*	89.68	81.23	73.99	66.18
Fair value of performance share at grant date *(in €)*	74.84	64.12	61.20	56.17
Fair value compared with share price at grant date	83.45%	78.94%	82.71%	84.87%
Original maturity (in years) – vesting period	3 years	3 years	3 years	3 years
Risk-free interest rate (*)	-0.40%	-0.32%	-0.29%	-0.41%

(*) Three-year government bond yield in the eurozone.

An expense of €139 million was recognised in 2019 in respect of performance share and long-term incentive plans for which vesting is in progress (April 2019, April 2018 and April 2017 plans), compared with €120 million in 2018 (April 2018, April 2017 and April 2016 plans).

30.2 Group savings plans

VINCI's Board of Directors defines the conditions for subscribing to Group savings plans in accordance with the authorisations granted to it by the shareholders at the Shareholders' General Meeting.

Group savings plan – France

In France, VINCI issues new shares reserved for employees three times a year at a subscription price that includes a 5% discount against the average stock market price over 20 trading days before the Board of Directors meeting that set the subscription price. Subscribers also benefit from an employer contribution with an annual maximum of €3,500 per person since 1 January 2018, as opposed to a maximum of €2,500 previously. The benefits granted in this way to Group employees are recognised in profit or loss and are valued in accordance with IFRS 2 on the basis of the following assumptions:
• length of subscription period: four months;
• length of lock-up period: five years.

The estimated number of shares subscribed to at the end of the subscription period is calculated based on a linear regression method applied to historical observations of the plans between 2006 and 2018, taking account of the cost of restrictions on the availability of units in the savings fund.
The opportunity cost relating to the subscribed shares is estimated from the point of view of a third party holding a diversified portfolio who would be prepared to acquire these shares subject to the lock-up requirement in return for a discount, which should correspond to the return demanded by a purchaser on own funds allocated to hedge against market risk over the period in which the shares are unavailable (five years). The market risk is assessed on an annual basis applying a value-at-risk approach.
VINCI unilaterally made a gross employer contribution of €400 for each employee in France with at least three months' service at 15 December 2019. That contribution is in addition to the existing employer contribution limit of €3,500.

Group savings plan – France	2019 First four-month period of 2020 (1 January – 30 April 2020)	Third four-month period of 2019 (1 September – 31 December 2019)	Second four-month period of 2019 (1 May – 31 August 2019)
Anticipated return from VINCI shares	4.31%	4.43%	4.53%
Subscription price *(in €)*	92.83	84.74	71.14
Share price at date of Board of Directors' meeting	96.54	89.58	78.02
Historical volatility of the VINCI share price	18.16%	18.37%	19.88%
Estimated number of shares subscribed	1,342,490	609,281	698,412
Estimated number of shares issued (subscriptions plus employer contribution)	1,908,063	872,096	986,410

Group savings plan – France	2018 First four-month period of 2019 (1 January – 30 April 2019)	Third four-month period of 2018 (1 September – 31 December 2018)	Second four-month period of 2018 (1 May – 31 August 2018)
Anticipated return from VINCI shares	4.70%	4.60%	4.72%
Subscription price *(in €)*	76.62	80.9	82.22
Share price at date of Board of Directors' meeting	78.44	84.50	83.62
Historical volatility of the VINCI share price	19.30%	19.50%	19.51%
Estimated number of shares subscribed	1,745,341	439,383	383,806
Estimated number of shares issued (subscriptions plus employer contribution)	2,468,001	616,542	538,556

Group savings plan – international

In 2019, in accordance with authorisations given to the Board of Directors by the shareholders at the Shareholders' General Meeting, VINCI initiated new savings plans for the employees of certain foreign subsidiaries. Known as Castor International, the plan covered 35 countries in 2019: Australia, Austria, Bahrain, Belgium, Brazil, Cambodia, Canada, Chile, the Czech Republic, the Dominican Republic, Finland, Germany, Greece, Hong Kong, Indonesia, Italy, Luxembourg, Malaysia, Mexico, Morocco, the Netherlands, New Zealand, Norway, Peru, Poland, Portugal, Romania, Singapore, Slovakia, Spain, Sweden, Switzerland, the United Arab Emirates, the United Kingdom and the United States.

The main characteristics of this plan are as follows:
- subscription period: from 20 May to 7 June 2019 for all countries except the United Kingdom (seven successive periods between March and September 2019);
- employer contribution consisting of bonus shares, with delivery deferred for three years where possible, or with immediate delivery but a three-year vesting period;
- no lock-up period beyond the three-year vesting period for bonus shares.

Castor International plan (excluding the UK)	2019	2018	2017	2016
Subscription price *(in €)*	88.08	84.50	77.67	64.90
Closing share price on the last day of the subscription period *(in €)*	90.28	84.32	78.01	64.67
Anticipated dividend pay-out rate	2.60%	2.34%	2.32%	2.55%
Fair value of bonus shares on the last day of the subscription period *(in €)*	83.60	78.66	72.83	59.97

The expense recognised in 2019 for all Group employee savings plans amounted to €152 million (€85 million in 2018), including €39 million in respect of the 2019 unilateral employer contribution.

30.3 Share subscription options

Share subscription options, the definitive vesting of which had been subject to performance conditions (stock market performance or financial criteria) being met, had been granted to some of the Group's employees and executives.
The most recent share subscription option plan was set up in 2012 and expired in April 2019.
No expense relating to share subscription option plans was recognised in 2019 or 2018.
Movements in the number and weighted average exercise prices of share subscription options were as follows in 2019:

	31/12/2019		31/12/2018	
	Options	Average exercise price *(in €)*	Options	Average exercise price *(in €)*
Options in circulation at beginning of period	**460,126**	**39.04**	**954,658**	**39.94**
Options exercised	(460,126)		(494,532)	
Options exercisable in circulation at end of period	**-**	**-**	**460,126**	**39.04**

L. Other notes

31. Related party transactions

The Group's transactions with related parties mainly concern:
• remuneration and similar benefits paid to members of the governing and management bodies;
• transactions with companies over which VINCI exercises significant influence or joint ventures over which VINCI has joint control.
Transactions with related parties are undertaken at market prices.

31.1 Remuneration and similar benefits paid to members of the governing and management bodies

The remuneration of the Group's company officers is determined by the Board of Directors following proposals from the Remuneration Committee.

The table below shows the remuneration and similar benefits, on a full-year basis, granted by VINCI SA and the companies that it controls to persons who, at the balance sheet date are (or, during the period, have been) members of the Group's governing bodies and Executive Committee. The corresponding amounts have been recognised and expensed in 2019 and 2018 as follows:

	Members of governing bodies and the Executive Committee	
(in € thousands)	2019	2018
Remuneration	12,567	13,348
Employer social contributions	9,197	7,785
Post-employment benefits	1,240	1,973
Termination benefits	3,483	-
Share-based payments (*)	12,185	10,807
Directors' fees	1,266	1,421

(*) This amount is determined in accordance with IFRS 2 and as described in Note K.30, "Share-based payments".

The variable portion of remuneration and similar benefits relating to 2019 is an estimate, for which a provision has been taken in the period.

The aggregate amount of retirement benefit obligations (contractual lump sums payable on retirement and supplementary defined benefit plans) in favour of members of the Group's governing bodies and Executive Committee amounted to €93.5 million at 31 December 2019 (€86.6 million at 31 December 2018).

31.2 Other related parties

Qatar Holding LLC owned 3.7% of VINCI at 31 December 2019. VINCI Construction Grands Projets (49%) and Qatari Diar Real Estate Investment Company (QD, 51%) jointly own Qatari Diar VINCI Construction (QDVC), which is accounted for under the equity method. This company's corporate object is the development of construction activities in Qatar and international markets. It generated revenue of €468 million in 2019.
Group companies can also carry out work for principals in which QD may have a shareholding.
The Group has normal but non-material business relations with companies in which members of the VINCI Board of Directors are senior executives or directors.
Financial information on companies accounted for under the equity method is given in Note E.10.2, "Aggregated financial information".

32. Statutory Auditors' fees

As recommended by the AMF, this table includes only fully consolidated companies.

(in € millions)	Deloitte 2019				PricewaterhouseCoopers 2019				KPMG 2019 (**)			
	Statutory Auditor (Deloitte & Associés)	Network	Total Deloitte	%	Statutory Auditor (Pricewaterhouse Coopers Audit)	Network	Total PwC	%	Statutory Auditor (KPMG Audit IS)	Network	Total KPMG	%
Certification, half-year limited review of statutory and consolidated financial information												
VINCI SA	0.4	-	0.4	3%	0.4	-	0.4	4%	-	-	-	0%
Fully consolidated subsidiaries	5.0	4.1	9.1	79%	2.0	3.8	5.8	67%	3.4	0.5	4.0	88%
Subtotal	**5.3**	**4.1**	**9.4**	**82%**	**2.4**	**3.8**	**6.1**	**71%**	**3.4**	**0.5**	**4.0**	**88%**
Services other than certification of accounts (*)												
VINCI SA	0.4	-	0.4	3%	0.2	-	0.2	3%	0.1	-	0.1	2%
Fully consolidated subsidiaries	-	1.7	1.7	15%	0.1	2.2	2.3	26%	0.1	0.4	0.5	10%
Subtotal	**0.4**	**1.7**	**2.1**	**18%**	**0.3**	**2.2**	**2.5**	**29%**	**0.1**	**0.4**	**0.5**	**12%**
Total	**5.7**	**5.8**	**11.5**	**100%**	**2.7**	**5.9**	**8.6**	**100%**	**3.6**	**0.9**	**4.5**	**100%**

(*) Services other than certification of accounts include services required by regulations and those provided at the request of controlled entities (contractual audits, comfort letters, audit certificates, agreed procedures, consulting and assignments relating to changes in accounting standards, due diligence procedures for acquisitions, audits of procedures and information systems, and tax services that do not impair auditor independence).
(**) Statutory Auditor for certain Group subsidiaries.

M. Note on litigation

The companies comprising the VINCI Group are sometimes involved in litigation arising from their activities. The related risks are assessed by VINCI and the subsidiaries involved on the basis of their knowledge of the cases, and provisions are taken in consequence as appropriate.

The main legal, administrative or arbitration proceedings that were in progress on 31 December 2019 were as follows:

• In relation to the compensation claim commenced by SNCF in March 2011 following the decision handed down on 21 March 2006 by the Conseil de la Concurrence (*) (French competition authority), which penalised several companies for collusion in relation to civil engineering works at the Magenta and Saint Lazare Condorcet stations in Paris (Eole project), the VINCI Group companies reached a settlement with SNCF in March 2016 for the purpose of ending SNCF's claim against them. On 8 March 2016, the Paris Administrative Court noted the reciprocal discontinuance of proceedings and waiver of rights of action between SNCF Mobilités and all VINCI Group companies involved in these proceedings, and dismissed SNCF's claim in respect of the other companies concerned. After SNCF appealed against that decision, the proceedings continued between SNCF and the companies outside the VINCI Group, which had nevertheless had recourse to the Group subsidiaries concerned as guarantors. In a decision on 29 December 2017, the Paris Administrative Appeal Court dismissed SNCF's claim and SNCF appealed against that decision to the Conseil d'Etat, which overturned the dismissal on 22 November 2019. In view of the current situation, the VINCI group considers that this dispute will not have a material effect on its financial situation.

• In a judgment handed down on 17 December 2013, the Paris Regional Court declared time-barred and inadmissible a claim by Région Île de France for compensation for the harm it purportedly suffered because of the anti-competitive practices penalised by the Conseil de la Concurrence (*) on 9 May 2007 in relation to the programme to refurbish schools in the Greater Paris area between 1989 and 1996. After that judgment, on 16 November 2015, the *tribunal des conflits* (jurisdiction court) declared the ordinary courts not competent to decide the dispute between the region and various construction companies. More than two years after the jurisdiction court's decision, the region made 88 applications to the Paris Administrative Court relating to 88 school refurbishment contracts, claiming €293 million of damages from 14 companies – including several Group companies – and 11 individuals. In late July 2019, the Paris Administrative Court dismissed the region's claims. The region is appealing against those decisions. The Group takes the view that these proceedings, whose origin dates back more than 20 years and which concerns a claim that was already found to be time-barred in 2013, represent a contingent liability whose impact it is unable to measure.

• In August 2019, after the French government notified its intention to terminate early the concession contract relating to the Notre Dame des Landes, Nantes Atlantique and Saint Nazaire Montoir airports, Aéroports du Grand Ouest (AGO) twice sought to commence the conciliation procedure provided for in Article 94 of the concession contract. The government refused to comply and, through an order dated 24 October 2019, declared that the concession contract had been terminated for public interest reasons. On 5 December 2019, to safeguard its right to compensation, AGO sent to the government an initial compensation request and, on 6 December 2019, it filed an application to the Nantes Administrative Court to challenge the termination order. In its application, AGO reiterated that it was prepared to commence, as an alternative, a mediation procedure under Article L. 213-7 of the French Administrative Justice Code, to try to reach a balanced and robust agreement that would resolve the dispute.

(*) Now known as the Autorité de la Concurrence.

• The Czech Republic's roads and motorways department (RSD) has made several claims against Eurovia CS, a Eurovia subsidiary based in the Czech Republic, as well as other non-Group companies. These claims concern works carried out between 2003 and 2007 in building the D47 motorway. In late 2012, the RSD commenced arbitration and legal proceedings (i) seeking damages for what the RSD alleges was defective work affecting the roads and engineering structures that were built and (ii) the payment of 37 million Czech koruna to take account of the quantity of steel actually used in a bridge. Regarding the claims relating mainly to defective work, the RSD is currently claiming damages of 3.1 billion Czech koruna, of which Eurovia CS' share would be around 75%. Repairs have been carried out since the start of 2014, costing substantially less than the amount sought by the RSD, and technical assessments are still taking place. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

• Soletanche Bachy France had submitted a request for arbitration to the International Chamber of Commerce after ACT (Aqaba Container Terminal) terminated a contract for the construction of an extension to a container terminal in the port of Aqaba in Jordan. The company was disputing the grounds for terminating the contract, and was claiming $10 million in damages. ACT contended that it had valid grounds for terminating the contract and that it had incurred additional costs in completing the works, and was counter-claiming $44 million in damages. The arbitration tribunal, in an arbitration award dated 30 August 2017, amended by two awards dated 28 September 2017 and 1 May 2018, dismissed the company's claim and ordered it to pay ACT $38.3 million plus $9.1 million of legal expenses. The company has commenced proceedings to oppose the execution of that decision and against the joint contractors. Given the provisions it has set aside, the Group considers, in view of the current situation, that this dispute will not have any material effect on its financial situation.

• In 2011, Freyssinet Canada undertook to make prefabricated beams for PIC under a contract worth C$23 million. Prefabrication work started in 2012 but was suspended in 2013 because the project owner took the view that the beams were defective. PIC terminated the supply contract, resulting in legal proceedings before the Superior Court of Ontario. In those proceedings, Freyssinet Canada is claiming C$11 million for wrongful termination and PIC is claiming C$189 million from Freyssinet Canada and several Soletanche Freyssinet group companies for the replacement of the beams and losses arising from the alleged defects. In late December 2019, the parties agreed to settle the matter out of court. The financial terms of the settlement are unlikely to have a material impact on the Group's financial position.

• On 10 August 2018, the Colombian competition authority sent a statement of objections to several companies including VINCI Concessions Colombia SAS, Via 40 SAS and Constructora Conconcreto SAS, and to several natural persons, relating to alleged anticompetitive practices in the competitive tender procedure held in 2015 and 2016 by Colombia's national infrastructure agency ANI with a view to awarding a concession contract for the widening and operation of a road between the cities of Bogotá and Girardot. The concession contract was formed between the ANI and Via 40 SAS in October 2016. Via its VINCI Concessions Colombia SAS subsidiary, the Group acquired a 50% stake in Via 40 SAS on 19 December 2016, and it owns a 20% non-controlling stake in Constructora Conconcreto SAS. The companies involved in the procedure dispute the competition authority's allegations. In early January 2020, the Delegatura para la Protección de la Competencia (Colombia's competition law enforcement body) submitted a report to the competition authority recommending that the investigation be dropped without any penalties. The competition authority's decision is expected in the next few months. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

• On 6 November 2019, the Municipality of Lima (Peru) commenced arbitration proceedings against Lamsac, the concession holder for the Línea Amarilla motorway, before the International Arbitration Chamber of Paris. The Municipality of Lima's main claim, as concession grantor, relates to the termination of the 12 November 2009 concession contract and to the series of amendments to that contract. On 20 December 2016, the Group acquired 100% of Lamsac through its subsidiary VINCI Highways SAS. Lamsac is contesting the Municipality of Lima's claims based on allegations of bribery prior to the Group's acquisition of Lamsac. Other mediation and arbitration proceedings between the Municipality of Lima and Lamsac are under way in Peru. In addition, as part of criminal proceedings currently taking place against an official of the and an ex-mayor of Lima, the public prosecutor has requested that Lamsac's civil liability be invoked. Lamsac is contesting these requests in both sets of proceedings. The Group takes the view that these proceedings represent a contingent liability whose impact it is unable to measure.

There are no other judicial, administrative or arbitration proceedings, including any proceedings known to the Company, pending or with which it is threatened, that are likely to have, or have had in the last 12 months, a material effect on the financial situation or profitability of the Company and/or Group.

N. Post-balance sheet events

33. Appropriation of 2019 net income

The Board of Directors finalised the consolidated financial statements for the year ended 31 December 2019 on 4 February 2020. These financial statements will only become definitive when approved at the Shareholders' General Meeting on 9 April 2020. A draft resolution will be put to shareholders in that meeting to pay a dividend of €3.05 per share in respect of 2019. Taking account of the interim dividend already paid on 7 November 2019 (€0.79 per share), this would result in a final dividend of €2.26 per share. That final dividend would be paid on 23 April 2020 (ex-date: 21 April 2020).

34. Other post-balance sheet events

No material events occurred between 31 December 2019 and 4 February 2020, the date on which the financial statements were approved for publication by the Board of Directors.

O. Other consolidation rules and methods

Intragroup transactions

Reciprocal operations and transactions relating to assets, liabilities, income and expenses between companies that are fully consolidated are eliminated in the consolidated financial statements.
Where a fully consolidated Group entity carries out a transaction with a joint venture or associate that is accounted for under the equity method, income and losses resulting from the transaction are only recognised in the Group's consolidated financial statements to the extent of the interest owned by third parties in the joint venture or associate.

Translation of the financial statements of foreign companies and establishments

In most cases, the functional currency of companies and establishments is their local currency.
The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under other comprehensive income. Goodwill relating to foreign entities forms part of the assets acquired and is therefore denominated in the company's functional currency and translated at the exchange rate in force at the balance sheet date.

Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date. Assets and monetary liabilities denominated in foreign currencies are translated at the closing rate. Foreign exchange gains and losses are recognised in income.
Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency exchange rate derivatives qualifying as hedges of net investments in foreign subsidiaries are recorded under currency translation differences in equity.

Business combinations

Under IFRS 3 Amended, the cost of a business combination is the fair value, at the date of exchange, of the assets given, liabilities assumed, and/or equity instruments issued by the acquirer in exchange for control of the acquiree. Contingent price adjustments are included in the cost of the business combination and are measured at fair value at each balance sheet date. From the acquisition date, any subsequent changes to this fair value resulting from events after control was acquired are recognised in profit or loss.
Expenses that are directly attributable to the acquisition, such as professional fees for due diligence and other related fees, are expensed as they are incurred. They are presented in the "Impact of changes in scope and gain/(loss) on disposals of shares" item on the income statement.
Non-controlling interests in the acquiree, where they give their holders present ownership interests in the entity (voting rights, a share of earnings, etc.) and entitle them to a proportionate share of net assets in the event of liquidation, are measured either at their share of the acquiree's net identifiable assets, or at their fair value. This option is applied on a case-by-case basis for each acquisition.
On the date control is acquired, the cost of acquisition is allocated by recognising the identifiable assets acquired and liabilities assumed from the acquiree at their fair value at that date, except for tax assets and liabilities and employee benefits, which are measured according to their reference standard (IAS 12 and IAS 19 respectively) and asset groups classified as held for sale, which are recognised under IFRS 5 at their fair value less costs to sell. The positive difference between the cost of acquisition and the fair value of the identifiable assets and liabilities acquired constitute goodwill. Where applicable, goodwill can include a portion of the fair value of non-controlling interests if the full goodwill method has been selected.
The Group has 12 months from the date of acquisition to finalise the accounting for business combinations.

In the case of a business combination achieved in stages, previously acquired shareholdings in the acquiree are measured at fair value at the date of acquisition of control. Any resulting gain or loss is recognised in profit or loss.

Transactions between shareholders, acquisitions and disposals of non-controlling interests after acquisition of control

In accordance with IFRS 10, acquisitions or disposals of non-controlling interests, with no impact on control, are considered as transactions with the Group's shareholders. The difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of equity thus acquired is recorded under equity attributable to owners of the parent. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts as a transaction between shareholders, with no impact on profit or loss. Professional fees and other costs relating to acquisitions and disposals of non-controlling interests that have no impact on control, and any associated tax effects, are recorded under equity. Cash flow related to transactions between shareholders is presented under cash flow (used in)/from financing activities in the consolidated cash flow statement.

Put options granted to non-controlling shareholders

Put options (options to sell) granted to the non-controlling shareholders of certain Group subsidiaries are recognised under other non-current liabilities for the present value of the exercise price of the option and as a corresponding reduction of consolidated equity (non-controlling interest and equity attributable to equity holders of the parent for the surplus, if any).

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Report of the Statutory Auditors on the consolidated financial statements

Year ended 31 December 2019

To VINCI's Shareholders' General Meeting,

1. Opinion

In accordance with our appointment as Statutory Auditors by the shareholders at the Shareholders' General Meeting, we have audited the accompanying consolidated financial statements of VINCI for the year ended 31 December 2019.
In our opinion, the consolidated financial statements give a true and fair view of the financial position, the assets and liabilities, and the results of the Group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.
The opinion formulated above is consistent with the content of our report to the Audit Committee.

2. Basis of our opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the information that we collected provides a sufficient and appropriate basis for our opinion.
Our responsibilities under those standards are stated in the "Responsibilities of the Statutory Auditors in relation to auditing the consolidated financial statements" section of this report.

Independence

We conducted our audit in accordance with the independence rules applicable to us between 1 January 2019 and the date on which we issued our report, and in particular we did not provide any services forbidden by Article 5, paragraph 1 of Regulation (EU) No. 537/2014 or by the code of conduct of the statutory audit profession in France.

3. Emphasis of matter

We draw attention to Note A.4 to the consolidated financial statements, which sets out the change in accounting methods relating to the adoption of IFRS 16 "Leases" from 1 January 2019. Our opinion is not modified in respect of this matter.

4. Justification of our assessments – Key audit matters

As required by Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters, relating to what were, in our professional judgment, the main risks of material misstatement in relation to our audit of the year's consolidated financial statements, and our responses to those risks.
Those assessments were made in the context of our audit of the consolidated financial statements taken as a whole and in the formation of our opinion stated above. We express no opinion on items of the consolidated financial statements taken in isolation.

Recoverable amount of goodwill and intangible assets, along with interests in concession companies accounted for under the equity method

Notes A.3, E.9, E.10, H.17.1 and H.17.3 to the consolidated financial statements

Description of the risk

Goodwill, concession intangible assets and other intangible assets had material net carrying amounts at 31 December 2019, i.e. €11,647 million, €26,869 million and €7,410 million respectively, together equal to 50% of total assets. Those assets may present a risk of impairment losses arising from internal or external factors, such as a deterioration in performance, changes in the economic environment, adverse market conditions, movements in traffic levels and changes in legislation or regulations.
The Group is also exposed to a risk of impairment losses in respect of infrastructure operated by concession companies over which the Group has joint control or significant influence. Interests in those concession companies amounted to €1,273 million at 31 December 2019.
The Group carries out impairment tests on goodwill, concession intangible assets, other intangible assets and interests in concession companies accounted for under the equity method where there is an indication that an impairment loss has arisen. The recoverable amount is based on a value in use calculation, which is itself based on discounted future cash flow forecasts.
Determining the recoverable amount of these assets and any impairment losses to be recognised is a key audit matter, given the importance of estimates and the level of judgment required by Management regarding the operational performance and future traffic assumptions, long-term growth rates and discount rates used, and the sensitivity of the measurement to certain assumptions.

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Audit work performed

For cash-generating units and intangible assets that are material or present what we regard as a substantial specific risk of impairment losses, we:

- checked the relevance of the approach used to determine the cash-generating units on which the asset impairment tests were carried out;
- familiarised ourselves with the way in which those impairment tests were carried out;
- assessed whether the main assumptions were reasonable, particularly regarding changes in operational performance and traffic levels, long-term growth rates and discount rates used, including by examining those rates with our experts and comparing them with our databases.

As regards goodwill, we examined the appropriateness of information provided in the Notes to the consolidated financial statements on the determination of underlying assumptions and sensitivity analyses in view of the appropriate accounting standard.

Recognition of construction contracts

Notes A.3, G.16 and H.19.3 to the consolidated financial statements

Description of the risk

VINCI's Contracting business accounts for more than 80% of VINCI's consolidated revenue, and most of the revenue in that business comes from long-term construction contracts.
Construction contract income and expenses are recognised using the stage-of-completion method: the stage of completion and the revenue to be recognised are calculated on the basis of a large number of completion estimates made by monitoring the work performed and taking into account unforeseen circumstances. Adjustments may therefore be made to initial estimates throughout the life of the contracts and may materially affect results.
If the estimate of the final outcome of a contract indicates a loss, a provision is made for the loss on completion regardless of the stage of completion, based on the best estimates of income, including, if need be, any rights to additional revenue or claims if these are highly probable and can be reliably estimated.
Determining these completion estimates and any adjustments that may become necessary during the performance of projects and operations is a key audit matter, given the amounts involved and the high level of judgment required on the part of the entities' operational departments.

Audit work performed

We selected projects on the basis of their size, technical complexity and geographical location, and for each selected project, we:

- familiarised ourselves with the procedures and any specific information systems used by the most material subsidiaries involved in recognising revenue and monitoring the corresponding expenditure;
- assessed and tested the design and implementation of key controls adopted in the most material subsidiaries (manual and computerised controls);
- checked that the estimated revenue on completion was consistent with contracts and supplementary agreements signed;
- assessed whether the risks of delays and cost overruns related to the performance of works were properly taken into account, along with estimates of completion costs, and reviewed the contingencies included in the budget and the extent to which disputes were covered;
- checked that, if a project is expected to be loss-making on completion, a provision is set aside for the loss on completion including, if need be, any rights to additional revenue or claims if these are highly probable and can be reliably estimated.

Provisions for liabilities and litigation

Notes H.19.3, H.20 and M to the consolidated financial statements.

Description of the risk

The Group's companies are sometimes involved in litigation arising from their activities.
Provisions may, as the case may be, be set aside for these liabilities and litigation in accordance with the appropriate accounting standard, and the liabilities and litigation are assessed by VINCI and the subsidiaries concerned based on their knowledge of the matters.
Provisions for litigation (€533 million at 31 December 2019), other current liabilities (€1,219 million at 31 December 2019) and other non-current liabilities (€557 million at 31 December 2019) represented a total amount of €2,309 million at 31 December 2019.
Determining and measuring the recognised provisions for liabilities and litigation is a key audit matter given the amounts involved, the importance of estimates and the level of judgment required by Management in determining those provisions, as regards the likely outcome of the corresponding liabilities and litigation.

Audit work performed

To obtain an understanding of existing liabilities and litigation and the related matters of judgment, we held discussions with the Group's departments, business lines and main subsidiaries. For each of the main liabilities and items of litigation identified, we:

- familiarised ourselves with the procedures used by the Group to when ascertaining, documenting and measuring the corresponding provisions;
- corroborated the amount of provisions recognised with the lawyers' replies to our requests for information;
- carried out a critical examination of internal analyses relating to the probability and possible impact of each liability and item of litigation, examining the available information relating to the proceedings (correspondence, claims, judgments, notifications, etc.). In particular, we used our professional judgment to assess the positions adopted by Management, to see where they fell by comparison with risk assessment ranges, and the consistency of those positions over time.

We examined the appropriateness of information provided in the Notes to the consolidated financial statements regarding the main items of litigation identified.

Acquisition of London Gatwick Airport

Note B.1.1 to the consolidated financial statements

Description of the risk

On 13 May 2019, the Group, via its VINCI Airports subsidiary, completed the acquisition of a 50.01% stake in the company that indirectly owns 100% of Gatwick Airport Ltd, which owns London Gatwick Airport.
The deal to take control of London Gatwick Airport involved the Group buying shares for €3,080 million in cash.
The acquisition led to the recognition of €1,399 million of provisional goodwill and the identification of intangible assets, mainly relating to the right to operate London Gatwick Airport, in an amount of €6,641 million.
We regarded this as a key audit matter because the acquisition is material for the Group and because of Management's use of estimates and judgement when identifying and measuring the assets acquired and liabilities assumed.

Audit work performed

We familiarised ourselves with the acquisition agreement formed by the Group and the vendors, the shareholder agreement and the arrangements made by Management to analyse and recognise the acquisition of control over the company.
Our work also consisted of:
• auditing the opening balance sheet at 13 May 2019;
• familiarising ourselves with the process used by Management to identify and provisionally measure the assets and liabilities of companies acquired;
• examining the valuation report prepared by the independent appraiser appointed by the Group, holding meetings with that appraiser regarding the scope of his work, the valuation methods used and the main assumptions adopted, and assessing the method used to value the right to operate;
• meeting with Management to corroborate the assumptions adopted in the business plans/forecasts supporting the measurement of intangible assets;
• checking the accounting impact of the acquisition and particularly the determination of provisional goodwill and the identification of the right to operate the airport, along with non-amortisable nature of that right;

Finally, we examined the information provided in the notes to the financial statements about the accounting treatment of that acquisition, particularly Note B.1.1.

5. Specific verifications

We also verified, in accordance with the professional standards applicable in France and as required by laws and regulations, the information concerning the Group presented in the management report of the Board of Directors.
We have no comments to make as to its fair presentation and its consistency with the consolidated financial statements.
We attest that the consolidated declaration of non-financial performance, required under Article L.225-102-1 of the French Commercial Code, is included in the information relating to the Group provided in the management report of the Board of Directors, being specified that, in accordance with the provisions of Article L.823-10 of this code, we have not verified the fair presentation and the consistency with the consolidated financial statements of the information provided in this declaration and this information must be subject to a report by an independent third party.

6. Information resulting from other statutory and regulatory obligations

Appointment of the Statutory Auditors

Deloitte & Associés was appointed as Statutory Auditor of VINCI at the Shareholders' General Meeting of 23 June 1989, taking into account mergers and acquisitions of firms since that date, and PricewaterhouseCoopers Audit was appointed as Statutory Auditor of VINCI at the Shareholders' General Meeting of 17 April 2019.
At 31 December 2019, Deloitte & Associés was in its 31st year and PricewaterhouseCoopers Audit was in its first year of total uninterrupted engagement.

7. Responsibilities of Management and persons involved in corporate governance in relation to the consolidated financial statements

Management is responsible for preparing consolidated financial statements that present a true and fair view, in accordance with IFRSs as endorsed by the European Union, and for setting up the internal controls it deems necessary for preparing consolidated financial statements that do not contain any material misstatements, whether due to fraud or error.
When preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for presenting in those statements any necessary information relating to its status as a going concern, and for applying the accounting concept of going concern, except where there is a plan to liquidate the Company or discontinue its operations.
The Audit Committee is responsible for monitoring the process of preparing the financial information and for monitoring the effectiveness of internal control and risk management systems, and internal audit systems as the case may be, as regards procedures relating to the preparation and treatment of accounting and financial information.

The consolidated financial statements have been approved by the Board of Directors.

8. Responsibilities of the Statutory Auditors as regards auditing the consolidated financial statements

Audit objective and procedure

Our responsibility is to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free of material misstatement. Reasonable assurance means a high level of assurance, although there is no guarantee that an audit conducted in accordance with professional standards will systematically detect all material misstatements. Misstatements may arise from fraud or error, and are regarded as material when they can reasonably be expected, individually or together, to influence the economic decisions that users of the financial statements take on the basis of those statements.

As stated by Article L.823-10-1 of the French Commercial Code, our audit assignment does not involve guaranteeing the viability of your Company or the quality of its management.

When conducting an audit in accordance with professional standards in France, Statutory Auditors use their professional judgment throughout the audit.

In addition:

• they identify and assess the risks that the consolidated financial statements contain material misstatements, whether through fraud or error, define and implement audit procedures to address those risks, and collect information that they regard as sufficient and appropriate as the basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, falsification, voluntary omissions, false statements or the circumvention of internal controls;

• they familiarise themselves with the internal controls relevant to the audit, in order to define audit procedures appropriate to the situation in hand, and not in order to express an opinion on the effectiveness of internal control;

• they assess the appropriateness of accounting policies adopted and the reasonableness of accounting estimates made by Management, along with information about those estimates provided in the consolidated financial statements;

• they assess whether Management has applied appropriately the going concern convention and, based on information collected, whether or not there is a material uncertainty arising from events or circumstances likely to call into question the Company's ability to continue as a going concern. That assessment is based on information collected until the date of the Statutory Auditors' report, although it should be borne in mind that subsequent circumstances or events may call into question the Company's status as a going concern. If the Statutory Auditors conclude that there is a material uncertainty, they draw the attention of those reading their report to information provided in the consolidated financial statements in relation to that uncertainty or, if that information is not provided or is not relevant, they certify the financial statements with reservations or refuse to certify them;

• they assess the overall presentation of the consolidated financial statements and assess whether the consolidated financial statements reflect the underlying operations and events so that they give a true and fair view;

• regarding financial information relating to persons or entities included in the scope of consolidation, they collect the information that they regard as sufficient and appropriate to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for managing, supervising and conducting 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 includes the extent of audit work and the schedule of work performed, along with the conclusions arising from our work. We also make it aware, as the case may be, of any material internal control weaknesses that we have identified regarding procedures for preparing and treating accounting and financial information.

The information in the report to the Audit Committee includes what we regard as the main risks of material misstatements with respect to the audit of the year's consolidated financial statements, and which are therefore the key audit matters. It is our role to describe those points in the present report.

We also provide the Audit Committee with the declaration provided for by Article 6 of Regulation (EU) No. 537/2014 confirming our independence, within the meaning of the rules applicable in France, as determined in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the code of conduct of the statutory audit profession in France. As the case may be, we discuss with the Audit Committee any risks to our independence and the safeguard measures applied.

Neuilly sur Seine and Paris La Défense, 7 February 2020
The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Bertrand Baloche	Bernard Gainnier	Mansour Belhiba	Sami Rahal

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.
The Statutory Auditors' report includes information specifically required by European regulations and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Parent company financial statements

Notes to the parent company financial statements

Income statement

(in € millions)	Notes	2019	2018
Revenue		20	16
Reversals of provisions and transfers of expenses		8	19
Other operating income		151	133
Revenue and other income		**179**	**169**
Other purchases and external charges		(103)	(98)
Taxes and levies		(7)	(6)
Wages, salaries and social benefit charges		(54)	(46)
Depreciation and amortisation		(8)	(5)
Other operating expenses		(1)	(2)
Operating expenses		**(173)**	**(157)**
Share in income or loss of joint operations		**-**	**-**
Operating income		**6**	**12**
Income from investments in subsidiaries and affiliates		2,069	1,043
Income from other securities and fixed asset receivables		105	42
Other interest and similar income		344	258
Net income from disposals of marketable securities and treasury shares		1	1
Foreign exchange gains		25	27
Reversals of provisions and transfers of expenses		200	83
Financial income		**2,743**	**1,454**
Interest paid and similar expenses		(343)	(133)
Net expense on disposal of marketable securities and treasury shares		(5)	(2)
Foreign exchange losses		(25)	(27)
Depreciation, amortisation and provisions		(252)	(246)
Financial expense		**(626)**	**(408)**
Net financial income/(expense)	**11**	**2,117**	**1,046**
Income from ordinary activities		**2,123**	**1,059**
Relating to operating transactions		1	-
Relating to capital transactions		13	44
Reversals of provisions and transfers of expenses		2	2
Exceptional income		**15**	**45**
Relating to operating transactions		(2)	-
Relating to capital transactions		(11)	(21)
Depreciation, amortisation and provisions		(2)	(1)
Exceptional expense		**(15)**	**(23)**
Net exceptional income/(expense)	**12**	**-**	**23**
Income tax expense	**13**	**140**	**193**
Net income for the period		**2,263**	**1,275**

Balance sheet

Assets

(in € millions)	Notes	31/12/2019	31/12/2018
Intangible assets	1	2	1
Property, plant and equipment	1	16	11
Financial assets	2	35,485	30,562
Treasury shares	3	1,282	1,282
Deferred expenses	4	47	33
Total non-current assets		**36,833**	**31,888**
Trade receivables and related accounts		398	325
Other receivables		139	228
Treasury shares	3	1,801	1,041
Other marketable securities	7	1,160	1,400
Cash management current accounts of related companies	7	855	1,419
Cash	7	2,546	2,101
Prepaid expenses	9	214	53
Financial instruments – assets		4	29
Total current assets		**7,118**	**6,594**
Translation differences, assets		132	57
Total assets		**44,083**	**38,539**

Equity and liabilities

(in € millions)	Notes	31/12/2019	31/12/2018
Capital	5	1,513	1,494
Premiums on share issues, mergers, asset contributions	5	10,982	10,442
Statutory reserve		150	150
Other reserves		46	46
Retained earnings		17,467	17,673
Net income for the period		2,263	1,275
Interim dividends		(439)	(416)
Equity	**5**	**31,982**	**30,664**
Other equity			
Provisions	**6**	**452**	**369**
Financial debt	7	11,087	7,108
Other payables		140	232
Deferred income	9	227	35
Financial instruments – liabilities		82	41
Total liabilities		**11,988**	**7,416**
Translation differences, liabilities		113	91
Total equity and liabilities		**44,083**	**38,539**

Cash flow statement

(in € millions)		2019	2018
Operating activities			
Gross operating income		(6)	16
Financial and exceptional items		2,302	1,246
Tax		136	193
Cash flow from operations before tax and financing costs		**2,432**	**1,455**
Net change in working capital requirement		(69)	16
Total	**I**	**2,363**	**1,471**
Investing activities			
Operating investments		(9)	(7)
Disposal of non-current assets		1	
Net operating investments		**(8)**	**(7)**
Acquisition of investments and securities		(2)	
Proceeds from disposal of securities		11	44
Net financial investments		**9**	**44**
Change in other non-current financial assets and treasury shares		(900)	(637)
Total	**II**	**(899)**	**(600)**
Financing activities			
Increases in share capital		560	468
Dividends paid		(1,504)	(1,390)
of which Interim dividends		*(439)*	*(416)*
Total	**III**	**(944)**	**(922)**
Cash flow for the period	**I+II+II**	**520**	**(51)**
Net financial surplus/(debt) at 1 January		**7,451**	**7,502**
Net financial surplus/(debt) at 31 December		**7,971**	**7,451**

Notes to the parent company financial statements

The financial statements at 31 December 2019 have been prepared in accordance with the general conventions required by France's General Accounting Plan, in accordance with Regulation no. 2017-03 issued by the Autorité des Normes Comptables (ANC, the French accounting standards authority).

However, in a departure from the French General Accounting Plan and in order to improve the presentation of its financial statements, VINCI reports changes in provisions relating to a given income or expense item on the same line of the income statement as determined by its nature, which may be operating, financial, exceptional or tax.

A. Key events in the period

1. Financing activities

As part of the acquisition of a 50.01% stake in London Gatwick Airport, VINCI SA issued £800 million (€937 million) of bonds in two tranches, the first consisting of £400 million of 8-year bonds with a coupon of 2.25% and the second consisting of £400 million of 15.5-year bonds with a coupon of 2.75%. It loaned the proceeds of that issue to its VINCI Airports subsidiary and supplemented it with £2 billion of internal financing, taking the total amount of acquisition financing to £3,008 million.

To help finance its recent developments in the United States, VINCI SA issued $1 billion (€887 million) of bonds due to mature in April 2029, with a coupon of 3.75%. Most of the proceeds of that issue were loaned to VINCI Finance International.

As part of its Euro Medium Term Notes (EMTN) programme, VINCI SA placed €950 million of bonds due to mature in January 2029 and paying a coupon of 1.625%.

At 31 December 2019, as a result of those transactions, VINCI SA's external financing due in more than one year amounted to €6,935 million and loans and drawings on credit facilities granted to subsidiaries totalled €14,609 million.

2. Treasury shares

Under its share buy-back programme, VINCI purchased 10,104,964 shares in 2019 for €900 million, at an average price of €89.07 per share.

The gross carrying amount of treasury shares thus increased from €2,323 million at 31 December 2018 to €3,083 million at 31 December 2019, representing an average price of €61.07 per share.

At 31 December 2019, VINCI held 50,491,699 of its own shares (i.e. 8.34% of its capital) in treasury. Those shares are either allocated to covering long-term incentive plans and employer contributions to international employee share ownership plans, intended to be used as payment for acquisitions, or may be sold or cancelled.

B. Notes to the balance sheet

1. Intangible assets and property, plant and equipment

Accounting policies and methods

As a general rule, software, recorded under "Concessions, patents and licences", is amortised over two or three years on a straight-line basis.

Property, plant and equipment is recognised at acquisition cost, including acquisition-related costs. The Company applies CNC Opinion 2004-06, issued by the Conseil National de la Comptabilité, on the definition, recognition and measurement of assets.
Depreciation is calculated on a straight-line basis over an asset's estimated useful life:

Constructions	10 to 40 years
Other property, plant and equipment	3 to 10 years

Property, plant and equipment is used mainly for the Company's operations or those of its subsidiaries.

Gross values

(in € millions)	31/12/2018	Acquisitions	Disposals	31/12/2019
Concessions, patents and licences	10	2	-	12
Total intangible assets	**10**	**2**	**-**	**12**
Land	3	-	-	2
Constructions	9	6		15
Other property, plant and equipment and assets under construction	9	1	(1)	11
Total property, plant and equipment	**21**	**7**	**-**	**28**

Depreciation, amortisation and impairment

(in € millions)	31/12/2018	Expense	Reversals	31/12/2019
Concessions, patents and licences	9	1	-	10
Total intangible assets	**9**	**1**	**-**	**10**
Constructions	3	1	-	4
Other property, plant and equipment	7	1	(1)	8
Total property, plant and equipment	**10**	**2**	**(1)**	**12**

2. Financial assets

Accounting policies and methods

Investments in subsidiaries and affiliates are measured at their cost of acquisition. In accordance with CRC Regulation 2004-06, issued by the Comité de la Règlementation Comptable, on the definition and recognition of assets, VINCI includes the associated acquisition expenses in the cost of investments in subsidiaries and affiliates. If this cost is greater than the asset's value in use, an impairment allowance is taken equal to the difference, as an exceptional item.

Value in use is determined on the basis of the portion of the equity represented by the shares. This portion is adjusted if necessary to take account of the cash flow prospects for the companies in question.

Capital gains or losses on disposal of shareholdings are recorded under "Net exceptional income/(expense)".

Gross values

(in € millions)	31/12/2018	Acquisitions	Disposals	Contributions	31/12/2019
Investments in subsidiaries and affiliates	20,914	-	(25)	2	20,891
Receivables connected with investments in subsidiaries and affiliates	9,674	5,106	(171)	-	14,609
Other non-current financial assets	4	-	-	-	4
Total	**30,592**	**5,106**	**(196)**	**2**	**35,505**

The increase in receivables connected with investments in subsidiaries and affiliates relates mainly to loans granted by VINCI SA to VINCI Finance International and VINCI Airports.

Impairment allowances

(in € millions)	31/12/2018	Expense	Reversals	31/12/2019
Investments in subsidiaries and affiliates	25	2	(15)	12
Receivables connected with investments in subsidiaries and affiliates	4	-	-	4
Other non-current financial assets	3	-	-	3
Total	**32**	**2**	**(15)**	**19**

3. Treasury shares

Accounting policies and methods

Treasury shares allocated to share purchase option and performance share plans are recognised under "Marketable securities".
In accordance with CRC Regulation 2008-15, issued by the Comité de la Règlementation Comptable, a provision is taken as a financial expense during the period in which the beneficiaries' rights vest, whenever an expense becomes probable.

Treasury shares not allocated to plans are recorded under "Other non-current financial assets" at their acquisition cost.
An impairment allowance is recognised as a financial expense if the average stock market price of these shares during the last month of the period is lower than their unit cost.
Shares intended for cancellation are not written down.

Whenever plans are hedged by call options, the premiums paid are recorded under "Marketable securities" when the options hedge share purchase option plans or performance share plans, or under "Other non-current financial assets" when these options hedge share subscription option plans.
In both cases, a provision is recognised whenever an expense becomes probable. Income and expense relating to treasury shares (provisions and gains or losses on disposal) are recognised under "Net financial income/(expense)".

Transactions under the 2018/2019 and 2019/2020 share buy-back programmes

Gross values

	31/12/2018		Increases: buy-backs		Decreases: disposals and transfers		Reclassifications: transfers between accounts		31/12/2019	
	Unit value in €	Value in €m	Unit value in €	Value in €m	Unit value in €	Value in €m	Unit value in €	Value in €m	Unit value in €	Value in €m
Shares bought back to use in payment or exchange	43.97	1,282							43.97	1,282
Shares bought back to be cancelled		-								
Subtotal non-current financial assets		**1,282**		**-**		**-**		**-**		**1,282**
Shares intended to be transferred to the beneficiaries of performance share and employee share ownership plans	76.59	1,041	89.07	900	59.10	(140)			84.44	1,801
Subtotal current assets		**1,041**		**900**		**(140)**		**-**		**1,801**
Total cash transactions on VINCI shares		**2,323**		**900**		**(140)**		**-**	**61.07**	**3,083**

During 2019:
• VINCI acquired 10,104,964 shares on the market at an average price of €89.07 per share, for a total of €900 million.
• 2,362,865 treasury shares were transferred to beneficiaries of employee share ownership plans, notably in respect of the 2016 Castor International plan and the performance share plan adopted by the Board of Directors on 19 April 2016. These share transfers generated an expense of €140 million, covered by a release for the same amount of provisions previously taken in this respect.

Impairment allowances

A €55 million impairment allowance for treasury shares had been recognised at 31 December 2018, based on the average stock market price of VINCI shares in December 2018, i.e. €72.73. In 2019, that allowance was no longer needed and was reversed following the rise in VINCI's share price during the year.

Number of treasury shares

	31/12/2018	Increases: buy-backs	Decreases: disposals and transfers	31/12/2019
Shares bought back to use in payment or exchange	29,162,955	-	-	29,162,955
Shares bought back to be cancelled	-	-	-	-
Subtotal non-current financial assets	**29,162,955**	**-**	**-**	**29,162,955**
Shares intended to be transferred to the beneficiaries of performance share and employee share ownership plans	13,586,645	10,104,964	(2,362,865)	21,328,744
Subtotal current assets	**13,586,645**	**10,104,964**	**(2,362,865)**	**21,328,744**
Total cash transactions on VINCI shares	**42,749,600**	**10,104,964**	**(2,362,865)**	**50,491,699**

At 31 December 2019, VINCI held 50,491,699 treasury shares directly (representing 8.34% of the share capital), for a total of €3,083 million or an average of €61.07 per share:
• 21,328,744 shares (€1,801 million) were allocated to covering long-term incentive plans and employee share ownership transactions;
• 29,162,955 shares (€1,282 million) were intended to be either exchanged as part of acquisition transactions or sold.

4. Deferred expenses

(in € millions)	31/12/2018	New deferrals	Amortisation	31/12/2019
Deferred expenses	33	23	(9)	**47**

The €23 million increase in deferred expenses was due to issuance costs and redemption premiums in respect of new financing arranged during the year (see section A, "Key events in the period").

5. Equity

(in € millions)	Capital	Share premium	Reserves and retained earnings	Profit or loss	Total
Equity at 31/12/2018	**1,494**	**10,442**	**17,453**	**1,275**	**30,664**
Appropriation of 2018 net income and payment of dividends			1,275	(1,275)	-
Dividends paid in respect of 2019			(1,504)		(1,504)
Increases in share capital	19	540			560
Net income for 2019				2,263	2,263
Equity at 31/12/2019	**1,513**	**10,982**	**17,224**	**2,263**	**31,983**

At 31 December 2019, VINCI's share capital amounted to €1,513 million, represented by 605,237,689 shares of €2.50 nominal, all conferring the same rights.

VINCI has reserves (share premiums, merger and contribution premiums, reserves other than the statutory reserve) of an amount greater than the amount of all the treasury shares it owned directly or indirectly at 31 December 2019.

Dividends paid in 2019 amounted to €1,504 million, corresponding to the final dividend in respect of 2018 for €1,065 million (€1.92 per share) and the interim dividend in respect of 2019 for €439 million (€0.79 per share).

The share capital increases in 2019, amounting to €560 million, are the result of employee subscriptions to Group savings plans for €542 million, and the exercise of share subscription options for €18 million.

(in € millions)	Number of shares	Capital	Share premiums and other reserves	Total
Employees' subscriptions to Group savings plans	7,261,579	18	524	**542**
Exercise of share subscription options	460,126	1	17	**18**
Total	**7,721,705**	**19**	**541**	**560**

6. Provisions

Accounting policies and methods

Provisions are recorded in the balance sheet in respect of the Company's obligations to pay supplementary pensions to certain employees or company officers, for the part relating to beneficiaries who are retired. An off-balance sheet commitment is recorded for the portion relating to beneficiaries who have not yet retired.

Retirement benefit obligations (lump sums paid on retirement and supplementary pension plans) are measured using the prospective actuarial method (the projected unit credit method) on the basis of external assessments made at each period end, for each existing plan.

Other provisions are intended to cover the risks arising from past or present events that are probable at the balance sheet date. They are estimates as regards their amount and expected period of use.

			Reversals		
(in € millions)	31/12/2018	Expense	Provisions used	No longer needed	31/12/2019
Retirement and other employee benefit obligations	20	-	(2)	-	19
Liabilities in respect of subsidiaries	4	1	(2)	-	3
Other provisions	345	234	(148)	-	431
Total	**369**	**235**	**(152)**	**-**	**452**

Provisions for retirement and similar benefit obligations relate solely to beneficiaries who have retired.

Retirement benefit obligations are calculated on the basis of the following actuarial assumptions:

	31/12/2019	31/12/2018
Discount rate	0.60%	1.70%
Inflation rate	1.6%	1.6%
Rate of pension increases	0.8% - 1.6%	0.8% - 1.6%
Rate of salary increases	2.6%	2.6%

Other provisions relate in particular to VINCI's obligation to deliver shares as part of performance share plans decided by the Board of Directors on 20 April 2017, 17 April 2018 and 17 April 2019. Provisions taken in this respect at 31 December 2019, for €152 million, €112 million and €50 million respectively, take account of the estimated probability, at 31 December 2019, that these shares will be definitively granted.

7. Net financial (surplus)/debt

Accounting policies and methods

Marketable securities are recognised at their acquisition cost and an impairment loss is recorded at the period end whenever the cost is higher than the latest net realisable value.

Loans (bonds, bank and intragroup borrowing) are recorded under liabilities at their nominal value. The associated issuance costs are recorded under "Deferred expenses", redemption premiums under assets, and issuance premiums under "Deferred income". These three items are amortised over the length of the loan.
Loans and advances are recognised at nominal value. In the event of a risk of non-recovery, an impairment allowance is recognised.

(in € millions)	2019	2018
Bonds	6,687	3,920
Borrowings from financial institutions	277	274
Accrued interest on bonds	67	34
Long-term financial debt	**7,031**	**4,228**
Borrowings from financial institutions and bank overdrafts	-	1
Other borrowings and financial debt	800	1,281
Cash management current accounts of related companies	3,256	1,630
Short-term financial debt	**4,085**	**2,912**
Total financial debt	**11,087**	**7,140**
Receivables connected to investments in subsidiaries and affiliates and loans	**(14,605)**	**(9,671)**
Marketable securities	(1,128)	(1,400)
Cash management current accounts of related companies	(855)	(1,419)
Cash	(2,470)	(2,101)
Short-term cash	**(4,453)**	**(4,920)**
Net financial (surplus)/debt	**(7,971)**	**(7,451)**

VINCI's net financial surplus went from €7,451 million at 31 December 2018 to €7,971 million at 31 December 2019.

The increase in long-term financial debt and receivables connected to investments in subsidiaries and affiliates resulted from new financing arranged in 2019 (described in section A, "Key events in the period"). Financial debt and receivables connected to investments in subsidiaries and affiliates include any related currency translation differences.

The cash management current accounts of related companies, shown under assets and liabilities, represent movements of cash between the holding company and the subsidiaries under the Group's centralised cash management system.

Marketable securities mainly comprise certificates of deposit and money market UCITS with maturities of usually less than three months, whose carrying amount is close to their net asset value.

8. Market value of derivatives

Accounting policies and methods

Forward financial instruments and derivative financial instruments are measured at the period end. A provision is recognised in the income statement for any unrealised losses where the instruments are not designated as hedges (isolated open position).
Changes in value are taken to the balance sheet with a balancing entry in suspense accounts.

VINCI uses derivatives to hedge its exposure to market risks in respect of its financial debt and to cover its subsidiaries' hedging needs.

At 31 December 2019, the market value of these financial instruments broke down as follows:

(in € millions)	Market value	Notional
Interest rate instruments		
- Interest rate swaps	340	11,290
- Cross-currency swaps	24	583
Currency instruments		
- Forward purchases	2	18
- Forward sales	(29)	3,488
- Cross-currency swaps	(78)	2,830

9. Receivables and payables

Accounting policies and methods

Trade receivables are measured at their nominal value. An impairment allowance is recognised if there is a possibility of non-recovery of these receivables.

Receivables and payables denominated in foreign currency are measured at the closing rate. Any gains or losses arising on this translation are recorded in the balance sheet as translation differences. Provisions are taken in respect of any unrealised losses unless specific rules are laid down in the accounting regulations.

Receivables at 31 December 2019

	Gross	Of which	
(in € millions)		Within 1 year	After 1 year
Receivables connected with investments in subsidiaries and affiliates	14,609	215	14,394
Non-current assets	**14,609**	**215**	**14,394**
Trade receivables and related accounts	399	399	
Other receivables	184	184	
Cash management current accounts of related companies	855	855	
Prepaid expenses	214	214	
Current assets	**1,652**	**1,652**	**-**
Total	**16,261**	**1,867**	**14,394**

Payables at 31 December 2019

	Gross	Of which		
(in € millions)		Within 1 year	Between 1 and 5 years	After 5 years
Bonds	6,754	817	1,919	4,018
Amounts owed to financial institutions	277	277		
Borrowings and financial debt	800	800		
Cash management current accounts of related companies	3,256	3,256		
Financial debt	**11,087**	**5,150**	**1,919**	**4,018**
Trade payables and related accounts	29	29		
Tax, employment and social benefit liabilities	37	37		
Liabilities related to non-current assets and related accounts	1	1		
Other payables	73	73		
Deferred income	229	229		
Other liabilities	**369**	**369**		
Total	**11,456**	**5,519**	**1,919**	**4,018**

In accordance with the French government order of 20 March 2017 implementing Article D.441-4 of the French Commercial Code, the tables below show the breakdown of trade payables and trade receivables by maturity at 31 December 2019:

Breakdown of invoices received and due but not paid at the accounts closing date

(in € thousands)

A - Number of days overdue	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and above	TOTAL (1 day and above)
Number of invoices concerned	23	24	26	14	296	360
Total ex-VAT amount of invoices concerned	305	359	1,199	174	507	2,239
Percentage of total ex-VAT purchases during the period	0.00%	0.00%	1.00%	0.00%	1.00%	2.44%
B - Invoices excluded from A relating to disputed or unrecognised payables and receivables						
Number of invoices excluded	4					
Total amount of invoices excluded	82					
C - Reference payment periods used (contractual or statutory - Article L.441-6 or Article L. 443-1 of the French Commercial Code)						
Payment periods used to calculate late payments	Contractual payment period: 45 days					

Breakdown of invoices raised and due but not paid at the accounts closing date

(in € thousands)

A - Number of days overdue	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and above	TOTAL (1 day and above)
Number of invoices concerned	175	60	56	9	172	297
Total ex-VAT amount of invoices concerned	14,680	7,732	100	11	920	8,764
Percentage of total ex-VAT purchases during the period	8.80%	4.63%	0.06%	0.01%	0.55%	5.25%
B - Invoices excluded from A relating to disputed or unrecognised payables and receivables						
Number of invoices excluded	Nil					
Total amount of invoices excluded	Nil					
C - Reference payment periods used (contractual or statutory - Article L.441-6 or Article L.443-1 of the French Commercial Code)						
Payment periods used to calculate late payments	Statutory periods: 45 days after the end of month in which the invoice was raised					

10. Accrued income and expense, by balance sheet item

Accrued expenses

(in € millions)	31/12/2019	31/12/2018
Financial debt		
Accrued interest on bonds	67	34
Other payables		
Trade payables and related accounts	21	29
Other tax, employment and social benefit liabilities	17	15
Other payables	1	1

Accrued income

(in € millions)	31/12/2019	31/12/2018
Financial assets		
Receivables connected with investments in subsidiaries and affiliates	18	15
Receivables		
Trade receivables and related accounts	367	312
Other	4	6
Cash	39	31

C. Notes to the income statement

11. Net financial income/(expense)

(in € millions)	2019	2018
Income from subsidiaries and affiliates	2,069	1,043
Net interest income/(expense)	22	53
Foreign exchange gains and losses	(22)	-
Provisions and other	48	(50)
Net financial income/(expense)	**2,117**	**1,046**

Income from investments in subsidiaries and affiliates corresponds to the dividends received from subsidiaries.

The line item “Provisions and other” mainly relates to transactions in treasury shares.

12. Net exceptional income/(expense)

(in € millions)	2019	2018
Gain/(loss) on capital transactions		
- Disposals of property, plant and equipment and intangible assets		
- Disposals/contributions of shares and securities	2	23
Income/(expense) relating to operations	(2)	(1)
Exceptional provisions	(1)	1
Net exceptional income/(expense)	**-**	**23**

13. Income tax expense

Accounting policies and methods

Under the group tax regime agreement between VINCI SA and those subsidiaries that are members of the tax group, tax savings made by the tax group connected with the tax losses of some subsidiaries are recognised by the parent company as income for the period.

Provisions for tax taken and reversed are recorded here.

The line item "Income tax expense" records income and expense connected with the group tax regime of which VINCI is the lead company.

There was net tax income of €140 million in 2019, compared with net tax income of €193 million in 2018.
Tax income in respect of 2019 received from subsidiaries that are members of the tax group amounted to €1,250 million (€1,010 million in 2018) and the tax expense due by VINCI was €1,109 million (€802 million in 2018).

14. Related companies

14.1 Balance sheet

Balance sheet items at 31 December 2019 in respect of related companies break down as follows:

(in € millions)	
Assets	
Non-current assets	
Investments in subsidiaries and affiliates	20,881
Receivables connected with investments in subsidiaries and affiliates	13,652
Current assets	
Trade receivables and related accounts	392
Other receivables	138
Cash management current accounts of related companies	855
Equity and liabilities	
Borrowings and financial debt	
Other liabilities related to investments in subsidiaries and affiliates	6,754
Cash management current accounts of related companies	3,256
Trade and other operating payables	
Liabilities related to non-current assets and related accounts	(1)
Trade payables and related accounts	29
Other payables	73

14.2 Income statement

The transactions with related companies recorded in 2019 break down as follows:

(in € millions)	
Financial income	**2,467**
Cash management current accounts	9
Loans to subsidiaries	92
Dividends (including results of joint ventures)	2,069
Other	296
Financial expense	**(4)**
Cash management current accounts	(4)

15. Off-balance sheet commitments

(in € millions)	31/12/2019	31/12/2018
Sureties and guarantees	535	575
Retirement benefit obligations	42	36
Total	**577**	**611**

The line item "Sureties and guarantees" relates mainly to the guarantees given on behalf of subsidiaries by the parent company in favour of financial institutions or directly to their customers.

Retirement benefit obligations comprise lump sums payable on retirement to the parent company's personnel and supplementary pension benefits in favour of certain Group employees or company officers in service.

16. Remuneration and employees

Remuneration of executives

Remuneration, including social benefit charges, recognised in respect of members of Group corporate management bodies, for the share borne by VINCI in 2019, breaks down as follows:

(in € thousands)	Members of the Executive Committee	Directors who are not members of the Executive Committee
Remuneration	13,561	-
Remuneration as Board members	-	1,320

Retirement benefit obligations towards members of corporate governing bodies, corresponding to the rights acquired as at 31 December 2019, break down as follows:

(in € thousands)	Members of the Executive Committee	Directors who are not members of the Executive Committee
Retirement benefit obligations	33,376	8,282

The members of the corporate governing bodies also benefit from performance share plans.

Average numbers employed

The average number of people employed by the Company was 305 (including 238 engineers and managers) in 2019, as opposed to 282 (including 227 engineers and managers) in 2018. In addition, 27 employees on average were seconded to VINCI by subsidiaries or external suppliers in 2019 (including 21 engineers and managers) as opposed to 26 in 2018.

Personal training account (CPF)

In application of CNC Opinion 2004 F relating to the recognition of the individual entitlement to training, VINCI has taken no provisions for these rights in the financial statements for the period ended 31 December 2019.
Since 1 January 2015, personal training accounts have been managed by an accredited fund collection agency (OPCA).

D. Post-balance sheet events

17. Appropriation of 2019 income

The Board of Directors finalised the financial statements for the year ended 31 December 2019 on 4 February 2020. These financial statements will only become definitive when approved by the Shareholders' General Meeting to be held on 9 April 2020. A resolution will be put to shareholders in that meeting for the payment of a dividend of €3.05 per share in respect of 2019. Taking account of the interim dividend already paid in November 2019 (€0.79 per share), this means that the final dividend will be €2.26 per share, representing a total of around €1,694 million on the basis of the shares giving a right to dividends at the date of the meeting of the Board of Directors called to approve the financial statements, i.e. 4 February 2020.

E. Subsidiaries and affiliates at 31 December 2019

The information in the following table reflects only the individual financial statements of the subsidiaries.

(in € millions)	Capital	Reserves and retained earnings before net income appropriation	Share of capital held (%)	Carrying value of shares held		Loans and advances made by VINCI	Sureties and guarantees given by VINCI	Revenue excl. tax in the last financial year	Net income/ (loss) in the last financial year	Dividends received by VINCI
				Gross	**Net**					
A - Detailed information by entity										
1 - Subsidiaries (at least 50%-owned by VINCI)										
a - French entities										
VINCI Concessions	4,306.9	2,454.9	100%	6,535.9	6,535.9			108.2	1,361.3	1,003.7
VINCI Construction	162.8	975.4	100%	1,313.3	1,313.3	315.9		13.1	163.2	
VINCI Energies	123.1	1,054.6	99.34%	1,041.3	1,041.3			91.0	246.1	217.8
Eurovia	366.4	389.7	100%	1,034.2	1,034.2				75.2	
VINCI Immobilier	39.6	88.7	100%	111.4	111.4	330.3		142.4	44.2	
VINCI Colombie	70.0		100%	70.0	70.0	9.3		-	-	
VINCI Assurances	-	0.1	99.44%	-	-			11.9	2.6	2.3
b - Foreign entities										
VINCI Deutschland	16.1	20.1	100%	54.2	54.2				145.3	60.0
VINCI Finance International	4,788.7	35.7	100%	4,788.7	4,788.7	1,097.5		-	43.5	27.8
2 - Affiliates (10%- to 50%-owned by VINCI)										
a - French entities										
VINCI Autoroutes	5,237.5	5,023.1	45.91%	5,908.5	5,908.5	668.5		14.3	1,660.8	757.5
b - Foreign entities										
B - Information not broken down by entity										
1 - Subsidiaries not included in paragraph A (at least 50%-owned by VINCI)										
a - French subsidiaries (in aggregate)				30.7	21.8					
b - Foreign subsidiaries (in aggregate)				2.1	-					
2 - Affiliates not included in paragraph A (10%- to 50%-owned by VINCI)										
a - French companies (in aggregate)				0.4	0.2					
b - Foreign companies (in aggregate)				0.1	-					

NB: the revenue and net income of foreign subsidiaries and affiliates are translated at the closing exchange rates.
Information about affiliates representing less than 1% of VINCI's share capital is aggregated, in accordance with Article R.123-197-2 of the French Commercial Code.

Five-year financial summary

	2015	2016	2017	2018	2019
I - Share capital at the end of the period					
a - Share capital *(in € thousands)*	1,471,133	1,473,264	1,478,042	1,493,790	1,513,094
b - Number of ordinary shares in issue (1)	588,453,075	589,305,520	591,216,948	597,515,984	605,237,689
II - Operations and net income for the period *(in € thousands)*					
a - Revenue excluding taxes	12,335	13,129	12,102	16,491	17,542
b - Income before tax, employee profit sharing, amortisation and provisions	6,853,659	4,631,226	327,610	1,246,812	2,173,119
c - Income tax (2)	(234,008)	(186,628)	(214,558)	(193,370)	(140,157)
d - Income after tax, employee profit sharing, amortisation and provisions	7,126,347	4,744,753	468,877	1,274,680	2,263,108
e - Earnings for the period distributed	1,018,529	1,163,058	1,357,933	1,481,262	1,694,454 (3)(4)
III - Results per share *(in €)* (5)					
a - Income after tax and employee profit sharing and before amortisation and provisions	12.0	8.2	0.9	2.4	3.8
b - Income after tax, employee profit sharing, amortisation and provisions	12.1	8.1	0.8	2.1	3.7
c - Net dividend paid per share	1.84	2.10	2.45	2.67	3.05
IV - Employees					
a - Average numbers employed during the period	233	254	267	282	305
b - Gross payroll cost for the period *(in € thousands)*	25,709	25,887	27,468	28,065	32,348
c - Social security costs and other social benefit expenses *(in € thousands)*	12,843	13,125	16,978	16,994	19,270

(1) There were no preferential shares in issue in the period under consideration.
(2) Taxes recovered from subsidiaries under tax consolidation arrangements, less VINCI's own tax charge (sign convention = (net income) / net expense).
(3) Calculated on the basis of the number of shares that gave a right to the interim dividend on 1 January 2019 and/or give a right to dividends at the date of approval of the financial statements, i.e. 4 February 2020.
(4) Proposed to the Shareholders' General Meeting of 9 April 2020.
(5) Calculated on the basis of shares outstanding at 31 December.

Report of the Statutory Auditors on the parent company financial statements

For the year ended 31 December 2019

To VINCI's Shareholders' General Meeting,

1. Opinion

In accordance with our appointment as Statutory Auditors by the Shareholders' General Meeting, we have audited the accompanying parent company financial statements of VINCI for the year ended 31 December 2019.
In our opinion, the parent company financial statements for the year give a true and fair view of the financial position, the assets and liabilities, and the results of the Company, in accordance with generally accepted accounting principles in France.
The opinion formulated above is consistent with the content of our report to the Audit Committee.

2. Basis of our opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the information that we collected provides a sufficient and appropriate basis for our opinion.
Our responsibilities under those standards are stated in the "Responsibilities of the Statutory Auditors in relation to auditing the parent company financial statements" section of this report.

Independence

We conducted our audit in accordance with the independence rules applicable to us between 1 January 2019 and the date on which we issued our report, and in particular we did not provide any services forbidden by Article 5, paragraph 1 of Regulation (EU) No. 537/2014 or by the code of conduct of the statutory audit profession in France.

3. Justification of our assessments - Key audit matters

As required by Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we must inform you of the key audit matters, relating to what were, in our professional judgment, the main risks of material misstatement in relation to our audit of the year's parent company financial statements, and our responses to those risks.
Those assessments were made in the context of our audit of the parent company financial statements taken as a whole and in the formation of our opinion stated above. We do not provide a separate opinion on specific items of the parent company financial statements.

Assessment of investments in subsidiaries and affiliates

Note B.2 to the parent company financial statements

Description of the risk

At 31 December 2019, the net carrying amount of investments in subsidiaries and affiliates was €20,879 million, equal to 47% of total assets. They are recognised on the balance sheet at their acquisition cost. Where that cost is greater than the asset's value in use, an impairment allowance is taken equal to the difference, as an exceptional item. Value in use is determined on the basis of the portion of the equity represented by the investments. This portion is adjusted, if necessary, according to the cash flow forecasts of the relevant companies.
Given the extent of the investments in subsidiaries and affiliates on the balance sheet and their sensitivity to changes in the data and assumptions on which management bases its estimates when determining cash flow forecast adjustments, we took the view that assessing the value in use of investments in subsidiaries and affiliates was a key audit matter that presented a risk of material misstatement.

Audit work performed

For investments in subsidiaries and affiliates that are material or present a specific risk, we:
- verified, on a test basis, the arithmetic accuracy of the value in use calculations used by the Company and any impairment charges recognised;
- checked that the equity figures used in impairment tests agreed with the financial statements of audited entities and that any adjustments made to equity were based on appropriate documentation;
- checked, on the basis of the information provided to us, that value in use estimates made by management were based on an appropriate justification of the valuation method and figures used.

4. Specific verifications

We also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information provided in the management report of the Board of Directors and in other documents concerning the financial position and parent company financial statements addressed to the shareholders

We are satisfied that the information given in the management report of the Board of Directors and in the documents concerning the financial position and parent company financial statements addressed to the shareholders is fairly stated and agrees with the parent company financial statements.

We attest to the fair presentation and the consistency with the parent company financial statements of the information given with respect to the payment terms referred to in article D.441-4 of the French Commercial Code.

Information on corporate governance

We confirm that the section of the Board of Directors' management report devoted to corporate governance contains the information required by Articles L.225-37-3 and L.225-37-4 of the French Commercial Code.
As regards the information provided pursuant to the provisions of Article L.225-37-3 of the French Commercial Code on remuneration and benefits paid to and commitments made to the directors and executive officers, we have verified that this information is consistent with the parent company financial statements or the data used to prepare the parent company financial statements, and, where applicable, the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we confirm that this information is accurate and fairly presented.
As regards information relating to items that your Company considered capable of having an impact in the event of a public tender or exchange offer, provided in accordance with Article L.225-37-5 of the French Commercial Code, we have checked that it is consistent with the documents from which it originates and that were sent to us. On the basis of our work, we have no observations to make on that information.

Other information

As required by law, we have satisfied ourselves that information relating to the identity of owners of capital and voting rights has been provided to you in the Board of Directors' management report.

5. Information resulting from other statutory and regulatory obligations

Appointment of the Statutory Auditors

Deloitte & Associés was appointed as Statutory Auditor of VINCI at the Shareholders' General Meeting of 23 June 1989, taking into account mergers and acquisitions of firms since that date, and PricewaterhouseCoopers Audit was appointed as Statutory Auditor of VINCI at the Shareholders' General Meeting of 17 April 2019.
At 31 December 2019, Deloitte & Associés was in its 31st year and PricewaterhouseCoopers Audit was in its first year of total uninterrupted engagement.

6. Responsibilities of management and persons involved in corporate governance in relation to the parent company financial statements

Management is responsible for preparing parent company financial statements that present a true and fair view, in accordance with generally accepted accounting principles in France, and for setting up the internal controls it deems necessary for preparing parent company financial statements that do not contain any material misstatements, whether due to fraud or error.
When preparing the parent company financial statements, management is responsible for assessing the Company's ability to continue as a going concern, for presenting in those statements any necessary information relating to its status as a going concern, and for applying the accounting concept of going concern, except where there is a plan to liquidate the Company or discontinue its operations.
The Audit Committee is responsible for monitoring the process of preparing the financial information and for monitoring the effectiveness of internal control and risk management systems, and internal audit systems as the case may be, as regards procedures relating to the preparation and treatment of accounting and financial information.
The parent company financial statements have been approved by the Board of Directors.

7. Responsibilities of the Statutory Auditors in relation to auditing the parent company financial statements

Audit objective and procedure

Our responsibility is to prepare a report on the parent company financial statements. Our objective is to obtain reasonable assurance about whether the parent company financial statements, taken as a whole, are free of material misstatement. Reasonable assurance means a high level of assurance, although there is no guarantee that an audit conducted in accordance with professional standards will systematically detect all material misstatements. Misstatements may arise from fraud or error, and are regarded as material when they can reasonably be expected, individually or together, to influence the economic decisions that users of the parent company financial statements take on the basis of those statements.

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As stated by Article L.823-10-1 of the French Commercial Code, our audit assignment does not involve guaranteeing the viability of your Company or the quality of its management.
When conducting an audit in accordance with professional standards in France, Statutory Auditors use their professional judgment throughout the audit. In addition:

- they identify and assess the risks that the parent company financial statements contain material misstatements, whether through fraud or error, define and implement audit procedures to address those risks, and collect information that they regard as sufficient and appropriate as the basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, because fraud may involve collusion, falsification, voluntary omissions, false statements or the circumvention of internal controls;
- they familiarise themselves with the internal controls relevant to the audit, in order to define audit procedures appropriate to the situation in hand, and not in order to express an opinion on the effectiveness of internal control;
- they assess the appropriateness of accounting policies adopted and the reasonableness of accounting estimates made by management, along with information about those estimates provided in the parent company financial statements;
- they assess whether management has applied appropriately the going concern convention and, based on information collected, whether or not there is a material uncertainty arising from events or circumstances likely to call into question the Company's ability to continue as a going concern. That assessment is based on information collected until the date of the auditors' report, although it should be borne in mind that subsequent circumstances or events may call into question the Company's status as a going concern. If the auditors conclude that there is a material uncertainty, they draw the attention of those reading their report to information provided in the parent company financial statements in relation to that uncertainty or, if that information is not provided or is not relevant, they certify the financial statements with reservations or refuse to certify them;
- they assess the overall presentation of the parent company financial statements and assess whether the parent company financial statements reflect the underlying operations and events so that they give a true and fair view.

Report to the Audit Committee

We submit a report to the Audit Committee that includes the extent of audit work and the schedule of work performed, along with the conclusions arising from our work. We also make it aware, as the case may be, of any material internal control weaknesses that we have identified regarding procedures for preparing and treating accounting and financial information.
The information in the report to the Audit Committee includes what we regard as the main risks of material misstatements with respect to the audit of the year's parent company financial statements, and which are therefore the key audit matters. It is our role to describe those points in the present report.

We also provide the Audit Committee with the declaration provided for by Article 6 of Regulation (EU) No. 537/2014 confirming our independence, within the meaning of the rules applicable in France, as determined in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the code of conduct of the statutory audit profession in France. As the case may be, we discuss with the Audit Committee any risks to our independence and the safeguard measures applied.

Neuilly sur Seine and Paris La Défense, 7 February 2020
The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Bertrand Baloche	Bernard Gainnier	Mansour Belhiba	Sami Rahal

This is a free translation into English of the Statutory Auditors' report on the parent company financial statements issued in French and it is provided solely for the convenience of English-speaking users.
This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Special report of the Statutory Auditors on regulated agreements

To the Shareholders of VINCI,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on the information provided to us, the principal terms and conditions of those agreements brought to our attention, or which we may have discovered in the course of our audit, as well as the reasons put forward for their benefit to the Company, without having to express an opinion on their usefulness and appropriateness or identify such other agreements, if any. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code, to assess the advantages of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R.225-31 of the French Commercial Code relating to the implementation during the past financial year of any agreements previously approved at the Shareholders' General Meeting.

We have carried out the procedures we considered necessary in accordance with the professional guidelines of the Compagnie Nationale des Commissaires aux Comptes (CNCC, the representative body of the statutory audit profession in France) relating to this engagement. Those procedures involved checking whether the information given to us was consistent with the underlying documents from which it was derived.

Agreements submitted for approval at the Shareholders' General Meeting

Agreements authorised and executed during the past financial year

We hereby inform you that we have not been advised of any agreements that were authorised and executed during the past financial year and that must be submitted for approval at the Shareholders' General Meeting in application of the provisions of Article L.225-38 of the French Commercial Code.

Agreements previously approved at the Shareholders' General Meeting

Agreements approved during previous financial years that remained in force during the past financial year

We hereby inform you that we have not been advised of any agreements previously approved at the Shareholders' General Meeting that remained in force during the past financial year.

Neuilly sur Seine and Paris La Défense, 7 February 2020
The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit		Deloitte & Associés	
Bernard Gainnier	Bertrand Baloche	Sami Rahal	Mansour Belhiba

Persons responsible for the universal registration document

1. Statement by the person responsible for the universal registration document

"I declare, having taken all due care, that to the best of my knowledge, the information presented in this universal registration document gives a true and fair view and that there are no omissions likely to materially affect the meaning of the said information.

"I confirm that, to the best of my knowledge, the financial statements have been prepared in compliance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all consolidated entities. I also confirm that the Report of the Board of Directors that starts on page 123 presents a true and fair view of business developments, the results and the financial position of the Company and all consolidated entities, as well as a description of the principal risks and uncertainties that they face."

Xavier Huillard, Chairman and Chief Executive Officer, VINCI

2. Statutory Auditors

Names of the Statutory Auditors

Statutory Auditors

PricewaterhouseCoopers Audit
63 rue de Villiers
92200 Neuilly sur Seine
France
(Bertrand Baloche and Bernard Gainnier)

First appointed: 17 April 2019
Current term of office ends at the close of the Shareholders' General Meeting called to approve the financial statements for the year ending 31 December 2024.

Deloitte & Associés
6 place de la Pyramide
92908 Paris La Défense Cedex
France
(Sami Rahal and Mansour Belhiba)

First appointed: 30 May 2001
Current term of office ends at the close of the Shareholders' General Meeting called to approve the financial statements for the year ending 31 December 2024.

The Company's Statutory Auditors are registered with the Compagnie Nationale des Commissaires aux Comptes (the official French statutory auditors' representative body) and are subject to the authority of the Haut Conseil du Commissariat aux Comptes (the French public authority charged with the supervision of the statutory audit profession).

3. Persons responsible for financial information

Christian Labeyrie, Executive Vice-President and Chief Financial Officer and member of the Executive Committee (+33 1 47 16 35 23).
Pierre Duprat, Vice-President, Corporate Communications and member of the Executive Committee (+33 1 47 16 44 06).
Jocelyne Vassoille, Vice-President, Human Resources and member of the Executive Committee (+33 1 47 16 37 58).
Patrick Richard, General Counsel, Secretary to the Board of Directors and member of the Executive Committee (+33 1 47 16 31 05).

4. Information incorporated by reference

In application of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council, the following information referred to in this universal registration document is deemed to have been provided thereby:

• the 2018 IFRS consolidated financial statements and the 2018 parent company financial statements prepared in accordance with the rules applicable in France, the associated reports of the Statutory Auditors, and sections 9 and 10 of the cross-reference table shown on pages 262-336, 341-355 and 362-363 respectively of the 2018 registration document (https://www.vinci.com/publi/vinci/2018-vinci-annual-report.pdf) filed with the AMF on 27 February 2019 under the number D.19-0079;

• the 2017 IFRS consolidated financial statements and the 2017 parent company financial statements prepared in accordance with the rules applicable in France, the associated reports of the Statutory Auditors, and sections 9 and 10 of the cross-reference table shown on pages 230-300, 305-319 and 328 respectively of the 2017 registration document (https://www.vinci.com/publi/vinci/2017-vinci-annual-report.pdf) filed with the AMF on 26 February 2018 under the number D.18-0076.

5. Documents available for public consultation

All the documents defined in Article L.451-1-2 of the French Monetary and Financial Code and Article 221-3 of the General Regulation of the AMF are available on the Company's website (www.vinci.com).
VINCI's Articles of Association may be consulted at the Company's registered office at 1 cours Ferdinand de Lesseps, 92500 Rueil Malmaison, France (+33 1 47 16 31 05) and on the Company's website (www.vinci.com).

Cross-reference table for the universal registration document

The table below lists the items required by Annex 1 to Commission Delegated Regulation (EU) No. 2019/980 of 14 March 2019 and indicates the page references for the corresponding information within this universal registration document.

Cross-reference table for the annual financial report

To help read this universal registration document, the following cross-reference table identifies the main information in the annual financial report that must be disclosed by listed companies in compliance with Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulation of the Autorité des Marchés Financiers (AMF, the French securities regulator).

Cross-reference table for workforce-related, social and environmental information

Introduction to the universal registration document	Page in the universal registration document	Non-financial performance statement	Global Reporting Initiative indicator (by code)
Non-financial performance statement	15	Description of the company's business model, or, where applicable, the business model of the group of companies for which the company prepares consolidated financial statements	
	182-184	Description of the main risks related to the activities of the company or group of companies	
	191-260	Description of the policies applied by the company or the group of companies and the results of these policies, including the key performance indicators	

Sections of chapter E of the Report of the Board of Directors, "Workforce-related, social and environmental information"	Page in the universal registration document	Non-financial performance statement	Global Reporting Initiative indicator (by code)
Workforce-related performance			
Employees			
Workforce	194	Workforce by gender, age and geographical area	GRI 102-7, GRI 102-8, GRI 401-1, GRI 405-1
Types of employment contract, and changes	194		-
Recruitment and departures	195	Recruitment and redundancies	GRI 401-1
Commitment to promote integration	195		-
Health, safety and security of employees, temporary staff and subcontractors			
General health and safety policy	195	Health and safety conditions in the workplace	GRI 102-14
Health and safety of employees	196-197	Health and safety conditions in the workplace Occupational accidents, particularly their frequency and severity, and occupational illnesses	GRI 403
Health and safety of temporary staff	197-198	Health and safety conditions in the workplace Occupational accidents, particularly their frequency and severity, and occupational illnesses	GRI 403
Health and safety of subcontractors	198	Health and safety conditions in the workplace	GRI 102-14
Security of personnel	198		
Employability and skills development			
General policy for employability and skills development	198-199	Training policies implemented	GRI 404-2, GRI 404-3
Skills development and training	199-201	Total hours of training	GRI 404-1, GRI 412-2
Remuneration and sharing the benefits of performance	201-203	Remuneration and its change	GRI 105-35, GRI 102-36, GRI 102-37, GRI 401-2, GRI 405-2
Relations between management and labour			
General policy regarding dialogue between management and labour	203	Organisation of labour relations, employee notification, negotiation and consultation procedures	GRI 402-1
Measures taken to promote dialogue between management and labour, and their results	204		
Inclusion and diversity			
General policy to promote inclusion and diversity	204-205	Non-discrimination policy	GRI 405-1
Measures to promote gender equality	205-206	Measures to promote gender equality	
Measures to promote the employment of people with disabilities	206	Measures to promote the employment and social integration of people with disabilities	
Social performance			
Socio-economic contribution to regions			
Measurement of socio-economic footprint in France	209-210	Impact of the company's business on employment and local development	-
Measures to maintain social cohesion in regions and develop employment	210-214	Impact of the company's business on local populations	-
General policy relating to dialogue with stakeholders	214	Relations with civil society stakeholders and methods used to maintain dialogue with them	GRI 102-21, GRI 102-42, GRI 102-43, GRI 102-44
General policy relating to dialogue with customers and end users	214-215		GRI 102-42, GRI 102-43, GRI 102-44
Relations with suppliers and subcontractors			
Responsible purchasing policy	216-217	Taking social and environmental issues into account in purchasing processes	GRI 204
Sustainable relations with local suppliers and subcontractors	217	Encouraging suppliers and subcontractors to promote sustainability principles	-
Taking social and environmental criteria into account in purchasing	218	Taking social and environmental issues into account in purchasing processes	GRI 204
Respect for human rights			
General policy in the area of human rights	218-219	Initiatives to promote human rights, particularly those included in the fundamental conventions of the International Labour Organisation (ILO)	GRI 406-1, GRI 407, GRI 408-1, GRI 409-1, GRI 411-1, GRI 412

Sections of chapter E of the Report of the Board of Directors, "Workforce-related, social and environmental information"	Page in the universal registration document	Non-financial performance statement	Global Reporting Initiative indicator (by code)
Business ethics			
General approach to business ethics	219-220	Initiatives to prevent corruption	GRI 102-16, GRI 102-17, GRI 205-2
Measures implemented to promote business ethics	220-221	Corruption	GRI 205-1, GRI 205-2
Measures implemented in the area of tax planning	221	Tax avoidance	-
Environmental performance			
Ambition for the environment			
Internal governance	222	Company organisation to take into account environmental issues and any environmental assessments or certification	GRI 102-18
Turning risk management into opportunity	222-223	Resources devoted to preventing environmental risks and pollution	GRI 102-33, GRI 102-34, GRI 103-3
Employee awareness initiatives	223-224	Training policies implemented, particularly in the area of environmental protection	-
Environmental reporting coverage and scope	224	Company organisation to take into account environmental issues and any environmental assessments or certification	GRI 102-45, GRI 102-46, GRI 102-47, GRI 102-56
Dialogue with stakeholders	224-225	Partnerships and sponsorship	GRI 102-43
Environmental solutions	225		-
Climate change			
Climate change goals	225-226	Voluntary medium- and long-term greenhouse gas reduction targets and the resources deployed to achieve them	GRI 305-5
Measures to address and adapt to climate change	226	Measures taken to adapt to the consequences of climate change	-
Cross-business action plans	226		GRI 305-4
Energy consumption	226-227	Energy consumption, measures to improve energy efficiency and the use of renewable energy	GRI 302-1, GRI 302-3, GRI 302-4, GRI 302-5
Use of renewable energy	227		-
Greenhouse gas emissions	228-229	Significant sources of greenhouse gas emissions produced from the company's activities, particularly through the use of the goods and services that it produces	GRI 305-1, GRI 305-2, GRI 305-3
Adapting to climate change	229	Measures taken to adapt to the consequences of climate change	-
Solutions to combat climate change	229-230		-
Circular economy			
Supporting the circular economy	230	Measures to prevent, recycle, reuse and otherwise recover or process waste	-
Responsible sourcing	231	Raw materials consumption and measures to improve the efficiency of their use	GRI 301-1
Improving waste sorting and recovery	231-232	Measures to prevent, recycle, reuse and otherwise recover or process waste	GRI 306-2
Recycling of materials	232		GRI 301-2
Circular economy solutions	232-233		-
Natural environments			
Goals to protect natural environments	233	Measures to conserve or restore biodiversity	-
Actions to protect natural environments	233-236	Measures to prevent, reduce and remediate air, water and soil pollution seriously affecting the environment	-
		Consideration of all forms of pollution specific to a given activity, particularly noise and light pollution	-
		Land use	-
Pollution and incidents	233	Consideration of all forms of pollution specific to a given activity, particularly noise and light pollution	-
Water and aquatic environments	234-235	Water consumption and supply	GRI 303-3, GRI 303-5
Biodiversity conservation	235-236	Measures to conserve or restore biodiversity	GRI 304-2, GRI 304-3
Solutions for protecting natural environments	236-237		

GLOSSARY

Cash flows from operations before tax and financing costs (Ebitda): Ebitda corresponds to recurring operating income adjusted for additions to depreciation and amortisation, changes in non-current provisions and non-current asset impairment, gains and losses on asset disposals. It also includes restructuring charges included in non-recurring operating items.

Concession subsidiaries' revenue from works done by non-Group companies: this indicator relates to construction work done by concession companies as programme manager on behalf of concession grantors. Consideration for that work is recognised as an intangible asset or financial asset depending on the accounting model applied to the concession contract, in accordance with IFRIC 12 "Service Concession Arrangements". It excludes work done by Contracting business lines.

Cost of net financial debt: the cost of net financial debt comprises all financial income and expense relating to net financial debt as defined below. It therefore includes interest expense and income from interest rate derivatives allocated to gross debt, along with financial income from investments and cash equivalents. The reconciliation between this indicator and the income statement is detailed in the notes to the Group's consolidated financial statements.

Ebitda margin, Ebit margin and recurring operating margin: ratios of Ebitda, Ebit, or recurring operating income to revenue excluding concession subsidiaries' revenue from works done by non-Group companies.

Free cash flow: free cash flow is made up of operating cash flow and growth investments in concessions and public-private partnerships (PPPs).

Like-for-like revenue growth: this indicator measures the change in revenue at constant scope and exchange rates.

- Constant scope: the scope effect is neutralised as follows.
  - For revenue in year N, revenue from companies that joined the Group in year N is deducted.
  - For revenue in year N-1, the full-year revenue of companies that joined the Group in year N-1 is included, and revenue from companies that left the Group in years N-1 and N is excluded.
- Constant exchange rates: the currency effect is neutralised by applying exchange rates in year N to foreign currency revenue in year N-1.

Net financial surplus/debt: this corresponds to the difference between financial assets and financial debt. If the assets outweigh the liabilities, the balance represents a net financial surplus, and if the liabilities outweigh the assets, the balance represents net financial debt. Financial debt includes bonds and other borrowings and financial debt (including derivatives and other liabilities relating to hedging instruments). Financial assets include cash and cash equivalents and assets relating to derivative instruments.
Until 31 December 2018, financial debt included liabilities consisting of the present value of lease payments remaining due in respect of finance leases as defined by IAS 17 (€166 million at 31 December 2018). On 1 January 2019, IAS 17 was replaced by IFRS 16, which specifies a single method for recognising leases. The Group now recognises a right to use under non-current assets, along with a liability corresponding to the present value of lease payments still to be made. That liability is not included in net financial surplus/debt as defined by the Group, and is presented directly on the balance sheet.

Non-recurring operating items: non-recurring income and expense mainly includes goodwill impairment losses, restructuring charges and income and expense relating to changes in scope (capital gains or losses on disposals of securities and the impact of changes in control).

Operating cash flow: operating cash flow is a measurement of cash flows generated by the Group's ordinary activities. It is made up of Ebitda, the change in operating working capital requirement and current provisions, interest paid, income taxes paid, dividends received from companies accounted for under the equity method, operating investments net of disposals and repayments of lease liabilities and the associated financial expense. Operating cash flow does not include growth investments in concessions and public-private partnerships (PPPs).

Operating income: this indicator is included in the income statement. Operating income is calculated by taking recurring operating income and adding non-recurring income and expense (see below).

Operating income from ordinary activities (Ebit): this indicator is included in the income statement.
Ebit measures the operational performance of fully consolidated Group subsidiaries. It excludes share-based payment expense (IFRS 2), other recurring operating items (including the share of the profit or loss of companies accounted for under the equity method) and non-recurring operating items.

Order book
• In the Contracting business (VINCI Energies, Eurovia, VINCI Construction), the order book represents the volume of business yet to be carried out on projects where the contract is in force (in particular after service orders have been obtained or after conditions precedent have been met) and financed.
• At VINCI Immobilier, the order book corresponds to the revenue, recognised on a progress-towards-completion basis, that is yet to be generated on a given date with respect to property sales confirmed by a notarised deed or with respect to property development contracts on which the works order has been given by the project owner.

Order intake
• In the Contracting business lines (VINCI Energies, Eurovia, VINCI Construction), a new order is recorded when the contract has been not only signed but is also in force (for example, after the service order has been obtained or after conditions precedent have been met) and when the project's financing is in place. The amount recorded in order intake corresponds to the contractual revenue.
• At VINCI Immobilier, order intake corresponds to the value of properties sold off-plan or sold after completion in accordance with a notarised deed, or revenue from property development contracts where the works order has been given by the project owner.

For joint property developments:

- If VINCI Immobilier has sole control over the development company, it is fully consolidated. In that case, 100% of the contract value is included in order intake.
- If the development company is jointly controlled, it is accounted for under the equity method and its order intake is not included in the total.

Public-private partnership – concessions and partnership contracts: public-private partnerships are forms of long-term public-sector contracts through which a public authority calls upon a private-sector partner to design, build, finance, operate and maintain a facility or item of public infrastructure and/or manage a service.
In France, a distinction is drawn between concessions (for works or services) and partnership contracts.
Outside France, there are categories of public contracts – known by a variety of names – with characteristics similar to those of the French concession and partnership contracts.
In a concession, the concession holder receives a toll (or other form of remuneration) directly from users of the infrastructure or service, on terms defined in the contract with the public-sector authority that granted the concession. The concession holder therefore bears "traffic level risk" related to the use of the infrastructure.
In a partnership contract, the private partner is paid by the public authority, the amount being tied to performance targets, regardless of the infrastructure's level of usage. The private partner therefore bears no traffic level risk.

Recurring operating income: this indicator is included in the income statement. Recurring operating income is intended to present the Group's operational performance excluding the impact of non-recurring transactions and events during the period. It is obtained by taking operating income from ordinary activities (Ebit) and adding the IFRS 2 expense associated with share-based payments (Group savings plans and performance share plans), the Group's share of the profit or loss of subsidiaries accounted for under the equity method, and other recurring operating income and expense. The latter category includes recurring income and expense relating to companies accounted for under the equity method and to non-consolidated companies (financial income from shareholder loans and advances granted by the Group to some of its subsidiaries, dividends received from non-consolidated companies, etc.).

VINCI Autoroutes motorway traffic: this is the number of kilometres travelled by light and heavy vehicles on the motorway network managed by VINCI Autoroutes during a given period.

VINCI Airports passenger traffic: this is the number of passengers who have travelled on commercial flights from or to a VINCI Airports airport during a given period.

AUTORITÉ
DES MARCHÉS FINANCIERS

AMF

This universal registration document was filed on 2 March 2020 with the Autorité des Marchés Financiers (AMF, the French securities regulator), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.

The universal registration document may be used for the purposes of an offer to the public of securities or the admission of securities to trading on a regulated market if accompanied by a prospectus or securities note as well as a summary of all amendments, if any, made to the universal registration document. The set of documents thus formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

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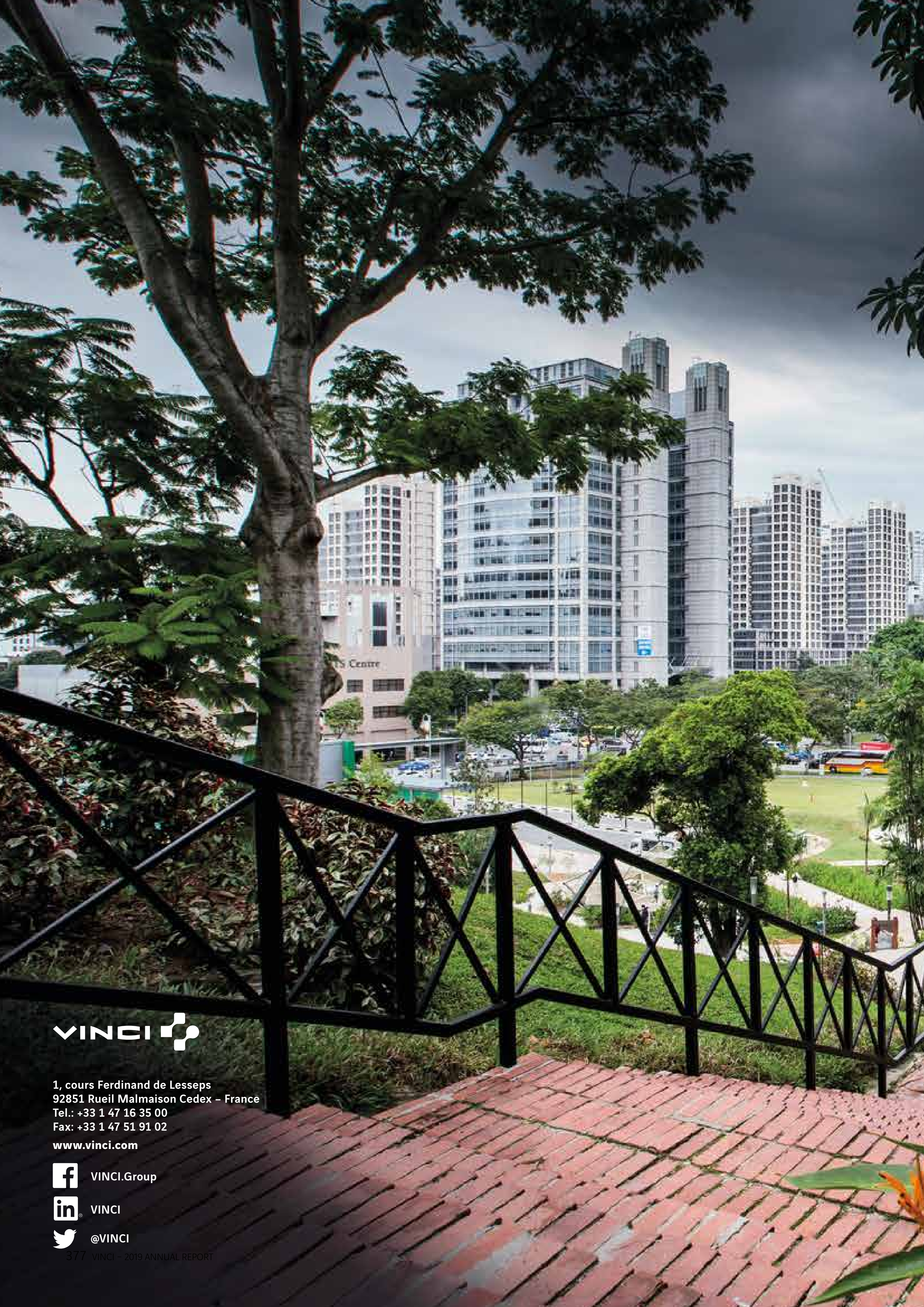

1, cours Ferdinand de Lesseps
92851 Rueil Malmaison Cedex – France
Tel.: +33 1 47 16 35 00
Fax: +33 1 47 51 91 02
www.vinci.com

VINCI.Group

VINCI

@VINCI