RESPONSIBLE DEVELOPMENT

INTRODUCTION

Colas’ approach to responsible development (see www.colas.com) is based on the dual conviction that its businesses help fulfill needs and aspirations, and that they must be conducted in a responsible manner. Colas has to take into account the expectations and contradictions of contemporary society: social cohesion, climate change, transportation needs, improving living conditions, etc.

As the cornerstone of this approach, the policy implemented and deployed across the Group is guided by three strategic targets and five major targets.

The three strategic priorities are crucial for the development and long-term success of Colas’ activities, each of which enjoys its scope of action: the renewal and enrichment of human capital, community acceptance of production sites, and ethics. With respect to its human resources, the Group’s key areas for priority action are attraction of talent, diversity (professional integration, disabilities, gender balance, older workers), employee retention and training. The action plans implemented to ensure community acceptance of production sites have two principal objectives: ensuring that production sites carry out their operations in an exemplary manner (environmental certification, in particular under ISO 14001, checklists used for risk prevention) and maintaining open lines of communication with local populations. In addition, Colas makes no compromises when it comes to its ethical principles, which are an integral part of the Group’s internal control procedures.

Colas’ scope for action may be more limited in relation to its five major targets, even though some, such as energy, may be considered every bit as important. These major targets are: safety; corporate citizenship in developing countries; energy and greenhouse gases; recycling; and chemical hazards.

For each of these targets, a policy of continuous improvement has been established and is coordinated at each level of the organization. Global performance indicators and goals have been specified in most cases. This approach seeks to foster a deep and lasting culture of continuous improvement in the field, throughout Colas’ 800 work centers and 1,400 materials production sites.

This motivation is also reflected in the wide variety of actions the Group’s business units undertake in their own communities. The vision of Colas’ business activities is thus enriched and transformed by the collective appropriation of CSR.

As far as the dialogue with non-contractual stakeholders is concerned, few issues justify a global and international approach, whereas exchanges at the local level are numerous, with neighboring residents, local governments, schools, the social sector, etc. Colas understands the importance of building a strong local presence throughout its worldwide network and seeks to maintain open lines of communication with local stakeholders at all times. To date, the sole relevant issue on a global level involves bitumen fumes, and Colas has played a major role in communicating with customers, scientists, employees, government labor departments and workplace health bodies. To encourage broader thinking on this issue, Colas takes part in strategy committees and commissions organized by various bodies bringing together a range of stakeholders, such as CORE at the INERIS and COS at the FRB. The Group is also working to give ever more meaning to its corporate philanthropy actions.

Following the global roll-out in 2010 of a new reporting tool designed to harmonize all indicators used by 770 of Colas’ legal entities, a number of improvements in the use of this tool and the reliability of the data obtained were made in 2011 and 2012 so as to monitor all indicators as accurately as possible.

In accordance with decree no.2012–557 of April 24, 2012 relating to the transparency obligations of companies in social and environmental fields (implementing article 225 of law no.2010–788 of July 12, 2010), the non-financial indicators for 2012 and the procedures used to collect these data were verified and certified by Ernst & Young on February 22, 2013.

CSR REPORTING

Pursuant to French decree no.2012–557 of April 24, 2012, on corporate social and environmental reporting requirements (article 225 of law no.2010–788 of July 12, 2010), Colas has reported its relevant employee, social and environmental information in its 2012 management report. Three types of information are provided in this document, each of which is identified as either an “indicator” with a “comment”, “other justification” (when no indicator is provided) and “qualitative information” (when the subject dealt with requires an explanation).

I – Employee information

Information concerning the Group’s employees covers all of the companies in which Colas has an equity interest.

With the exception of total workforces, Group company employee indicators are fully consolidated regardless of the percentage of Colas’ equity interest.

(1) Corporate social responsibility.
(2) See section on “Operational risks” (p. 34).
(3) Commission d’orientation de la recherche et de l’expertise (“research and expert evaluation steering committee”) at the Institut national de l’Environnement industriel et des Risques (the French national institute whose mission is to assess and prevent accidental and chronic risks to people and the environment originating from industrial activities, chemical substances and underground works).
(4) Comité d’orientation stratégique (“strategic steering committee”) at Fondation pour la recherche sur la Biodiversité, the French foundation for biodiversity research.
The workforce of companies that Colas controls are fully counted. Those of companies in which Colas has a 50% interest are counted at 50%, while those of other companies are excluded, except for industrial joint ventures (GIE) in Mainland France (mostly asphalt plants), all of the employees of which are included when Colas is responsible for the administrative management of these ventures (pursuant to the rules of the FNTP, the French national public works federation).

The reporting scope for the following indicators is the entire world: Workforce; Breakdown of men/women; Recruitment; Accident frequency rate and severity rate; Employees trained in first aid.

The data provided for the other indicators complies with specifically French standards or definitions. Given the differences in labor laws between countries and/or between international reporting standards, the reporting scope for the following indicators is currently limited to France: Workforce breakdown by age group; Number of dismissals; Average annual salary by employee status; Work time regimes; Absenteeism rate; Participation in employee elections; Number of collective bargaining agreements negotiated; Number of employees with an occupational illness; Work/study schemes; Training hours; and Disabled employees.

Data concerning French employees were taken from Human Resources Information System (HRIS) France, from January 1 to December 31.

Data concerning international employees are obtained from an annual survey over the twelve months from October 1 year N-1 to September 30 year N.

Safety and occupational illness data are obtained from an IT application used to record occupational accident and illness data and which has been deployed worldwide. These data are fully consolidated.

### A. EMPLOYMENT

#### A.1: TOTAL WORKFORCE AND BREAKDOWN OF EMPLOYEES BY SEX, AGE, AND GEOGRAPHICAL LOCATION

**Indicator: workforce by geographical location**

<table>
<thead>
<tr>
<th>Scope: World</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>38,277</td>
<td>38,132</td>
</tr>
<tr>
<td>International, including:</td>
<td>24,529</td>
<td>24,548</td>
</tr>
<tr>
<td>Europe</td>
<td>9,090</td>
<td>10,046</td>
</tr>
<tr>
<td>Indian Ocean / Africa / Middle East</td>
<td>8,610</td>
<td>8,128</td>
</tr>
<tr>
<td>North America</td>
<td>5,290</td>
<td>5,090</td>
</tr>
<tr>
<td>Asia / Pacific</td>
<td>1,539</td>
<td>1,284</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>62,806</strong></td>
<td><strong>62,680</strong></td>
</tr>
</tbody>
</table>

**Comment**

Colas’ total workforce as of December 31, 2012 was practically equivalent to that of December 31, 2011.

In France, the workforce is stable and is consistent with business activity.

In Europe, the 9.5% decrease in the workforce is mainly attributable to the adaptation of central European subsidiaries (i.e. restructuring in Hungary, Poland and Croatia), the decrease in activity and the sale of a subsidiary in Romania.

In the other regions, the increases are consistent with the growth of activity:

- +3.9% in North America;
- +5.9% in Indian Ocean / Africa / Middle East;
- +19.9% in the Asia / Pacific region.

**Note:** the figures provided for this indicator represent the total workforce at the end of each year and therefore do not account for variations over the year due to the seasonality of road construction business. This seasonality is reflected in the average workforce calculated over a rolling twelve-month period, resulting in 66,489 employees in 2012 and 66,202 in 2011.

**Indicator: breakdown of men /women**

<table>
<thead>
<tr>
<th>Number of women in workforce</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>8.4%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Managers</td>
<td>12.9%</td>
<td>12.9%</td>
</tr>
<tr>
<td>Staff, technicians and supervisors</td>
<td>23.0%</td>
<td>23.3%</td>
</tr>
<tr>
<td>Workers</td>
<td>0.6%</td>
<td>0.8%</td>
</tr>
<tr>
<td>France: female team leaders</td>
<td>6.3%</td>
<td>6.7%</td>
</tr>
<tr>
<td>International</td>
<td>10.9%</td>
<td>10.6%</td>
</tr>
<tr>
<td>Management</td>
<td>22.6%</td>
<td>22.8%</td>
</tr>
<tr>
<td>Workers</td>
<td>6.5%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

**Comment**

In jobs that predominantly involve working outdoors, the proportion of female employees remains low.

In support positions, however, the proportion of female employees is substantial.

**Indicator: workforce by age bracket**

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 25 years old</td>
<td>6.6%</td>
<td>7.6%</td>
</tr>
<tr>
<td>25-34 years old</td>
<td>23.9%</td>
<td>24.9%</td>
</tr>
<tr>
<td>35-44 years old</td>
<td>27.3%</td>
<td>27.9%</td>
</tr>
<tr>
<td>45-54 years old</td>
<td>29.1%</td>
<td>28.1%</td>
</tr>
<tr>
<td>55 years old and older</td>
<td>13.0%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

**Comment**

The distribution of ages is relatively even.

The breakdown of the various age brackets has changed little. There has, however, been a slight increase in the percentage of employees over the age of 55 (+1.5%).
A.2: HIRING AND DISMISSALS

Indicator: external recruiting (fixed-term and permanent contracts) by status

<table>
<thead>
<tr>
<th>Scope: World</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>4,252</td>
<td>4,550</td>
</tr>
<tr>
<td>Managers</td>
<td>533</td>
<td>416</td>
</tr>
<tr>
<td>Staff, technicians and supervisors</td>
<td>913</td>
<td>963</td>
</tr>
<tr>
<td>Workers</td>
<td>2,806</td>
<td>3,171</td>
</tr>
<tr>
<td>International</td>
<td>3,347</td>
<td>2,713</td>
</tr>
<tr>
<td>Management</td>
<td>912</td>
<td>827</td>
</tr>
<tr>
<td>Workers</td>
<td>2,435</td>
<td>1,886</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>7,599</td>
<td>7,263</td>
</tr>
</tbody>
</table>

(1) The figures published in the 2011 annual report did not include fixed-term contracts in the French overseas départements (DOM). In order to enable comparison between 2011 and 2012, the 2011 data have been readjusted.

Comment

Recruitment was up 5% in 2012, and remained robust. Hiring in France declined slightly, except for entry-level and experienced management staff, which surged 28%.

A considerable effort was made to recruit young engineers. This included developing close-knit partnerships with schools, extensive communication campaigns and a policy of recruiting interns during their final year.

These initiatives are conducted in France and abroad. In many countries, and in particular in North America, Europe, the Indian Ocean region and Asia, Colas entities are encouraged to work with schools and universities, and Colas employees devote considerable time to informing and assisting students.

In 2012, Colas began to shift its recruitment communication strategy to the Internet and more specifically to social networks for professionals (Viadeo and LinkedIn) and for the general public (Facebook and Twitter). The shift toward recruiting more students and young graduates is reflected in the Group’s “Golden Roads” film festival of videos made by interns to describe their internship experience at Colas (most newly hired entry-level management staff are former interns). Many of these videos can now be seen on Facebook and YouTube. Colas was ranked 6th in the Happy Trainees survey of companies having over 5,000 employees.

Indicator: number of dismissals

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of dismissals</td>
<td>361</td>
<td>362</td>
</tr>
</tbody>
</table>

Comment

In 2012 in France, the number of dismissals was 361, a low number as in 2011, compared with 2,803 departures and over 38,000 employees.

Out of 361 dismissals, 339 were individual dismissals and 22 were reductions concerning a division of Aximum (Aximum Produits électroniques) which obtained approval from its local works council for a workforce adjustment plan to consolidate industrial activity at one site instead of four.

A.3: COMPENSATION AND CHANGES IN COMPENSATION

Indicator: average annual wages by status

<table>
<thead>
<tr>
<th>(in euros)</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td>57,785</td>
<td>54,318</td>
</tr>
<tr>
<td>Staff, technicians and supervisors</td>
<td>32,433</td>
<td>30,508</td>
</tr>
<tr>
<td>Workers</td>
<td>24,110</td>
<td>23,110</td>
</tr>
</tbody>
</table>

Comment

Despite a weakened economic environment, the average annual wages for all categories showed an increase in 2012.

In France, employees are party to a profit-sharing agreement as well as an incentive agreement.

B. ORGANIZATION OF WORK

B.1: ORGANIZATION OF WORKING TIME

Indicator: working time arrangements of employees

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly</td>
<td>54.1%</td>
<td>NA</td>
</tr>
<tr>
<td>Monthly</td>
<td>29.3%</td>
<td>NA</td>
</tr>
<tr>
<td>Flat rate</td>
<td>16.6%</td>
<td>NA</td>
</tr>
</tbody>
</table>

Comment

The organization of working time, arranged within the framework of agreements signed with union representatives, is based on a yearly modulation of working time, which makes it possible to deal with seasonal variations in activity. Thus, 54% of the Group’s employees in France work on an annualized hourly basis and 16% on a flat-rate basis.

B.2: ABSENCES

Indicator: absence rate

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Absence rate</td>
<td>4.16%</td>
<td>NC</td>
</tr>
</tbody>
</table>

Comment

This new indicator is calculated for permanent employees and gives a calendar day count of time off following workplace accidents, commuting accidents, illness or occupational illness, in proportion to the number of calendar days. With a rate of 4.16%, Colas is close to the national rate of 3.84% in the private sector (as measured by Alma Consulting Group – September 2012).
C. LABOR RELATIONS

C.1: ORGANIZATION OF LABOR-MANAGEMENT DIALOGUE, INCLUDING PROCEDURES FOR INFORMING, CONSULTING, AND NEGOTIATING WITH PERSONNEL

Indicator: participation in elections of the works council or combined labor delegation

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate of participation in works council elections at last elections (1st round, full members)</td>
<td>80%</td>
<td>79%</td>
</tr>
</tbody>
</table>

Comment

The labor-management dialogue takes place in 356 local and central works councils.

The high rate of participation in elections (80%) reflects the involvement of employees.

C.2: OUTCOME OF COLLECTIVE BARGAINING AGREEMENTS

Indicator: number of collective bargaining agreements negotiated

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of collective bargaining agreements negotiated, including mandatory yearly negotiations</td>
<td>69</td>
<td>56</td>
</tr>
</tbody>
</table>

Comment

In addition to mandatory yearly negotiations, the plan to reorganize the roads business in Mainland France was approved on November 12, 2012 by fifteen out of the sixteen central works councils (CCE) consulted as well as the six works councils (CE) of the Échangeurs shared head offices.

D. HEALTH AND SAFETY

D.1: WORKPLACE HEALTH AND SAFETY CONDITIONS

Indicator: total number of employees trained in first aid

<table>
<thead>
<tr>
<th>Scope: World</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees trained in first aid (end of period)</td>
<td>19,740</td>
<td>19,946</td>
</tr>
</tbody>
</table>

Comment

The Group encourages first-aid training, which benefits other employees, employees’ family and friends, and society as a whole while also reinforcing awareness of safety issues.

In 2012, employees trained in first aid constituted approximately 30% of the total workforce.

D.2: OUTCOME OF AGREEMENTS SIGNED WITH UNION ORGANIZATIONS OR LABOR REPRESENTATIVES AS REGARDS WORKPLACE HEALTH AND SAFETY

Qualitative information

In 2012, Colas opened negotiations with the Group’s union coordinators on the prevention of arduous working conditions. An action plan complete with quantitative targets and indicators will be implemented in 2013 after consultation with the Committee for Hygiene, Safety, and Working Conditions (CHSCT) as well as local (CE) and central works councils (CCE).

D.3: WORKPLACE ACCIDENTS, INCLUDING FREQUENCY AND SEVERITY, AND OCCUPATIONAL ILLNESSES

Indicator: employee workplace accidents

<table>
<thead>
<tr>
<th>Scope: World</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency rate(^{(1)}) of employee workplace accidents</td>
<td>8.15</td>
<td>8.61</td>
</tr>
<tr>
<td>Severity(^{(2)}) of employee workplace accidents*</td>
<td>0.59</td>
<td>0.58*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees recognized as suffering from an occupational illness during the year</td>
<td>69</td>
<td>NA</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Number of workplace accidents resulting in leave x 1,000,000 / number of hours worked.

\(^{(2)}\) Number of days of leave x 1,000 / number of hours worked.

* Note: This level of severity includes workplace accident days related to accidents in previous periods. The level given in prior years was the annual level of severity. That level, which is calculated without taking into account days of leave related to accidents from the preceding period, is used by the Group to measure the safety performance of its subsidiaries. The annual level of severity was 0.31 in 2012 and 0.36 in 2011.

Comment

The accident frequency rate improved in 2012 and the severity rate was stable.

France has a low proportion of employees with a recognized occupational illness.

A key objective of Colas’ health and safety policy is to develop and continually strengthen a culture of safety in all entities. Global networks of safety specialists support subsidiary managers in deploying this policy.

To encourage subsidiaries to improve safety, the results of safety actions are assessed and ranked every six months.

The Group has set three safety objectives for 2015:

– reduce the accident frequency rate to less than 5 in France and Europe, and to less than 3 in the other regions;
– provide first-aid training to 35% of the workforce;
– 300 entities in France with no lost-time work accidents.
Some of the many safety initiatives in 2012 include:
- the launch of a Group-wide campaign to increase awareness of crushing risk;
- ongoing efforts to raise employee awareness of exposure to bitumen fumes and of the risk of overexposure to UV rays;
- a survey to collect best health, safety and environmental practices from subsidiaries in North America, to promote these practices throughout the Group;
- the rewriting of the “Personal Protection Equipment” and “Work Clothing” standards, and the deployment of an “Alcohol and Drugs” toolbox in France.

E. TRAINING

E.1: POLICIES IMPLEMENTED AS REGARDS TRAINING

Indicator: work-study contracts

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of apprenticeship contracts</td>
<td>732</td>
<td>634</td>
</tr>
<tr>
<td>Number of vocational training contracts</td>
<td>420</td>
<td>306</td>
</tr>
</tbody>
</table>

Comment
To meet the Group’s skills requirements, in 2012, Colas pursued its efforts to increase hiring under work-study contracts. Mentoring is also increasing at a rapid pace. Developing the “skills capital” of employees is now a top training priority, with more focus on:
- conducting studies (mostly concerning water use (French Water Act) and geotechnical methodology);
- contract management (for large and complex projects);
- on-site technical training (to improve work execution).

An in-house training campaign was launched to promote compliance with new transportation regulations.

Training efforts also included:
- support for newly promoted operating unit managers, in addition to the Colas Campus programs (including Colas University[1] stages 2 and 3);
- safety training;
- career development support;
- ongoing training in conducting performance reviews.

In France, investment in training by employee category was stable, with workers receiving about 50% of training time, office staff and supervisors, 30%, and managers, 20%. Colas Campus courses and programs accounted for over 30% of total training hours.

E.2: TOTAL NUMBER OF TRAINING HOURS

Indicator: total number of training hours

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Portion of payroll earmarked for training</td>
<td>3.66%</td>
<td>3.86%</td>
</tr>
<tr>
<td>Average training days per employee per year</td>
<td>1.75</td>
<td>1.82</td>
</tr>
</tbody>
</table>

Comment
For many years, the training budget has been around 4% of payroll: it was set at 4% for 2010, 3.7% for 2011 and 4% for 2012.

F. EQUAL TREATMENT

F.1: MEASURES TO PROMOTE EQUAL OPPORTUNITY BETWEEN MALE AND FEMALE EMPLOYEES

Qualitative information
In France, subsidiaries have signed agreements or implemented actions to further gender diversity and equal opportunity between men and women. Their efforts include:
- recruitment (increasing the percentage of women hired);
- training (ensuring that women have equal access to training);
- working conditions (e.g. lightening loads and providing personal protection equipment designed for women);
- pay (promoting the principle of equal pay and providing a “catch-up” mechanism if a pay discrepancy cannot be objectively justified);
- reconciling professional and family obligations (e.g. planning meetings to accommodate personal schedules and reserving spots in day care centers).

Similar actions are conducted outside of France, such as in Canada, where a partnership was set up with the NGO Women Building Futures.

These actions are part of the Group’s overall anti-discrimination policy.

F.2: MEASURES TO EMPLOY AND PROMOTE THE SOCIAL INTEGRATION OF PEOPLE WITH DISABILITIES

Indicator: disabled employees

<table>
<thead>
<tr>
<th>Scope: France</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total disabled employees (fixed &amp; indefinite-term contracts)</td>
<td>987</td>
<td>876</td>
</tr>
<tr>
<td>Disabled employees recruited (fixed &amp; indefinite-term contracts)</td>
<td>37</td>
<td>24</td>
</tr>
<tr>
<td>Revenue with companies that employ the disabled</td>
<td>€1,292,000</td>
<td>€904,655</td>
</tr>
</tbody>
</table>

[1] The objective of the Colas University is to ensure that the Group has a sustainable pool of managers. Training is provided in three stages, in accordance with the level of responsibility.
Comment
The increase in the number of employees with disabilities in France reflects the commitment made over the past two years under an agreement with Agefiph, an NGO that helps find jobs for the disabled.

Information and awareness-raising actions were conducted throughout 2012. These included a poster campaign in Colas entities, the making of three videos, the publication of awareness-raising articles in company magazines, and the distribution of two guides for managers on employing the disabled and on adapting work to accommodate disabled employees. Actions to raise disability awareness are regularly conducted at the Colas Universities.

F.3: ANTI-DISCRIMINATION POLICY

Qualitative information
In compliance with the Bouygues group’s Human Resources Charter and Ethics Code, Colas’ recruitment policy prohibits any discrimination that cannot be justified on lawful grounds.

Colas’ anti-discrimination policy targets four priority areas: promoting social integration and gender diversity, and employing people with disabilities and people over age 50.

Actions to raise awareness of discrimination issues are regularly conducted at the Colas Universities.

To promote social integration, subsidiaries in France are recruiting the long-term unemployed in economically deprived areas. In France, a partnership was developed with the Adecco Insertion temporary employment network for this purpose.

The principle of non-discrimination was clearly reasserted in agreements on gender diversity and equality of opportunity between men and women.

Many actions are being taken outside of France, such as in Saskatchewan, Canada, where ColasCanada is actively seeking recruits from local Indian communities, and in the United Kingdom, where Colas has set up indicators to measure progress in achieving diversity in the workplace that reflects the diversity of society.

G. PROMOTING COMPLIANCE WITH THE INTERNATIONAL LABOR ORGANIZATION’S FUNDAMENTAL PRINCIPLES OF:

G.1: FREEDOM OF ASSOCIATION AND THE RIGHT OF COLLECTIVE BARGAINING

G.2: ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT OR OCCUPATION

G.3: ELIMINATION OF FORCED OR COMPULSORY LABOR

G.4: THE EFFECTIVE ABOLITION OF CHILD LABOR

Qualitative information
Since Colas obtains over 90% of its revenue in the OECD countries, it has few operations in countries where there is a substantial threat to freedom of association or substantial risks of forced or compulsory labor, child labor or discrimination. The Group also generally works with few sub-contractors.

Colas has made a commitment to observe the United Nations’ Universal Declaration of Human Rights and the ILO’s fundamental principles (as per article 2 of the Code of Ethics of Colas’ parent company, the Bouygues group). To ensure that these fundamental principles are observed, Colas:

– provides its employees with a copy of the Bouygues group’s Code of Ethics,
– includes social and environmental criteria in its procurement policy.

II – Environmental information

A. GENERAL ENVIRONMENTAL POLICY

The environmental policy is one component of Colas’ Responsible Development effort, which the Chairman and CEO has made a core Group value. A Corporate Environment Director, who is also in charge of Responsible Development, examines environmental issues and priorities with the Group’s operational departments and functional departments, such as Human Resources and Communications. The environmental Department comprises six employees and a network of some thirty environmental managers in the subsidiaries, which are in turn supported in the field by several hundred correspondents and internal environment auditors, who often have responsibilities in other areas, such as quality and safety.

All environmental indicators (see list below) are strictly defined. They are collected across the world using a SAP application and calculated over a full year from October 1 to September 30 (to allow sufficient time for data collection, processing and analysis). As of 2011, all of these indicators are consolidated in proportion to Colas’ equity interest in all companies in which the Group has an interest, in addition to those it controls or consolidates in its financial statements. As a result, environmental data may differ from the figures reported in financial statements and accounting documents.
The indicators used for production sites also apply to sites operated in partnership with companies outside the Colas Group, and for which Colas does not always have control over environmental aspects (as, for example, is the case with sites in which Colas has a minority interest). Given the broad scope of application of these indicators, it is therefore difficult to achieve perfect performance. However, these indicators do provide a very broad perspective of the scope of Colas’ responsibility and risk exposure.

Environmental indicators:
II – A1: Percentage of materials production sites with environmental certification; Percentage of environmental self-evaluation using Colas checklists; Percentage of materials production operations that use a tool to manage environmental impact; Overall percentage of environmental certification.

II – B2: Ratio of recycled materials over total aggregates produced; The percentage of reclaimed asphalt pavement with bitumen recovery; Surface area of road recycled in situ; Waste oil recovery rate.

II – C2: Amount of materials recycled; Amount of reclaimed asphalt pavement; Number of eco-friendly alternatives offered to customers.

II – C3: Energy consumed per ton of mix produced; Percentage of warm mix produced at hot-mix plants; Number of tons transported by rail or waterway.

II – D1: Greenhouse gas emissions; Greenhouse gas emissions per ton of mix produced; Global carbon intensity excluding Canada and the United States; Carbon intensity of Canada and the United States; Greenhouse gas emissions avoided by the Group’s actions.

II – E1: Percentage of quarries taking action to promote biodiversity.

A.1: THE COMPANY’S ORGANIZATION FOR ADDRESSING ENVIRONMENTAL ISSUES AND ITS ENVIRONMENTAL CERTIFICATION AND EVALUATION ACTIONS

Indicators

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of materials production sites with environmental certification</td>
<td>Global materials production activity (% of revenue)</td>
<td>100%</td>
<td>60</td>
<td>59</td>
</tr>
<tr>
<td>Percentage of environmental self-evaluation using Colas checklists</td>
<td>Global materials production activity, plus deposits, workshops and R&amp;D laboratories (% of revenue)</td>
<td>100% of sites in operation</td>
<td>79</td>
<td>73</td>
</tr>
<tr>
<td>Percentage of materials production operations that use a tool to manage environmental impact (environmental certification and/or Colas checklists) (% of revenue)</td>
<td>Global materials production activity (% of revenue)</td>
<td>100%</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Overall percentage of environmental certification (% of revenue)</td>
<td>All global activities</td>
<td>100%</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

Comment

Since 2010, the percentages of production sites with ISO 14001 or equivalent environmental certification and of entities that implement self-evaluation using Colas’ checklists have been rising steadily. The objective for both of these indicators is 100%, which is quite ambitious considering that other companies sometimes have large and even majority stakes in some Colas entities (for more information on the method used to consolidate non-financial indicators refer to the Introduction).

The checklists are also part of Colas’ internal control system.

Environmental self-evaluation indicators reflect the extent to which Colas evaluates its activities using its own checklists. These checklists constitute a concrete benchmark for assessing the environmental performance of the Group’s main fixed facilities and then determining progress plan priorities. A standard checklist has been prepared for each of the following types of fixed facilities: R&D laboratories, works center depots, workshops, hot and cold-mix plants, emulsion and binder plants, bitumen depots, quarries, gravel pits, recycling platforms, ready-mix concrete plants and prefabrication plants. This represents over 1,700 sites worldwide.
A.2: EMPLOYEE ENVIRONMENTAL TRAINING AND INFORMATION ACTIONS

Other justification

Colas uses no indicators to specifically monitor employee training and awareness-raising actions in the area of environmental protection. However, environmental certification standards, and ISO 14001 in particular, require that the environmental knowledge of employees be assessed, that environmental training be provided for employees and new recruits when necessary, and that contractors be provided with relevant information (pursuant to Section 4.4.2 of ISO 14001). Training and information actions may take a variety of forms, depending on the country, the subsidiary and its activities. Instead of trying to set up a single central model, Colas prefers to address this challenge with a decentralized approach and monitor performance in compliance with an environmental standard that is verified by certified auditors (see the “Percentage of overall environmental certification” indicator, in section A.1). The Colas Group’s websites are also ongoing sources of information for all employees. Furthermore, work meetings and conventions on environmental themes are organized each year to raise the awareness of environmental correspondents in France and worldwide. Meetings at work sites and production sites make it possible to share experience and set up action plans.

A.3: RESOURCES USED AND MEASURES TAKEN TO PREVENT ENVIRONMENTAL RISKS AND POLLUTION

Other justification

Colas uses no consolidated indicators to monitor spending on the prevention of environmental hazards or pollution nor to monitor preventive actions. This spending is included in normal operating expenses. For example, it is difficult to reallocate the purchase of a bag filter or the cost of its maintenance, since this is simply a normal expenditure for an asphalt plant, even though it is technically of an environmental nature since it serves to prevent particulate emissions. However, all environmentally certified sites prepare an environmental analysis and action plans which Colas uses to limit the impact of the Group’s operations and improve environmental performance.

When an environmentally sensitive facility requires government authorization or registration (“ICPE” facilities in France), operating licenses generally require strict compliance with environmental requirements. ISO 14001 certification gives Colas a good level of assurance that it will meet these requirements, irrespective of the country in question (see the “Percentage of overall environmental certification” indicator, in section A.1). Lastly, compliance with government requirements is also covered on Colas’ checklists and they are therefore taken into account at sites that are not certified but which conduct annual self-evaluations (see the “Percentage of self-evaluation of material production sites” indicator, in section A.1). The annual cross audits of subsidiaries in Belgium, Mainland France and Switzerland, which are conducted at many sites by trained internal auditors with experience, also serve to evaluate facilities and reinforce environmental hazard prevention.

A.4: PROVISIONS AND GUARANTEES TO COVER ENVIRONMENTAL RISKS, UNLESS THIS INFORMATION MAY BE DETRIMENTAL TO THE COMPANY’S POSITION IN ONGOING LITIGATION

Qualitative information

Contaminated land: Colas systematically makes a provision for clean-up expenses that have been estimated by an independent firm and when a date for site rehabilitation has been set (by the competent authority, for example) or is otherwise known (upon lease termination, for example).

Financial guarantees and provisions for site rehabilitation: many quarries and other sites worldwide are subject to specific requirements when they are no longer operated and require provisions to cover environmental risks during operation. This entails a wide variety of guarantees and practices (e.g. performance bonds, insurance, escrow accounts, provisions, etc.) that depend on national laws and tax and accounting rules. Colas’ provisions on site rehabilitation commitments totaled 158 million euros at the end of 2012 (see the management report: “Risks” / “Industrial and environmental risks” / “Environmental risks” / “Site restoration”).

As of this date there is nothing that indicates that these measures were insufficient, neither during subsidiary audits by the audit department, nor during the investigation of insurance claims or complaints.

B. POLLUTION AND WASTE MANAGEMENT

B.1: MEASURES TO PREVENT, REDUCE AND CLEAN UP DISCHARGES INTO THE ATMOSPHERE, WATER OR SOIL THAT MAY HAVE SEVERE ENVIRONMENTAL IMPACT

Other justification

Colas uses no consolidated indicators to monitor its actions to prevent or reduce discharges into the atmosphere, water or soil or to clean up such discharges. However, all environmentally certified sites prepare an environmental analysis, dashboards and action plans that include the reduction of discharges into the environment when these are considered to be significant. Colas uses this information to limit the impact of the Group’s operations and improve environmental performance. In addition to these measures, Colas’ checklists cover such aspects as administrative management, site development, waste storage, operations management and monitoring, environmental impact and risk management (water and air pollution, waste, natural and technological risks, noise and vibration) and dialogue with local communities (see the relevant indicators and comments in section A.1).
B.2: WASTE PREVENTION, RECYCLING AND DISPOSAL

Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratio of recycled materials over total aggregates produced</td>
<td>All global activities</td>
<td>100%</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>(as % of quantity)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of reclaimed asphalt pavement with bitumen recovery</td>
<td>Global materials production activity</td>
<td>100%</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>(as % of quantity)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface area of road recycled in place</td>
<td>Global construction activity</td>
<td>100%</td>
<td>10.4</td>
<td>8.6</td>
</tr>
<tr>
<td>(in millions of m²)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste oil recovery rate</td>
<td>All global activities</td>
<td>100%</td>
<td>65</td>
<td>67</td>
</tr>
<tr>
<td>(as % of quantity)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Comment

Since Colas is a major producer and user of construction materials, recycling is of fundamental importance and plays a big role in responsible development.

A recycled materials indicator was implemented to measure subsidiary efforts in converting waste into construction materials. Recycling reduces the need to extract aggregates from the Earth (and therefore for new quarries) while reducing the amount of material that needs to be disposed of. In 2012, the Colas Group recycled and recovered almost 10 million tons of materials. This represents 12% of the Group’s total production of aggregates and a worldwide saving equivalent to the average production of 30 Colas quarries. Although there was practically no change in the total tonnage of materials produced in 2012, the increased production of ‘new’ materials caused the proportion to change.

Reclaiming asphalt pavement when repairing or repaving roads makes it possible to recover bitumen, a non-renewable petroleum resource. Asphalt mix, which is what most roads are made of throughout the world, consists of a mixture of about 5% bitumen with aggregates. RAP comprises the materials recovered from the milling or deconstruction of roadways before new asphalt mix is applied. Recycling asphalt mix when repaving a road offers three advantages:

- it saves energy and reduces greenhouse gas emissions;
- it enables the reuse of bitumen, a non-renewable natural resource, and aggregates;
- it reduces road construction costs for the customer (often public sector) at identical levels of quality and performance.

In-place road recycling — which involves removing the asphalt mix from a road, adding a binder to it at the work site and repaving the road with the resulting mix — saves a lot of energy by considerably reducing the need to transport materials. Millions of tons of aggregates are also saved since all of the material removed from the road is recycled. The total surface area of asphalt pavement reclaimed by Colas subsidiaries in 2012 is equivalent to a two-lane road between Paris (France) and Vienna (Austria), or Montreal and Cincinnati (North America).

As part of its effort to measure its waste management performance, Colas has developed an indicator for monitoring the management and disposal of the waste oils of all subsidiaries in all business lines. In most countries, waste oil is subject to special “hazardous waste” regulations. It is also the main hazardous waste that Colas produces. This indicator is the ratio of hydraulic and lubrication oil that is recycled relative to total oils purchased. The optimum oil recycling ratio is considered to be 80%, taking into account the oil that is consumed and burned by vehicles and machinery. The management of all types of waste is monitored and assessed pursuant to ISO 14001 certification requirements and during annual self-evaluations using checklists (see environmental certification and self-evaluation indicators in section A.1).

Note: although the “Waste oil recovery rate” indicator is rapidly improving, these figures should be interpreted with caution since they are relatively new. As a result, variations from one year to the next are, as yet, neither very significant nor replaceable.

B.3: REDUCING NOISE AND OTHER TYPES OF POLLUTION FOR A GIVEN ACTIVITY

Indicator: percentage of production sites with an organization for local dialogue

See A.2 of the following section (The territorial, economic and social impact of the Company’s activity on local residents and communities).

Qualitative information

Colas is developing products that reduce traffic noise, such as fractal-technology noise barriers, and most significantly noise-reducing mixes (such as Nanosoft® and Rugosoft®) which can reduce traffic noise to as low as 9 dB and were used to pave surfaces totaling 820,000 m² in 2012.
C. SUSTAINABLE RESOURCE USE

C.1: LOCAL WATER CONSUMPTION AND SUPPLY

Qualitative information

Water consumption is more important in some parts of the world than in others. In southern Morocco or Djibouti, and all throughout Africa in general, Colas subsidiaries must take local water requirements into account. The management of water resources is included in the ISO 14001 standard (see the “Percentage of environmental certification and self-evaluation” indicator in section A.1).

In Europe and in North America, the Colas Group’s water consumption is not considered to be a key sustainable development factor:
- water consumption is relatively low and highly dispersed among some 100,000 projects a year, which last an average of one week;
- much of it cannot be reduced: for example, the optimum water content for soil compaction or of concrete cannot be modified;
- water used in quarries and gravel pits to wash aggregate is recycled in a closed circuit and net water consumption is very low. Projects to reclaim some extraction sites may also include the creation of a pond or small lake.

C.2: THE CONSUMPTION OF RAW MATERIALS AND MEASURES TO USE THEM MORE EFFICIENTLY

Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quantity of materials recycled</td>
<td>All global activities</td>
<td>100%</td>
<td>9.8</td>
<td>10.4</td>
</tr>
<tr>
<td>(in millions of tons)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantity of reclaimed asphalt pavement</td>
<td>Global materials production activity</td>
<td>100%</td>
<td>4.9</td>
<td>4.5</td>
</tr>
<tr>
<td>(in millions of tons)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of low-carbon alternatives proposed by Colas to customers</td>
<td>Global construction activities</td>
<td>100%</td>
<td>735</td>
<td>937</td>
</tr>
</tbody>
</table>

Comment

Colas’ approach to reducing the consumption of raw materials is as follows:

The first and foremost objective is to maximize the recycling of all types of excavation material, demolition debris and inert waste, and reduce the need for disposal and for virgin materials. In most countries, the volumes of this type of waste, most of which is inert, far exceed those of industrial or household waste. This is why Colas has developed indicators that enable it to track the amounts of materials it recycles in its industrial processes and compare these amounts to new materials production, rather than simply record the amount of waste disposed of (see B.2 and D.1) or the recycled material consumed. This choice is based on two considerations: first, the reliability of the data and, secondly, the desire to encourage the subsidiaries to invest in recycled materials production units and thus avoid some of the contingencies of worksite orders with respect to this indicator.

The new products that Colas’ R&D laboratories have developed are based on an eco-design approach that seeks to minimize the use of raw materials, particularly those that are non-renewable (see B.2). For many years now, Colas has led the way in offering its customers low-carbon alternatives (such as eco-friendly designs that require fewer materials) and in developing “eco-comparators” for assessing low-carbon alternatives. In France, these efforts have culminated in the SEVE® eco-comparator, which includes a materials savings indicator. Colas played a key role in developing this software and in making it available to its customers and throughout the construction industry. Low-carbon alternatives enable less energy consumption and greenhouse gas emissions than conventional products and techniques. The decrease in the number of low-carbon alternatives is attributable to the general weakness of the economy and its impact on the road construction market.

Colas has decided not to track total materials consumption but rather to measure the amount of materials saved. This is because consumption totals may be quite complex to interpret. For example, some totals may simply increase with revenue while others may decrease due to changing market conditions (such as bitumen consumption, the increasing proportion of service and maintenance activities, and the development of new activities).
C.3: ENERGY CONSUMPTION, MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGIES

**Indicators**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy consumed per ton of mix produced (kWh per ton)</td>
<td>Global materials production activity</td>
<td>100%</td>
<td>76</td>
<td>76</td>
</tr>
<tr>
<td>Percentage of warm mix produced in hot-mix plants (quantity)</td>
<td>Global material productions activity</td>
<td>100%</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Number of tons transported by rail or waterway (in millions of tons)</td>
<td>Global transport of aggregates and bitumen</td>
<td>100%</td>
<td>9.2</td>
<td>8.3</td>
</tr>
</tbody>
</table>

**Comment**

The “cLeanergie” program was launched in 2012 to enable all Group companies to reduce energy consumed for construction, production, building operation and logistics. The program includes an impact study of 40 construction, production and quarry sites, actions to empower managers, and the creation of a steering committee of business-line experts. Some one hundred best practices and opportunities have been identified. This work revealed that the energy consumed by asphalt plant burners and equipment (vehicles and construction machines) together accounted for three fourths of Colas’ direct energy consumption in equal proportions.

Colas systematically and carefully measures and monitors fuel consumption of asphalt plant burners at over 500 plants.

In addition to low-carbon alternatives (see C.2), the following techniques are used to achieve indirect energy savings:

- warm mixes, which require about 15% less energy to make than hot mixes. Warm mixes accounted for 13% of Colas’ total mix production in 2012;
- the recycling of materials, and especially of RAP recovered from road removal and milling, which saves bitumen and aggregates and reduces production and transport costs. This improves the overall energy balance over the life cycle of the materials (see indicators in B.2 and C.2);
- in-place road recycling, which also saves energy by reducing the need for materials and transport (see indicators in B.2).

Colas is also focusing its efforts on:

- measurement tools: to assess improvements in energy efficiency, Colas must be able to measure its fossil fuel consumption. Electricity is only a small portion of the Group’s total energy footprint. While it is fairly easy to track the consumption of asphalt plant burners, accurately monitoring the consumption of over 65,000 machines and vehicles at 800 works centers and 1,400 production sites is much more complex. Colas has therefore fitted 2,000 of its machines and vehicles with energy consumption meters and is working with equipment manufacturers to develop common standards for real-time consumption data transmission and collection;
- increasing employee energy-awareness: Colas is conducting an information campaign to get its truck drivers and equipment operators to reduce their fuel consumption by 20%, by adopting eco-driving habits and switching off engines when equipment is not being used. This campaign points out the three advantages of eco-driving, which reduces costs, increases safety and helps preserve the environment. Although these advantages are still hard to measure, more and more people are engaged in this effort.

For its own transport requirements, Colas uses rail and inland waterways as an alternative to road haulage. However, since there is little flexibility to replace one mode of transport with another, Colas is working to improve the environmental performance of each mode and achieve the best possible balance between them by proactively adopting innovative techniques.

**C.4: LAND USE**

**Qualitative information**

Most of Colas’ construction work involves the maintenance, repair or redevelopment of areas that are no longer in their natural state. The construction of infrastructure accounts for only a modest share of revenue and Colas often has no control over how land is used since the land for its projects (including concessions and PPP) is made available by its customers. Colas therefore rarely has a direct impact on land use in this area, as the location of its worksites depend on the customer and project owner.

All quarry and gravel pit sites are restored when they are shut down and many are restored progressively while still being operated. In addition, the amount of materials recycled is equivalent to the production of 30 Colas quarries and gravel pits throughout the world.

(see: Qualitative information II – A4)
D. CLIMATE CHANGE

D.1: GREENHOUSE GAS EMISSIONS

Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenhouse gas emissions$^1$</td>
<td>All global activities</td>
<td>100%</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>(in millions of tons of CO$_2$ equivalent)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse gas emissions per ton of mix produced</td>
<td>All Group asphalt plants worldwide</td>
<td>100%</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>(in kilos of CO$_2$ equivalent per ton)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carbon intensity</td>
<td>All global activities (excl. the United States and Canada)</td>
<td>100%</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>(in kilos of CO$_2$ equivalent per euro of revenue)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carbon intensity</td>
<td>All activities in the United States and Canada</td>
<td>100%</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>(in kilos of CO$_2$ equivalent per US dollar of revenue)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse gas emissions avoided by the Group’s actions</td>
<td>All global activities</td>
<td>100%</td>
<td>166,000</td>
<td>168,000</td>
</tr>
<tr>
<td>(in tons of CO$_2$ equivalent)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$^1$ 2012 is the first year that Société de la Raffinerie de Dunkerque (SRD) was included.

Comment

To calculate its carbon footprint, Colas observes the 3.a scope of the ISO 14064 standard and the guidelines of the GHG Protocol. The scope of calculation includes operations that are upstream from its business operations. The impact of road traffic on the infrastructure that Colas maintains or builds is considerable, non-quantifiable and beyond Colas’ control. Therefore, the 3.b scope has not been applied.

This calculation necessarily involves a margin of uncertainty (over 20%) due to various factors and in particular to discrepancies between national and international data, the difficulty of estimating the carbon costs of the products and services of some suppliers and subcontractors, and data collection and conversion issues. Consequently, the carbon footprint is a good tool for ensuring order of magnitude, but it cannot be considered to be a reliable indicator to monitor annual performance, given these factors and this uncertainty.

Furthermore, no distinction was made between scopes 1, 2 and 3 for two reasons:

– data on carbon emissions factors are not differentiated by scope in the bibliography;
– since the nature of Colas’ operations makes it extremely difficult to distinguish between its emissions and those of its suppliers or contractors (there is no general rule due to the number and diversity of entities involved), it was decided that the carbon scope would include all of the emissions generated by Colas’ operations and those of subcontractors.

Given the inherently high degree of uncertainty, the carbon footprint therefore cannot be used to assess a reduction in greenhouse gas emissions based on a comparison of annual results. However, the greenhouse gas emissions avoided by specific actions to reduce them can be more accurately measured.

Colas reduces GHG emissions in two ways:

• by reducing the amount of energy it requires for its operations and the GHG emissions these operations generate. This involves improving energy efficiency (see C.3 above) through actions:
  – to reduce fuel consumption, for example by encouraging truck drivers and equipment operators to adopt fuel-efficient driving habits and switch off engines when equipment is not being used;
  – reduce fuel consumed by asphalt plant burners. Fuel consumption per ton of asphalt mix produced is now monitored worldwide;
• by reducing the energy and GHG content of the products and techniques that Colas offers its customers. To reduce its carbon footprint and that of its customers, Colas pursues an active policy of R&D and innovation to develop alternative solutions that help preserve the environment. Below are some examples:
  – warm mixes: mixed at a significantly lower temperature, these mixes reduce energy consumption by 10% to 30% while reducing bitumen emissions by 70% to 90%,
  – in-place road recycling: this technique reduces greenhouse gas emissions by reducing materials production and transport requirements,
  – Vegeroute® products (e.g.: Vegecol® plant-based binder, patented in 2004; Vegeflux® fluxing agent, patented in 2006; Vegemark® road marking paint, certified in 2010; Ostrea®, a hot road marking product certified in 2006). Developed in Colas’ R&D laboratories, these products contain plant-based materials instead of petroleum-based components. These plant-based materials not only serve as carbon sinks but also enable lower production and application temperatures, and can even reduce overall materials requirements in some cases,
– recycling RAP and bitumen: recycling old asphalt pavement enables the recovery of bitumen, which is made from petroleum, which is a limited natural resource. In addition to aggregates, Colas recycled some 240,000 tons of bitumen in 2012. This is equivalent to the annual bitumen production of a medium-sized refinery.

– Colas has developed EcologicieL®, the first software tool for calculating and selecting low-carbon alternatives for road building projects, and has also played a key role in developing the SEVE® “eco-comparator” which is used throughout the road construction industry in France and provides clients and contracting authorities with an approved and common framework for selecting low-carbon alternatives. The eco-friendly solutions that Colas provided for its customers in 2012 avoided 18,000 tons of CO₂ emissions. The recycling of bitumen obtained from asphalt mix recovered from demolition or resurfacing is currently the main means of reducing CO₂ emissions. 92,000 tons were thus avoided in 2012. In most countries other than France, low-carbon alternatives cannot be proposed in public contracts. Colas is working to promote these products internationally.

E. PROTECTING BIODIVERSITY

E.1: STEPS TAKEN TO PRESERVE OR DEVELOP BIODIVERSITY

<table>
<thead>
<tr>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of aggregate production sites taking action to promote bio-diversity (in % of quantity)</td>
<td>All aggregate production sites</td>
<td>100%</td>
<td>13</td>
</tr>
</tbody>
</table>

Comment

After an analysis of Colas’ direct impact on biodiversity, it was decided to focus efforts on quarries and gravel pits.

The indicator developed to monitor actions to promote biodiversity is the number of aggregate production sites able to show they have taken action to further biodiversity. There are currently 68 sites that are home to species of note and 26 are home to beehives.

This action may take two forms:
– setting up and monitoring a process to facilitate the presence of a remarkable animal or plant species at the site and the living conditions it requires,
– installing beehives at the site.

All actions must be conducted in partnership with local stakeholders, such as beekeepers, naturalists, natural park authorities and NGOs.

Trials are also underway to have Colas work crews systematically integrate a process for dealing with invasive plants. One subsidiary recently received an award from IDRRIM (the French Roads and Transport Infrastructure Institute) for its efforts to train its employees to recognize and deal with this problem.

Note: 2012 is the first year this indicator was consolidated and its reliability is still lacking. The 2011 figure is provided for informational purposes only.

III – Information on corporate social responsibility commitments to promote sustainable development

Colas cares about the external effects of its activities. Not only does it seek to reduce negative impacts, it also develops positive impacts on a large scale. One example of the concrete actions that the Group has implemented in this area over time is the positive impact of its road safety policy for the prevention of road accidents. Its commitment in this area is reflected by the renewal on a regular basis since 1997 of a road safety charter signed with the French government and the Caisse nationale d’assurance-maladie des travailleurs salariés (CNAMTS or “Employees’ health insurance fund”). “Road Safety Officers” are specially trained employees who implement an accident prevention program in the field advocating the code of best practices issued by the French government’s Steering Committee for the Prevention of Professional Road Risk of the Delegation for Road and Traffic Safety. Another example in the area of health and safety is the positive impact of Colas’ operations, adapting the infrastructure it builds or maintains to account for climate change depends on the standards observed by its customers and their specifications.

With worksites and production sites across the world, Colas has acquired in-depth knowledge of the particular constraints of designing and building infrastructure in harsh climates. This includes regions with very hot and dry climates (such as southern Morocco, western Australia and Djibouti), with extremely high rainfall (French Guiana and Caribbean, and the Indian Ocean region) and with extremely low temperatures (at high altitude and in Canada, Alaska and Greenland). This experience enables Colas to advise its customers on new climate conditions, whenever possible.
In addition, because the Group’s activities are decentralized, Colas is involved locally through community activities, particularly with regard to work, local partnership initiatives, corporate patronage, and in terms of local dialogue (see Part III – A.2).

A. TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY’S ACTIVITY

A.1: WITH REGARD TO EMPLOYMENT AND REGIONAL DEVELOPMENT

Qualitative information

The Group has an impact with regard to employment and regional development through:

– its network of long-standing local operating units which is at the heart of the Group’s strategy, in business lines where proximity to the customer is key;

– its 62,800 employees (1) in businesses where the jobs are local and not liable to be relocated;

– the construction of road and railway transportation infrastructures that contribute to the economic development of the territories.

Furthermore, the Group contributes to employment and development of the territories where its operations are located through a number of actions, for example:

– in France, a partnership agreement signed with EPIDE, a public establishment for employment integration, has helped to offer job opportunities to over 80 underprivileged young people since 2007. In 2012, the Group signed a partnership agreement with the Adecco integration network, which includes over 60 companies providing temporary job opportunities for underprivileged workers. The objective of this agreement is to help entities better meet the commitments covered in their social clauses. It does so by strengthening actions to identify, select, and provide socio-professional support to people who fall within the scope of these programs while offering them a genuine path to integration that will increase their chances of returning to long-term employment;

– outside of France, a number of actions have been implemented in all of the Group’s companies. For example, in Madagascar, Colas has hired people for Father Pedro’s Akamasao humanitarian association’s waste disposal project in Andralanitra. In Australia, Colas enters into partnership agreements with associations and companies to help the long-term unemployed return to work.

A.2: WITH REGARD TO RESIDENT AND LOCAL POPULATIONS

Indicator

<table>
<thead>
<tr>
<th>Proportion of production sites with structure for local dialogue (in percentage calculated based on quantity)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials production activity worldwide</td>
<td>100%</td>
<td>45</td>
<td>44</td>
</tr>
</tbody>
</table>

Comment

Colas manages a large number of production sites for construction materials: aggregates, ready-mixed concrete, asphalt mixes, bitumen, emulsions, and others. The acceptance of these sites, particularly by local residents, is an increasingly sensitive issue throughout the world. Themes include concerns of nuisances (odors, dust, traffic, noise), risks of environmental or health impacts, and others. The Colas Group has identified this issue of community acceptance as one of its strategic challenges for responsible development and has initiated action plans in two directions:

– exemplary production sites: each site must implement progress measures that go beyond mere compliance with administrative or regulatory requirements. Obtaining environmental certification is the preferred approach (under ISO 14001, for example). Progress measures are documented and assessed by using a system of checklists covering most of the Group’s activities in the production of construction materials worldwide. This approach is part and parcel of the internal control of operations and affects some 1,700 Colas production sites and plants around the world (see indicator in A.1, environmental certification rate and self-assessment);

– dialogue initiative with neighboring communities and local governments: maintaining an open dialogue with local communities makes it possible to better understand their expectations, explain the reality and constraints of production sites, and promote mutual understanding to prevent crisis situations. A local dialogue indicator has thus been established to measure the extent of this dialogue with the local community and local government.

In developing countries, where it established operations many years ago (in Madagascar, West Africa and central Africa, in particular), Colas is involved in health initiatives (to fight AIDS, intestinal infections, and malaria, in particular) that include employees, their families and the local village populations. One of these programs has been recognized by the International Labor Organization and has received an international award.

(1) Workforce as of 31/12/2012: 62,806 (average: 66,484).
B. RELATIONSHIPS MAINTAINED WITH PERSONS OR ORGANIZATIONS HAVING AN INTEREST IN THE COMPANY’S ACTIVITIES

B.1: CONDITIONS OF THE DIALOGUE WITH THESE PERSONS OR ORGANIZATIONS

Indicator and comment

Please refer to paragraph A.2.

B.2: PARTNERSHIP OR PATRONAGE INITIATIVES

Indicators

<table>
<thead>
<tr>
<th>Scope (organizational or regional)</th>
<th>Coverage</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations in cash (in millions of euros)</td>
<td>All activities worldwide</td>
<td>100%</td>
<td>4.8</td>
</tr>
<tr>
<td>Donations in kind (value in millions of euros)</td>
<td>All activities worldwide</td>
<td>100%</td>
<td>1.3</td>
</tr>
<tr>
<td>Budget allocated to long-term actions (in percentage)</td>
<td>All activities worldwide</td>
<td>100%</td>
<td>31</td>
</tr>
<tr>
<td>Budget allocated to short-term actions (in percentage)</td>
<td>All activities worldwide</td>
<td>100%</td>
<td>69</td>
</tr>
</tbody>
</table>

Comment

At the local level, corporate patronage initiatives are decided upon and managed by the subsidiaries and their operating units. These are mainly sports-related sponsorships or cultural patronage in France. Outside of France, patronage actions include sports-related sponsorships or humanitarian, educational and cultural patronage.

At the Colas parent-company level, the patronage policy focuses on three areas:

– cultural patronage: the Colas Foundation (commissioning paintings from artists on road-related themes), Colas on Stage (support for dance and music festivals);
– solidarity patronage: Colas Life (support for educational assistance initiatives);

The aggregate budget is €6.1 million (€5.1 million in 2011).

Note on the method: The accuracy of these indicators is not completely guaranteed. The reporting of information (spreadsheet) originating from all of the subsidiaries in France and outside of France aims to combine quantitative data (amounts) and qualitative information (description of each action). Because of this dual requirement, in 2012 it was not possible to process these data in well-structured reporting software. This information is provided as a guideline, as year-to-year comparison of the data remains relevant. The Group plans to develop an IT tool to improve the accuracy of the data with regard to verification, scope and consolidation.

C. SUBCONTRACTING AND SUPPLIERS

C.1: TAKING INTO ACCOUNT SOCIAL AND ENVIRONMENTAL CHALLENGES IN THE PURCHASING POLICY

Indicator

<table>
<thead>
<tr>
<th>Scope (organizational or regional)</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases made in the disability sector (Agefip convention) (in thousands of euros)</td>
<td>All activities in Mainland France</td>
<td>1,292</td>
</tr>
</tbody>
</table>

Comment

Colas works with over 100,000 suppliers and subcontractors worldwide. They can be classified into six main groups: local subcontractors, local materials suppliers, global raw materials suppliers, national and international materials suppliers, national and international service providers and miscellaneous suppliers.

Identification work for each group defines the possible scope of action available and the strategic priorities for responsible purchasing: safety, quality, monitoring the use of illegal immigrant workers, compliance with payment terms and conditions, design and correct use of materials, etc. Colas is currently trying out various supplier-rating tools, even though rating all suppliers would be impossible. It conducts supplier evaluations in the context of its ISO 9001 quality management systems.

Improvement in purchasing carried out with the disabled sector is associated with training and information campaigns rolled out as part of the convention signed in May 2011 with Agefiph, France’s national association for employment of the disabled. The implementation of the Popei Cockpil IT tool at year-end 2012 should improve information reporting in 2013.
In Mainland France, Colas uses EcoVadis to assess suppliers (for example, temporary employment companies). Colas has finalized a simplified questionnaire recognized by the association for small and medium-sized companies CGPME for the corporate social responsibility (CSR) self-evaluation of small and medium-sized suppliers. It conducts flash supplier audits for groups of purchases identified as being high risk. These actions relate to purchases covered by framework agreements and managed by the subsidiaries’ purchasing departments. Colas includes a CSR self-assessment questionnaire and the CSR Charter for Bouygues suppliers in its tender invitations.

Outside of France, the process is less structured, because the network of operating units is less dense and most suppliers and service providers are local. With regard to purchasing in the developing countries, the problem of relocating jobs is marginal for Colas because of the nature of its businesses. However, its locations in these countries represent a challenge for responsible development, which is handled in the context of its corporate citizenship initiatives in these countries.

C.2: IMPORTANCE OF SUBCONTRACTING AND TAKING INTO ACCOUNT THE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY OF SUPPLIERS AND SUBCONTRACTORS IN RELATIONSHIPS WITH THEM

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Scope (organizational or regional)</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portion of purchases covered by responsible purchasing policy (in percentage)</td>
<td>All activities in Mainland France</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Portion of purchases covered by responsible purchasing policy evaluated by EcoVadis or via the questionnaire for small and medium-sized businesses and very small businesses (in percentage)</td>
<td>All activities in Mainland France</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td>Equivalent in number of suppliers (in percentage)</td>
<td>All activities in Mainland France</td>
<td>67</td>
<td>54</td>
</tr>
<tr>
<td>Percentage of purchasers trained in responsible purchasing (in percentage)</td>
<td>All activities in Mainland France</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Comment
The Group’s purchasing policy in Mainland France embraces the challenges of responsible development.

In addition to the assessments conducted by EcoVadis, Colas conducts audits of suppliers under framework agreements: 32 have been conducted to date (20 in 2012 and 12 in 2011). In 2012, 16 people took an in-depth training course on responsible purchasing.

In 2013, the objective is to increase the number of audits to three per each purchasing department.

Purchases covered by the ‘Portion of purchases covered by the responsible purchasing policy’ indicator correspond to the following types of suppliers: equipment rentals, waste removal, printers, temporary employment companies, materials, plastics, industrial supplies, hotels, stationery and paper supplies, work clothing, individual protection equipment, electrical supplies.

D. FAIR TRADE PRACTICES

D.1: ANTI-CORRUPTION ACTIONS

Qualitative information
For many years, guidelines have been established and disseminated to promote compliance with business ethics and standards of integrity. These have been included in a brochure and summarized on the first page of the management principles and Code of Ethics brochure issued by the Bouygues group (to which Colas belongs) to employees. Given the considerable decentralization of the business lines and the very large number of staff members in a position to enter into contracts, particularly with public sector clients, the risks associated with business ethics cannot be ruled out with complete certainty.

It is for this reason that training programs, refresher courses, controls and reporting are implemented on a regular basis, according to programs that aim to cover all of the subsidiaries. The main actions carried out relate to:
– training seminars organized by the legal department in the framework of the multi-year plan that aims to cover the entire Group. Accordingly, in 2012, four days of training on ethics and legal liability of managers (update of knowledge and comprehensive training) were offered: two in the regional road construction subsidiaries in Mainland France (Colas Île-de-France–Normandie and Screg Île-de-France–Normandie), which completed the training for all of the road construction subsidiaries in Mainland France started in 2009, and in two locations outside of France (Caribbean–French Guiana and Croatia) for approximately 200 management employees in total. This training is supplemented by specific training programs offered by the subsidiaries. Regular reminders are provided on this subject in all meetings of subsidiaries, executive management committees, executive management teams and on the Group level;
– in the subsidiaries in the United States, a specific communication and training program on ethics, as part of compliance with the Federal False Claims Act, which aims to prevent fraud in companies that have obtained public contracts. Fifteen training sessions provided by outside experts were given in 2012, including eight 2.5 hour sessions bringing together all first-level and higher-level supervisors. An anonymous call line allows employees to issue alerts on these subjects. Twenty-six alerts were handled in the United States in 2012;
– stronger controls, particularly by conducting internal or outside audits: accordingly, an internal audit department was established in 2012 at ColasCanada to strengthen controls.

D.2: MEASURES TAKEN TO PROMOTE CONSUMER HEALTH AND SAFETY

Qualitative information

The Group’s end clients are the users of the infrastructures that it builds or maintains.

In this area, Colas has very limited freedom to modify its products and its projects since, in most of the countries where it operates, it is prohibited from proposing alternatives to the basic solution described in public tenders. In France, however, and in certain European countries in particular, it is possible to make proposed modifications, often limited and for certain contracts only.

With the exception of safety issues, transportation infrastructures have no direct impact on the health of users.

The Group’s R&D works in a number of areas in order to respond to road safety challenges, in particular:
– production of a range of high-performance surfacing providing better tire grip (textured and/or draining products to limit the effects of skidding in rainy weather);
– improvement in visibility (work on road markings in cold or wet weather and at night);
– manufacture of road safety equipment (Aximum safety and signaling subsidiary).

In order to reduce noise from road traffic, Colas offers noise-reducing mixes and has developed a noise barrier. This product range has received a number of prizes in France and abroad.

D.3: OTHER ACTIONS INITIATED, REGARDING INFORMATION RELATING TO CORPORATE SOCIAL RESPONSIBILITY COMMITMENTS TO PROMOTE HUMAN RIGHTS

Qualitative information

In article 2 of its Code of Ethics, Bouygues group, to which Colas belongs, commits to complying with the United Nations’ Universal Declaration of Human Rights and the fundamental conventions of the ILO (International Labor Organization) (see Part I – G).
INDEPENDENT VERIFIER’S STATEMENT ATTESTING TO DISCLOSURE AND LIMITED ASSURANCE REPORT ON SELECTED CORPORATE SOCIAL RESPONSIBILITY REPORTING (Fiscal year ended December 31, 2012)

At your request and in our capacity as the Independent Verifier of Colas SA, we hereby present to you our report on the consolidated social and environmental data included in the Report of the Board of Directors for the year ended December 31, 2012, prepared in accordance with the provisions of article L. 225-102-1 of the French Commercial Code.

RESPONSIBILITY OF THE BOARD OF DIRECTORS

It is the responsibility of the Board of Directors to prepare a report on the Group’s management including the social and environmental information required under article R. 225-105-1 of the French Commercial Code (the “Indicators”) and to specify the guidelines used (the “Guidelines”), which may be obtained from the Company’s registered office, are summarized in the sections I – Social information and II – Environmental information, and consist mainly of the following documents:

• for environmental information, the reporting guide for CSR indicators issued by Colas in May 2012, and
• for social information, Bouygues’ methodological guide to its social reporting system (2012 version).

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulators, the code of ethics for our profession, and the provisions of article L. 822-11 of the French Commercial Code. We have also set up a quality control system that includes policies and documented procedures to ensure compliance with rules of professional conduct, professional standards, and applicable laws and regulations.

RESPONSIBILITY OF THE INDEPENDENT AUDITOR

Based on the procedures performed, it is our responsibility to:

• certify that the required disclosures have been included in the Report of the Board of Directors or, if any have been omitted, that an explanation as provided for in the third paragraph of article R. 225-105 of the French Commercial Code and in Decree n°2012-557 of April 24, 2012 has been given (Statement attesting to disclosure);

• express an opinion of limited assurance that the Indicators are fairly presented, in all material respects, in accordance with the Guidelines (Limited assurance report).

It should be noted that, as this is the first fiscal year for which such an audit has been requested, our report only pertains to information reported to us in respect of the 2012 fiscal year.

1. STATEMENT ATTESTING TO DISCLOSURE

We performed our procedures in accordance with professional standards applicable in France.

• We compared the Indicators included in the Report of the Board of Directors with the list of information required under article R. 225-105-1 of the French Commercial Code.

• We examined the Indicators reported to ensure coverage of the consolidated scope of operations, corresponding at a minimum to the Company and its subsidiaries within the meaning of article L. 223-1 of the French Commercial Code and controlled companies within the meaning of article L. 233-3 of this same code. The scope and method of consolidation for the Indicators are specified in the introductory material preceding each section (I – Social information and II – Environmental information), supplemented, where applicable, by comments specific to certain indicators (e.g., partnership or sponsorship actions, see chapter B2).

• Where certain consolidated information was omitted, we verified that explanations were provided in accordance with the provisions of Decree n°2012-557 of April 24, 2012, in particular for most of the social information reported for certain French entities as well as information relating to energy and raw material consumption (see chapters C2 and C3).

On the basis of these procedures, we certify that the required disclosures are included in the Report of the Board of Directors.

2. LIMITED ASSURANCE REPORT

NATURE AND SCOPE OF OUR PROCEDURES

We conducted our procedures in accordance with the International Standard on Assurance Engagements (ISAE) 3000 and with professional standards applicable in France. We carried out the procedures listed below...
in order to provide limited assurance that the Indicators contain no material misstatement that would lead us to conclude that they were not fairly presented, in all material respects, in accordance with the Guidelines. Obtaining a higher level of assurance would have required more extensive work.

We performed the following procedures:

• we assessed the Guidelines with respect to their relevance, completeness, objectivity, understandability and reliability, taking into consideration best practices in the industry, if applicable;
• we verified that the Group has implemented, if applicable, procedures for data collection, compilation, processing and quality control to ensure the completeness and consistency of the Indicators. We reviewed the internal control and risk management procedures involved in the preparation of the Indicators. We conducted interviews with individuals in charge of social and environmental reporting;
• we prepared a ranking of the consolidated data to be tested(2) and determined the nature and scope of the tests to be performed, taking into account their importance with respect to the social and environmental impact of the Group’s operations and its specific characteristics as well as the Group’s social responsibility commitments.

With regard to the consolidated quantitative information that we considered as most important:

– we carried out analytical procedures, at the level of the consolidating entity, and verified, on a test basis, the calculations as well as the consolidation of reported information used to measure these Indicators;
– for a representative sample of three subsidiaries selected by us(2) based on their line of business, their contribution to the Group’s consolidated information, their location, and a risk analysis, we performed the following procedures:
  · we conducted interviews to verify the proper application of the Guidelines,
  · we performed tests of details, on a sample basis, consisting in the verification of the calculations made and their reconciliation with data from supporting documents.

The sample thus selected represented 8% on average of the consolidating entity’s operations.

With regard to the consolidated qualitative data that we considered as most important, we conducted interviews and examined the related documentary sources in order to corroborate this information and ascertain its fair presentation. With regard to fair trade practices, we conducted interviews at the level of the consolidating entity and the selected subsidiaries;

• for the other published consolidated Indicators, we assessed their fair presentation and consistency with reference to our knowledge of the Company and, where necessary, by conducting interviews or examining documentary sources;
• finally, we assessed the relevance of any explanations relating to the absence of certain elements of information.

(1) These consolidated data are as follows: in the area of social information, workforce by geographic region, gender and age (A1), workplace health and safety, work-related accidents and occupational illnesses (D1 and D3), training policies and hours (E1 and E2); in the area of environmental information, the Group’s environmental organization and its procedures for obtaining environmental certification (A1), waste recycling (B2), energy and raw material consumption (C2 and C3), greenhouse gas emissions (D2), provisions and guarantees for environmental risks (A4); and in the area of social responsibility commitments, relations with local residents (A2 and B1), fair trade practices (D), as well as subcontractors and suppliers (C).

(2) The subsidiaries Colas Midi-Méditerranée (France), Sintra (Canada) and Colas Hungaria (Central Europe).

COMMENTS ON THE GUIDELINES AND THE INDICATORS

We have the following comments to make on the Guidelines used:

• the Guidelines recommend a specific scope and method of consolidation for each theme and may involve a scope extended beyond that of controlled companies as defined, in the narrow sense, by articles L. 233-1 and L. 233-3 of the French Commercial Code;
• the methodological limitations of certain Indicators whose reliability is still subject to verification were specified by Colas in comments relating to the Indicators in question;
• specific social reporting guidelines could be prepared by Colas, especially for its international operations;
• the formal documentation of reporting procedures and controls on data could be improved at reporting and control levels (Group and subsidiaries).

CONCLUSION

Based on our procedures, we did not identify any material misstatement that would call into question the assessment that the Indicators are fairly presented, in all material respects, in accordance with the Guidelines.

Paris-La Défense, February 22, 2013
The Independent Verifier
ERNST & YOUNG et Associés
Environment and Sustainable Development Department
Éric Mugnier
Partner