CONTENTS

INTRODUCTION 03

INTERVIEW WITH 06
Frédéric Gardès

PART 1 10
Strategy

PART 2 22
Solutions

PART 3 40
Contributions and results

GOVERNANCE 54

Document completed in February 2020
World leader in the construction and maintenance of infrastructure

**MISSION**
Promoting infrastructure solutions for sustainable mobility

**VISION**
Global expertise united by a strong brand

**THREE MAIN BUSINESS SEGMENTS**

**Roads:** construction and maintenance of roads and highways, airport runways, city streets, urban development, reserved-lane public transport (tramways, bus rapid transit), ports, industrial sites, logistic platforms, shopping centers, parking areas, road safety equipment, marking, signaling, leisure facilities, environmental development, civil engineering, building, deconstruction, etc.

**Construction materials:** production, distribution, sale and recycling of aggregates, emulsions, asphalt mixes, ready-mix concrete, bitumen.

**Railways:** design and engineering of large complex projects, construction, renewal, maintenance of railway networks (high-speed lines, traditional track, tramways, subways).

Colas also operates in the Water & Energy transport sector.
### Colas on five continents in 2019

<table>
<thead>
<tr>
<th><strong>57,000</strong></th>
<th><strong>€13.7B</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>57,000 employees (as of December 31)</td>
<td>in revenue</td>
</tr>
<tr>
<td>average workforce over the year: 59,900 employees</td>
<td></td>
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<tr>
<th><strong>OF WHICH</strong></th>
<th><strong>IN OVER</strong></th>
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<tbody>
<tr>
<td><strong>23,000</strong> employees trained in first aid</td>
<td><strong>50</strong> countries</td>
</tr>
<tr>
<td><strong>52%</strong> outside of France</td>
<td></td>
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<table>
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<tr>
<th><strong>72,000</strong></th>
<th><strong>TOP 5</strong></th>
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<tbody>
<tr>
<td>72,000 projects</td>
<td>recycler in the world</td>
</tr>
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<tr>
<th><strong>3,000</strong></th>
<th><strong>800</strong></th>
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<tbody>
<tr>
<td>3,000 production and material recycling units</td>
<td>800 profit centers</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th><strong>89%</strong></th>
<th><strong>44%</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>89% of revenue from materials production is covered by an environmental impact management tool (certification and/or checklist)</td>
<td>44% of revenue from materials production has a community dialogue structure</td>
</tr>
</tbody>
</table>
Rest of the World

8,300 employees
(on December 31, 2019)
Average workforce over the year: 7,700
8% of revenue

AFRICA, MIDDLE EAST, INDIAN OCEAN
Algeria
Benin
Côte d’Ivoire
Egypt
Gabon
Kenya
Madagascar
Mauritius
Morocco
Oman
Qatar
Senegal
South Africa
Togo
Tunisia
United Arab Emirates

ASIA, OCEANIA
Australia
Cambodia
China
India
Indonesia
Malaysia
New Caledonia
Singapore
South Korea
Thailand
Vietnam

SOUTH AMERICA
Chile
Peru
Venezuela

France

31,000 employees
(on December 31, 2019)
Average workforce over the year: 31,200
48% of revenue

EUROPE (EXCLUDING FRANCE)
Austria
Belgium
Croatia
Czech Republic
Denmark
Greenland
Hungary
Iceland
Ireland
isle of Man
Italy
Netherlands
Poland
Romania
Slovakia
Slovenia
Switzerland
United Kingdom

Europe (excluding France)

10,000 employees
(on December 31, 2019)
Average workforce over the year: 10,500
18% of revenue

MAINLAND FRANCE

CANADA
Alberta
British Columbia
Manitoba
New Brunswick
Northwest Territories
Nova Scotia
Nunavut
Ontario
Quebec
Saskatchewan
Yukon

France

7,700 employees
(on December 31, 2019)
Average workforce over the year: 10,500
26% of revenue

UNITED STATES
Alaska
Arkansas
California
Colorado
Florida
Georgia
Illinois
Indiana
Iowa
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
South Dakota
Tennessee
Texas
Utah
Vermont
Virginia
Washington
West Virginia
Wisconsin
Wyoming

North America
What is your take on business and profitability at Colas in 2019?

F.G. Overall, 2019 was a good year.

We posted €13.7 billion in revenue, a 5% increase at constant scope and exchange rates compared to 2018. Business was driven by growth in Roads in Mainland France and in Railways, which offset the impact of the sale of Smac.

Our profitability improved, with current operating profit totaling €433 million, up €60 million from 2018. Current operating margin increased by 0.4 points to 3.2%, mainly because of good performance for Roads in Mainland France, especially in the United States, and a return to breakeven at Colas Rail.

But we still have significant potential for improvement, especially as far as profitability is concerned.

As a whole, the transformation projects we have launched should progressively produce results.

After 2018, which was a record year for acquisitions, have you forged on with Colas’ targeted international development policy?

F.G. Our external growth was lower than in 2018, which will remain as an exceptional year in the history of Colas.

2019 was marked by our first footsteps into the road business in Latin America, with the acquisition of Asfalcura in Chile. We also created Colvias in Peru, a company specialized in mining infrastructures. Remember that we have been operating in South America for a while now through our subsidiary Colas Rail, for example on the Santiago metro.

We also made several acquisitions in Europe, including eleven asphalt plants from Skanska in Poland, which now gives us a nationwide network in that country.

Our international units are slowly but surely continuing to progress within the Group. Today, their business accounts for 52% of total revenue.

I’d like to say a word about the sale of Smac’s waterproofing activity that was finalized in May 2019. This transaction is part of our strategy to refocus on core businesses at Colas: roads, building materials and railways.

Can you tell us more about Colas innovations in 2019?

F.G. We signed an agreement with Sidewalk Labs, a subsidiary of Alphabet (Google’s parent company), to experiment our Flowell dynamic luminous signaling solution as part of the Quayside project in Toronto. Designed to provide modular urban spaces and to reinforce user safety, Flowell is an innovation that offers multiple concrete applications, and people like that. Its future will be bright!

Another highlight of the year was the market launch of the Wattway Pack, a small-format Wattway solution that provides energy autonomy to roadside equipment. It is especially interesting for remote areas that are not hooked up to the electricity grid. The product was presented at Salon des Maires in Paris and aroused great enthusiasm.

With regard to Mobility by Colas solutions, the ANAIS digital service has attracted the attention of many communities in France to help provide preventive road asset management. We have already signed a contract with the Eure-et-Loir département. ANAIS also won a Road Safety Innovation Award from the French Road Safety Delegation.
Beyond expanding its range of offerings, Colas continues to pave the way forward with its digital transformation. I would particularly like to highlight the work accomplished by our BIMbyCo teams, who have also tackled CIM, for City Information Modeling, a city or community-wide application of BIM. In 2019, Colas received a Silver BIM for its project to redesign a roundabout near the Marseille Airport in France. Another example of the Group’s digital breakthrough is the roll-out of a Knowledge Management platform for employees, called ColasShare.

What is your vision of the road of the future?

F.G. Road infrastructure as we know it today still has a bright future ahead of it. Drones aren’t going to be flying around everywhere anytime soon.

More seriously, the road of the future has two facets.

The first facet is technological, with new innovations to be designed and developed. Research should pay particular attention to the “carbon sink” possibilities that are inherent to roads. In fact, to make sure that life on the planet is even possible in several generations, we don’t just need to reduce CO₂ emissions; we also need to capture them. Roads can provide answers to this problem. Of course, there are also innovations involving infrastructure design and adaptation for autonomous vehicles, including the installation of integrated sensors in and around roadways.

The second facet of the road of the future involves a mode of contracting that is different from today’s approach. I believe in long-term contracts, with more global responsibility and more engineering. Colas was a trailblazer in this area when we signed the Portsmouth PFI in the UK in 2004. In my view, this type of contract represents the future. The company is entrusted with a network, in part or in whole, then upgrades and maintains it, guarantees a certain level of service over a defined period, provides funding and hands over the network at the end of the contract, and all of this with performance-based, not resource-based, obligations. A shift in this direction would allow us to use some of our good ideas.

“We have significant potential for improvement. The transformation projects we have launched should progressively produce results.”
You have expressed your desire to implement a strong Corporate Social Responsibility policy at Colas. What is your ambition in this field?

F.G. Since Colas was founded, a great number of smaller-scale CSR initiatives have been rolled out in profit centers and production sites across our entire network worldwide. These actions are the very core of our DNA and are highly appreciated by local communities.

So Colas is already doing a lot in the field to promote corporate social responsibility. But we have to go further, much further.

First, we need to let people know more about it, by communicating better about our actions in CSR.

Then, we must provide a stronger structure to our approach, by setting a clear course at the Group level and for each geography, with the commitment to consistent actions, the formalization of targets to be achieved and the choice of performance indicators allowing us to measure progress.

Lastly, we need to speed things up and get much more done.

CSR issues are essential to preserve life on the planet and to ensure social harmony. As a leader, Colas has an important role to play.

In 2019, we began to overhaul our sustainable development approach. In particular, we launched a broad consultation across all our stakeholders through several participatory platforms.

2020 will be the year we roll out a new CSR policy with measurable commitments.

Carbon strategy, biodiversity, circular economy, value chain, responsible management of job sites and production sites, human rights, managerial practices… all of these issues, along with ethics and safety, are the cornerstones of our social responsibility policy.

“The Colas brand must now embody our shared culture, be stronger and more visible, so that our local profit centers can benefit from the power of our image as a renowned global group.”
“Since Colas was founded, a great number of smaller-scale CSR initiatives have been rolled out in profit centers and production sites across our entire network worldwide. Today, we are laying out a stronger structure to our approach at a Group level and for each geography, with measurable commitments.”
In a world that is undergoing profound demographic and geographic upheaval, mobility needs are constantly growing, while new constraints and requirements emerge. Backed by a business model proven by 90 years of success in the service of transport infrastructure, Colas is transforming and continues to grow, via four strategic axes.
MEGATRENDS

Mobility needs are constantly growing and changing

GROWING URBANIZATION
Every week in the world, urban populations grow by 1.5 million. By 2050, 70% of the world’s population will live in urban areas.

TRANSITION TO A SERVICE ECONOMY
Customers are increasingly demanding turnkey solutions combining physical products and quality services.

POPULATION GROWTH
The world’s population will grow by 3.5 billion by 2050 to reach 11 billion.

STRONGER ENVIRONMENTAL REQUIREMENTS AND CONSTRAINTS
Issues related to climate change, energy transition and resource use are reflected in terms of carbon footprint and circular economy.

DIGITAL BOOM
The rise of digital technologies is affecting all economic sectors by transforming business models, organizations and production tools.
COLAS’ BUSINESS MODEL

The power of a global group, the close-knit ties of a local business

**STAKEHOLDERS**

**A DECENTRALIZED ORGANIZATION**

The 800 Colas construction units form a network that is coordinated at a regional level. They comprise sustainable local teams adapted to local specificities and to the completion of small maintenance and development projects (+70,000 each year). In addition, Colas Projects works alongside the subsidiaries in the design and construction of major projects.

**VERTICAL INTEGRATION**

Colas has an international network of 3,000 production and recycling sites for construction materials (aggregates, bitumen emulsions, asphalt mixes, etc.) and bitumen terminals, which give the Group upstream control over the value chain.

**GLOBAL EXPERTISE**

The 57,000 men and women of Colas are united by shared history and shared values. Their skills and expertise are renowned worldwide and united by a strong brand.

**CAPACITY FOR INNOVATION**

The Colas Campus for Science and Techniques designs and develops products, techniques and solutions that meet the challenges of the energy transition and new uses. Mobility by Colas is developing a digital offering for new uses and services for customers and users.

**SOCIAL PROGRESS**

**GLOBAL COST OPTIMIZATION**

**CIRCULAR ECONOMY**

**ENVIRONMENTAL PROTECTION**

**ETHICS AND FRUGALITY**

**SAFETY**

**DESIGN AND ROLLOUT OF SOLUTIONS FOR SUSTAINABLE MOBILITY**

**CONSTRUCTION AND MAINTENANCE OF TRANSPORT INFRASTRUCTURE**

Colas 2019 — 13
Part 1 — Strategy

Promoting our industrial activities

Controlling Colas’ two key resources: aggregates and bitumen.

FOCUS 1

Vertical integration is a historical cornerstone of the Group’s strategy.

Over the years, Colas has built strong positions in aggregates by developing its portfolio of quarries, particularly in France, Europe, North America and the Middle East.

Bitumen, the starting point of the Group’s history*, is also a key resource for Colas’ businesses. Today, Colas is a major player in the bitumen storage and distribution business in Southeast Asia, Australia, and, since 2018, in Canada.

Vertically integrated upstream from the construction business, Colas’ aggregates and bitumen activities are also carried out for customers outside the Group.

Colas is committed to performing these industrial activities responsibly, particularly in terms of safety and environmental protection (saving resources - thanks in particular to recycling -, biodiversity, limiting nuisances, etc.).

Colas’ aggregate production, bitumen storage and distribution activities are essential both to better control the availability and quality of the Group’s supplies and to hone its competitive edge.

*Colas was created in 1929 to operate the Cold Asphalt bitumen emulsion patent for road surfacing. Many bituminous products have been invented and patented since then.

AGGREGATES: Colas among the top 10 global producers

449 quarries, gravel pits, in operation

97 Mt of aggregates sold Colas share (excluding recycled materials)

1.5 Bt of potential reserves (Colas share)

10% of recycled materials compared to the quantity of aggregates produced

70 protected species hosted in Group quarries

Figures for 2019

BITUMEN: Colas, a major player in the market

#1 buyer of bitumen in the world

2.5 Mt sold to third parties in Southeast Asia, Australia, Canada

5 Mt purchased per year

Present throughout the value chain

• 1 bitumen production plant in Malaysia
• 69 bitumen storage terminals around the world
• 8 bitumen tankers, 2 river barges and 200 80-tonne railroad cars for transport
• 151 emulsion plants
• 526 asphalt plants

16% of reclaimed asphalt pavement (RAP) to reuse bitumen

Figures for 2019
Above: Rouans Quarry in western France.

Left: Bitumen depot in Kwinana, Australia.
Enriching our range of offers

Relying on our expertise and innovation to continually expand Colas’ offering to boost sustainable mobility.

Enriching Colas’ range of offers mainly concerns major projects and innovative mobility solutions.

To meet the growing demand of its public and private clients in the field of complex projects, such as public-private partnerships (P3), concessions, multi-year maintenance contracts, and major road, airport and railway contracts, relies on its dedicated structure, Colas Projects. The unit combines the Group’s resources and expertise needed to study and perform this type of project in the best possible conditions, with the road and railway subsidiaries concerned. Colas Projects also gives the Group the opportunity to capitalize on its experience, attract and train talent and, ultimately, improve risk management.

Colas is also continuing to innovate to expand its range of products, techniques and solutions for sustainable mobility. Its innovative drive is aimed at providing safe, sustainable, connected and shared roads.

As it works hand in hand with the laboratories in the Group’s subsidiaries, the Colas Campus for Science and Techniques is a one-of-a-kind resource for research on infrastructure techniques, with a focus on CSR issues.

Innovating also means anticipating the Group’s future business segments, designing and offering innovative services focused on customers’ and users’ expectations for sustainable mobility. Mobility by Colas is an activator of mobility services based on digital technologies and the use of data for communities and users.

Three categories of new business segments and services stand out as the cornerstones of Colas’ enriched offering: Smart Roads, Roads as a Service and Smart Mobility.

NEW OFFERS: innovative mobility solutions

1. **Smart Roads**: Create new functions for infrastructure

2. **Roads as a Service**: Anticipate infrastructure maintenance needs

3. **Smart Mobility**: Develop a new customer approach based on services to the users

MAJOR PROJECTS: Colas expertise

Dedicated to managing major projects (complex and/or large projects), Colas Projects provides expertise in studies and projects to support Group subsidiaries.

Contracts secured in 2019

- Construction of tracks on the proving ground at the BMW Future Mobility Development Center in Sokolov, **Czech Republic**
- Partnership contract (P3) for the design, construction, maintenance and financing of the Bus Rapid Transit Network in Cayenne, **French Guiana**
- Widening of Highway A10 in Touraine, **France**
**WATTWAY**: Photovoltaic road surface.
In 2019:
- Market launch for Wattway Pack, an autonomous energy solution for roadside equipment (charging stations for electric bikes and scooters, connected urban furniture, CCTV surveillance cameras, variable message signs, etc.)
- Solution chosen for a CCTV surveillance camera near Montpellier
- Solar Impulse Label

**FLOWELL**: Luminous dynamic signaling.
In 2019:
- First trial site for a crosswalk in Mandelieu-la-Napoule, France
- Demonstrator set up on the site of Transpolis, a city laboratory dedicated to urban mobility inaugurated in the Ain département in France
- Signing of an agreement with Sidewalk Labs, a subsidiary of Alphabet, to test Flowell as part of the Quayside project in Toronto, Canada

**ANAIS**: Digital tool for recommending infrastructure maintenance, based on capturing and analyzing data.
In 2019:
- Road Safety Innovation Award, from the French Road Safety Delegation
- Solution chosen by the Eure-et-Loir département in France

**MOOV’HUB**: Mobility services platform.
In 2019:
Intelligent shared parking solution rolled out under the name of Park’In Saclay by the Paris-Saclay public development department for its urban campus

**QIEVO**: Digital tool designed to optimize travel flows around urban construction sites.
In 2019:
Solution rolled out under the name REGULY by SPL Lyon Part-Dieu in France

Left: P3 project for Bus Rapid Transit of Cayenne, in French Guiana.
Continuing our targeted development internationally

Establishing local leadership positions in our current locations and expanding into new countries.

**FOCUS 3**

Colas pursues its international expansion through external growth in targeted countries, which show sustainable growth prospects and moderate risk in political, legal, ethical, social, and human rights issues.

Colas’ goal is to establish and develop local leadership positions, both by strengthening current footholds and by continuing to expand into new countries.

The Group also aims to benefit from a country mix favorable to the distribution of risks.

In 2019, Colas continued to expand around the world by developing a road business in South America and making new acquisitions across Europe.

More than half of Colas’ revenue is generated outside of France, for the most part in low risk countries, i.e., mainly in Europe, North America, Australia.

In the years to come, Colas has significant development potential in targeted OECD countries.

Over the past 30 years, Colas has grown about half by external growth and half by organic growth. As a result, Colas has historically demonstrated a strong ability to integrate companies of all sizes in its core businesses.

**SOUTH AMERICA: launching a road business**

- **Acquisition of Asfalcura in Chile:**
  The company, specialized in road construction, and in particular in asphalt mix production and paving, operates across Chile and also owns a 33% stake in Oil Malal, a company specializing in the import, processing and distribution of bituminous products. This acquisition is part of Colas’ development strategy in South America. The Group already operates in Chile through Colas Rail and Dust-A-Side.

- **Creation of Colvias in Peru:**
  The subsidiary specializes in mining infrastructure works for international mining operators and in medium and long-term road maintenance contracts.

**EUROPE: new acquisitions**

- **Road assets of Skanska in Poland:**
  This acquisition involves 11 asphalt plants, 130 construction machines and around 20 application teams operating around the country's 11 biggest cities. Present for more than twenty years in the western part of Poland, Colas can now extend its positions across the country, becoming a leader in Poland’s road infrastructure sector.

- **Street Sweep in Ireland:**
  Street Sweep is the leader in the Irish planing market and a major player in road sweeping. The acquisition expands Colas’ range of solutions and services in Ireland.

- **Nordurbik in Iceland:**
  The acquisition of this asphalt and road works specialist in the north completes Colas’ coverage of the country.
Left: Highway A2 in Poland.

Left: Access road to the Quellaveco mining site in Peru.

Above: Route RN1 near Skaftafell and the Jökulsárlón glacier in Iceland.

Left: Highway A2 in Poland.
Accelerating our digital transformation

Improving the quality of the Group’s services and its competitive edge, and offering new services.

FOCUS 4

Driven by new technologies and Big Data, the digital transformation is profoundly changing Colas’ activities and the way the company does business.

First and foremost, the transformations concern processes and tools: from the use of tablets, smartphones and drones on construction sites and production sites to the development of BIM on complex projects (roads, railways, buildings, sub-soil, etc.) and CIM on an increasingly large scale (a neighborhood, a town, a community).

Digital technologies are also paving the way to new business opportunities and new activities, as demonstrated by Mobility by Colas’ innovative mobility solutions (see pages 16-17).

Lastly, with the rise of digital technologies, Colas has a major lever to strengthen its global foothold and enhance collective intelligence. The use of digital technologies makes it possible to increase cross-disciplinary bridges, to better share know-how and operational expertise, and to build up a wealth of global data.

Digital technologies play an increasingly important role in the organization of Colas. Historically, Colas is a “multi-local” group of profit centers with strong decision-making autonomy to best serve their local customers. Today and tomorrow, with the networking of its profit centers, the Group shares its experiences, expertise and data on a global scale.

BIM: collaborative projects

From BIM... (Building Information Modeling)

BIM provides a collaborative digital model that helps the companies, customers and other stakeholders involved in a project to share information throughout the project’s lifetime, optimizing not only the design and preparation phases, but the actual construction, maintenance and even deconstruction as well.

• Silver BIM 2019: Awarded in the “Infrastructure” category for the upgrading of the Les Lavandes roundabout, near the Marseille Provence Airport in France.

• HoloBIM Innovation (BIM Hologram):
  Technology used on the Rennes, France and Hanoi, Vietnam metro projects performed by Colas Rail. This innovative and original method allows teams to quickly check the structure and interact with objects in the model. For a standard station, the control time was divided by 10, going from thirty hours to three hours. HoloBIM is a winner in the “Technical Engineering” category of the 2019 Real Estate Digital Transformation Awards.

DIGITAL TOOLS developed in 2019

• At the service of materials activities and jobsites

  • RPA (Robotic Process Automation): Automation of simple, repetitive tasks according to predefined scenarios. In 2019, eight use cases were automated.

  • Mobile E-Dispatch: Mobile application that allows site managers to view and specify the resources allocated by dispatcher to sites on a day-to-day basis.

• Serving collective intelligence

  • MyColas: Digital portal that organizes and simplifies employee access to existing tools and allows new HR uses online.

  • ColasShare: Sharing platform allowing employees to pool their professional experience and expertise (knowledge management).
Above: Upgrading project for the Les Lavandes roundabout near the Marseille Provence airport in France, which won a silver BIM award.

... to CIM
(City Information Modeling)
The BiMbyCo team has expanded its skill scope to include CIM. Colas can now offer new uses and services to stakeholders in a community by using a CIM digital twin.

- In 2019, signature of a partnership with the Greater Paris Île-de-France Smart Region for the co-development of CIM uses.

Left: Use of tablets, smartphones and drones on construction sites and production sites.
Across the globe, in every country in which it operates, Colas provides sustainable infrastructure solutions designed to meet the needs of customers, users and all its stakeholders, by integrating environmental and social challenges: road safety, traffic flow, environmental protection, pavement preservation, cost control, etc.

#RECYCLING
75% of planed materials were recycled or reused on site.
United States

Upgrading a 20-km section of Haines Highway in southeast Alaska

#Safety
Upgrading infrastructure to current safety standards by:
- widening traffic lanes and shoulders,
- softening curves.

#Biodiversity
“We complied with strict environmental standards on this project, in particular to preserve the fish habitat in the Chillkat River, near the road.”

Steve Stichler,
Haines Highway Project Manager
Renovation and upgrading of runway 3 at Paris-Orly airport

#RECYCLING
— Installation of a recycling plant on site.
— 200,000 tonnes of materials from the old runway 3 recycled on site and reused in the new infrastructure.
— 13,000 truck journeys avoided, which would have been necessary for the removal and supply of materials.

“The project is unique: this is the first time that an airport runway has been deconstructed and rebuilt using 2/3 of the original materials.”

Thierry de Séverac, Engineering and Development Manager, ADP group
VIETNAM

Construction of the 12-km long light rail metro line in Hanoi, connecting the historic center with the western end of the city.

#DIGITAL INNOVATION

HoloBIM technology, an alternative digital building information modelling system, embeds virtual elements (holograms) in a real environment using a dedicated headset. The method allows teams to monitor the completion of the work quickly and to interact with the objects in the model.

This innovation, developed by a start-up supported by Colas Rail, has been tested on two projects around the world: metro line 3 from Hanoi and line B of the Rennes metro in France.

#PUBLIC TRANSPORT

“The new metro will revolutionize how we get around. For many residents of Hanoi, taking the metro will be a first.”

Hoang Van Due, Construction Manager, section 8
Engineering, construction and commissioning of a new natural gas station in Loretto, Corsica

After benefitting from a landscape study and a nature-focused design, these units will blend in more harmoniously with the environment.

CANADA

Widening of lanes on an 8-km section of Highway 404, northeast of Toronto, Ontario

- Improved traffic conditions on this very busy route.
- Reinforced user safety.
Rehabilitation of roads and networks, over a total length of 86 km, in several districts of Libreville.

#SAFETY
#TRAFFIC FLOW
- Rehabilitation & creation of drainage systems (culverts, gutters, manholes, etc.).
- Partial or total repaving.
UNITED KINGDOM

Construction of a new section of the Birmingham tramway, between Grand Central Station and Centenary Square

PUBLIC TRANSPORT

This project is part of the drive to upgrade the tramway network in England’s second largest city.
CANADA

Road marking in British Colombia, as part of a five-year contract

#SAFETY
Because the road network is particularly exposed to bad weather, thermoplastic road marking is used to ensure better resistance over time.
FRANCE

Redevelopment of Pampelonne Beach, a site recognized as “remarkable natural space” under the French Coastline Law, including access works, sanitation and environmental safety of the dune.

#BIODIVERSITY

The project allows users to access the beach without damaging the natural flora. Several protected plant species grow here, including the African tamarisk, the forget-me-not and the purple spurge.

FRANCE

Qualitative development for a shopping center in Cesson, near Paris.

#SAFETY

The construction of crosswalks in colored concrete contributes to improving the safety of users on site.
Widening and strengthening of a 30-km section of Highway 206, near Phimai

25,000 tonnes of reclaimed asphalt pavement (RAP) from the old roadway have been recycled and 20% reused in the new infrastructure.
MOROCCO

Widening of two sections, for a total length of 69 km, of the Route RN 1 between Tiznit and Laâyoune

#TRAFFIC FLOW  #SAFETY

Transforming Route RN1 into an expressway meets several targets:
- improve traffic flow,
- reinforce security,
- facilitate the transport of goods on the pan-African route connecting Morocco to Senegal.
7% of the hours worked devoted to social inclusion.

“Beyond what the project brings to the local economy, we make sure that it also has a positive impact on the social environment. Local expectations in terms of inclusion are very strong."

Arnaud Grevoz, Port of Calais 2015 Project Manager

FRANCE

Extension of the port of Calais, including platforms, quays, networks and repaving of the ring road connecting the port area to Highway A16
HUNGARY

Construction of a new 24-km section of Motorway M30 connecting Miskolc in north-eastern Hungary and Košice in Slovakia

#TRAFFIC
#FLUIDITY
#SAFETY

This project should allow users to enjoy improved traffic flow and safety. It includes the construction of:
- 21 structures,
- 2 interchanges,
- 2 rest areas.

NEW CALEDONIA

Building a Bus Rapid Transit network in Noumea

#PUBLIC TRANSPORT

This efficient, environmentally-friendly public transport service offers an alternative to a “cars-only” mode, and responds to social needs by facilitating access to employment, education, health and culture for all the inhabitants of the island.
Innovative solutions

Colas uses its long-standing expertise and breakthrough innovations to transform technological developments in the road into tangible benefits for customers, users and communities.

1. FLOWELL
**DYNAMIC LUMINOUS ROAD MARKING SERVING SAFETY**
Colas, in collaboration with CEA Tech, imagined Flowell, a solution comprising panels with LEDs encapsulated in a multilayer substrate and connected to an electrical network. This solution, currently in the development phase, has been designed to provide dynamic road marking to reinforce road safety and modulate uses, making the road a shared space.

2. WATTWAY
**AUTONOMOUS POWER FOR ROADSIDE EQUIPMENT**
In 2019, Colas began marketing the first ever application of Wattway photovoltaic road surfacing, called Wattway Pack. This solution locally produces, supplies and stores renewable power to make roadside equipment energy autonomous. It is particularly suitable for off-grid areas and when the connection to the network is too costly.

3. QIEVO
**REGULATING TRAFFIC FLOW AROUND URBAN CONSTRUCTION SITES**
Mobility by Colas has developed QIEVO, a digital service designed to optimize mobility flow around construction sites in dense urban areas. The solution offers a centralized system for regulating logistics to limit nuisance (noise pollution, traffic problems, etc.) and foster the acceptability of the construction work.

4. ANAIS
**PREVENTIVE ROAD ASSET MANAGEMENT**
ANAIS is a system for collecting and analyzing data relating to the behavior of vehicles on the road, making it possible to identify alert zones on the network and send maintenance recommendations to network managers to help ensure preventive road asset management.

5. MOOV’HUB
**INTELLIGENT PARKING**
In line with the principles of MaaS (Mobility as a Service), Moov’Hub is an integrated digital solution for mobility and parking services. Designed as a mobility services platform, it pools and simplifies access to mobility solutions for towns and cities, using a cross-community approach.
Since March 2019, Colas has been experimenting with Flowell dynamic luminous marking on crosswalks in Mandelieu-la-Napoule, France. For this first real-life trial, 46 panels composed of LEDs were installed to test different scenarios aimed at making urban mobility safer and smoother, over a two-year period.

Almost 7,500 km of roads run through the Eure-et-Loir département in France. The construction and maintenance of this network is managed by the department council. To deliver a better response to the traffic and safety needs of users, Colas and the Eure-et-Loir département signed a contract in 2019 to provide the community with the digital solution ANAIS.
COLAS 2019 — 39

MOOV’HUB

INTELLIGENT PARKING WEB-APPLICATION

Launched in 2019, the Park’In Saclay web application simplifies parking, boosts attractiveness and fosters development at the Paris-Saclay plateau, near Paris. The EPA Paris-Saclay is thus positioning itself as a leader in the roll out of the first innovative shared service combining mobility and digital technology.

WATTWAY

FIRST WATTWAY PACK INSTALLED

In Châteauneuf-le-Rouge, France, a 3-panel Wattway pack provides autonomous power to light a crosswalk. Wattway has been trialed on some forty test sections around the world, and feedback has confirmed the interest of the local autonomous energy solution that provides sustainable, competitively-priced power for equipment far from the power grid.

QIEVO

AN OPERATIONAL TOOL

The QIEVO solution, operating under the name of REGULY, was chosen to regulate the flow of construction trucks across the Lyon Part-Dieu train station district, where around fifty major projects are scheduled until 2022. Traffic regulation areas have been set up on the outskirts of the city (see photo).
CONTRIBUTIONS AND RESULTS

As part of its mission, strategy and solutions, Colas creates value for all its stakeholders, be they customers, employees, suppliers, partners, local authorities, governments, NGOs, shareholders, investors, users, local residents, citizens, etc.

In 2019, as part of an overhaul of its CSR* policy, Colas consulted its stakeholders via collaborative platforms.

*Lumicol is a glow-in-the-dark surfacing that soaks up energy when exposed to sunlight and subsequently radiates visible light in the dark, thus creating luminous marking.

#SAFETY
#ENERGY
As a subsidiary of the Bouygues Group, Colas’ ethical rules are set out in the Bouygues Group’s Code of Ethics and compliance programs (competition, conflicts of interest, anti-corruption, financial information and stock market transactions, embargoes and restrictions on exports). These rules are also included in Colas subsidiaries’ ethics charters and codes.

The actions undertaken by Colas to prevent corruption and promote ethical practices include prevention through training, alerting with a whistleblowing procedure and whistleblower protection, and sanctions in the event of non-compliance (dismissal, etc.). Relations with suppliers are governed by a code of ethics adapted to the Procurement segment and including Corporate Social Responsibility.

In addition to a Committee on Ethics and Corporate Patronage and a Legal and Compliance Department, Colas relies on a network of Compliance Officers in the regions.

### IN 2019

- Distribution of a repository of Colas compliance procedures.
- Launch of a communication campaign for all Group employees worldwide.
- Campaign to renew the commitments of executives, managers and members in the Procurement sector to comply with and promote the Group’s Code of Ethics and Compliance programs.
- Ongoing expansion of training drive, in particular with the “Ethics and applied compliance” modules, the e-learning serious game “Fair Play”, a program on Ethical and responsible leadership.
- New dedicated software to map corruption and influence peddling risks.
- Expanding the human rights risk mapping process.
- New actions in favor of personal data protection (GDPR).

### 2019 FIGURES

- **4,400** employees trained with the e-learning serious game Fair Play in 2018 and 2019
- **4,000** employees followed the Applied ethics and compliance training
- ≈**800** managers trained in ethical and responsible leadership since 2016
Along with Ethics, Safety is an integral part of Colas. Its goal is zero accidents.

Protecting employees at work and on the road is a major focus of Colas’ human resources policy. The approach is based on four cornerstones: respecting the rules; training and informing, designing construction sites and processes safely; verifying action plans. Colas is equally involved in promoting road safety, with training in calm driving and onboard telematics in vehicles. The Group’s safety actions are also reflected in road safety charters and competitions.

Similarly, Colas also contributes to the prevention and avoidance of accidents for infrastructure users and local residents around construction sites and production sites, by performing maintenance and road marking and signaling, and by proposing technical solutions for ultra-skid resistant mixes, colored mixes to differentiate lanes dedicated to bicycles, buses, pedestrians.

The target to reduce accidents is shared by all Group subsidiaries, benefitting not only employees, but their families as well, along with all road users. The same is true for first aid training provided to Colas employees.

IN 2019
- Launch of the One Safety approach with DuPont Sustainable Solutions in a pilot subsidiary in France.
- Continued roll out in Canada of the Goal Zero safety program, already in place in the United States, in association with Caterpillar Safety Services.
- Continuation of virtual training to raise awareness of the risk of accidents on jobsites, and in particular the risk of being crushed.
- Continued collaboration with Volvo CE on a research project aimed at optimizing safety around construction equipment (device based on artificial intelligence).
- Continued deployment of the dynamic modular luminous signaling solution Flowell on trial sites to ensure safety at crosswalks by enhancing their visibility and that of pedestrians.

2019 FIGURES
- 6.19 frequency rate (FR) for workplace accidents (best FR ever obtained by the Group) vs 6.67 in 2018
- 0.057 frequency rate of accidents involving Group vehicles (a 45% decrease in fifteen years) vs 0.057 in 2018
- 40% employees are trained in first aid vs 35% in 2018
- +1,900 new employees trained during “Safety Culture” days in mainland France
Employment

Everywhere Colas operates, it creates jobs locally that cannot be relocated. In addition to direct jobs, subsidiaries also contribute indirectly to employment through local purchases.

The cornerstones of Colas’ recruitment policy are:
- partnerships with engineering schools, technical colleges, and other training courses in public works, to foster relations with students, and to offer internships, work-study contracts and apprenticeships opportunities, then hiring;
- actions in favor of the employer brand.

IN 2019

- Colas sponsored the ESTP graduation ceremony in France.
- Continued improvement of the applicant experience from online applications to the monitoring of the pool of candidates.
- Continuation of the three major employee advocacy programs on an international scale, aimed at encouraging employees to disseminate the employer brand and job offers on professional social networks.
- Continuation of the communication campaign, My Job Story, as part of the drive to strengthen the employer brand: employees are invited to share anecdotes from the site in videos shot locally and then posted on social networks.

2019 FIGURES

57,000 employees worldwide as of December 31
> vs 58,000 in 2018

22,457 employees recruited around the world*
> vs 22,310 in 2018

* This number includes seasonal employees in international units (United States, Canada, Asia).

2,600 interns welcomed in France
> vs 2,600 in 2018

GRADUATE PROGRAMS
A “Tour de France” for young graduates

The participants on the “Tour de France” graduate programs are young graduates with Masters degrees and higher, who are following a sixteen-month integration course across different Colas units around France.
Colas endeavors to reflect the plurality of civil society throughout its human resources.

**Colas’ diversity approach includes four paths for progress: gender diversity, disability, social inclusion, and seniors.**

Compliance with the principle of non-discrimination is regularly reaffirmed both at Group level and at a local level, by signing agreements and charters, as well as with speaking events and training sessions dedicated to the fight against discrimination.

**IN 2019**
- Deployment of an e-learning module “Living diversity together” for managers to make them aware of the risks of discrimination.

**1. GENDER DIVERSITY**
The diversity policy at Colas aims to attract and recruit more female talent, to build loyalty and to foster their careers by favoring equal treatment and promotion between men and women, for example with actions to accompany women.

**IN 2019**
- Renewal of “Handi-Alternate Work Study”, in partnership with Cap’emploi and Agefiph Ile-de-France, in France.
- Launching a communication campaign to change the way people perceive disabilities.

**2. DISABILITY**
The aim of the Colas disability approach is to recruit workers with disabilities, to make employees aware of this issue and to develop the use of protected adapted suppliers in collaboration with Procurement departments.

**IN 2019**
- Renewal of “Handi-Alternate Work Study”, in partnership with Cap’emploi and Agefiph Ile-de-France, in France.
- Launching a communication campaign to change the way people perceive disabilities.

**3. SOCIAL INSERTION**
Colas conducts various actions to promote the integration of people who have difficulty to access employment or to return to work. For example:
- partnership agreements are signed locally with GEIQs (employer groups for insertion and qualification) in mainland France;
- subsidiaries have participated in the Hope project (Accommodation, orientation towards employment), developed by the French Ministry of Labor, in partnership with the FNTP, Afpá, GEIQ and Pôle emploi, to respond to specific difficulties encountered by refugees upon their arrival in France;
- in the United Kingdom, Colas Ltd. works with agencies specializing in the reintegration of specific profiles;
- Colas Canada subsidiaries are rolling out initiatives to integrate First Nations people into their teams;
- in the United States, Colas Inc. has a dedicated hotline to combat discrimination.

**2019 FIGURES**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.8%</td>
<td>of women in the workforce (21.4% with manager or employee status, 2.8% with worker status)</td>
</tr>
<tr>
<td>10.4%</td>
<td>of women managers</td>
</tr>
<tr>
<td>850</td>
<td>employees have joined the in-house gender diversity social network, dedicated to fighting sexism (nearly 60% of members are men)</td>
</tr>
<tr>
<td>€1.8M</td>
<td>in Revenue with protected sector companies that employ the disabled in France</td>
</tr>
</tbody>
</table>

Colas 2019 — 45
Health

In the field of health, Colas implements specific actions and measures in favor of its employees, in particular to reduce:

- musculoskeletal disorders, through preventive training or with the supply of ExoPush exoskeletons that help relieve the work of asphalt laydown teams;

- exposure to noise from construction sites and workshops (mandatory wearing of hearing protection), to ultraviolet light (mandatory use of long sleeves and long pants), to bitumen fumes (use of warm asphalt instead of traditional hot mixes and of equipment with fume extraction devices), to dust (use of appropriate equipment and spraying, use of personal protective equipment) and to chlorinated solvents (alternatives);

- diseases such as AIDS or malaria in southern countries where Colas has a long-standing presence, e.g., Madagascar or West Africa, through health policies that cover not only the employees but also their families and villagers.

Colas is also working to reduce noise pollution related to road traffic, which can affect the health of users and residents who live near infrastructure, by designing and offering its customers noise-reducing asphalt mixes, which can cut up to 9 dB vehicle rolling noise.

### IN 2019

- Roll out of ExoPush on construction sites, mainly in France and other European countries.

- In June, across the Group worldwide, Safety Week 2019 dedicated to noise-related health risks took place. The film made for this event won the Golden Award at the Fimbacte Festival, in the “Sustainable communication category”.

### 2019 FIGURES

20% of warm mix and mastic asphalt in the Group’s total asphalt mix and mastic asphalt production, thereby reducing employee exposure to bitumen fumes

64% finishers (construction machinery) equipped with bitumen fume extraction devices

56% planers equipped with dust extraction devices

74% chlorinated solvents used in closed circuit

375,000 tonnes of noise reducing asphalt mix produced
Colas aims to promote the quality of life and well-being at work for its employees, in particular by ensuring good work/life balance, offering appropriate remuneration and social benefits, and creating the necessary conditions for dialogue.

**IN 2019**

- **Colas was awarded the “Top Employers 2019” certificate**, for its good practices in human resources and management.

- **Continued implementation of the quality of life at work agreement** signed on December 1, 2017, for all subsidiaries in mainland France, opening up new ways of organizing work for employees (telework, occasional remote work) and also offering them services to better reconcile professional life and personal and family life (tutoring, social platform of home services, support for caregiver employees, etc.).

- **Roll out of the My Colas employee portal in mainland France**, allowing greater interaction and proximity with employees, thanks in particular to access to new HR services.

- **Conclusion of two agreements** at Colas group level in mainland France, aimed at strengthening employees’ awareness of safety by revising one of the performance criteria taken into account in determining bonuses, the other designed to promoting harmonization and profit-sharing within subsidiaries.

**2019 FIGURES**

- **77%** of the companies with more than 300 Colas Group employees around the world have a staff representation body **vs 80% in 2018**

- **84%** participation in the last professional elections in France **vs 82% in 2018**

**QUALITY OF LIFE AND WELL-BEING AT WORK**

**A collaborative music video**

On the occasion of Colas’ 90th anniversary, employees around the world took part in the production of a music video representing diversity, complicity and the pride of working at Colas, a true reflection of the reality in the field.
Fostering career paths through training and mobility

Colas’ goal is to develop employees’ skills and promote mobility, to reinforce their know-how, to provide them with the opportunity to have greater responsibilities and increase their employability, and to improve the Group’s economic performance while anticipating changing needs in the business segments.

In terms of training, Colas has an ambitious investment policy, which aims to support the development of skills for all employees, regardless of their status, function or geographical location. The main areas of training are related to safety and prevention, technical fundamentals, managerial skills and digital transformation. The Group’s training offer is gathered in programs such as the Colas Campus and the five cycles of Colas University dedicated to managers. For junior managers, a special onboarding path has been designed.

The mobility approach is part of talent development and career management policy. The principles and support systems are set out in a mobility charter, internal vacancies are posted on a job exchange, and career reviews and career committees are regularly organized to better anticipate career paths.

IN 2019

- Launch of the ColasShare knowledge management platform, translated into 15 Colas languages, to foster better sharing of expertise.

- Continued work on studying key jobs, intended to allow the development of an enriched job reference system, in order to better build career paths.

- Continuation of a “Career Review” program to collect the aspirations of employees, offer positions and thus better anticipate career paths.

- Creation of a promotion platform for “Tour de France” offers for beginner executives in mainland France.

2018 FIGURES*

*Training figures pertain to 2018, as 2019 figures are not available on printing.

37,608
employees benefited from training actions in the year
Comparison: vs 34,300 in 2017

99%
of Group companies(1) have a formal training plan
Comparison: 99% in 2017

115,000
training days provided
Comparison: 117,000 in 2017

3.7%
of the payroll dedicated to training in France
Comparison: 3.9% in 2017

49.6%
hours of training dedicated to prevention and security
Comparison: vs 48.6% in 2017

KNOWLEDGE MANAGEMENT
The ColasShare sharing platform

Launched in 2019, ColasShare is a sharing platform, organized into business communities and available in the 15 languages spoken within the Group. Objective: allow employees to pool their professional experience and expertise.

(1) Outside of France in companies with over 300 employees

THEME 7
Colas manages a large number of construction materials production sites (aggregates, ready-mix concrete, asphalt mixes, bitumen, emulsions, etc.) around the world. In order to reduce the fears of nuisances related to their activities (dust, pollution, traffic, noise) and the risks of impact on the environment and health, Colas implements action plans that take two different paths, thus facilitating the societal acceptance of its sites.

The first path is ensuring professional management of these sites, which aims at improving environmental performance and controlling impacts. In the context of environmental certification (ISO 14001 or 6S, for example) or a checklist system, each production site must implement improvement actions, in particular with regard to prevention, reduction or elimination of pollution, beyond simple administrative compliance constraints. When they are no longer operated, or as they progress, all Colas quarry and gravel pit sites are redeveloped and relandscaped.

Colas also strives to contribute to the preservation and development of biodiversity, through two types of action, accompanied by a pedagogical component for the public: on the one hand, Colas actively participates in scientific research and development and innovation in biodiversity; on the other hand, in each quarry or gravel pit, a remarkable animal or plant species is to be hosted or a beehive is installed in partnership with local experts.

The second path concerns dialogue with local residents, including elected officials and administrations. It translates into a structured system of listening and consultation in the framework of open house days, information meetings, etc., in order to advance mutual understanding.

The problem can also concern the construction sites that Colas undertakes around the world. QIEVO digital platform helps decongest areas of construction sites and their surroundings, and increase their acceptability by residents and users. In addition, Colas occasionally carries out restoration or protection of ecosystems in the framework of classic worksites, integrating a component of ecological engineering, as during the restoration of the confluence of the Doubs and the Loue Rivers in France in 2018-2019.

Colas also strives to contribute to the protection of biodiversity in Madagascar, thanks to the support provided by Colas to a private lemur reserve and a botanical park.

2019 FIGURES

89% of economic revenue of materials production activities have an environmental impact management tool
< environmental certification and/or Colas checklist>
vs 84% in 2018

44% of the economic revenue of materials production activities have a local dialogue structure
<
vs 47% in 2018

52% of the economic revenue of aggregate production activities deploy actions in favor of biodiversity
<
vs 51% in 2018

70 protected species hosted on the Group’s extraction sites
<
vs 70 in 2018

50 sites with beehives
<
vs 50 in 2018

32,200 children and 1,100 teachers have benefited, over the last ten years, from an education and awareness program for the protection of biodiversity in Madagascar, thanks to the support provided by Colas to a private lemur reserve and a botanical park
<
vs 32,000 in 2018
Part 3 — Contributions and results

Colas is one of the world’s top five recyclers, in all business segments combined.

As a major producer and user of building materials, Colas recycles construction/deconstruction rubble and waste from other industries (slag, glass, porcelain, etc.) to use as aggregates, asphalt mixes, etc. Colas thus contributes to limiting the opening of new quarries, the disposal of construction rubble and the transport of materials. By sourcing materials closer to its sites, Colas also saves energy.

Colas’ approach is therefore part of the broader issue of circular economies (cutting construction costs, saving materials, transport and fossil fuel).

FOCUS

Colas Île-de-France Normandie, a leading player in the circular economy

For over thirty years, Colas Île-de-France Normandie has been integrating the challenges of responsible waste and rubble management from all types of construction sites as well as recovery and reuse.

The subsidiary has developed a network of some forty facilities (recycling platforms, sorting platforms for professionals, inert waste storage facilities), which enables it to offer its customers its own sorting and recycling channels for waste and cut soil that can not be recovered.

Premys, the deconstruction subsidiary of Colas Île-de-France Normandie with locations throughout mainland France, is a major player in this sector. For many years, it has recycled structural waste from buildings made up mainly of concrete and has also been working to optimize the reuse or recovery of second-line waste composed of elements derived from cleaning and in particular selective removal (ferrous and non-ferrous metals, IT floors, parquet floors, wooden beams, false ceilings, furniture, etc.), so that these become a source of raw material or equipment.

In 2019, Colas Île-de-France Normandie recycled more than 1.6 million tonnes of materials, including 290,000 tonnes of reclaimed asphalt pavement from the deconstruction of old roads.

The completion of the extraordinary project involving the complete repair of runway 3 at Paris-Orly airport with the recycling of 300,000 tonnes of materials, including 200,000 tonnes reused in the new runway, illustrates the subsidiary’s know-how in the circular economy.

CIRCULAR ECONOMY
Towards local autonomy in materials and zero waste

1. Recovery of rubble, deconstruction materials and industrial waste.
2. Treatment of materials and waste.
3. Production of aggregates and asphalt mixes.

2019 FIGURES

Top 5
Colas is one of the world’s top five recyclers, across all sectors

800 recycling facilities around the world

9.2M tonnes of recycled materials produced, i.e., the equivalent of 10% of the total production of quarries and gravel pits at Colas (avoidance of 47 average quarries)

vs 9M tonnes in 2018

16% of reclaimed asphalt pavement (RAP) to reuse the bitumen, equivalent to the bitumen production of a medium-sized refinery

vs 15% in 2018

7.4M m² of in place recycled pavement

3.3M m² in 2018
Colas aims to reduce its energy consumption and improve energy efficiency, as well as reduce its carbon footprint by cutting CO₂ emissions related to its activities.

**Actions are thus initiated in a number of directions:**

First, Colas relies on **energy management and monitoring tools**, particularly for asphalt plant burners, equips its vehicles and machines with on-board consumption monitoring systems, invests in more energy-efficient equipment, and raises awareness in employees who drive vehicles and operate machines by training them in eco-driving.

In addition, Colas favors **short circuits** thanks to its dense geographic coverage.

When possible, Colas promotes **alternatives to road transport** (rail freight, river transport) and minimizes its dependence on fossil fuels in favor of renewable energies (wind, solar, hydraulic).

Colas also offers its customers **technical and digital solutions** that emit less CO₂.

### TECHNICAL AND DIGITAL SOLUTIONS

- **Warm asphalt mix**: by lowering the temperature by several tens of degrees, these products can save 10% to 30% energy.
- **In place pavement recycling**: the savings in materials and the reduction of transport mean that greenhouse gas emissions are reduced.
- **The recovery of reclaimed asphalt pavement (RAP)** for the production of asphalt mixes.
- **Products from the Vegeroute® range**, in which the petroleum components are replaced by plant-based raw materials, which is a carbon sink and makes it possible to lower the application or manufacturing temperatures.
- **The use of the SEVE® eco-comparator**, shared by the entire profession in France and approved for use on public bids, to enable customers to select eco-alternative solutions.
- **Wattway photovoltaic road surfacing**, which allows for the production of clean, local, renewable energy for multiple uses: charging vehicles, powering information signs, street lights, powering buildings, resale and local networks. In 2019, Colas launched the energy autonomy solution, Wattway Pack, for roadside equipment not connected to the grid.
- **Moov’Hub digital solution** to better regulate mobility flows in an urban environment.

### 2019 FIGURES

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change vs 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>Warm mix in the Group’s total asphalt mix and mastic asphalt production</td>
<td>22%</td>
</tr>
<tr>
<td>28%</td>
<td>Of vehicles and machines equipped with consumption monitoring systems</td>
<td>25%</td>
</tr>
<tr>
<td>10.5Mt</td>
<td>Of material transported by rail or waterway, equivalent to 351,000 trucks of 30 tonnes each</td>
<td>8.5M tonnes</td>
</tr>
<tr>
<td>113,000</td>
<td>Tonnes of CO₂ equivalent of avoided greenhouse gas emissions by recycling recovered bitumen from demolition materials and pavement milling</td>
<td>111,000 TEQCO₂</td>
</tr>
<tr>
<td>483,000</td>
<td>Tonnes of CO₂ equivalent of greenhouse gas emissions avoided thanks to actions taken in the Group to reduce them</td>
<td>340,000 TEQCO₂</td>
</tr>
<tr>
<td>40</td>
<td>Wattway trial sites in France and abroad since 2016</td>
<td>30</td>
</tr>
</tbody>
</table>

Colas 2019 — 51
Revenue:
Consolidated revenue for 2019 amounted to €13.7 billion, up 4% compared to 2018 (+5% at constant scope and exchange rates). Headway in mainland France’s road activity and in Colas Rail’s railway business helped offset the impact of the sale of Smac’s waterproofing business. Activity was up 2% in France (+9% at constant scope) and up 5% in the international units (+1% at constant scope and exchange rates). With 52% of the total revenue, the international units continue to grow.

Current operating profit:
Current operating income in 2019 amounted to €433 million compared to €373 million in 2018, an increase of €60 million. This increase is essentially due to continued good performance for the road segment in mainland France, improved profitability in North America, especially in the United States, as well as the return to the breakeven point at Colas Rail. The current operating profit margin was 3.2% in 2019 compared to 2.8% in 2018, i.e. +0.4 points.

Net profit attributable to the Group:
After non-current operating expenses of €28 million, related to the ongoing decommissioning of the Dunkirk refinery site and streamlining costs, compared to €31 million in 2018 related to the dismantling of this site and the exceptional purchasing power bonus in France, a net cost of financial debt at €33 million, up by €2 million, income tax expense of €141 million, up €45 million, a share of income from joint ventures and associates amounting to €43 million, up €15 million due to the improvement in Tipco Asphalt’s contribution, net profit attributable to the Group totaled €261 million in
2019 compared to €227 million in 2018, up €34 million compared to 2018.

**Shareholders’ equity, net debt:**
Shareholders’ equity amounted to €2.9 billion as of December 31, 2019 compared to €2.8 billion as of December 31, 2018. Net debt at the end of December 2019 was €367 million against net debt of €475 million at the end of December 2018, a €108-million net debt decrease.

**Net cash flow, net capital expenditure, free cash flow after WCR:**
In 2019, net cash flow amounted to €780 million, up €82 million compared to 2018 (€698 million). Net capital expenditure totaled €321 million, compared to €288 million in 2018. As a result, free cash flow after working capital requirements improved by €295 million, to €341 million in 2019.

**Dividend per share:**
If approved by the Annual General Shareholders’ Meeting of April 22, 2020, the dividend paid in 2020 for the 2019 fiscal year will amount to €6.40 (i.e. a distributed amount of €209 million(1), equal to 80% of the net profit attributable to the Group, compared to the dividend paid in 2019 [€5.55 per share]).

(1) Based on 32,654,499 shares as of December 31, 2019.

**Yield per share:**
Based on the price as of December 31, 2019, the Colas share offers a yield of 4.5%(1), up 0.5 points from 2019.

(1) Subject to approval by the Annual General Shareholders’ Meeting of April 22, 2020.
GOVERNANCE

CHIEF EXECUTIVE OFFICER
as of December 31, 2019

Frédéric Gardès

BOARD OF DIRECTORS
as of December 31, 2019

DIRECTORS

Olivier Roussat
Chairman of
the Board of Directors

Olivier Bouygues
Director

Colette Lewiner(2)
Director

Société Bouygues
Permanent representative:
Philippe Marien(1)

Catherine Ronge(2)
Director

Martine Gavelle(2)
Director

Arnauld Van Eeckhout(3)
Director

(1) As of February 18, 2020, the permanent representative of the Bouygues Group is Pascal Grangé.
(2) Independent director.
(3) Arnauld Van Eeckhout, previously Non-Voting Director of Colas SA, was co-opted on October 1, 2019 as Director, subject to approval by the Annual General Shareholders’ Meeting on April 22, 2020.

STATUTORY AUDITORS

Mazars
Statutory Auditor

PricewaterhouseCoopers Audit
Statutory Auditor

Thierry Colin
Substitute
STRATEGIC COMMITTEE
as of January 1, 2020

Frédéric Gardès 1
Chief Executive Officer

Éric Haentjens 2
General Secretary

Thierry Méline 3
General Manager
France & Indian Ocean

Philippe Tournier 4
Human Resources Manager

EXECUTIVE COMMITTEE
as of January 1, 2020

Frédéric Gardès 1
Chief Executive Officer

Benoît Chauvin 5
Business Development Manager

Éric Haentjens 2
General Secretary

Fabrice Monnaert 11
Deputy General Manager
Major Projects

Bernard Sala 19
Deputy General Manager
Sustainability & Innovation

Christophe Da-Poian 6
Deputy General Manager
Equipment & Materials

Thierry Le Roch’ 9
General Manager
USA

Jacques Pastor 12
General Manager
Asia/Pacific

Philine Tournier 4
Human Resources Manager

Louis Gabanne 7
General Manager
Bitumen

Delphine Lombard 10
Corporate Communication & Brand Manager

Emmanuel Rollin 13
Group General Counsel & Chief Compliance Officer

Francis Grass 8
General Manager
EMEA, Railways, Water & Energy Transport

Thierry Méline 3
General Manager
France & Indian Ocean

Frédéric Roussel 14
General Manager
Canada