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World leader in the construction and maintenance of transport 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, leisure facilities, environmental development, civil engineering and building (including 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 IN 2018 on five continents

58,000 employees

800 local business units

85,000 projects

in more than 50 countries

€13.2 b in revenue, of which 51% outside of France

France
33,700 employees
49% of revenue

North America
7,700 employees
25% of revenue

Europe (excluding France)
9,100 employees
18% of revenue

Rest of the World
7,500 employees
8% of revenue

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

UNITED STATES
Alaska
Arkansas
California
Colorado
Florida
Georgia
Illinois
Missouri
Nebraska
New York
Ohio
Pennsylvania
South Carolina
South Dakota
Virginia
Wyoming

SOUTH AMERICA
Chile
Peru
Venezuela
AFRICA, MIDDLE EAST, INDIAN OCEAN
- Algeria
- Benin
- Burkina Faso
- Congo Brazzaville
- Côte d’Ivoire
- Egypt
- Gabon
- Guinea Conakry
- Kenya
- Madagascar
- Mauritius
- Morocco
- Oman
- Qatar
- Senegal
- South Africa
- Togo
- Tunisia
- United Arab Emirates

EUROPE (EXCLUDING FRANCE)
- Austria
- Belgium
- Croatia
- Czech Republic
- Denmark
- Greenland
- Hungary
- Iceland
- Ireland
- Isle of Man

AFRICA,
MIDDLE EAST,
INDIAN OCEAN
- Algeria
- Benin
- Burkina Faso
- Congo Brazzaville
- Côte d’Ivoire
- Egypt
- Gabon
- Guinea Conakry
- 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

ITALY
- Netherlands
- Poland
- Romania
- Slovakia
- Slovenia
- Switzerland
- United Kingdom

MAINLAND FRANCE
- France

FRENCH OVERSEAS DEPARTMENTS AND REGIONS
- French Guiana
- Guadeloupe
- Martinique
- Mayotte
- Reunion

EUROPE (EXCLUDING FRANCE)
- Austria
- Belgium
- Croatia
- Czech Republic
- Denmark
- Greenland
- Hungary
- Iceland
- Ireland
- Isle of Man
What is your take on 2018 for Colas?

2018 was a record year for Colas in terms of external growth. We finalized the acquisition of the Miller McAsphalt Group in Canada, the largest in our history. As a result, the Group has reinforced its foothold in the country, in both road construction and coast-to-coast bitumen distribution. We also acquired Alpiq Engineering Services’ rail operations, allowing Colas Rail to consolidate its expertise in catenary systems, to penetrate the Swiss, Italian and Czech markets, and to strengthen its business in the United Kingdom. We also brought on board other smaller companies specialized in road construction, materials and bituminous products, for example, in Australia, the United States, France and at the end of the year, Peru.

Another positive point in 2018: we made good headway in the road segment in Mainland France and in Europe. In France, activity was boosted by a highway plan, Grand Paris projects, new tramways and bus rapid transit networks. In Europe, business rose sharply, especially in central Europe thanks to major road and highway projects funded by the European Union, and also in the British Isles.

On the other hand, the year was disappointing in terms of profitability, due in particular to difficulties encountered by Colas Rail in France, to the impact of poor weather and strained markets in some states and provinces in North America, and to Smac.

Colas won a number of major contracts in 2018, too, including a P3 for the Liege, Belgium tramway; the metro line 15 South - East sector for the Grand Paris project; runway 3 at Orly Airport in Paris, repaving contracts on Highways 401 and 404 in Ontario, upgrading of runways at the Anchorage Airport in Alaska, the extension of the Angers and Birmingham tramways, railway contracts in Santiago de Chile, etc. Successes like these helped make for a high level of work on hand at the end of December.

Throughout the year, we also paved the way to the future, with a number of transformation initiatives within the Group. We maintained our focus on innovation in mobility solutions. And we continued to make progress in our approach to social, environmental and societal responsibility. These projects were conducted in line with Colas’ mission: to invent, promote and implement infrastructure solutions for sustainable mobility.

What are the main thrusts of Colas’ innovation policy, in terms of mobility solutions?

Roads of tomorrow will be safe, sustainable, connected and shared.

Our teams at the Campus for Science and Technologies are constantly innovating and improving Colas techniques to achieve this goal. Their innovations include Wattway, a photovoltaic road surfacing, and Flowell, a dynamic, modular signaling solution. Another recent example, in Paris, as part of a European project called Life Cool & Low Noise Asphalt, we built two trial sections of pavement, with new products aimed at reducing noise pollution caused by vehicle rolling noise and the effects of urban heat islands.

Innovating also means anticipating new services for customers and users, new mobility solutions, and eventually launching new activities for the Group. Our teams at Mobility by Colas are hard at work to get reach these goals.

Stakeholders now have new expectations, so we have to change our mind frame. We are shifting from a focus on transport and infrastructure to mobility and services, and we have defined three goals. First and foremost, with Smart Roads, new uses for infrastructure are being created, for example Wattway solutions, honored this year with two awards at CES in Las Vegas, and Flowell, which is still in a development phase. A second goal, Roads as a Service, aims to anticipate infrastructure maintenance needs. Our solution called Anaïs is designed to recommend preventive road asset maintenance and management actions to the customer, using a digital tool, and data capture and analysis. The third category is Smart Mobility, or how to develop a new user-service based approach for our customers. In 2018, our Moov’Hub mobility solution was chosen by authorities in Paris-Saclay to develop intelligent, shared parking on its urban campus. We also propose another solution, Via’Muse, to optimize traffic flow around urban construction sites.

What are Colas’ main paths for progress in terms of social, environmental and societal responsibility?

First, ethics and safety. These are two unwavering values, two top priorities. In terms of ethics and compliance, we continue to roll out new actions focusing on exemplarity. As for safety, the issue concerns not only our employees on construction sites, plants, workshops, and on the road, but also local residents and users. We are making headway but we still have room for improvement before we achieve our Zero Accident goal. For this, we also rely on technological innovation. We joined forces with a start-up called Immersive Factory to co-develop a series of virtual reality safety training modules to raise awareness of risks on construction sites. Colas is also working with Volvo CE on a research project aimed at securing the surroundings of construction machinery. In terms of health, in 2018 we launched the deployment of ExoPush exoskeletons on construction sites in France and Europe, to reduce musculoskeletal disorders.

The quality of life and well-being at work are also topics that are important to me. In France last year, we signed agreements to open up to new ways of organizing work for employees to provide a better work/life balance. Another agreement was signed to ensure better gender diversity and professional equality between men and women. In 2018, we launched our first mentoring program for women as well as a training course on women’s leadership.
Colas was awarded 2018 Top Employer in France certification for its good practices in human resources and management. In addition, feedback from the in-house opinion poll sent last fall to 46,000 employees shows that nearly 90% of participants were satisfied to work in the Group and expressed pride in belonging.

The third CSR issue I want to highlight is the recycling of materials. With 800 installations worldwide, Colas is one of the top 5 global recyclers, all economic sectors combined. By reusing and recycling construction rubble and industrial waste on infrastructure projects, we become part of the circular economy, a virtuous economy that reduces the cost of construction and saves materials, transportation and fuel.

There are also other areas, equally important, in which we strive to make steady progress for the benefit of all our stakeholders: professional management of our production sites, dialogue with local residents, elected representatives, etc., lowering asphalt mix manufacturing temperatures, reducing our energy consumption and our greenhouse gas emissions, etc. Our new Paris headquarters, a positive energy building, is a strong symbol of this drive.

**Are you confident in Colas’ future?**

Yes, I am quite confident because the markets in which Colas operates are growth oriented for the long term. Needs in construction and especially in maintenance of transport infrastructure are very high, all over the world, both in developed countries, where infrastructure needs to be upgraded, and in emerging countries that want to catch up. And with increasing urbanization, environmental constraints, the transition to a service economy and digital transformation, these needs are changing.

I am confident too, because, Colas has the resources it needs: global expertise united by a strong brand, vertical integration, capacity for innovation, decentralized organization with tight-knit local networks.

Finally, I am confident in our strategy, which aims to ensure our sustainability and create shared value with our stakeholders. There are four main cornerstones to our strategy. First, the valuation of our industrial activities, particularly quarries and bitumen, our two key resources. Second, enriching our range of offerings in two directions: major projects, with Colas Projects, and innovative mobility solutions. Third: the pursuit of our targeted development outside of France. Today, and for the first time in our history – which dates back to 1929 – we perform more than half of our business internationally. Lastly: the acceleration of our digital transformation, in our processes, our industries, and in new activities. BIM is a good example of this, and is used on all kinds of infrastructure projects, including underground networks. In 2018, our BIMbyCo team was awarded a Golden BIM for a dismantling and decontamination project in a Dunkirk refinery. Digital technologies are essential to enhance our effectiveness. They must serve as a lever to enhance our global dimension, our data, and our collective intelligence.

**What’s your outlook for 2019?**

Our outlook is quite encouraging. At the end of December 2018, Colas’ work on hand was up significantly, especially in the international units.

The markets in which Colas operates are buoyant for the most part. In Mainland France, growth in the construction segment is expected to continue, albeit at a slower pace than in 2018. In Europe, Roads and Railways will continue to benefit from European infrastructure plans. In North America, the situation should be contrasted, with uncertainties in the United States on infrastructure investment, and varying situations in Canada in each province. In the Rest of the World, there are multiple opportunities for Colas, with new strong growth zones like Australia, development underway in Latin America, and a number of major projects in particular in railways.

**In 2019, Colas will celebrate its 90th anniversary...**

It’s amazing, isn’t it? In 1929, Cold Asphalt, the bitumen emulsion that gave its name to the Group, was invented. This innovation paved the way to tremendous expansion, both into new territories and into new businesses. Today, 90 years later, Colas is a major group, a leader in its core businesses, working in more than 50 countries on five continents. What an incredible journey! I would like to pay tribute here to the work and inspiration of its leaders and their teams over the decades.

At 90, Colas is still alert and nimble, ready to face the growing complexity of its environment and to invent the mobility of the future!
In a world where megatrends mean that mobility needs are constantly growing and changing, Colas’ mission is to promote infrastructure solutions for sustainable mobility. To accomplish this mission, Colas relies on longstanding skills and expertise. The Group’s growth is based on four strategic cornerstones: enhancing industrial activities, enriching the range of offers, pursuing targeted international development and accelerating digital transformation.

In 2018, Colas finalized the acquisition of Miller McAsphalt, a major player in road construction in Ontario and in bitumen distribution across Canada, in line with the Group’s targeted international growth strategy.
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.

The 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 2100 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 transformation
The rise of digital technologies is affecting all economic sectors by transforming business models, organizations and production tools.

Colas benefits from long-term growth markets around the world. Needs for construction and especially maintenance of mobility infrastructure are very high: construction of new infrastructures in emerging countries, upgrading of existing networks in developed countries, development of public transport infrastructure, new offers and new services to customers and users. These needs are growing and are transformed by megatrends.
Promoting infrastructure solutions for sustainable mobility

Promoting...
It is Colas’ role as a leader, to undertake, to dare, to invent.

... infrastructure solutions...
Colas activates its know-how, expertise and capacity for innovation to imagine, design, and provide solutions to customers to allow them to optimize their mobility infrastructures. Colas’ range of solutions covers engineering, financing, construction, maintenance, services and, even more so tomorrow, with the expansion of data.

... for sustainable mobility
The great challenge of our world today is to invent new forms of mobility that integrate the expectations and demands of stakeholders in terms of social, societal and environmental responsibility. Colas is fully committed to this approach by exploring all the paths of tomorrow’s sustainable mobility.
Colas’ Strengths

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

**Vertical integration**
Colas has an international network of 2,000 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, in particular environmental impact.

**Global expertise**
The 58,000 men and women of Colas are united by shared history and shared values, first and foremost safety, ethics and respect for the environment. 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. In the field of the digital transformations, Mobility by Colas, an activator of mobility services, is developing a digital offering for new uses and services for customers and users.

**A decentralized organization**
The 800 Colas business 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, which represent the bulk of the 85,000 projects completed each year. In addition, a dedicated structure, Colas Projects, works alongside the subsidiaries in the design and construction of major projects.
THE COLAS STRATEGY

Four strategic cornerstones for growth

Promoting our industrial activities, including aggregates and bitumen

Continuing our targeted development internationally

Enriching our range of offers (major projects and innovative mobility solutions)

Accelerating our digital transformation
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. The Group reached a milestone in 2018 with the acquisition of McAsphalt, a leader in bitumen distribution throughout the Canadian market, completing strong footholds already held by Colas in the bitumen segment in southeast Asia and Australia.

Vertically integrated upstream of 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, biodiversity, limiting nuisances, etc.).

Colas’ aggregate production, 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.

“We need to control our businesses’ two key resources: aggregates and bitumen.”

Thierry Méline,
Managing Director France,
Railways, Safety & Signaling

* 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.
**FOCUS**

**Aggregates:**
Colas among the top 10 global producers

- 475 quarries, gravel pits, operated in 2018
- 101 Mt of aggregates sold in 2018 (Colas share)
- 2.8 Bt of authorized reserves, (Colas share) i.e., 28 years of sales (Colas share) in 2018
- 1.8 Bt of potential reserves in 2018 (Colas share)

**ACQUISITIONS IN 2018:**
- Miller in Canada
- Carrieres Granulats Ouest in France

**CSR ACTIONS/COMMITMENTS:**
* For more information about CSR actions: see p. 51 and 52

- 70 protected species hosted in Group quarries

**Bitumen:**
Colas, a major player in the market

- #1 buyer of bitumen in the world
- 5 Mt purchased per year
- 2.5 Mt sold to third parties in southeast Asia, Australia, Canada in 2018

**PRESENT THROUGHOUT THE VALUE CHAIN:**
- 1 bitumen production plant in Malaysia
- 79 bitumen storage terminals around the world
- 9 bitumen tankers, 2 river barges and 200 80-tonne cars for transport
- 150 emulsion plants
- 589 asphalt plants

**ACQUISITION IN 2018**
- McAsphalt, leader in bitumen distribution in Canada

**CSR ACTIONS/COMMITMENTS:**
* For more information about CSR actions: see p. 48, 51 and 52

- 299,000 t of bitumen recycled in 2018
Enriching our range of offers

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

Two years ago, 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 international railway contracts, Colas created Colas Projects. The new unit combines the resources and expertise needed to study and perform this type of project in the best possible conditions, backed by 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.

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 road 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’ 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.

“We rely on our expertise and innovation to continually expand our offering to boost sustainable mobility.”

Frédéric Gardès, Managing Director International (excluding North America), Networks, Major Projects
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 2018
• Public-private partnership contract (P3) for the design, finance, build and maintenance of the first tramway line in Liège, Belgium
• Renovation and upgrading of runway 3 at Paris-Orly airport
• Reinforcement of the airport runway in Figari South Corsica
• Widening to 2 x 3 lanes of Highway A 41 near Annecy, in the French Alps
• Construction of line B of the Angers tramway

New offers: innovative mobility solutions

Three targets in the field of mobility

• Smart Roads
  Create new functions for infrastructure
  WATTWAY: Photovoltaic road surface
  FLOWELL: Dynamic signaling

• Roads as a Service
  Anticipate infrastructure maintenance needs
  ANAÏS: Digital tool for recommending infrastructure maintenance, based on capturing and analyzing data

• Smart Mobility
  Develop a new customer approach based on services to the users
  MOOVHUB: For intelligent, shared parking. Solution chosen in 2018 by Paris-Saclay for its urban campus
  VIA’MUSE: Optimizing traffic flows around urban construction sites

WATTWAY:
30 trial sites
2 awards won at CES in Las Vegas
Continuing our targeted development internationally

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 2018, with the acquisition of Miller McAsphalt in Canada and Alpiq’s rail operations in Europe, Colas boosted its growth outside of France in its core businesses: roadworks, materials and railways.

Today, more than half of Colas’ revenue is generated outside of France, mainly in low-risk countries, that is to say, Europe, North America and 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.

“Our goal is to establish local leadership positions in our current locations and to expand into new countries.”
Louis Gabanna, Managing Director, North America
Acquisitions:
two major international acquisitions in 2018

**MILLER MCASPHALT, IN CANADA**

At the end of February 2018, Colas completed the largest acquisition in its history, that of the Miller McAsphalt Group, a major player in road works in Ontario and the leading bitumen distributor across Canada. With this acquisition, Colas Canada strengthens its business network and the Colas Group expands its foothold in the bitumen sector.

**ALPIQ ENGINEERING SERVICES RAILWAY ACTIVITIES, IN EUROPE**

With this acquisition in July 2018, Colas Rail strengthens its expertise and capacities in catenaries, and reinforces its foothold in Europe by penetrating the Swiss, Italian and Czech markets, and by expanding in the United Kingdom.
Accelerating our digital transformation

Digital technologies are making their way into Colas’ businesses, leading to a number of transformations.

Firstly, the transformations concern processes, from the use of tablets, smartphones and drones on construction and production sites to the development of BIM on complex projects, be they road infrastructures, buildings, even underground structures.

In the materials segment, the techniques and methods of Industry 4.0 allow for the optimization of quarrying and asphalt mix production.

Digital technologies are also paving the way to new business opportunities and new activities, as demonstrated by Mobility by Colas’ innovative mobility solutions.

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.

The acceleration of the digital transformation within Colas will enable the Group to both improve the quality of its services and its competitive edge, and to offer new services.

“Digital technologies pave the way to new business opportunities and new segments.”
Éric Haentjens, General Secretary

“With the rise of digital technologies, Colas has a major lever to enhance its collective intelligence.”
Philippe Tournier, Group Human Resources Manager
**FOCUS**

Digital tools at work for material businesses and construction sites

**DRONES:**
assessing stockpiles in quarries, performing topographic studies on road and highway projects.

**3D SCAN:**
fast and accurate scanning of jobsites.

**CONNECTED OBJECTS:**
monitoring asphalt plants and emulsion plants (particularly in energy efficiency), and monitoring/guiding equipment (geolocation of equipment and on-board fuel consumption analysis).

**AUTONOMOUS TRAFFIC MANAGEMENT VEHICLES:**
for better safety of workers present on highways that remain open to traffic.

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**BIM:**
collaborative approach to projects

BIM: Building Information Modeling (BIM) is a collaborative project mode that provides a digital mockup to share all information between businesses, customers and other stakeholders of a project, throughout its lifetime. The projects are thus optimized both in the design and preparation phases of the construction project, and during actual construction, maintenance and even demolition.

**1**
Dedicated unit: BIMbyCO supports the deployment of BIM in Colas locations in France and around the world.

**#1**
The 2018 BIM d’Or was awarded to Colas for the deconstruction and decontamination of a refinery in Dunkirk, the first time BIM has ever been used for underground networks.
Boosted by global collective expertise and a strong focus on innovation across five continents, Colas provides its clients with a range of infrastructure solutions that meet today’s and tomorrow’s sustainable mobility needs. The sustainable dimension of these solutions takes into account environmental, social and societal issues. This includes the expectations of stakeholders - customers, users, employees, public authorities - and covers engineering, financing, construction, maintenance, and services. In 2018, Colas provided 85,000 mobility infrastructure solutions, responding in particular to issues involving road safety, traffic flow, environmental protection, road asset management, cost control, and project optimization.

URBAN PUBLIC TRANSPORT SOLUTIONS FOR SUSTAINABLE MOBILITY
To face urban expansion and increasingly tight environmental constraints, Colas builds tramways, in France (here in Grenoble) and around the world (Rabat and Casablanca in Morocco, Birmingham, England and soon Liege, Belgium).
FRANCE
Construction of a seafront boardwalk in Brittany

The Emerald Balcony, a seaside route in Saint-Briac, has been redesigned and converted into a 1 km-long boardwalk to improve road safety and make for a better living environment for residents and users.

FRANCE
Construction of the new Manosque bridge with a bike lane in southeastern France

220 meters long, the new Manosque Bridge will boast two traffic lanes and a bike path. The site requires special care in terms of environmental protection, due to the presence of an endemic species of fish in the Durance River.

MOROCCO
Rehabilitation of a runway at Agadir airport

In order to upgrade airfield infrastructures at the Agadir airport, the runway was repotted and reinforced. Bitumen emulsion was sprayed on the clearway (cleared out space at both ends of the runway) to reduce the dust generated by jet blast.
AUSTRALIA
Construction of the Toowoomba Bypass, Queensland

The construction of this new 41-km section is expected to ease traffic in the center of Toowoomba, the second largest non-coastal city in Australia.

CANADA
Multi-year contract for winter maintenance in Alberta

Winter maintenance work on the province’s roads and highways is performed as part of multi-year contracts, including snow removal.

FRANCE
Construction of a roundabout with a bus lane in Limoges

The crossroads at the entrance of Limoges was redesigned to include a bus lane crossing the roundabout. The work involved major traffic constraints and was performed without closing the section to traffic.
IRELAND
Widening of the M 7 Motorway between Dublin and Limerick

The creation of a third lane in both directions over a 13-km section, along with a new interchange should help to make traffic smoother and safer on the motorway, one of the country’s busiest.

FRANCE
Optimising cost on a repaving project for Route RD 650 in northwest France

Pavement on Route RD 650 at Créances has been refurbished using the innovative Colbifibre® process. An economical solution to restore full service levels to used, cracked pavements, the technique is an interesting solution for pavement preservation on a tight budget.

CANADA
Installation of a Wattway photovoltaic trial section in British Columbia

In Prince George, Wattway photovoltaic road surfacing was laid in the town hall parking lot to produce electricity for the building’s self-consumption. This trial is taking place in harsh weather conditions.
Part 2 — Our Solutions

HUNGARY
Construction of the Hódmezővásárhely Bypass on Route 47

Delivered in the spring of 2018, this new 12.6 km section, which includes an underpass, two railway bridges and a bridge for bicycles and pedestrians, relieves congestion in the city center and improves traffic flow in the region.

ALGERIA
Extension of Algiers metro

The extension of line 1 of Algiers metro facilitates travel in the Algerian capital. With three new stations, the C extension totals 3.6 km of line in direction of Aïn Naâdja. The 1.7-km A extension serves the downtown area with two more stations, including one under the Martyrs Square.

OVERSEAS FRENCH DEPARTMENTS
Construction of an engineering structure with pedestrian and bike lanes over the Rivière des Galets in Reunion Island using BIM

A new 400-m long bridge is being built over the Rivière des Galets between Le Port and Saint Paul. It aims to alleviate traffic on Route RN 1, the Island’s main road. For this project, all the stakeholders in the project used Business Information Modeling (BIM), making it possible to optimize the design of the structure as well as the preparation and the performance of the work (planning deviations, machine traffic, earthworks).
FRANCE
Installation of road safety equipment on a connected vehicle test circuit in the southwest of Paris

As part of the construction of TEQMO®, the new innovation center dedicated to development and certification of automated, connected vehicles located in the center of the Linas-Monthéry automobile circuit, signs and signals were supplied and installed: guardrails, separators, road markings, signs, etc.

FRANCE
Installation of a water network in southeast France

This work is part of the rehabilitation of the Eaux-Bonnes hydroelectric power plant and consists of the replacement of 460 m of underground and aboveground pipelines in difficult access areas. The renovated hydroelectric power plant will be able to produce the annual 13 GWh needed to supply the region.

UNITED STATES
Upgrading access roads to Devils Tower, Wyoming

Colas is currently upgrading access roads to Devils Tower, the first ever United States National Monument, established in 1906. Users will enjoy safer infrastructure and smoother traffic.
FRANCE
Improving the Caen tram line in Calvados

To meet mobility challenges in the city of Caen-la-Mer, a new rail tram will replace the older tire tram. This is the first project to transform this type of infrastructure in France. Because the work is being performed in the center of town, teams must remain extremely flexible and ensure very precise phasing, to limit inconvenience to users and local residents and to ensure safety. Commissioning is slated for 2019.

CANADA
Creation of a high occupancy vehicle lane on a section of Highway 404 in Ontario

In the greater Toronto area, work is underway on Highway 404’s central median between Major Mackenzie Drive and Stouffville to create a two-way traffic lane for high occupancy vehicles.

FRANCE
Development of a greenway in Vernon, Normandy

As part of the project “The Seine by bike”, an aesthetic road surfacing was used on a 2-km bike path on the banks of the Seine. The project is located in the heart of a Natura 2000 zone.
FRANCE
Refurbishing La Carrière Square in eastern France

As part of the requalification of the La Carrière Square, a UNESCO World Heritage site in Nancy, an aesthetic surfacing composed of a local limestone granite was chosen by the architect. Parking spaces were also redesigned.

UNITED KINGDOM
Development of access roads to the M 62 Motorway in England

In order to smooth out traffic and improve user safety on the M 62 Motorway, a major route from the north of England connecting Liverpool to Leeds, the Group is widening access roads and nearby roundabouts.
FRENCH OVERSEAS DEPARTMENTS
Refurbishing pavement in Martinique

The project included the upgrading of roadways and the creation of parking spaces, all aimed at improving users’ access to the protected natural site of Les Salines, one of the busiest beaches on the Martinique coast.

FRANCE
Refurbishing pavement with noise-reducing asphalt mix on Highway A 6b in the east of Paris

Just on the outskirts of Paris, a section of Highway A 6b has been repaved to restore safety for users and comfort for local residents, thanks to noise reducing asphalt mix.

FRANCE
Installation of a Wattway photovoltaic trial section in the French Alps

70 m² of photovoltaic road slabs were installed in order to supply electricity to a hydrogen production plant for a new-generation bicycle fleet in the Greater Chambery area, and two charging stations for electric vehicles. This project is part of the “Zero Emission Valley” plan to promote the use of hydrogen in the area.
MAURITIUS ISLAND  
Construction of the Saint Julien Bypass with a pedestrian lane

With a lane reserved for pedestrians, the new 4-km section that bypasses Saint Julien d’Hotman, in the center of the country, improves traffic flow and safety for both vehicles and pedestrians.

FRANCE  
Building Bus Rapid Transit networks in northern France

In Lens, the development of a six-line Bus Rapid Transport (BRT) network makes it possible to offer a high-performance public transit service that is a more environmentally-friendly alternative to a “car only” approach, and a way to improve traffic flow to the area’s main hubs. For this project, a free application called Colas et Moi provides real time information about the BRT project to facilitate communication with local residents.

FRANCE  
Solutions to reduce vehicle rolling noise and heat islands in Paris

As part of the European project Life Cool & Low Noise Asphalt, backed by the City of Paris, innovative asphalt mixes designed by the Colas Campus for Science and Techniques are being trialed on two sections in the French capital. These asphalt mixes aim to reduce noise pollution related to vehicle rolling noise as well as heat in the event of strong solar radiation and high temperatures.
OUR CONTRIBUTIONS AND OUR RESULTS
As part of its mission, strategy and solutions, Colas creates shared value for all its stakeholders, be they:
- contractual: customers, employees, local authorities, governments, shareholders, investors, suppliers, subcontractors, etc.;
- or non-contractual: users, residents, citizens, families of employees, associations and NGOs, rating agencies, media and social networks, employers’ organizations and trade unions, certification, control and regulatory agencies.

Integrating issues and commitments that are both extra-financial (CSR) and financial, the Group’s contributions and results are expressed in terms of social, societal, environmental, economic and financial actions and performances, grouped under the following main themes: ethics, safety, employment, diversity, health, quality of life at work and social dialogue, career development, management of production sites and dialogue with local residents, circular economy and recycling of materials, energy and greenhouse gases, and financial results.

SAFETY
Colas’ policy and actions in Safety at the workplace and on the road benefit not only Group employees, but also users, local residents, and society as a whole.
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’ charters and ethics 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.

<table>
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<tr>
<th>THEME 1</th>
<th>Ethics</th>
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**IN 2018**

- Signature of a **personal commitment** to respect and promote the Group’s code of ethics and compliance programs by every manager and profit center supervisor.

- Expanding **training campaigns**, in particular “Ethics and Responsibility in Business Conduct” and “Ethical and Responsible Leadership”, including online training.

- **Risk mapping** for corruption and influence peddling for Mainland France.

- Dissemination of a **code of ethics for Procurement**.

**2018 FIGURES**

- **92%** of the 3,500 employees eligible for Fair Play e-learning ethics trained.

- **+1,600** employees completed the “Ethics and Responsibility in Business Conduct” course (nearly 5,000 employees trained since 2016).

- **≥700** managers trained in Ethical and Responsible Leadership since 2016
Along with Ethics, Colas has made Safety a top priority. 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 on 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..., or the innovative Flowell dynamic and modular signaling solution.

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 2018**

- Roll out of Safety Week 2018 in June in all Group business units worldwide, focused on the fight against addictions (drugs, alcohol, prescription medication, smartphones). The film “Under the Influence” produced for this event was awarded two trophies at the Festival du Film Sécurité.

- Co-development by Colas and the Immersive Factory start-up of virtual reality training to raise awareness of the risk of accidents on site, which can benefit the entire profession.

- Ongoing collaboration with Volvo CE on a research project to optimize safety around construction machinery.


- Trials sections of Flowell, a dynamic, modular signaling solution.

**2018 FIGURES**

- 6.67 accident frequency rate (FR) for employees (second best ever obtained by the Group)

- 0.057 accident frequency rate involving Group vehicles (rate down 45% in 15 years)

- +20,000 employees trained in first aid

- 2,500 to 3,000 new employees trained during safety culture days in Mainland France
Everywhere Colas operates, it creates jobs locally that can not 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 2018

- Colas sponsored the graduation ceremony of the Class of Alain Dupont (Chairman of Colas from 1983 to 2007) at EATP, EFIA TP and CFC TP Égletons, the industry’s training school in France.
- Colas improved the applicant experience from online applications to interview follow-up.
- Colas continued to back three major international employee advocacy programs to encourage employees to bolster the employer brand and share job offers on professional social networks.
- Colas launched an innovative communication campaign, My Job Story, as part of the employer brand policy: employees are invited to share stories about their jobs in videos shot locally and then posted on social networks.

EMPLOYER BRAND
“My Job Story”

As part of an innovative communication drive called My Job Story, employees share interesting work-related stories on social media.
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.

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 2018
- Signature in June of an agreement aimed at reinforcing gender diversity and improving professional equality between men and women for Colas companies in France.
- Launch of the first mentoring program for women.
- Launch of a training course aimed at developing female leadership.

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 2018
- Renewal of “Handi-alternation”, in partnership with Cap’emploi and Agefiph Ile-de-France, in France.
- Creation of a referencing platform for suppliers in the protected, adapted work sector.

3. SOCIAL INCLUSION
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, Apfa, GEIQ and Pôle emploi, to respond to specific difficulties encountered by refugees upon their arrival in France;
- Colas Canada subsidiaries have put in place initiatives to integrate First Nations people into their work teams.

IN 2018
- Be Fair accreditation awarded to Colas UK by the Building Industry Training Commission (CITB), in recognition of its commitment to equity and social inclusion.

2018 FIGURES

**10.8%** of women in the workforce (21.9% with executive, supervisor or employee status and 2.5% with worker status)

**11.6%** of women managers (including 15% internationally and 9% in France), a slight increase compared to 2017 (10%)

**800** employees members of the internal social network We (of whom 60% are men), dedicated to the fight against sexism

**€ 1.7 M** of procurement with protected sector companies that employ the disabled in France
In the field of healthcare, 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 2018**

- Roll out of ExoPush on construction sites, mainly in France and other European countries.
- Relaunch of the Satin initiative with employees as part of the psychosocial risk prevention policy in Mainland France.
- Experimentation of new noise-reducing asphalt mixes at two trial sites in Paris, as part of the European project Life Cool and Low Noise Asphalt.

**2018 FIGURES**

- **22%** warm mix asphalt and low-temperature mastic asphalt in the Group’s total asphalt mix and mastic asphalt production, reducing employee exposure to bitumen fumes
- **58%** of pavers equipped with bitumen fume extraction devices
- **50%** of planers equipped with dust extraction devices
- **80%** chlorinated solvents used in closed circuit
- **+ 400,000** 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 2018**

- **Signature of two Colas Group agreements** in Mainland France, in line with the agreements relating to the management of jobs, skills and career paths (2016) and the quality of life at work (2017): one on time savings account and the other on strengthening gender diversity and equality between men and women.

- **Implementation of the agreement on the quality of life at work** signed on December 1, 2017, concerning all the subsidiaries in Mainland France, opening up new ways of organizing work for employees (telecommuting, remote work) and also offering them services to better reconcile work with personal life and family life (academic support, social platform for home services).

- **Launch of the second edition of the Colas & You in-house opinion poll** among 46,000 Group employees, followed by the creation of specific action plans by the subsidiaries to be deployed in 2019.

- **Colas awarded Top Employers France 2018** certification for its best practices in human resources and management.

**2018 FIGURES**

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

- **82%** participation in the last professional elections in France.

- **≈90%** of employees who participated in the in-house opinion poll called Colas&You are satisfied to work at Colas and are proud to belong to the Group (59% of executives and 33% of workers participated in this survey).

**WELL-BEING AT WORK**

**Agreement on Quality of Life at work**

The new French agreement to foster quality of life at work paves the way to new ways of organizing work.
Part 3 — Our Contributions and our Results

• THEME 7

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 2018

- Implementation of the UniOne Digital system in France, organized by the Information Systems Department in the form of a roadshow in regional subsidiaries, to train employees in the new uses of digital technology.

- Launch of an HR portal for employees and managers, bringing together new services (digital safe, vacation requests, etc.) in Mainland France.

- Opening of the Colas Campus online training platform to international units, including 10 new business tutorials available in 13 languages and access to the Netexplo digital academy.

- Launch of an approach to the study of key jobs that will lead to the development of an enriched employment repository.

- Creating an Around the World graduate program.

2018 FIGURES *

34,300 employees benefited from training actions in the year

99% of Group companies outside of France in companies with over 300 employees have a formal training plan

117,000 days of training provided

3.96% of payroll dedicated to training in Mainland France

48.6% of training hours dedicated to prevention and safety

200 training programs on Colas Campus

67,000 connections on the Colas Campus online platform

21,000 hours of training on the platform

5,000 managers trained at the Colas University to date

*Figures from 2017. The 2018 figures were not available upon publication.
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 65, 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 axis 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 projects that Colas undertakes around the world. In order to inform local residents and collect their observations, the Colas et Moi smartphone application was developed.

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### 2018 FIGURES

- **84%** of economic revenue of materials production activities have an environmental impact management tool (environmental certification and / or Colas checklist)
- **47%** of the economic revenue of materials production activities have a local dialogue structure
- **51%** of the economic revenue of aggregate production activities deploy actions in favor of biodiversity
- **70** protected species hosted on the Group’s extraction sites
- **50** sites with beehives
- **32,000** 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.

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**BIODIVERSITY**

**Protecting black bees in a quarry in the southern French Alps**

Colas, in partnership with Apilab, created a sanctuary for black bees in a quarry in Norante, in the Alpes-de-Haute-Provence. The program is carried out in coordination with local beekeepers and mayors of the neighboring communes of the quarry.
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 cannot be recovered.

Premys, the deconstruction subsidiary of Colas Île-de-France Normandy 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 is also 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, parquet floors, wooden beams, false ceilings, furniture, etc.), so that these become a source of raw material or equipment.

In 2018, Colas Île-de-France Normandie recycled more than 1.45 million tons of materials, including 275,000 tons of reclaimed asphalt pavement from the deconstruction of old roads.

2018 FIGURES

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

800
recycling facilities around the world

15 M
to tonnes of recycled materials and reclaimed asphalt pavement, i.e., the equivalent of 10% of the total production of quarries and gravel pits at Colas (avoidance of 17 average quarries) and 15% of Colas’ total asphalt mix production

299,000
to tonnes of bitumen recovered, equivalent to the bitumen production of a medium-sized refinery

3.3 M
m² of in place recycled pavement
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 solutions that emit less CO₂.

TECHNICAL SOLUTIONS

- warm asphalt mix and mastic asphalt: 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.

2018 FIGURES

22% warm mix asphalt and low-temperature mastic asphalt in the Group’s total asphalt mix and mastic asphalt production

25% of vehicles and machines equipped with consumption monitoring systems

8.5 Mt of material transported by rail or waterway, equivalent to 280,000 trucks of 30 tons each

111,000 tonnes CO₂ equivalent of avoided greenhouse gas emissions by recycling recovered bitumen from demolition materials and pavement milling

156,000 tonnes CO₂ equivalent of greenhouse gas emissions avoided thanks to actions taken in the Group to reduce them

30 Wattway trial sites in France and abroad since 2016
Revenue: Consolidated revenue for 2018 amounted to 13.2 billion euros, up 13% compared to 2017 (+5% at constant scope and exchange rates), mainly due to the acquisition of Miller McAsphalt in Canada and good headway in the road segment in Mainland France and Europe. Business grew by 6% in France and 20% internationally (+5% at constant scope and exchange rates). International units now account for 51% of the Group’s total revenue, passing ahead of Mainland France (49%) for the first time ever.

Current operating income: Current operating income in 2018 amounted to 359 million euros, compared with 362 million euros in 2017, down 3 million euros. The positive impact of improved operating income for the Roads segment in France and the contribution of Miller McAsphalt was lessened by lower performance levels for the historical scope of business in North America, due in particular to poor weather on the east coast of the USA and strained markets in some states and provinces. The slump in current operating income for the Railway segment and other Specialized activities is first and foremost due to difficulties encountered by Colas Rail in France. The current operating profit margin totaled 2.7% in 2018, compared to 3.1% in 2017.

Net profit attributable to the Group: After non-current operating expenses of 31 million euros, mainly related to the decommissioning of the Dunkirk site, the net cost of financial debt increased by 17 million euros to 31 million euros due to the acquisitions of Miller McAsphalt and Alpiq’s railway segment, income tax expense of 96 million euros, a 21-million euro increase, a share of income from joint ventures and associates amounting to 28 million euros, down 33 million euros due mainly to a decrease in Tipco Asphalt’s contribution, net profit attributable to the Group totaled 226 million euros in 2018, compared to 328 million euros in 2017.
**Shareholders’ equity, net financial surplus/(debt):** Shareholders’ equity remained unchanged at 2.8 billion euros on December 31, 2018. Net financial debt at end-December 2018 amounted to 517 million euros compared to net financial surplus at 433 million euros at the end of December 2017.

**Net cash flow, net capital expenditure, free cash flow**: In 2018, net cash flow amounted to 665 million euros, down 10 million euros compared to 2017 (675 million euros). Net capital expenditure totaled 288 million euros, compared to 355 million euros in 2017. As a result, free cash flow improved, totaling 377 million euros in 2018, up 57 million over 2017.

**Dividend per share:** If approved by the Annual General Shareholders’ Meeting on April 17, 2019, the dividend per share distributed in 2019 for fiscal 2018 will amount to 5.55 euros (representing a distributed amount of 181 million euros, i.e., 80% of net profit attributable to the Group), compared to the dividend paid out in 2018 (8.20 euros per share).

**Yield per share:** Based on the price as of December 31, 2018, the Colas share offers a yield of 3.96%(1), down 0.56 points from 2018.

(1) Subject to approval by the Annual General Shareholders’ Meeting of April 17, 2019.
Our governance

BOARD OF DIRECTORS
AS OF APRIL 17, 2019

DIRECTORS

Hervé Le Bouc
Chairman and Chief Executive Officer

Olivier Bouygues
Director

Martine Gavelle
Director

Colette Lewiner
Director

Philippe Marien
Permanent representative of Bouygues

Catherine Ronge
Director

Olivier Roussat
Director

AUDITORS

KPMG Audit IS SAS
Statutory Auditor

Mazars
Statutory Auditor

KPMG Audit ID SAS
Substitute

Thierry Colin
Substitute

NON-VOTING DIRECTOR

Arnauld Van Eeckhout

(1) Subject to the approval by the Annual General Shareholders’ Meeting of April 17, 2019.
(2) Independent Director.
NEW PARIS HEADQUARTERS FOR COLAS
Designed by architect Christian de Portzamparc, the new Colas head office symbolizes the Group’s transformation. Teams moved in August 2018.

EXECUTIVE MANAGEMENT COMMITTEE

1. Hervé Le Bouc
   Chairman and Chief Executive Officer

2. Louis R. Gabanna
   Managing Director, North America

3. Frédéric Gardès
   Managing Director, International (excluding North America), Networks, Major Projects

4. Éric Haentjens
   General Secretary

5. Thierry Méline
   Managing Director, France, Railways, Safety & Signaling

6. Philippe Tournier
   Human Resources Manager
Colas, 1 rue du Colonel Pierre Avia, 75730 Paris Cedex - France. Tel.: +33 1 47 61 75 00. Fax: +33 1 47 61 76 00. www.colas.com. Colas, a French Société Anonyme with share capital of 48,981,748.50 euros. RCS Paris 552 025 314. Photo credits: Vianney d’Amécourt/Air Scanner (p. 32 top), Sébastien Arbour (p. 27 top, p. 29 right), Joachim Bertrand (p. 17 top, 39 top, 41 bottom, 42, 45, 49), Fouad Bestandji (p. 31 top), Philippe Beuf (p. 29 left), Pascal Calmettes (p. 32 bottom), Romain Cruse/CARIGE (p. 38), Nicolas Dohr (p. 36), Hervé Douris (p. 31 bottom), Hervé Fabre (p. 17 bottom, 25 top, 51), Arnaud Février (p. 15 top, 34 bottom), Steven Fievet (p. 41 top), Fotolia (p. 8), Abdullah Ghani/McAsphalt (p. 15 bottom), Mickaël Heissler/Baloon Photo (p. 27 bottom), James Jacques (p. 33), Frank Juéry (p. 7, 14, 16, 18, 20, 57), Marc Laguillaumie (p. 53, 57), Kummler Matter (p. 19 bottom), Kevin Mcfeely (p. 28), François Monier/Septième Ciel Images (p. 34 top), Balazs Nagy (p. 30), Christian Pedrotti (p. 22, 48), Nicolas Perrier (p. 24), Photothèque Colas (p. 19 top, 21 top, 26, 40), Brice Robert (39 bottom), Jean-Michel Ruiz/Maroc-Images (p. 1, 2, 25 bottom, 59, 60), Yves Soulabaille (p. 35), Suzve Aerial Photographers (p. 37). Design & production: Ansys (ref.: RAC0018)