

COMBINED ANNUAL GENERAL MEETING

2020 CONVENING NOTICE

THURSDAY 23 APRIL 2020

AT 3.30PM (CET)

At the registered office:
32 Avenue Hoche,
75008 Paris, France



BOUYGUES

Donnons vie au progrès

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All times are Central European Times (CET).

Cover: The highly energy-efficient Alto office building, at the heart of Paris-La Défense business district.



MESSAGE FROM MARTIN BOUYGUES, CHAIRMAN AND CEO

To the shareholders,

It is my pleasure to invite you to our next Annual General Meeting, which will be held on Thursday 23 April 2020 at 3.30pm (CET).

In light of the lockdown measures, this year, we are exceptionally required to hold the Annual General Meeting without shareholders being present physically.

I sincerely regret this fact, because I am very attached to our annual meeting, but I am certain that you will understand the situation.

You will be able to view the meeting on Bouygues' website.

You will be able to vote by internet before the meeting, on the Votaccess secure platform that can be accessed via the company's dedicated website (for registered shareholders) or via the internet portal of the financial intermediary managing your securities account (for bearer shareholders).

At the meeting, you will be asked to take important decisions for the company and for the Bouygues group as a whole: approval of the financial statements and appropriation of earnings, approval of regulated agreements, renewal of the term of office of one director and appointment of a new director, say on pay (executive remuneration), and the renewal of financial authorisations.

In the midst of a major and growing health crisis and given the resulting economic uncertainty, Bouygues naturally intends to act responsibly and show its solidarity with the efforts asked of its stakeholders, particularly its employees. As a result, the Board of Directors has decided to withdraw its proposal to pay out a dividend at the Combined Annual General Meeting.

Thank you for your trust.

Best regards,

A handwritten signature in black ink, appearing to read 'M. Bouygues'. The signature is stylized and written in a cursive-like font.

1. PARTICIPATION IN THE ANNUAL GENERAL MEETING

NOTICE: COVID-19

The Board of Directors has decided to make use of the provisions of Order No. 2020-321 of 25 March 2020 adapting the rules relating to meetings and deliberations of the shareholders and decision-making bodies of legal persons and of entities without legal personality governed by private law in light of the Covid-19 pandemic.

As a result, and contrary to what was announced in the Notice of Meeting published in the *Balo (Bulletin des Annonces Légales Obligatoires)* of 6 March 2020, the Combined Annual General Meeting of Bouygues shareholders will be held on 23 April 2020 at 3.30pm (CET) at the registered office located at 32 Avenue Hoche, 75008 Paris, France, without members and other persons authorised to attend the meeting being present physically or by telephone conference or by any audiovisual means.

The general meeting will be webcast on www.bouygues.com.

The Combined Annual General Meeting will be held without shareholders participating physically.

All shareholders are entitled to participate in this meeting regardless of the number of shares they hold, under the conditions stipulated below, **either by being represented by the Chairman of the meeting, or by voting by correspondence.**

In all circumstances, you must first prove your status as a shareholder by the book entry of your shares in your name (or, where applicable, in the name of the registered intermediary if you are a non-resident), by and before Tuesday 21 April 2020 (CET):

- in the registered share accounts, or
- in the bearer share accounts held by the financial intermediary which handled the book entry of your shares in its account.

Participating by internet: Votaccess

Bouygues gives shareholders (full owners) the option of voting on the resolutions or designating a proxy on the Votaccess secure platform.

Votaccess is accessible from Tuesday 7 April 2020 at 9.00am until Wednesday 22 April 2020 at 3.00pm (CET). In order to avoid potential congestion on Votaccess, shareholders are advised not to wait until the last few days before the meeting to connect and vote.

If you are a registered shareholder:

- Go to the <https://serviceactionnaires.bouygues.com> website.
- Enter the login and the password sent you by Bouygues in the post.
- Click on "Vote by internet" on the home page.
- Choose how you wish to participate:
 - vote on the resolutions;
 - give a proxy vote to the Chairman of the meeting.

If you are a bearer shareholder and the financial intermediary managing your securities account is a member of Votaccess:

- Connect to the internet portal of your financial intermediary.
- Click on the icon displayed on the line corresponding to your Bouygues shares to access Votaccess.
- Follow the instructions displayed on the screen.
- Choose how you wish to participate:
 - vote on the resolutions;
 - give a proxy vote to the Chairman of the meeting.

Participating by post: paper form

If you are a registered shareholder:

- Use the form and the envelope sent to you with the Convening Notice.

If you are a bearer shareholder:

- Contact the financial intermediary which handled the book entry of your shares in its account and request that it send Bouygues a certificate confirming your status as a shareholder and that it send you the form.
- You can also download the form on the www.bouygues.com website under Finance/Individual shareholders, Annual General Meeting.

To vote by correspondence or give a proxy vote to the Chairman

You wish to vote by correspondence

- Tick box "I VOTE BY POST" on the form.
- Vote according to the instructions.
- Date and sign at the bottom of the form.
- Return the form:
 - either by post to the following address:
CACEIS Corporate Trust
Service Assemblées Générales Centralisées
14 rue Rouget de Lisle
92862 Issy-les-Moulineaux Cedex 09
France
 - or electronically, in the form of a scanned copy, in an attachment sent by e-mail to: ct-assemblees@caceis.com.
Scanned copies of unsigned forms cannot be accepted.

To be taken into account, the duly completed and signed postal vote form (accompanied by the participation certificate in the case of bearer shareholders) must be effectively received by CACEIS, no later than midnight (CET) on Monday 20 April 2020 (at the end of the calendar day).

You wish to be represented by giving a proxy vote to the Chairman

- Date and sign at the bottom of the form (without filling it in).
- During the meeting, the Chairman will vote for the draft resolutions presented or approved by the Board of Directors and vote against all other draft resolutions.

The duly completed and signed proxy vote form (accompanied the participation certificate in the case of the bearer shareholders) must be sent:

- either by post to the following address:
CACEIS Corporate Trust
Service Assemblées Générales Centralisées
14 rue Rouget de Lisle
92862 Issy-les-Moulineaux Cedex 09
France
- or electronically, in the form of a scanned copy, in an attachment sent by e-mail to: ct-assemblees@caceis.com.
Scanned copies of unsigned forms cannot be accepted.

To be taken into account, designations of proxy transmitted electronically must be received no later than Wednesday 22 April 2020 at 3.00pm (CET).

Should you require further information, contact the Registered Share Service on 0 805 120 007 (free from a fixed line in France).

You wish to submit a written question before the meeting

Written questions must be sent to the following e-mail address: questions.ecrites2020@bouygues.com. In the case of bearer shareholders, questions must be accompanied by a book entry certificate confirming that the bearer shares are in the accounts.

Questions must be submitted to BOUYGUES by 2.00pm (CET) at the latest on Monday 20 April 2020.

2. THE BOUYGUES GROUP IN 2019

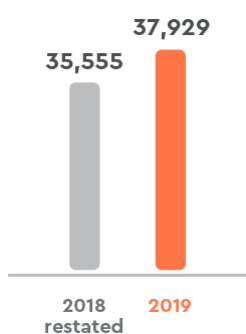
FULL-YEAR 2019 RESULTS

- ROBUST RESULTS WITH FULL-YEAR TARGETS ACHIEVED**
 - Improvement in group current operating profit and current operating margin^a year-on-year
 - Free cash flow of €301m generated by Bouygues Telecom
- TWO-FOLD INCREASE IN GROUP FREE CASH FLOW AFTER WCR TO €815M^b YEAR-ON-YEAR**
- DECREASE IN NET DEBT TO €2.2BN AT END-2019 VS €3.6BN AT END-2018**

Sales

€ million

€3.79bn (+7%^a)



Current operating profit

€ million

€1,676 (+7%)



Net profit attributable to the Group

€ million



(a) Up 5% like-for-like and at constant exchange rates.

Earnings per share

€ per share

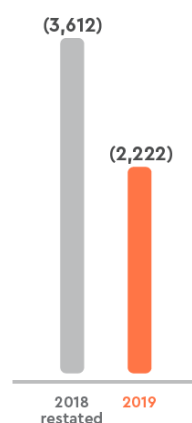
€3.18^a (-11%)



Net surplus cash/(Net debt)

€ million

(€2,222m) +€1,390



(a) Earnings per share from continuing operations attributable to the Group.

a Restated for the capital gain related to the partial divestment of shares and remeasurement of the residual interest in Axione in 2018

b Restated for Alstom dividends (€341m in 2019 versus €22m in 2018)

Key figures

The consolidated financial statements at 31 December 2019 are presented in comparison with the financial statements at 31 December 2018, restated to take account of the application from 1 January 2019 of IFRS 16 on leases.

KEY FIGURES (€ million)	2018 restated	2019	Change
Sales	35,555	37,929	+7% ^a
Current operating profit	1,564	1,676	+€112m
<i>o/w impact of Axione</i>	106	-	-€106m
<i>Current operating margin excl. Axione</i>	4.1%	4.4%	+0.3 pts
Current operating profit after Leases ^d	1,507	1,619	+€112m
Operating profit	1,829 ^b	1,696 ^c	-€133m
Operating profit after Leases ^d	1,772 ^b	1,639 ^c	-€133m
Net profit attributable to the Group	1,308	1,184	-€124m
Free cash flow after WCR ^d (excl. Alstom dividends ^e)	405	815	+€410m
Net surplus cash (+)/Net debt (-)	(3,612)	(2,222)	+€1,390m

(a) Up 5% like-for-like and at constant exchange rates

(b) Including non-current income and non-current charges of €265m

(c) Including non-current income and non-current charges of €20m

(d) See glossary on page 22

(e) Restated for Alstom dividends (€341m in 2019 versus €22m in 2018)

The Group achieved its full-year targets in 2019 with robust results in its three sectors of activity and a high level of cash generation.

- **Sales** were up 7% year-on-year (up 5% like-for-like and at constant exchange rates) to €37.9 billion, driven by all businesses.
- As expected, Group profitability improved. **Current operating profit** increased €112 million to €1,676 million versus 2018. Excluding the impact of Axione^a, it was up €218 million year-on-year, resulting in a 0.3-point year-on-year increase in the **current operating margin** to 4.4% in 2019.
- **Net profit attributable to the Group** in 2019 was down €124 million year-on-year to €1,184 million due to a decline in non-current income (€20 million in 2019 versus €265 million in 2018), mainly at Bouygues Telecom.
- **Group free cash flow**, restated for the dividends paid by Alstom in 2018 and 2019^b, rose €234 million year-on-year to €1,038 million. It notably benefited from a €109-million increase in free cash flow generation at Bouygues Telecom, which achieved its target of €300 million in 2019.
- **Group free cash flow after WCR** of €815 million excluding Alstom dividends increased two-fold versus 2018. This reflects net cash flow growth in all three sectors of activity (up €330 million), stable net capex and a €176-million improvement in the Group's WCR^c.

The Group strengthened its financial structure.

- The Group substantially reduced its **net debt** at end-2019 to €2.2 billion versus €3.6 billion at end-2018, benefiting from the positive €1.4-billion impact of Alstom (dividends and sale of 13% of share capital).
- **Net gearing**^d improved 14 points to 19% at end-2019 versus 33% at end-2018.

a Restated for the capital gain related to the partial divestment of shares and remeasurement of the residual interest in Axione in 2018

b €341m in 2019 versus €22m in 2018

c WCR related to operating activities

d Net debt / shareholders' equity

DETAILED ANALYSIS BY SECTOR OF ACTIVITY

CONSTRUCTION BUSINESSES

The **backlog** in the construction businesses remained stable at a very high level of €33 billion (versus €33.1 billion at end-2018). At constant exchange rates and excluding main disposals and acquisitions, it was slightly down by 1%.

In **France**, the backlog decreased 2%^a to €13.8 billion. This reflects:

- A stable backlog at Bouygues Construction of €8.6 billion at end-2019;
- A 2%^a decrease in the backlog at Colas to €3.1 billion at end-2019 due to a slowdown in order intake in the latter part of the year linked to the forthcoming municipal elections in March 2020;
- An 11% decrease in the backlog at Bouygues Immobilier to €2.1 billion, due to a decline in residential property reservations in a stable housing market. Bouygues Immobilier was affected by a lower supply in a market hit by delays in obtaining building permits linked to the forthcoming municipal elections in March 2020.

Internationally, the backlog was €19.2 billion at end-2019, a year-on-year increase of 1%^a. It includes some significant orders taken in fourth-quarter 2019: the construction by Bouygues Construction of a 3.4-kilometer subsea road tunnel in Hong Kong, worth €756 million, the construction and maintenance by Colas of a network of Rapid Bus Transit system in French Guiana, worth €180 million, and the execution by Colas Rail of the first phase of work on railway lines for Network Rail in the United Kingdom, worth €553 million. International business represented 62% of the combined backlog of Bouygues Construction and Colas at end-2019, versus 61% at end-2018.

Sales in the construction businesses were €29.6 billion in 2019, up 6% year-on-year and up 4% like-for-like and at constant exchange rates.

Current operating profit was €910 million in 2019, versus €941 million in 2018. Excluding Axione, it was up €75 million year-on-year and the current operating margin improved slightly to 3.1%, versus 3% in 2018.

Current operating profit improved sharply at Colas, up €60 million year-on-year, driven by the good performance of the roads activity in mainland France and the return to breakeven at Colas Rail. As a result, Colas' current operating margin increased 0.4 points to 3.2% year-on-year.

Current operating profit at Bouygues Construction was stable in 2019 versus 2018, and up €106 million restated for Axione. This improvement was due to recovery of the current operating margin at the Energies and Services arm (2.1% in 2019 versus -0.4% in 2018) following the adjustment measures introduced in the last year.

At Bouygues Immobilier, commercial property deals signed at the end of the year significantly boosted current operating profit and current operating margin in fourth-quarter 2019 (5.2% versus 2.6% in the first nine months of 2019).

The Bouygues group has been building up an extensive portfolio of sustainable construction solutions for more than 15 years. It has focused its climate strategy on seeking innovative, low-carbon solutions for its customers as well as reducing the greenhouse gas emissions associated with its activities.

The construction businesses continued to innovate in 2019 and consolidated their leadership position in sustainable construction. In Strasbourg, for example, Bouygues Immobilier delivered France's tallest apartment building made entirely out of timber. The company was awarded the BBKA low-carbon label for the Enjoy project, France's largest timber-frame positive-energy office building. The first smart city project in France was inaugurated in Dijon, operated by a consortium led by Bouygues Energies & Services. In Lyon, Bouygues Construction started work on Office Switch Home, a circular-economy project for a reversible

^a At constant exchange rates and excluding main disposals and acquisitions

building with offices that can easily be converted into homes. Colas started to market Wattway Pack, a turnkey solution for an autonomous power outlet installed on the road. Using solar power, it provides an energy supply for a range of road-related services such as power charging stations and connected services.

TF1

The **TF1** group's audience share among key targets stabilized at a high level in 2019, with 32.6% of women under 50 who are purchasing decision-makers and 29.4% of individuals aged 25 to 49.

2019 sales reached €2,337 million, up 2% versus 2018, supported by external growth. Advertising sales were almost stable at €1,658 million, while sales from other activities rose €53 million to €679 million versus 2018.

Current operating profit in 2019 was €255 million, a year-on-year increase of €56 million. The current operating margin rose 2.2 points to 10.9%, allowing TF1 to achieve its 2019 target of double-digit current operating margin. The increase in current operating profit reflected not only sales growth but also TF1's ability to keep the cost of programs under tight control (€985 million at end-2019, versus €1,014 million in 2018).

BOUYGUES TELECOM

Bouygues Telecom maintained strong commercial momentum.

The company had 11.5 million mobile plan customers excluding MtoM at end-December 2019, an increase of 653,000 new customers during the year, of which 152,000 were in the fourth-quarter 2019.

Bouygues Telecom had 1 million FTTH customers, with 427,000 new adds over the year, of which 142,000 were in the fourth-quarter 2019 alone. The FTTH penetration rate rose to 25% at end-2019, versus 16% a year earlier. The company had a total of 3.9 million fixed customers at 31 December 2019.

Bouygues Telecom reported sales of €6,058 million in 2019, up 13% year-on-year and up 12% like-for-like and at constant exchange rates. It includes an 8% increase in sales from services to €4,597 million versus 2018. This increase reflected growth in both the mobile and the fixed customer base, as well as higher ABPU. For the first time since 2011, mobile ABPU increased in fourth-quarter 2019 year-on-year (up €0.5 to €19.7 per customer per month). Fixed ABPU rose €1.1 year-on-year to €27.0 per customer per month.

EBITDA after Leases showed a sharp €147-million increase year-on-year to €1,411 million in 2019. The EBITDA margin after Leases was 30.7%, up 1 point versus 2018.

Current operating profit was €540 million in 2019, up €86 million year-on-year.

Operating profit decreased €166 million year-on-year to €610 million due to lower capital gains on the disposal of sites (€63 million in 2019 versus €250 million in 2018) and non-current income of €110 million booked in third-quarter 2018 related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018.

Gross capex was €940 million in 2019, down €302 million year-on-year.

Free cash flow reached €301 million in 2019, a year-on-year increase of €109 million. Bouygues Telecom therefore achieved its free cash flow target announced in 2017.

For over 20 years, the teams at Bouygues Telecom have made every effort to ensure that technology brings friends and family closer together, strengthens ties and creates new ones. By leveraging its differentiation strategy, Bouygues Telecom offers customers high-quality mobile and fixed networks, as well as a simple, seamless experience.

Mobile network sharing in less dense area ensures that Bouygues Telecom's services are accessible in the least densely populated parts of the country. For the second year in a row, Bouygues Telecom was recognized by the French telecom regulator Arcep^a as the number one mobile operator in rural areas in France and the second one on average nationwide.

Bouygues Telecom is keeping pace with new usage developments and covers 99% of the population with 4G from 21,000 mobile sites at the end of 2019. It expects to have over 28,000 sites by the end of 2023.

In the fixed segment, Bouygues Telecom had nearly 12 million FTTH premises marketed at the end of 2019 and has raised its target for the end of 2022 from 20 million to 22 million.

Bouygues Telecom also intends to accelerate its development in the BtoB segment, offering a comprehensive range of fixed and mobile solutions to meet the needs of business customers. Building strategic partnerships to develop innovative services and taking advantage of its share of the mobile market, it seeks to increase its market share among major accounts and mid-size businesses. Bouygues Telecom also aims to increase its market share among SMEs and micro businesses by capitalizing on FTTO^b infrastructure in very dense area and the recent acquisitions of Keyyo and Nerim.

Continuing its strategy of optimizing infrastructure management, Bouygues Telecom has launched two projects.

- Project Saint Malo aims at rolling out a nationwide optical fiber infrastructure (FTTA^c and FTTO) to address the data usage growth of its networks. The goal is to connect Bouygues Telecom's network equipment (mobile antennas and central offices) with optical fiber so the company can offer very-high-speed broadband services to business users. Bouygues Telecom is negotiating with a partner to roll-out, market and manage the infrastructure operations in a joint venture with Bouygues Telecom as a minority shareholder. The project is worth around €1 billion over seven years. A long-term service agreement will then be concluded between Bouygues Telecom and the joint venture.
- The aim of the second project, Asterix, is to accelerate Bouygues Telecom's FTTH roll-out in medium dense area. A joint venture with Bouygues Telecom as a minority shareholder will buy from Orange the FTTH connections in tranches of 5% of completed lines on one area in keeping with growth in the number of customers. Bouygues Telecom will have access to this infrastructure through a long-term service agreement with the joint venture. Bouygues Telecom will also transfer existing co-investment contracts to the joint venture, that will buy the FTTH connections currently leased by Bouygues Telecom from Orange. A call for tenders has been launched in order to choose a partner.

ALSTOM

As announced, Alstom's contribution to the Group's net profit was €238 million for the year, versus a contribution of €230 million in 2018. The contribution included a net capital gain of €172 million on the sale of 13% of Alstom's share capital in September 2019.

Furthermore, on 17 February 2020, Alstom announced the signature of a memorandum of understanding with Bombardier Inc. and Caisse de dépôt et placement du Québec to acquire Bombardier Transportation. Bouygues has expressed its support for the deal and has committed to:

- maintain its stake in Alstom until the Extraordinary general meeting related to the transaction or, at the latest, until 31 October 2020;
- vote in favour of all related resolutions at that Extraordinary general meeting to be held no later than 31 October 2020.

a Arcep surveys of October 2018 and October 2019

b Fiber-To-The-Office

c Fiber-To-The-Antenna

UPDATE ON THE CYBER-ATTACK AT BOUYGUES CONSTRUCTION

On 30 January 2020, Bouygues Construction was the target of a ransomware attack caused by malware. Bouygues Construction initially shut down its IT system as a precaution to prevent the virus from spreading, and specific measures were taken to ensure business continuity in France and abroad.

A number of hardware and software systems were put back into service very quickly. As these were being restored, the security of the entire IT system was strengthened with help from experts both within and outside the Group.

There was a very low impact on the operational and commercial activity of worksites.

The relevant insurance policies have been activated and a complaint has been filed with the competent authorities.

BOARD OF DIRECTORS

At the Annual General Meeting on 23 April 2020, the Board of Directors will seek:

- the renewal of the term of office of Alexandre de Rothschild;
- the appointment of Benoît Maes as an independent director in order to maintain the ratio of independent directors on the Board, since Helman le Pas de Sécheval's term of office expires at the conclusion of the Annual General Meeting.

Subject to approval by the Annual General Meeting, the ratio of independent directors^a will continue to be 50% and of women directors^b 58%.

^a Excluding directors representing employees and employee shareholders

^b Excluding director representing employees

2019 BUSINESS ACTIVITY

BACKLOG AT THE CONSTRUCTION BUSINESSES (€ million)	End-December		
	2018	2019	Change
Bouygues Construction	22,183	21,600	-3%
Bouygues Immobilier	2,478	2,213	-11%
Colas	8,485	9,209	+9%
Total	33,146	33,022	0%

BOUYGUES CONSTRUCTION ORDER INTAKE (€ million)	End-December		
	2018	2019	Change
France	5,834	5,070	-13%
International	8,706	7,238	-17%
Total	14,540	12,308	-15%

BOUYGUES IMMOBILIER RESERVATIONS (€ million)	End-December		
	2018	2019	Change
Residential property	2,337	2,074	-11%
Commercial property	277	625	+126%
Total	2,614	2,699	+3%

COLAS BACKLOG (€ million)	End-December		
	2018	2019	Change
Mainland France	3,414	3,071	-10%
International and French overseas territories	5,071	6,138	+21%
Total	8,485	9,209	+9%

TF1 AUDIENCE SHARE ^a	End-December		
	2018	2019	Change
Total	32.6%	32.6%	0 pts

(a) Source: Médiamétrie – women under 50 who are purchasing decision-makers

BOUYGUES TELECOM CUSTOMER BASE ('000)	End-December		
	2018	2019	Change
Mobile customer base excl. MtoM	11,414	11,958	+544
Mobile plan base excl. MtoM	10,890	11,543	+653
Total mobile customers	16,351	17,800	+1,449
Total fixed customers	3,676	3,916	+240

2019 FINANCIAL PERFORMANCE

Because of the reclassification of lease payments as amortization expense and interest expense, and the new presentation of lease expenses in the financial statements, the Group has adopted new financial indicators to continue to reflect the operating nature of lease expenses (see glossary on page 22): “EBITDA after Leases”, “Current operating profit after Leases” and “Operating profit after Leases”. “Free cash flow”, “Free cash flow after WCR” and “Net financial debt” have also been redefined.

CONDENSED CONSOLIDATED INCOME STATEMENT (€ million)	2018 restated	2019	Change
Sales	35,555	37,929	+7% ^a
Current operating profit	1,564	1,676	+€112m
Current operating profit after Leases ^b	1,507	1,619	+€112m
Other operating income and expenses	265 ^c	20 ^d	-€245m
Operating profit	1,829	1,696	-€133m
Operating profit after Leases ^b	1,772	1,639	-€133m
Cost of net debt	(216)	(207)	+€9m
Interest expense on lease obligations	(57)	(57)	€0m
Other financial income and expenses	18	(10)	-€28m
Income tax	(426)	(452)	-€26m
Share of net profit of joint ventures and associates	302	350	+€48m
<i>o/w Alstom</i>	230	238	+€8m
Net profit from continuing operations	1,450	1,320	-€130m
Net profit attributable to non-controlling interests	(142)	(136)	+€6m
Net profit attributable to the Group	1,308	1,184	-€124m

(a) Up 5% like-for-like and at constant exchange rates

(b) See glossary on page 22

(c) Including non-current charges of €31m at Colas related mainly to works for the dismantling of the Dunkirk site and the one-year-end employee bonus and non-current charges of €22m at TF1 corresponding to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios and non-current income of €322m at Bouygues Telecom (essentially non-current income of €250m related to the capital gain on disposal of sites and non-current income of €110m related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018 and non-current charges of €47m related to network sharing)

(d) Including non-current income of €70m at Bouygues Telecom essentially related to the capital gain on the disposal of sites, non-current charges of €28m at Colas related to the continued dismantling of the Dunkirk site and to adaptation costs at structures, and non-current charges of €23m at Bouygues Construction related to restructuring costs

CALCULATION OF EBITDA AFTER LEASES ^a (€ million)	2018 restated	2019	Change
Current operating profit after Leases ^a	1,507	1,619	+€112m
Net depreciation and amortization expense on property, plant and equipment and intangible assets	1,703	1,777	+€74m
Charges to provisions and impairment losses, net of reversals due to utilization	417	516	+€99m
Reversals of unutilized provisions and impairment losses and other	(487)	(364)	+€123m
EBITDA after Leases ^a	3,140	3,548	+€408m

(a) See glossary on page 22

SALES BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change	Forex effect	Scope effect	lfl & constant fx
Construction businesses^a	27,966	29,575	5.8%	-1.1%	-1.1%	3.5%
<i>o/w Bouygues Construction</i>	<i>12,358</i>	<i>13,355</i>	<i>8.1%</i>	<i>-1.4%</i>	<i>-4.6%</i>	<i>2.0%</i>
<i>o/w Bouygues Immobilier</i>	<i>2,628</i>	<i>2,706</i>	<i>3.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>3.0%</i>
<i>o/w Colas</i>	<i>13,190</i>	<i>13,688</i>	<i>3.8%</i>	<i>-1.1%</i>	<i>2.0%</i>	<i>4.7%</i>
TF1	2,288	2,337	2.1%	-0.1%	-2.4%	-0.3%
Bouygues Telecom	5,344	6,058	13.4%	0.0%	-1.0%	12.3%
Bouygues SA and other	168	202	nm	-	-	nm
Intra-Group eliminations^b	(421)	(417)	nm	-	-	nm
Group sales	35,555	37,929	6.7%	-0.9%	-1.1%	4.6%
<i>o/w France</i>	<i>21,788</i>	<i>22,446</i>	<i>3.0%</i>	<i>0.0%</i>	<i>3.0%</i>	<i>6.1%</i>
<i>o/w international</i>	<i>13,767</i>	<i>15,483</i>	<i>12.5%</i>	<i>-2.3%</i>	<i>-7.7%</i>	<i>2.4%</i>

(a) Total of the sales contributions (after eliminations within the construction businesses)

(b) Including intra-Group eliminations of the construction businesses

CONTRIBUTION TO GROUP EBITDA AFTER LEASES BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	1,427	1,640	+€213m
<i>o/w Bouygues Construction</i>	<i>490</i>	<i>591</i>	<i>+€101m</i>
<i>o/w Bouygues Immobilier</i>	<i>161</i>	<i>117</i>	<i>-€44m</i>
<i>o/w Colas</i>	<i>776</i>	<i>932</i>	<i>+€156m</i>
TF1	469	514	+€45m
Bouygues Telecom	1,264	1,411	+€147m
Bouygues SA and other	(20)	(17)	+€3m
Group EBITDA after Leases	3,140	3,548	+€408m

CONTRIBUTION TO GROUP CURRENT OPERATING PROFIT BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	941	910	-€31m
<i>o/w Bouygues Construction</i>	<i>378</i>	<i>378</i>	<i>€0m</i>
<i>o/w Bouygues Immobilier</i>	<i>190</i>	<i>99</i>	<i>-€91m</i>
<i>o/w Colas</i>	<i>373</i>	<i>433</i>	<i>+€60m</i>
TF1	199	255	+€56m
Bouygues Telecom	454	540	+€86m
Bouygues SA and other	(30)	(29)	+€1m
Group current operating profit	1,564	1,676	+€112m

CONTRIBUTION TO GROUP CURRENT OPERATING PROFIT AFTER LEASES ^a BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	915	882	-€33m
<i>o/w Bouygues Construction</i>	367	367	€0m
<i>o/w Bouygues Immobilier</i>	188	97	-€91m
<i>o/w Colas</i>	360	418	+€58m
TF1	195	251	+€56m
Bouygues Telecom	427	515	+€88m
Bouygues SA and other	(30)	(29)	+€1m
Group current operating profit after Leases^a	1,507	1,619	+€112m

(a) See glossary on page 22

CONTRIBUTION TO GROUP OPERATING PROFIT BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	906	859	-€47m
<i>o/w Bouygues Construction</i>	374	355	-€19m
<i>o/w Bouygues Immobilier</i>	190	99	-€91m
<i>o/w Colas</i>	342	405	+€63m
TF1	177	255	+€78m
Bouygues Telecom	776	610	-€166m
Bouygues SA and other	(30)	(28)	+€2m
Group operating profit	1,829^a	1,696^b	-€133m

(a) Including non-current charges of €31m at Colas related mainly to works for the dismantling of the Dunkirk site and the one-year-end employee bonus and non-current charges of €22m at TF1 corresponding to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios and non-current income of €322m at Bouygues Telecom (essentially non-current income of €250m related to the capital gain on the disposal of sites and non-current income of €110m related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018 and non-current charges of €47m related to network sharing)

(b) Including non-current income of €70m at Bouygues Telecom essentially related to the capital gain on the disposal of sites, non-current charges of €28m at Colas related to the continued dismantling of the Dunkirk site and to adaptation costs at structures, and non-current charges of €23m at Bouygues Construction related to restructuring costs

CONTRIBUTION TO GROUP OPERATING PROFIT AFTER LEASES ^a BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	880	831	-€49m
<i>o/w Bouygues Construction</i>	363	344	-€19m
<i>o/w Bouygues Immobilier</i>	188	97	-€91m
<i>o/w Colas</i>	329	390	+€61m
TF1	173	251	+78 M€
Bouygues Telecom	749	585	-164 M€
Bouygues SA and other	(30)	(28)	+€2m
Group operating profit after Leases^a	1,772^b	1,639^c	-€133m

(a) See glossary on page 22

(b) Including non-current charges of €31m at Colas related mainly to works for the dismantling of the Dunkirk site and the one-year-end employee bonus and non-current charges of €22m at TF1 corresponding to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios and non-current income of €322m at Bouygues Telecom (essentially non-current income of €250m related to the capital gain on the disposal of sites and non-current income of €110m related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018 and non-current charges of €47m related to network sharing)

(c) Including non-current income of €70m at Bouygues Telecom essentially related to the capital gain on the disposal of sites, non-current charges of €28m at Colas related to the continued dismantling of the Dunkirk site and to adaptation costs at structures, and non-current charges of €23m at Bouygues Construction related to restructuring costs

CONTRIBUTION TO NET PROFIT ATTRIBUTABLE TO THE GROUP BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	653	623	-€30m
<i>o/w Bouygues Construction</i>	296	325	+€29m
<i>o/w Bouygues Immobilier</i>	137	46	-€91m
<i>o/w Colas</i>	220	252	+€32m
TF1	55	67	+€12m
Bouygues Telecom	444	343	-€101m
Alstom	230	238	+€8m
Bouygues SAand other	(74)	(87)	-€13m
Net profit attributable to the Group	1,308	1,184	-€124m

NET SURPLUS CASH (+)/NET DEBT (-) BY BUSINESS SEGMENT (€ million)	End-Dec 2018 restated	End-Dec 2019	Change
Bouygues Construction	3,119	3,113	-€6m
Bouygues Immobilier	(238)	(279)	-€41m
Colas	(475)	(367)	+€108m
TF1	(28)	(127)	-€99m
Bouygues Telecom	(1,275)	(1,454)	-€179m
Bouygues SAand other	(4,715)	(3,108)	+€1,607m
Net surplus cash (+)/Net debt (-)	(3,612)	(2,222)	+€1,390m
Current and non-current lease obligations	(1,644)	(1,686)	-€42m

CONTRIBUTION TO NET CAPITAL EXPENDITURE BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	497	521	+€24m
<i>o/w Bouygues Construction</i>	201	189	-€12m
<i>o/w Bouygues Immobilier</i>	8	11	+€3m
<i>o/w Colas</i>	288	321	+€33m
TF1	204	242	+€38m
Bouygues Telecom	865	836	-€29m
Bouygues SAand other	7	3	-€4m
Group Net capex	1,573	1,602	+€29m

CONTRIBUTION TO GROUP FREE CASH FLOW ^a BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	544	675	+€131m
<i>o/w Bouygues Construction</i>	<i>102</i>	<i>204</i>	<i>+€102m</i>
<i>o/w Bouygues Immobilier</i>	<i>101</i>	<i>100</i>	<i>-€1m</i>
<i>o/w Colas</i>	<i>341</i>	<i>371</i>	<i>+€30m</i>
TF1	140	156	+€16m
Bouygues Telecom	192	301	+€109m
Bouygues SA and other	(50)	247	+€297m
Group free cash flow^a	826	1,379	+€553m
<i>Excluding Alstom dividends: €22m in 2018 and €341m in 2019</i>	<i>804</i>	<i>1,038</i>	<i>+€234m</i>

(a) See glossary on page 22

CONTRIBUTION TO GROUP FREE CASH FLOW AFTER WCR ^a BY SECTOR OF ACTIVITY (€ million)	2018 restated	2019	Change
Construction businesses	440	704	+€264m
<i>o/w Bouygues Construction</i>	<i>388</i>	<i>58</i>	<i>-€330m</i>
<i>o/w Bouygues Immobilier</i>	<i>6</i>	<i>305</i>	<i>+€299m</i>
<i>o/w Colas</i>	<i>46</i>	<i>341</i>	<i>+€295m</i>
TF1	157	124	-€33m
Bouygues Telecom	(90)	135	+€225m
Bouygues SA and other	(80)	193	+€273m
Group free cash flow after WCR^a	427	1,156	+€729m
<i>Excluding Alstom dividends: €22m in 2018 and €341m in 2019</i>	<i>405</i>	<i>815</i>	<i>+€410m</i>

(a) See glossary on page 22

IMPACTS OF COVID-19 ON THE BOUYGUES GROUP

- **WITHDRAWAL OF 2020 GUIDANCE FOR THE CONSTRUCTION BUSINESSES, TF1 AND THE GROUP**
- **SUSPENSION OF BOUYGUES TELECOM'S 2020 GUIDANCE MAINTAINED**
- **MODIFICATION OF RESOLUTION SETTING THE DIVIDEND**
- **ARRANGEMENTS FOR PARTICIPATING IN THE COMBINED ANNUAL GENERAL MEETING OF 23 APRIL 2020**

The Covid-19 pandemic has spread very quickly to many different countries. Wherever it is present worldwide, the Group's business segments share the same priority of protecting the health and safety of their employees and their families, as well as that of all other stakeholders (customers, subcontractors or suppliers) and of ensuring compliance with the measures implemented by the competent public health authorities.

The Group is also taking part in initiatives to fight this pandemic by providing one million European-standard surgical masks to the French health authorities, as announced in a press release on 21 March 2020. These masks will be supplied in the next few days.

To help get through this unprecedented crisis, which has now hit a very large number of countries, the Group is drawing on its strengths, namely the commitment of its 130,500 employees, the diversity of its business activities and its particularly robust financial structure.

The Group enjoys a very substantial cash surplus.

Group net debt is low at €2.2 billion at end-December 2019, equating to a gearing^a of 19%. The debt maturity schedule is evenly spread and none of the debt contains financial covenants.

Bouygues also has a very substantial cash surplus. At end-December 2019, available cash stood at €11.6 billion, of which €3.3 billion in cash and €8.3 billion in unutilized medium/long-term credit facilities that contain no financial covenants.

All the Group's business segments are working hard to ensure that business continues when possible. They are rolling out action plans to reduce the impact of this crisis on their sales and profitability.

Although the impact of the crisis differs from one business segment to another, they are all implementing major action plans. In terms of the workforce, a number of exceptional measures have been taken, such as the widespread implementation of teleworking, and, in France, short-time working and the signing of a collective agreement allowing employees to take their paid vacation during the lockdown period. Expenditure is being kept under tight control whilst maintaining core projects. Drawing on the Group's experience in Hong Kong, all business segments are now working on restarting their activities as soon as this is possible, without even awaiting the end of the lockdown, whilst ensuring optimum health and safety conditions for their employees, and in compliance with all governmental measures. To this end, the business segments are coordinating with the public authorities, customers and with their supply and subcontracting chain. Major orders for masks and Personal Protective Equipment have already been made.

^a Net debt over shareholders' equity.

Bouygues withdraws its 2020 guidance for the Group and its business segments, except for Bouygues Telecom, whose guidance is suspended.

As a result of the impact of the Covid-19 epidemic on its business segments, which cannot be quantified at the moment, the Group published a press release on 24 March 2020 informing the financial markets of the suspension of the guidance disclosed at its 2019 full-year results presentation, as well as that of its business segments. The press release stated: *“The impact of Covid-19 will depend on many different factors, particularly, for all the Group’s business segments, on the scope and duration of the epidemic, the prevention and support measures adopted by the governments concerned and whether employees are eligible for short-time working. More specifically, for the construction businesses, it stated that the outlook would depend on how long worksites stay shut, as well as on the availability of project owners, contractors, suppliers, service-providers and subcontractors. For the media activities (which make a limited contribution to Group sales), as announced by TF1 on 23 March 2020, the main impact will be on advertising sales”*.

Since then, new circumstances have appeared. On 27 March 2020, France announced that it would extend its lockdown period for an extra 15 days, a period that might be extended even further after that. In the last few days, a growing number of geographies have implemented similar measures in order to limit the spread of the epidemic. For example, the places where the Group has a long-term presence, such as the UK, certain Canadian provinces and a part of the United States.

These governmental measures have interrupted work on a very large number of worksites in the **construction businesses**. As a result, activity in the Group’s construction businesses has currently either slowed down considerably or is completely shut down in ten or so countries, representing around 60% of the activity. In France, the Group is actively preparing for the gradual resumption of activity, although it is unclear how fast this will be, and will leverage these action plans to speed up the resumption of its activities outside France.

In a press release of 1 April 2020, **TF1** announced that *“We have in recent days seen a sharp acceleration in cancellations of advertising campaigns, extending across all sectors. The lack of visibility on future trends in the advertising market, and the expected continuation of the current trend in the second quarter, are likely to have a substantial impact on our first-half performances”*. Furthermore, as regards content production, it stated *“The extension of the lockdown period will inevitably lengthen the suspension of shooting”*.

In contrast, activity at **Bouygues Telecom** is resilient in this Covid-19 pandemic. In the last two weeks alone, mobile and fixed usage has increased sharply by 30% and 50% respectively. Due to the lack of commercial activity, the market has experienced a significant reduction in gross adds, as well as in cancellations. Bouygues Telecom's teams are working hard to maintain the best possible mobile and fixed network service quality in order to satisfy customer demand. The impact of the pandemic remains limited on Bouygues Telecom's activity to date.

Therefore, based on these new circumstances and the contribution of the construction businesses, the current crisis will have a significant impact on the Group’s results in 2020. This means that the 2020 guidance for the Group, the construction businesses and TF1 cannot be achieved.

The guidance was as follows:

- For the Group, free cash flow generation after WCR^a of €1 billion in 2020, with the contribution from all three sectors of activity;
- For the construction businesses, an expected improvement in the current operating margin in 2020 versus 2019;
- For TF1, a double-digit current operating margin and cost of programs at €985 million in 2020. However, it is too early to give any new guidance.

a Free cash flow after WCR = Net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated after changes in WCR related to operating activities and excluding 5G frequencies.

Bouygues Telecom's 2020 guidance continues to be suspended, due to Covid-19's limited impact on its activity, until there is far greater visibility on the duration of the health crisis in France.

Finally, the Group reiterates its 2030 greenhouse gas emissions reduction target. In 2020, it will define a target compatible with the Paris Agreement^a and the Group's five business segments will prepare an action plan.

The Board of Directors has decided to amend the resolution (appropriation of 2019 earnings, setting of dividend) to be submitted to the forthcoming Combined Annual General Meeting.

In the midst of a major and growing health crisis and given the resulting economic uncertainty, Bouygues naturally intends to act responsibly and show its solidarity with the efforts asked of its stakeholders, particularly its employees. As a result, the Board of Directors has decided to withdraw its proposal to pay out a dividend at the Combined Annual General Meeting to be held on 23 April 2020.

The Board of Directors will meet in August in order to reassess the situation and review the opportunity of proposing the pay-out of a dividend in respect of the 2019 financial year.

Arrangements for participating in the Combined Annual General Meeting on 23 April 2020

In light of the measures taken by the French government in relation to the Covid-19 pandemic, and in accordance with Order No. 2020-321 of 25 March 2020, the Board of Directors has decided to organize the Combined Annual General Meeting of 23 April 2020 at 3.30pm (CET) at its registered office located at 32 Avenue Hoche 75008 Paris, France, without the shareholders attending in person.

As a result, the company is asking shareholders to either vote remotely or give a proxy vote to the Chairman:

- either by correspondence, using the form attached to the Convening Notice and available to download on www.bouygues.com;
- or on-line, via the Votaccess secure platform.

The general meeting will be webcast on www.bouygues.com.

Shareholders are reminded that they are entitled to send any questions in writing, until 20 April 2020 2.00pm, to the following e-mail address: questions.ecrites2020@bouygues.com.

The arrangements for participating in the Annual General Meeting of 23 April 2020 are available on bouygues.com under Annual General Meeting. They are also set forth in the Convening Notice published in the *Balo* (*Bulletin des Annonces Légales Obligatoires*) on 3 April 2020.

a To keep the global increase in temperatures to below 1.5°C.

GLOSSARY

4G consumption: data consumed on 4G cellular networks, excluding Wi-Fi.

4G users: customers who have used the 4G network during the last three months (Arcep definition).

ABPU (Average Billing Per User):

- In the mobile segment, it is equal to the total of mobile sales billed to customers (BtoC and BtoB) divided by the

average number of customers over the period. It excludes MtoM SIM cards and free SIM cards.

- In the fixed segment, it is equal to the total of fixed sales billed to customers (excluding BtoB) divided by the

average number of customers over the period.

BtoB (business to business): when one business makes a commercial transaction with another.

Backlog (Bouygues Construction, Colas): the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensory clauses have been lifted).

Backlog (Bouygues Immobilier): sales outstanding from notarized sales plus total sales from signed reservations that have still to be notarized.

Under IFRS 11, Bouygues Immobilier's backlog does not include sales from reservations taken via companies accounted for by the equity method (co-promotion companies where there is joint control).

Construction businesses: Bouygues Construction, Bouygues Immobilier and Colas.

Current operating profit after Leases: current operating profit after taking account of the interest expense on lease obligations.

EBITDA after Leases: current operating profit after Leases (i.e. current operating profit after taking account of the interest expense on lease obligations), before (i) net depreciation and amortization expense on property, plant and equipment and intangible assets, (ii) net charges to provisions and impairment losses, and (iii) effects of acquisitions of control or losses of control. Those effects relate to the impact of remeasuring previously-held interests or retained interests.

EBITDA margin after Leases (Bouygues Telecom): EBITDA after Leases as a proportion of sales from services.

Free cash flow: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

Free cash flow after WCR: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations, and after changes in working capital requirements (WCR) related to operating activities.

It is calculated after changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

A calculation of free cash flow after WCR by business segment is presented in Note 17 "Segment information" to the consolidated financial statements at 31 December 2019, available at bouygues.com.

Fixed churn: the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month

FTTH (Fiber to the Home): optical fiber from the central office (where the operator's transmission equipment is installed) all the way to homes or business premises (Arcep definition).

FTTH penetration rate: the FTTH share of the total fixed subscriber base (the number of FTTH customers divided by the total number of fixed customers)

FTTH premises secured: the horizontal deployed, being deployed or ordered up to the concentration point.

FTTH premises marketed: the connectable sockets, i.e. the horizontal and vertical deployed and connected via the concentration point.

Growth in sales like-for-like and at constant exchange rates:

- at constant exchange rates: change after translating foreign-currency sales for the current period at the exchange rates for the comparative period;

- on a like-for-like basis: change in sales for the periods compared, adjusted as follows:

- for acquisitions, by deducting from the current period those sales of the acquired entity that have no equivalent during the comparative period;
- for divestments, by deducting from the comparative period those sales of the divested entity that have no equivalent during the current period.

Mobile churn: the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month

MtoM: machine to machine communication. This refers to direct communication between machines or smart devices or between smart devices and people via an information system using mobile communications networks, generally without human intervention.

Net surplus cash/(net debt): the aggregate of cash and cash equivalents, overdrafts and short-term bank borrowings, non-current and current debt, and financial instruments. Net surplus cash/(net debt) does not include non-current and current lease obligations. A positive figure represents net surplus cash and a negative figure represents net debt. The main components of change in net debt are presented in Note 9 to the consolidated financial statements at 31 December 2019, available at bouygues.com.

Operating profit after Leases: operating profit after taking account of the interest expense on lease obligations.

Order intake (Bouygues Construction, Colas): a project is included under order intake when the contract has been signed and has taken effect (the notice to proceed has been issued and all suspensory clauses have been lifted) and the financing has been arranged. The amount recorded corresponds to the sales the project will generate.

PIN: Public-Initiative Network.

Reservations by value (Bouygues Immobilier): the € amount of the value of properties reserved over a given period.

- Residential properties: the sum of the value of unit and block reservation contracts signed by customers and approved by Bouygues Immobilier, minus registered cancellations.

- Commercial properties: these are registered as reservations on notarized sale.

For co-promotion companies:

- if Bouygues Immobilier has exclusive control over the co-promotion company (full consolidation), 100% of amounts are included in reservations;
- if joint control is exercised (the company is accounted for by the equity method), commercial activity is recorded according to the amount of the equity interest in the co-promotion company.

Sales from services (Bouygues Telecom) comprise:

- Sales billed to customers, which include:
 - In Mobile:
 - For BtoC customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services.
 - For BtoB customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services, plus sales from business services.
 - Machine-To-Machine (MtoM) sales.
 - Visitor roaming sales.
 - Sales generated with Mobile Virtual Network Operators (MVNOs).
 - In Fixed:
 - For BtoC customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire.
 - For BtoB customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire, plus sales from business services.
 - Sales from bulk sales to other fixed line operators.
- Sales from incoming Voice and Texts.
- Spreading of handset subsidies over the projected life of the customer account, required to comply with IFRS 15.
- Capitalization of connection fee sales, which is then spread over the projected life of the customer account.

Other sales (Bouygues Telecom): difference between Bouygues Telecom's total sales and sales from services.

It comprises:

- Sales from handsets, accessories and other
- Roaming sales
- Non-telecom services (construction of sites or installation of FTTH lines)
- Co-financing of advertising

Very-high-speed: subscriptions with peak downstream speeds higher or equal to 30 Mbit/s. Includes FTTH, FTTLA, 4G box and VDSL2 subscriptions (Arcep definition).

3. GOVERNANCE

The Board of Directors is charged with determining the orientation of business activity and ensuring the proper functioning of the company.

3.1 Current composition of the Board of Directors

DIRECTORS FROM THE SCDM GROUP^a



MARTIN BOUYGUES
Chairman and CEO



OLIVIER BOUYGUES
Deputy CEO



CHARLOTTE BOUYGUES
Standing representative
of SCDM



WILLIAM BOUYGUES
Standing representative
of SCDM Participations

INDEPENDENT DIRECTORS^b



CLARA GAYMARD
Co-founder
of Raise



ANNE-MARIE IDRAC
Company director



HELMAN LE PAS DE SÉCHEVAL
General Counsel
of the Veolia group



COLETTE LEWINER
Advisor to the Chairman
of Capgemini

BOARD COMMITTEES

The Board of Directors refers to the recommendations of the Afep-Medef Corporate Governance Code. It draws on the work of three special committees comprised solely of independent directors and directors representing employees or employee shareholders.

Audit Committee

Helman le Pas de Sécheval (Chairman) ■
Clara Gaymard ■
Anne-Marie Idrac ■
Michèle Vilain ■

Selection and Remuneration Committee

Colette Lewiner (Chairwoman) ■
Francis Castagné ■
Helman le Pas de Sécheval ■

Ethics, CSR and Patronage Committee

Anne-Marie Idrac (Chairwoman) ■
Rose-Marie Van Lerberghe ■
Raphaëlle Deflesselle ■

■ Independent director ■ Director representing employee shareholders ■ Director representing employees

a SCDM is a company controlled by Martin and Olivier Bouygues.
b Directors qualified as independent by the Board of Directors.

DIRECTORS REPRESENTING EMPLOYEES/EMPLOYEE SHAREHOLDERS



FRANCIS CASTAGNÉ
Director representing employees



RAPHAËLLE DEFLESSELLE
Director representing employee shareholders



MICHÈLE VILAIN
Director representing employee shareholders

NON-INDEPENDENT EXTERNAL DIRECTOR



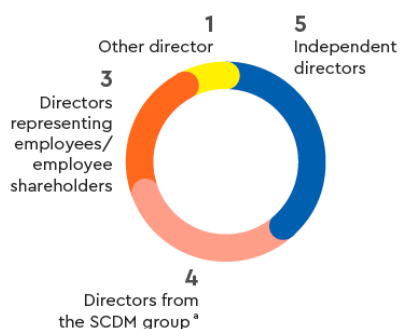
ROSE-MARIE VAN LERBERGHE
Vice-Chairwoman of Klépierre



ALEXANDRE DE ROTHSCHILD
Executive Chairman of Rothschild & Co Gestion






















KEY FIGURES FOR THE BOARD

at 31 December 2019



- a SCDM is a company controlled by Martin and Olivier Bouygues.
- b Excluding directors representing employees or employee shareholders.
- c Excluding director representing employees.

3.2 Composition of the Board of Directors after the Annual General Meeting of 23 April 2020 (subject to the approval of the twelfth and thirteenth resolutions)

Name	Profile			Board membership			Membership of Board committees				Other offices held ^b	
	Age	Gender	Nationality	Number of shares held	Start of first term ^a	End of current term	Length of service	Audit Committee	Selection and Remuneration Committee	Ethics, CSR and Patronage Committee		
Executive Officers (from the SCDM group)												
Martin Bouygues Chairman and CEO		67	M	FR	369,297 (79,992,925 via SCDM)	1982	2021	38				
Olivier Bouygues Deputy CEO		69	M	FR	193,021 (79,992,925 via SCDM)	1984	2022	35				1 (Alstom)
Directors representing the SCDM group												
Charlotte Bouygues Standing representative of SCDM		28	F	FR	SCDM: 79,892,925	2018	2022	1				
William Bouygues Standing representative of SCDM Participations		32	M	FR	SCDM Participations: 100,000	2018	2022	1				
Independent directors												
Clara Gaynard		60	F	FR	500	2016	2022	4				3 (Veolia Environnement, LVMH, Danone)
Anne-Marie Idrac		68	F	FR	500	2012	2021	8				4 (Total, Saint-Gobain, Air France-KLM, Sanef)
Colette Lewiner		74	F	FR	12,685	2010	2022	10				4 (Nexans, Getlink, EDF, CGG)
Benoît Maes		62	M	FR	-	2020	2023	0				
Rose-Marie Van Lerberghe		73	F	FR	531	2013	2022	7				2 (Klépierre, CNP Assurances)
Other director												
Alexandre de Rothschild		39	M	FR	500	2017	2023	3				
Directors representing employee shareholders												
Raphaëlle Deflesselle		47	F	FR	Unspecified	2014 ^c	2022	6				
Michèle Vilain		58	F	FR	Unspecified	2010	2022	10				
Director representing employees												
Francis Castagné		56	M	FR	Unspecified	2016	2020	4				

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

b Shareholders in companies outside the Bouygues group.

c Raphaëlle Deflesselle served as a director representing employees from May 2014 to May 2018. On 25 April 2019 she was appointed as a director representing employee shareholders.



Chair



Member

4. REMUNERATION OF EXECUTIVE OFFICERS IN 2019 AND 2020

Below is a summary of the 2020 remuneration policy applicable to Executive Officers and a summary of remuneration components paid or awarded to Executive Officers in respect of the 2019 financial year. The full remuneration policy for 2020 and the remuneration components for 2019 can be consulted in the 2019 Universal Registration Document from page 209 onwards.

4.1 Remuneration policy

This document presents the remuneration policy applied to each Executive Officer.

The Board meeting 19 February 2020, acting on a recommendation from the Selection and Remuneration Committee, set the criteria and methods (as described below) for determining, allocating and awarding the fixed, variable and exceptional components of the total remuneration and benefits of all kinds of each Executive Officer for 2020.

In accordance with Article L. 225-37-2 of the Commercial Code, this policy is being submitted for approval by the Annual General Meeting on 23 April 2020.

4.1.1 Remuneration policy applicable to the Chairman and CEO in 2020

FIXED REMUNERATION

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

For the 2020 financial year, the gross annual fixed remuneration of Martin Bouygues is still €920,000.

ANNUAL VARIABLE REMUNERATION

The Board of Directors and the Selection and Remuneration Committee seek to ensure that the variable remuneration of the Chairman and CEO is consistent with the company's performance objectives, so that it is aligned with the corporate interest and with the medium/long-term commercial strategy.

The Board of Directors has decided that the criteria for annual variable remuneration will be set as follows:

- **Four quantifiable financial criteria** (already used as criteria for 2019 variable remuneration, and three of which refer to the three-year business plan)
 - Actual consolidated **current operating profit (COP)** of the Group for the year / Objective = COP per the 2020 plan **(P1)**
 - Actual **consolidated net profit attributable to the Group (CNP)** for the year / Objective = CNP per the 2020 plan **(P2)**
 - Actual **consolidated net profit attributable to the Group** for the year (excluding exceptional items) / Objective = actual CNP for the previous year (excluding exceptional items) **(P3)**
 - **Change in net debt (CND)** (excluding external growth not built into the plan) / Objective = CND per the 2020 plan **(P4)**

- **Extra-financial criteria (P5)**

Variable remuneration is also based on three extra-financial criteria: two linked to the group's compliance and CSR performance, and one based on an overall assessment of the Executive Officer's managerial performance.

The three extra-financial criteria are weighted as follows:

- **Compliance** (commitment to developing compliance programmes and implementing the Sapin 2 law): weighted 10%;
- **Corporate social responsibility** (reducing the workplace accident rate versus 2019, and implementing a climate policy to achieve a reduction in greenhouse gas emissions compatible with the Paris Agreement across all business segments: weighted 10%;
- **Managerial performance**: weighted 10%.

The Board of Directors reserves the right to make an overall downward adjustment that would reduce or eliminate application of the extra-financial criteria in the event of a serious adverse event during the year.

After consultation with the Selection and Remuneration Committee, the Board of Directors may derogate from the criteria indicated above in the conditions set forth in Article L. 225-37-32 III, paragraph 2 of the Commercial Code.

Method used to determine annual variable remuneration for 2020

The method for determining the annual variable remuneration of Executive Officers is based on five separate variable components: P1, P2, P3, P4 and P5 (as defined above).

(FR = Fixed Remuneration)

P1, P2, P3 AND P4

The effective weight of each criterion determining the payment of each of the three components P1, P2 and P4 is dependent on the performance achieved during the financial year relative to the business plan.

P3 is determined by reference to the performance for the previous financial year.

The four variable components P1, P2, P3 and P4 are calculated as follows:

- 1) If actual performance is more than 10% below the Objective, the component concerned (P1, P2, P3 or P4) = 0
- 2) If actual performance is between (Objective – 10%) and the Objective:
 - P1 = 0% to 30% of FR
 - P2 = 0% to 30% of FR
 - P3 = 0% to 30% of FR
 - P4 = 0% to 40% of FR
- 3) If actual performance is between the Objective and (Objective +20%):
 - P1 = 30% to 40% of FR
 - P2 = 30% to 40% of FR
 - P3 = 30% to 35% of FR
 - P4 = 40% to 55% of FR

Between these limits the effective weight of each component is determined by linear interpolation.

P5

The Board of Directors determines the effective weight of P5, subject to a cap of 30% of FR.

Cap

The sum of the five components P1, P2, P3, P4 and P5 calculated according to the above method may never exceed a cap of 160% of fixed remuneration.

Pre-conditions for payment

Variable remuneration due for a given year is determined by the Board meeting that signs off the financial statements for that year. Consequently, as required by Article L. 225-100 of the Commercial Code, payment of the variable remuneration due for 2020 is contingent on approval by the Annual General Meeting called in 2021 to approve the 2020 financial statements. It is paid after payment has been approved by the Annual General Meeting.

Cessation of office

If the Chairman and CEO leaves office during the financial year, his variable remuneration for that year will be apportioned on a pro rata temporis basis for the period during which he held office in that year, and on the basis of the Board's assessment of his actual performance level for each of the criteria initially adopted.

Long-term remuneration

The Chairman and CEO is eligible for long-term remuneration. However, Martin Bouygues does not receive long-term variable remuneration given his personal circumstances, which already guarantee that his interests are aligned with those of the shareholders.

Remuneration for serving as a director

The Chairman and CEO receives remuneration for serving as a director.

He also receives remuneration for serving as a director of TF1.

Benefits in kind

The Chairman and CEO has the use of a company car.

Bouygues also provides the Chairman and CEO, for his personal needs, with a part-time personal assistant and a chauffeur/security guard.

For information, those benefits in kind were valued at €31,180 for the 2019 financial year.

Collective death, disability and health cover

The Chairman and CEO is entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as other employees.

The insurance policies relating to these schemes are subject to the same termination clauses as are standard under the ordinary law governing this type of policy.

Supplementary pension scheme

Contingent-rights collective pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of employment prior to 1 January 2020).

The Chairman and CEO, who joined the scheme before 4 July 2019, is eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code. Bouygues has brought its pension scheme into compliance with the requirements of law No. 2019-486 of 22 May 2019 (the Pacte law) and of Order No. 2019-697 of 3 July 2019. Consequently, the scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Provided that they end their career within the Bouygues group, senior executives who joined the scheme prior to 4 July 2019 retain their rights under that scheme, the terms of which are:

1. Conditions for joining the scheme and other eligibility conditions whereby the beneficiary must:
 - be a member of the Bouygues Management Committee on the date of voluntary or compulsory retirement;
 - have at least ten years' service with the Bouygues group at the date of voluntary or compulsory retirement;
 - have definitively ended his or her professional career at a Group company (this condition is fulfilled when the employee is part of the workforce at the date of voluntary or compulsory retirement);
 - be at least 65 years old at the date of voluntary or compulsory retirement;
 - fulfil the eligibility criteria for pension benefits under the basic social security pension scheme and the AGIRC-ARRCO mandatory supplementary schemes.

2. Reference salary equal to the average gross salary for the three best calendar years received by the senior executive within the Bouygues group during his or her period of membership of the Bouygues Management Committee, adjusted to reflect changes in the value of pension entitlement points under the AGIRC-ARRCO scheme on the date of cessation of office or of the termination of his or her contract of employment.

The reference gross salary applied consists of the annual fixed and variable remuneration used to calculate social security contributions in accordance with Article L. 242-1 of the Social Security Code.

3. Frequency of vesting of rights: annual.

4. Annual cap on vesting of pension rights: 0.92% of reference salary.

5. Overall cap: eight times the annual social security ceiling (giving a cap of €324,192 in 2019).

6. Funding is contracted out to an insurance company, to which an annual contribution is paid.

7. Performance conditions:

a) Executive Officer concerned

Martin Bouygues cannot acquire any further supplementary pension rights since the rights vested in him to date exceed the cap set by the Board of Directors (eight times the annual social security ceiling).

b) The performance conditions for 2019 were:

2019 financial year: Objective = that the average of consolidated net profit attributable to the Group for the 2019 financial year and for the 2018 and 2017 financial years ("Average CNP") is no more than 10% below the average of the consolidated net profit figures specified in the plan for the 2019 financial year and in the plans for the 2018 and 2017 financial years.

Terms for determining the vesting of pension rights based on performance:

– If average CNP is equal to or above the Objective:

Annual pension rights = 0.92% of the reference salary;

– If average CNP is more than 10% below the Objective:

Annual pension rights = 0.

Between those lower and upper limits, the pension rights awarded would vary on a straight-line basis between 0% and 0.92% of the reference salary.

Due to the closure of the scheme and the freezing of scheme members' rights, no further rights can vest under this scheme on or after 1 January 2020. From that date onwards it is no longer necessary to set performance conditions for the scheme.

Vested-rights collective pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020).

The Board of Directors has decided to introduce a new pension scheme in compliance with currently applicable legal requirements. The new scheme will enable Executive Officers who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place

within Bouygues, subject to fulfilment of the performance conditions described above. In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Bouygues group at retirement.

The Chairman and CEO is eligible for this new pension scheme.

However, in this specific case Martin Bouygues cannot acquire any further supplementary pension rights since the rights vested in him to date exceed the cap set by the Board of Directors (eight times the annual social security ceiling).

Severance benefit on leaving office

No severance benefit is payable to the Chairman and CEO on leaving office.

Non-competition indemnity

The Chairman and CEO is not entitled to any non-competition indemnity.

4.1.2 Remuneration policy applicable to the Deputy CEOs in 2020

FIXED REMUNERATION

The rules used to determine fixed remuneration were established in 1999 and have been applied consistently ever since. Fixed remuneration is determined according to the level and complexity of the person's responsibilities, experience in the post and length of service with the Group, and practices followed by groups or companies carrying on comparable activities.

Given that the fixed remuneration of a Deputy CEO has not changed since 2003 while the duties of Olivier Roussat have been extended (due especially to Philippe Marien leaving office), the Board of Directors – acting on a recommendation from the Selection and Remuneration Committee – has decided to align Olivier Roussat's gross annual fixed remuneration on market practice by raising it to €1,250,000.

The fixed remuneration of Philippe Marien and Olivier Bouygues is unchanged.

Consequently, gross annual fixed remuneration for 2020 is:

- €1,250,000 for Olivier Roussat;
- €920,000 for Philippe Marien;
- €500,000 for Olivier Bouygues.

ANNUAL VARIABLE REMUNERATION

The Board of Directors and the Selection and Remuneration Committee seek to ensure that the variable remuneration of the Deputy CEOs is consistent with the company's performance objectives, so that it is aligned with the corporate interest and on its commercial strategy.

The criteria for awarding annual variable remuneration are the same as those described above for the Chairman and CEO.

Method used to determine annual variable remuneration for 2020

The method for determining the annual variable remuneration of Executive Officers is based on five separate variable components: P1, P2, P3, P4 and P5, as described above.

Cap

The sum of the five components P1, P2, P3, P4 and P5 may never exceed a cap of 160% of fixed remuneration.

Pre-conditions for payment

Variable remuneration due for a given year is determined by the Board meeting that signs off the financial statements for that year. Consequently, as required by Article L. 225-100 of the Commercial Code, payment of the variable remuneration due for 2020 is contingent on approval by the Annual General Meeting called in 2021 to approve the 2020 financial statements. It is paid after payment has been approved by the Annual General Meeting.

There is no other contingent deferral period.

Cessation of office

If a Deputy CEO leaves office during the financial year, his variable remuneration for that year will be apportioned on a pro rata temporis basis for the period during which he held office in that year, and on the basis of the Board's assessment of his actual performance level for each of the criteria initially adopted.

Long-term remuneration

All Executive Officers may be awarded long-term remuneration.

Because Philippe Marien has resigned from office as a Deputy CEO, he will not receive any contingent award of shares in 2020.

Olivier Bouygues is not entitled to long-term remuneration, since his personal circumstances mean that his interests are already aligned with those of the shareholders.

Olivier Roussat is entitled to long-term remuneration in the form of a contingent award of existing Bouygues shares; this is intended to align his interests more closely with those of the shareholders, in particular by taking account of the stock market performance of Bouygues shares.

The terms of this long-term remuneration package specify the award of no more than 40,000 Bouygues shares to each beneficiary at the end of a three-year period (2020, 2021 and 2022). The award is contingent upon the fulfilment of performance conditions at the end of that three-year period.

Performance conditions

A1 = Average of actual consolidated current operating profit (COP) of the Group for the three financial years covered by the Group's annual business plans (2020, 2021 and 2022) / Average of the 3 COP figures set as objectives in the annual business plans.

A2 = Average of actual consolidated net profit attributable to the Group (CNP) for the three financial years covered by the Group's annual business plans (2020, 2021 and 2022) / Average of the 3 CNP figures set as objectives in the annual business plans.

A3 = Stock market performance of Bouygues shares, including reinvestment of the dividend at the opening market price on the dividend ex-date (TSR ^a) / CAC 40 performance over the three-year period.

The number of shares awarded in 2023 (capped at 40,000 shares) would be determined as follows:

■ **A1: Objective** = average of the current operating profit (COP) figures for the 2020, 2021 and 2022 financial years set as objectives in the annual business plans.

– If the Objective is attained, A1 = 0 shares.

– If the average of the 3 COP figures is at least 20% above the Objective, A1 = 37.5% of the total number of shares potentially awardable in 2023 (i.e. 15,000 shares in 2023).

Between those lower and upper limits A1 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares in 2023).

(a) Total Shareholder Return.

■ **A2: Objective** = average of the consolidated net profit attributable to the Group for the 2020, 2021 and 2022 financial years set as objectives in the annual business plans.

– If the Objective is attained, A2 = 0 shares.

– If the average of the three CNP figures is at least 20% above the Objective, A2 = 37.5% of the total number of shares potentially awardable in 2023 (i.e. 15,000 shares in 2023).

Between those lower and upper limits A2 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares).

■ **A3: Objective** = Stock market performance of Bouygues shares, including reinvestment of the dividend at the opening market price on the dividend ex-date (TSR) = CAC 40 performance over the plan period.

– If the Objective is attained, A3 = 0 shares.

– If the stock market performance of Bouygues shares relative to the CAC 40 is 10% or more above the Objective over the plan period, A3 = 25% of the total number of shares potentially awardable in 2023 (i.e. 10,000 shares in 2023).

In calculating the TSR of the CAC 40, the starting point would be the average of the 40 opening quoted market prices preceding (but not including) 1 January 2020, and the end point would be the average of the 40 opening quoted market prices preceding (but not including) 1 January 2023.

Between those lower and upper limits A3 varies on a straight-line basis between 0% and 25% (i.e. 0 to 10,000 shares in 2023).

Because this package falls outside the scope of Articles L. 225-177 *et seq.* and L. 225-197-1 *et seq.* of the Commercial Code, any shares awarded would at the time of the award become liable for social security charges and income tax on the same basis as salaries. It is therefore proposed that a portion of the shares awarded to the beneficiaries should be paid out in the form of a cash sum in order to facilitate payment by the beneficiaries of the social security charges and income tax arising on the salary component.

This means that subject to approval by an Ordinary General Meeting on the terms specified in Article L. 225-100 of the Commercial Code, long-term remuneration would be paid as follows:

- 50% of the shares awarded would be delivered to the beneficiary on the first working day following that General Meeting;
- an amount equivalent to the value of 50% of the shares would be paid in the week following that General Meeting, in the form of a cash sum calculated on the basis of the opening share price on the day before that General Meeting takes place.

Continuing employment condition

The beneficiary would have to be serving as a Deputy CEO of Bouygues on 31 December 2022.

If that condition is no longer met, the beneficiary's entitlement to long-term remuneration is forfeited on the date of cessation of office.

The Board of Directors reserves the right to derogate from that rule on a case by case basis based on advice from the Selection and Remuneration Committee.

As an exception to the above, the beneficiary will not forfeit entitlement to long-term remuneration in the following circumstances:

- (a) incapacity;
- (b) death;
- (c) retirement, subject to apportionment on a pro rata temporis basis to reflect time actually spent in office during the reference period.

Lock-up and hedging

In addition, acting in line with the recommendations of the Afep-Medef Code, at its meeting of 20 February 2019, the Board set a minimum quantity of shares that the beneficiary would be required to hold in registered form until he ceases to hold office. The beneficiary would be required to hold in registered form until he ceases to hold office a minimum quantity of shares representing the equivalent of 1.5 times his fixed annual remuneration. Until such time as that objective is reached, the beneficiary would have to set aside 60% of the shares actually delivered to him for that purpose.

The value of the shares delivered and the cash sums paid under this long-term remuneration package cannot exceed a limit of 100% of the cap set for the beneficiary's fixed and variable remuneration. In determining whether that limit is reached, the value of the shares delivered is calculated on the basis of the opening market price of Bouygues shares on the day before delivery.

As far as Bouygues is aware, no instruments have been contracted to hedge the shares awardable under this long-term remuneration package. In addition, the beneficiary has made a formal undertaking not to enter into hedging transactions to cover his risk.

Remuneration for serving as a director

Olivier Bouygues receives remuneration for serving as a director.

The Deputy CEOs receive remuneration for serving as directors in other Group companies.

Benefits in kind

The Deputy CEOs have the use of a company car.

Bouygues also provides Olivier Bouygues, for his personal needs, with a part-time personal assistant and a chauffeur/security guard.

A chauffeur is made available to Philippe Marien and Olivier Roussat for business purposes.

For information, those benefits in kind for the 2019 financial year were valued at €10,756 for Olivier Bouygues; €3,660 for Philippe Marien; and €20,457 for Olivier Roussat (including unemployment insurance cover for the latter).

Collective death, disability and health cover

The Deputy CEOs are entitled to benefits under the collective death, disability and health cover policies applied within Bouygues on the same terms and conditions as other employees.

The insurance policies relating to these schemes are subject to the same termination clauses as are standard under the ordinary law governing this type of policy.

Supplementary pension scheme

Contingent-rights collective pension scheme governed by Article L. 137-11 of the Social Security Code (rights for periods of employment prior to 1 January 2020).

The Deputy CEOs, who joined the scheme before 4 July 2019, are eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the Social Security Code, as described above.

The Deputy CEOs can no longer accrue rights under this scheme because it was closed to new members on 4 July 2019 and the rights of existing members were frozen as of 31 December 2019, in line with the requirements of law No. 2019-486 of 22 May 2019 (the Pacte law) and of Order No. 2019-697 of 3 July 2019. Due to the closure of the scheme and the freezing of scheme members' rights, no further rights can vest under this scheme on or after 1 January 2020.

For information, the performance conditions for 2019 were:

2019 financial year: Objective = that the average of consolidated net profit attributable to the Group for the 2019 financial year and for the 2018 and 2017 financial years ("Average CNP") is no more than 10% below the average of the consolidated net profit figures specified in the plan for the 2019 financial year and in the plans for the 2018 and 2017 financial years.

Terms for determining the vesting of pension rights based on performance:

- If average CNP is equal to or above the Objective:
annual pension rights = 0.92% of the reference salary;
- If average CNP is more than 10% below the Objective:
annual pension rights = 0.

Between those lower and upper limits, the pension rights awarded would vary on a straight-line basis between 0% and 0.92% of the reference salary.

Vested-rights collective pension scheme governed by Article L. 137-11-2 of the Social Security Code (rights for periods of employment subsequent to 1 January 2020).

The Board of Directors has decided to institute a new pension scheme that complies with currently applicable legislation. The new scheme will enable Executive Officers who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place within Bouygues, subject to fulfilment of the performance conditions described above. In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Bouygues group at retirement.

The Deputy CEOs are eligible for this new pension scheme.

Olivier Bouygues cannot acquire any further supplementary pension rights since the rights vested in him to date exceed the cap set by the Board of Directors (eight times the annual social security ceiling).

However, Olivier Roussat and Philippe Marien may acquire pension rights subject to attainment of the performance conditions.

Severance benefit on leaving office

The Deputy CEOs are not entitled to any severance benefit on leaving office.

However, in the event that their employment contracts (currently suspended) are terminated, they would be entitled to a severance benefit on the terms specified in the Labour Code and the collective agreement applied by Bouygues SA.

Non-competition indemnity

The Deputy CEOs are not entitled to any non-competition indemnity.

4.2 Remuneration of Executive Officers in 2019

The Board of Directors has consistently applied the successive changes to the Afep-Medef Corporate Governance Code concerning executive remuneration, and the application guidance issued by the High Committee for Corporate Governance.

The remuneration of Martin Bouygues and Olivier Bouygues, as determined by the Bouygues Board of Directors, is paid by SCDM. SCDM then invoices Bouygues this remuneration and the related social security charges, pursuant to the agreement governing relations between Bouygues and SCDM as approved under the regulated agreements procedure. That invoicing strictly reflects the amounts of remuneration as determined by the Bouygues Board of Directors. The agreement between Bouygues and SCDM was approved

by the Annual General Meeting of 25 April 2019 (fourth resolution) under the regulated agreements procedure.

4.2.1 Total annual remuneration of the Chairman and CEO in respect of the 2019 financial year

FIXED REMUNERATION

For the 2019 financial year, Martin Bouygues received gross annual fixed remuneration of €920,000. The amount of his fixed remuneration has remained unchanged since 2003.

VARIABLE REMUNERATION

The principles and criteria for 2019 annual variable remuneration were determined by the Board of Directors on 20 February 2019 and approved by the Annual General Meeting of 25 April 2019 (eleventh resolution). The Board meeting of 19 February 2020 evaluated the 2019 performance of the Executive Officers.

An objective is set for each criterion. When an objective is attained, a variable portion corresponding to a percentage of fixed remuneration is awarded.

In the case of those portions of variable remuneration linked to a quantitative criterion, if an objective is exceeded or not attained the variable portion is adjusted on a straight-line basis within a specified range. The variable portion is subject to an upper limit, and is reduced to zero if the objective falls below a lower limit.

The sum total of the five variable portions calculated on this basis cannot under any circumstances exceed the overall cap, set in 2019, of 160% of each Executive Officer's fixed remuneration.

The criteria for variable remuneration, and their relative weights and attainment levels, are shown in the summary table below.

The five criteria for determining gross annual variable remuneration in 2019

The gross annual variable remuneration of Martin Bouygues for 2019 is based on the performance of the Group, determined by reference to:

- **Four financial criteria:**
 - **P1** – Actual consolidated **current operating profit (COP)** of the Group for the year / Objective = COP per the 2019 plan.
 - **P2** – Actual **consolidated net profit attributable to the Group (CNP)** for the year / Objective = CNP per the 2019 plan.
 - **P3** – Actual **CNP** for the year (excluding exceptional items) / Objective = actual CNP for the previous year (excluding exceptional items).
 - **P4** – **Change in net debt (CND)** in the year (excluding external growth not built into the plan) / Objective = CND per the 2019 plan.

Those objectives are precisely defined, but are not disclosed for confidentiality reasons. Nevertheless, the attainment level for each criterion (as a percentage of fixed remuneration) is disclosed in the table below.

- **Extra-financial criteria: performance in CSR and compliance, and an assessment of managerial performance.**

The Board of Directors determines the effective weight of each of the extra-financial criteria, subject to a cap of 30% of fixed remuneration. Each of the CSR, compliance and managerial assessment criteria is subject to a cap of 10%.

For 2019, the Board defined the following objectives:

- improving safety in terms of reducing workplace accident rates (this objective was partially attained in 2019);
- the Bouygues group retaining its place in the Carbon Disclosure Project (CDP) index with an A or A- rating;
- applying the Sapin 2 law.

Martin Bouygues received gross annual variable remuneration of €1,472,000.

Summary table: gross annual variable remuneration of Martin Bouygues for 2019

		Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2019 performance as % of FR
Financial criteria				
P1	COP for the year per the 2019 plan	30%	40%	30%
P2	CNP for the year per the 2019 plan	30%	40%	40%
P3	CNP for the previous year (2018 CNP)	30%	35%	18%
P4	Change in net debt per the 2019 plan	40%	55%	55%
Extra-financial criteria				
P5	CSR - Compliance - Managerial assessment	30%	30%	27%
		Total = 160% of FR	Total = 200% of FR Reduced to 160%	Total = 170% of FR
Cap		160%	160%	160%

FR: Fixed Remuneration.

EXCEPTIONAL REMUNERATION

Martin Bouygues did not receive any exceptional remuneration in respect of the 2019 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 25 April 2019 approved, as part of the 2019 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Martin Bouygues was not awarded any long-term remuneration given his personal circumstances, which already guarantee that his interests are aligned with those of the shareholders.

OTHER COMPONENTS OF REMUNERATION

Social protection

Martin Bouygues benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Supplementary pension scheme

The Chairman and CEO, who joined the scheme before 4 July 2019, is eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the French Social Security Code. Bouygues has brought its pension scheme into compliance with the requirements of law No. 2019-486 of 22 May 2019 (the Pacte law) and of Order No. 2019-697 of 3 July 2019. Consequently, the scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Performance conditions for the supplementary pension in 2019

Under Article 229 of the law of 6 August 2015, vesting of the pension rights of Executive Officers of listed companies in respect of a given financial year must be subject to performance conditions.

Martin Bouygues cannot acquire any supplementary pension rights in 2019 since the rights vested in him to date have reached the cap set by the Board of Directors (eight times the annual social security ceiling).

The table below summarises the method used to determine pension rights for 2019:

Supplementary pension

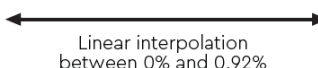
Annual cap on vesting of pension rights = 0.92% of the 2019 reference salary (Fixed + Annual Variable)

Performance conditions

Objective = plan average - 10% (average of CNP figures per the 2019, 2018 and 2017 plans)

If the average of actual CNP figures for 2019, 2018 and 2017 is more than 10% below the Objective
Pension rights = 0

If the average of actual CNP figures for 2019, 2018 and 2017 is \geq the Objective
Pension rights = 0.92%



Overall cap on pension rights = eight times social security ceiling (giving a cap of €324,192 in 2019).

Note: Annual pension rights for 2019 are contingent on CNP performances for 2019, 2018 and 2017.

Information provided by the company on pension commitments or other lifetime benefits pursuant to Articles L. 225-37-3 (paragraph 3) and D. 225-29-3 of the Commercial Code.

The characteristics of the supplementary pension scheme awarded to the Group's senior executives are as follows:

1. Title of the commitment: defined-benefit collective pension scheme.
2. Reference to legal provisions identifying the scheme: Article L. 137-11 of the Social Security Code.
3. Conditions for joining the scheme and other eligibility conditions. The beneficiary must:
 - be a member of the Bouygues Management Committee on the date of voluntary or compulsory retirement;
 - have at least ten years' service with the Bouygues group at the date of voluntary or compulsory retirement;
 - have definitively ended his or her professional career at one of the Group companies (this condition is fulfilled when the employee is part of the workforce at the date of voluntary or compulsory retirement);
 - be at least 65 years old at the date of voluntary or compulsory retirement;
 - fulfil the eligibility criteria for pension benefits under the basic social security pension scheme and the mandatory supplementary schemes (AGIRC-ARRCO);
 - meet the performance conditions set by the Board of Directors.
4. Method of determining the reference salary specified by the scheme and used to calculate the rights of beneficiaries:

The reference salary must be equal to the average gross salary of the three best calendar years of the Executive Officer or employee at the Bouygues group during his or her period on the Group Management Committee, adjusted to reflect changes in the value of pension entitlement points under the AGIRC-ARRCO scheme, on the date the term of office ends or the employment contract is terminated. The reference gross salary consists of the fixed and variable remuneration used to calculate social security contributions in accordance with Article L. 242-1 of the Social Security Code.

5. Pattern of vesting of rights: annual.
6. Annual cap on vesting of pension rights: 0.92% of reference salary.
7. Overall cap (amount and calculation method): eight times the annual social security ceiling, giving a cap of €324,192 in 2019.
8. Funding arrangements for the benefit: outsourced to an insurance company, to which a contribution is paid each year.
9. Estimated amount of annual annuity as of 31 December 2019: €320,184.
10. Tax and social security charges borne by the company: the contributions paid into the scheme by the company are not subject to employer's social security charges or to the CSG or CRDS levies. However, the company is required to pay a levy set at 24% of those contributions.

OTHER FORMS OF REMUNERATION

Martin Bouygues received benefits in kind consisting of the use of a company car and the part-time assignment of a personal assistant and a chauffeur/security guard for his personal needs.

Those benefits amounted to €31,180 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Martin Bouygues received annual remuneration of €93,900 for serving as a director, of which €23,900 came from Group subsidiaries.

4.2.2 Total annual remuneration of the Deputy CEO – Olivier Bouygues

FIXED REMUNERATION

For the 2019 financial year, Olivier Bouygues received gross annual fixed remuneration of €500,000.

VARIABLE REMUNERATION

The principles and criteria applied in determining the annual variable remuneration of Olivier Bouygues are identical to those applied to the Chairman and CEO (see section 4.2.1 – Components of remuneration – Variable remuneration).

Olivier Bouygues received gross annual variable remuneration of €800,000.

Summary table: gross annual variable remuneration of Olivier Bouygues for 2019

		Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2019 performance as % of FR
Financial criteria				
P1	COP for the year per the 2019 plan	30%	40%	30%
P2	CNP for the year per the 2019 plan	30%	40%	40%
P3	CNP for the previous year (2018 CNP)	30%	35%	18%
P4	Change in net debt per the 2019 plan	40%	55%	55%
Extra-financial criteria				
P5	CSR – Compliance – Managerial assessment	30%	30%	27%
		Total = 160% of FR	Total = 200% of FR Reduced to 160%	Total = 170% of FR
Cap		160%	160%	160%

FR: Fixed Remuneration.

EXCEPTIONAL REMUNERATION

Olivier Bouygues did not receive any exceptional remuneration in respect of the 2019 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 25 April 2019 approved, as part of the 2019 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Olivier Bouygues was not awarded any long-term remuneration given his personal circumstances, which already guarantee that his interests are aligned with those of the shareholders.

OTHER COMPONENTS OF REMUNERATION

Social protection

Olivier Bouygues benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Supplementary pension scheme

The Deputy CEOs, who joined the scheme before 4 July 2019, are eligible for the defined-benefit supplementary pension scheme governed by Article L. 137-11 of the French Social Security Code. Bouygues has brought its pension scheme into compliance with the requirements of law No. 2019-486 of 22 May 2019 (the Pacte law) and of Order No. 2019-697 of 3 July 2019. Consequently, the scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

PERFORMANCE CONDITIONS FOR THE SUPPLEMENTARY PENSION IN 2019

Under Article 229 of the law of 6 August 2015, vesting of the pension rights of Executive Officers of listed companies in respect of a given financial year must be subject to performance conditions. Olivier Bouygues could not acquire any supplementary pension rights in 2019 since the rights vested in him to date had reached the cap set by the Board of Directors (eight times the annual social security ceiling).

The method used to calculate pension rights for 2019, and the information provided by the company on pension commitments or other lifetime benefits pursuant to Articles L. 225-37-3 (paragraph 3) and D. 225-29-3 of the Commercial Code, are identical to those described for the Chairman and CEO (see section 4.2.1. – Components of remuneration – Supplementary pension).

The estimated amount of the annual annuity as of 31 December 2019 is €256,464.

OTHER FORMS OF REMUNERATION

Olivier Bouygues received benefits in kind consisting of the use of a company car and the part-time assignment of a personal assistant and a chauffeur/security guard for his personal needs.

Those benefits amounted to €10,756 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Olivier Bouygues received annual remuneration of €89,144 for serving as a director, of which €49,144 came from Group subsidiaries.

4.2.3 Total annual remuneration of the Deputy CEO – Olivier Roussat

FIXED REMUNERATION

For the 2019 financial year, Olivier Roussat received gross annual fixed remuneration of €920,000.

VARIABLE REMUNERATION

The principles and criteria applied in determining the annual variable remuneration of Olivier Roussat are identical to those applied to the Chairman and CEO (see section 4.2.1 – Components of remuneration – Variable remuneration).

Olivier Roussat received gross annual variable remuneration of €1,472,000.

Summary table: gross annual variable remuneration of Olivier Roussat for 2019

		Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2019 performance as % of FR
Financial criteria				
P1	COP for the year per the 2019 plan	30%	40%	30%
P2	CNP for the year per the 2019 plan	30%	40%	40%
P3	CNP for the previous year (2018 CNP)	30%	35%	18%
P4	Change in net debt per the 2019 plan	40%	55%	55%
Extra-financial criteria				
P5	CSR - Compliance - Managerial assessment	30%	30%	27%
		Total = 160% of FR	Total = 200% of FR Reduced to 160%	Total = 170% of FR
Cap		160%	160%	160%

FR: Fixed Remuneration.

EXCEPTIONAL REMUNERATION

Olivier Roussat did not receive any exceptional remuneration in respect of the 2019 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 25 April 2019 approved, as part of the 2019 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Olivier Roussat received a contingent award of a maximum of 40,000 shares, subject to performance conditions measured over three years, and valued at a total of €588,632 on the date of the award.

The number of shares awarded in 2019 was determined as follows:

■ **A1: Objective** = average of the current operating profit (COP) figures for the 2019, 2020 and 2021 financial years set as objectives in the annual business plans.

- If the Objective is attained, A1 = 0 shares.
- If the average of the three COP figures is at least 20% above the Objective, A1 = 37.5% of the total number of shares potentially awardable in 2022 (i.e. 15,000 shares in 2022).

Between those lower and upper limits A1 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares in 2022).

■ **A2: Objective** = average of the consolidated net profit (CNP) figures of the Group for the 2019, 2020 and 2021 financial years set as objectives in the annual business plans.

- If the Objective is attained, A2 = 0 shares.
- If the average of the three CNP figures is at least 20% above the Objective, A2 = 37.5% of the total number of shares potentially awardable in 2022 (i.e. 15,000 shares in 2022).

Between those lower and upper limits A2 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares).

■ **A3: Objective** = Stock market performance of Bouygues shares, including reinvestment of the dividend at the opening market price on the dividend ex-date (TSR) = CAC 40 performance over the plan period.

- If the Objective is attained, A3 = 0 shares.
- If the Bouygues share performance relative to the CAC 40 is 10% or more above the Objective over the plan period, A3 = 25% of the total number of shares potentially awardable in 2022 (i.e. 10,000 shares in 2022).

Between those lower and upper limits A3 varies on a straight-line basis between 0% and 25% (i.e. 0 to 10,000 shares in 2022).

Overview of performance conditions for the 2019 contingent award of shares



In 2019, Bouygues ended the multi-year variable remuneration package to which Olivier Roussat had been entitled. Consequently, it was proposed that from 2019 (in line with the remuneration policy approved by the eleventh resolution of the Annual General Meeting of 25 April 2019) he should be granted a new long-term remuneration package on the following terms:

Additional award:

- of a maximum of 13,333 shares subject to performance conditions relating to the 2019 financial year, with a total value of €270,216 at the date of the award;

As regards that award, the Board meeting of 19 February 2020 formally noted that:

- i. criterion A1 had not been met, so no award would be made for that criterion;
- ii. criterion 2 performance was above the upper limit, so 5,000 shares would be awarded for that criterion (half of them in the form of a cash payment);
- iii. criterion A3 had not been met, so no award would be made for that criterion.

Consequently, after an assessment of the performance criteria, 5,000 shares were awarded to Olivier Roussat in respect of the 2019 financial year. Payment of that long-term remuneration (half of which will be in the form of a cash payment) will be subject to approval at the Annual General Meeting of 23 April 2020.

- of a maximum of 26,666 shares subject to performance conditions relating to the 2019 and 2020 financial years, with a total value of €460,711 at the date of the award.

OTHER COMPONENTS OF REMUNERATION

Social protection

Olivier Roussat benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Olivier Roussat also received a benefit in the form of unemployment insurance, the amount of the employer's contribution being €12,765.

Supplementary pension scheme

Under Article 229 of the law of 6 August 2015, vesting of the pension rights of Executive Officers of listed companies in respect of a given financial year must be subject to performance conditions.

Olivier Roussat benefited from the supplementary pension scheme in place within the Bouygues group, in accordance with (i) the method used to calculate pension rights for 2019 and (ii) the information provided by the company on pension commitments or other lifetime benefits pursuant to Articles L. 225-37-3 (paragraph 3) and D. 225-29-3 of the Commercial Code described for the Chairman and CEO (see section 4.2.1 – Components of remuneration – Supplementary pension scheme).

The relevant performance levels were achieved by Olivier Roussat in 2019. Consequently, his pension rights would be 0.92% of his reference salary.

The estimated amount of the annual annuity as of 31 December 2019 is €272,031.

OTHER FORMS OF REMUNERATION

Olivier Roussat received benefits consisting of the use of a company car with chauffeur for business purposes and unemployment insurance.

Those benefits amounted to €20,457 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Olivier Roussat received annual remuneration of €48,363 for serving as a director with Group companies.

4.2.4 Total annual remuneration of the Deputy CEO – Philippe Marien

FIXED REMUNERATION

For the 2019 financial year, Philippe Marien received gross annual fixed remuneration of €920,000.

VARIABLE REMUNERATION

The principles and criteria applied in determining the annual variable remuneration of Philippe Marien are identical to those applied to the Chairman and CEO (see section 4.2.1 – Components of remuneration – Variable remuneration).

Philippe Marien received gross annual variable remuneration of €1,472,000.

Summary table: gross annual variable remuneration of Philippe Marien for 2019

		Theoretical annual variable remuneration if objective is attained Caps as % of FR	Maximum theoretical annual variable remuneration if objective is exceeded as % of FR	Annual variable remuneration awarded based on 2019 performance as % of FR
Financial criteria				
P1	COP for the year per the 2019 plan	30%	40%	30%
P2	CNP for the year per the 2019 plan	30%	40%	40%
P3	CNP for the previous year (2018 CNP)	30%	35%	18%
P4	Change in net debt per the 2019 plan	40%	55%	55%
Extra-financial criteria				
P5	CSR – Compliance – Managerial assessment	30%	30%	27%
		Total = 160% of FR	Total = 200% of FR Reduced to 160%	Total = 170% of FR
Cap		160%	160%	160%

FR: Fixed Remuneration.

EXCEPTIONAL REMUNERATION

Philippe Marien did not receive any exceptional remuneration in respect of the 2019 financial year.

LONG-TERM REMUNERATION

The Annual General Meeting of 25 April 2019 approved, as part of the 2019 remuneration policy, the principle of awarding long-term remuneration in the form of contingent awards of shares to Executive Officers, to strengthen the alignment between their interests and those of the shareholders.

Philippe Marien received a contingent award of a maximum of 40,000 shares, subject to performance conditions measured over three years, and valued at a total of €588,632 on the date of the award.

The number of shares awarded in 2019 (capped at 40,000 shares) was determined as follows:

- **A1: Objective** = average of the current operating profit (COP) figures for the 2019, 2020 and 2021 financial years set as objectives in the annual business plans.
 - If the Objective is attained, A1 = 0 shares.
 - If the average of the three COP figures is at least 20% above the Objective, A1 = 37.5% of the total number of shares potentially awardable in 2022 (i.e. 15,000 shares in 2022).

Between those lower and upper limits A1 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares in 2022).

■ **A2: Objective** = average of the consolidated net profit (CNP) figures of the Group for the 2019, 2020 and 2021 financial years set as objectives in the annual business plans.

– If the Objective is attained, A2 = 0 shares.

– If the average of the three CNP figures is at least 20% above the Objective, A2 = 37.5% of the total number of shares potentially awardable in 2022 (i.e. 15,000 shares in 2022).

Between those lower and upper limits A2 varies on a straight-line basis between 0% and 37.5% (i.e. 0 to 15,000 shares).

■ **A3: Objective** = Stock market performance of Bouygues shares, including reinvestment of the dividend at the opening market price on the dividend ex-date (TSR) = CAC 40 performance over the plan period.

– If the Objective is attained, A3 = 0 shares.

– If the Bouygues share performance relative to the CAC 40 is 10% or more above the Objective over the plan period, A3 = 25% of the total number of shares potentially awardable in 2022 (i.e. 10,000 shares in 2022).

Between those lower and upper limits A3 varies on a straight-line basis between 0% and 25% (i.e. 0 to 10,000 shares in 2022).

In 2019, Bouygues ended the multi-year variable remuneration package to which Philippe Marien had been entitled. Consequently, it was proposed that from 2019 (in line with the 2019 remuneration policy approved by the eleventh resolution of the Annual General Meeting of 25 April 2019) he should be granted a new long-term remuneration package on the following terms:

Additional award:

- of a maximum of 13,333 shares subject to performance conditions relating to the 2019 financial year, with a total value of €270,216 at the date of the award;

As regards that award, the Board meeting of 19 February 2020 formally noted that:

- i. criterion A1 had not been met, so no award would be made for that criterion;
- ii. criterion 2 performance was above the upper limit, so 5,000 shares would be awarded for that criterion (half of them in the form of a cash payment);
- iii. criterion A3 had not been met, so no award would be made for that criterion.

Consequently, after an assessment of the performance criteria, 5,000 shares were awarded to Philippe Marien in respect of the 2019 financial year. Payment of that long-term remuneration (half of which will be in the form of a cash payment) will be subject to approval at the Annual General Meeting of 23 April 2020.

- of a maximum of 26,666 shares subject to performance conditions relating to the 2019 and 2020 financial years, with a total value of €460,711 at the date of the award.

OTHER COMPONENTS OF REMUNERATION

Social protection

Philippe Marien benefited under the collective death, disability and health cover policies applied within Bouygues SA.

Supplementary pension scheme

Under Article 229 of the law of 6 August 2015, vesting of the pension rights of Executive Officers of listed companies in respect of a given financial year must be subject to performance conditions.

Philippe Marien benefited from the supplementary pension scheme in place within the Bouygues group, in accordance with (i) the method used to calculate pension rights for 2019 and (ii) the information provided by the company on pension commitments or other lifetime benefits pursuant to Articles L. 225-37-3 (paragraph 3) and D. 225-29-3 of the Commercial Code described for the Chairman and CEO (see section 4.2.1. – Components of remuneration – Supplementary pension scheme).

The relevant performance levels were achieved by Philippe Marien in 2019. Consequently, his pension rights would be 0.92% of his reference salary.

The estimated amount of the annual annuity as of 31 December 2019 is €249,400.

OTHER FORMS OF REMUNERATION

Philippe Marien received benefits consisting of the use of a company car with chauffeur for business purposes.

Those benefits amounted to €3,660 based on the valuation method used.

REMUNERATION FOR SERVING AS A DIRECTOR

Philippe Marien received annual remuneration of €77,739 for serving as a director with Group companies.

4.2.5 Components of remuneration paid or awarded in respect of 2019 and submitted to a vote at the Annual General Meeting of 23 April 2020 pursuant to Article L. 225-100 III of the Commercial Code annual remuneration of the Chairman and CEO in respect of the 2019 financial year

Components of the remuneration of Martin Bouygues, Chairman and CEO, paid or awarded in respect of the 2019 financial year and submitted to the Annual General Meeting of 23 April 2020 for approval (Resolution 8)

	Amount/Accounting value €	Comments
Fixed remuneration	920,000	Martin Bouygues' fixed remuneration has not changed since 2003.
Annual variable remuneration	1,472,000	The target annual variable remuneration of Martin Bouygues represents 160% of his fixed remuneration, the level at which it is capped. For 2019, his annual variable remuneration is based on four financial criteria and three extra-financial criteria. Those criteria, and the attainment levels achieved, are described in section 5.4.2.1 above. This variable remuneration will be paid subject to approval at the Annual General Meeting of 23 April 2020. Amount of 2018 annual variable remuneration paid during 2019: €1,472,000. This remuneration was approved at the Annual General Meeting of 25 April 2019 (seventh resolution).
Multi-year variable remuneration	N/A	No multi-year variable remuneration was awarded in 2019. Amount of 2018 multi-year variable remuneration paid during 2019: €147,200. This remuneration was approved at the Annual General Meeting of 25 April 2019 (seventh resolution).
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	N/A	No stock options, performance shares or other long-term remuneration awarded in respect of the year.
Remuneration for serving as a director	93,900 <ul style="list-style-type: none"> • o/w paid by Bouygues: 70,000 • o/w paid by subsidiaries: 23,900 	
Valuation of benefits in kind	31,180	Company car. Part-time assignment of personal assistant and chauffeur/security guard for personal needs.

For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure

	Amount/Accounting value €	Comments
Severance benefit	N/A	No severance benefit.
Non-competition indemnity	N/A	No non-competition indemnity.
Supplementary pension scheme		Martin Bouygues, on the same basis and subject to the same conditions as the other members of the Group Management Committee, belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary (average of the three best years) per year in the scheme, capped at eight times the social security ceiling (giving a cap of €324,192 for 2019). Because he has reached this cap, Martin Bouygues cannot acquire any further supplementary pension rights. Entitlement to this supplementary pension is acquired only after ten years' service with the Bouygues group and is contingent on the beneficiary being a member of the Group Management Committee at the date of retirement. If he had retired in 2019, taking into account his length of service, Martin Bouygues would have been entitled to an annual pension of €320,184 (although the €324,192 cap would have been reached because Martin Bouygues has also acquired pension rights through the office he holds at SCDM). In accordance with the Afep-Medef Code, this does not exceed 45% of his reference income.

N/A: not applicable.

Components of the remuneration of Olivier Bouygues, Deputy CEO, paid or awarded in respect of the 2019 financial year and submitted to the Annual General Meeting of 23 April 2020 for approval (Resolution 9)

	Amount/Accounting value €	Comments
Fixed remuneration	500,000	Olivier Bouygues' fixed remuneration has not changed since 2009.
Annual variable remuneration	800,000	The target annual variable remuneration of Olivier Bouygues represents 160% of his fixed remuneration, the level at which it is capped. For 2019, his annual variable remuneration is based on four financial criteria and three extra-financial criteria. Those criteria, and the attainment levels achieved, are described in section 5.4.2.1 above. This variable remuneration will be paid subject to approval at the Annual General Meeting of 23 April 2020. Amount of 2018 annual variable remuneration paid during 2019: €800,000. This remuneration was approved at the Annual General Meeting of 25 April 2019 (eighth resolution).
Multi-year variable remuneration	N/A	No multi-year variable remuneration was awarded in 2019. Amount of 2018 multi-year variable remuneration paid during 2019: €80,000. This remuneration was approved at the Annual General Meeting of 25 April 2019 (eighth resolution).
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	N/A	No stock options, performance shares or other long-term remuneration awarded in respect of the year.
Remuneration for serving as a director	89,144 • o/w paid by Bouygues: 40,000 • o/w paid by subsidiaries: 49,144	
Valuation of benefits in kind	10,756	Company car. Part-time assignment of personal assistant and chauffeur/security guard for personal needs.

For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure

	Amount/Accounting value €	Comments
Severance benefit		No severance benefit.
Non-competition indemnity		No non-competition indemnity.
Supplementary pension scheme		Olivier Bouygues, on the same basis and subject to the same conditions as the other members of the Group Management Committee, belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary (average of the three best years) per year in the scheme, capped at eight times the social security ceiling (giving a cap of €324,192 for 2019). Because he has reached this cap, Olivier Bouygues cannot acquire any further supplementary pension rights. Entitlement to this supplementary pension is acquired only after ten years' service with the Bouygues group and is contingent on the beneficiary being a member of the Group Management Committee at the date of retirement. If he had retired in 2019, taking into account his length of service, Olivier Bouygues would have been entitled to an annual pension of €256,464 (although the €324,192 cap would have been reached because Olivier Bouygues has also acquired pension rights through the office he holds at SCDM). In accordance with the Afep-Medef Code, this does not exceed 45% of his reference income.

N/A: not applicable.

Components of the remuneration of Olivier Roussat, Deputy CEO, paid or awarded in respect of the 2019 financial year and submitted to the Annual General Meeting of 23 April 2020 for approval (Resolution 11)

	Amount/Accounting value €	Comments
Fixed remuneration	920,000	
Variable remuneration	1,472,000	<p>The target annual variable remuneration of Olivier Roussat represents 160% of his fixed remuneration, the level at which it is capped.</p> <p>For 2019, his annual variable remuneration is based on four financial criteria and three extra-financial criteria. Those criteria, and the attainment levels achieved, are described in section 5.4.2.1 above.</p> <p>This variable remuneration will be paid subject to approval at the Annual General Meeting of 23 April 2020.</p> <p>Amount of 2018 annual variable remuneration paid during 2019: €883,200. This remuneration was approved at the Annual General Meeting of 25 April 2019 (tenth resolution).</p>
Multi-year variable remuneration	N/A	<p>No multi-year variable remuneration was awarded in 2019.</p> <p>Amount of 2018 multi-year variable remuneration paid during 2019: €88,320. This remuneration was approved at the Annual General Meeting of 25 April 2019 (tenth resolution).</p>
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	588,632	<p>The contingent award of shares in 2019 is consistent with the remuneration policy for 2019 approved by the Annual General Meeting on 25 April 2019. The Board of Directors, acting on the recommendation of the Selection and Remuneration Committee, has awarded Olivier Roussat:</p> <ul style="list-style-type: none"> • A maximum of 40,000 shares subject to performance conditions measured over three years, as described in section 5.4.2.3 above. <p>In 2019, Bouygues ended the multi-year variable remuneration package to which Olivier Roussat had been entitled. Consequently, it was proposed that from 2019 (in line with the 2019 remuneration policy) he should be granted a new long-term remuneration package on the following terms:</p> <p>Additional award:</p> <ul style="list-style-type: none"> • A maximum of 13,333 shares subject to performance conditions as described in section 5.4.2.3 above, measured over the 2019 financial year. <p>After an assessment of the performance criteria, 5,000 shares were awarded to Olivier Roussat for the 2019 financial year. Payment of that long-term remuneration (half of which will be in the form of a cash payment) will be subject to approval at the Annual General Meeting of 23 April 2020.</p> <ul style="list-style-type: none"> • A maximum of 26,666 shares subject to performance conditions as described in section 5.4.2.3 above, measured over the 2019 and 2020 financial years.
	270,216	
	460,711	
Remuneration for serving as a director	Paid by subsidiaries: 48,363	
Valuation of benefits in kind	20,457	Company car and unemployment insurance.

For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure

	Amount/Accounting value €	Comments
Severance benefit		No severance benefit.
Non-competition indemnity		No non-competition indemnity.
Supplementary pension scheme		<p>Olivier Roussat, on the same basis and subject to the same conditions as the other members of the Group Management Committee, belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary (average of the three best years) per year in the scheme, capped at eight times the social security ceiling (giving a cap of €324,192 for 2019).</p> <p>Entitlement to this supplementary pension is acquired only after ten years' service with the Bouygues group and is contingent on the beneficiary being a member of the Group Management Committee at the date of retirement. If he had retired in 2019, Olivier Roussat would have been entitled, taking into account his length of service, to an annual pension of €272,031. In accordance with the Afep-Medef Code, this does not exceed 45% of his reference income.</p>

N/A: not applicable.

Components of the remuneration of Philippe Marien, Deputy CEO, paid or awarded in respect of the 2019 financial year and submitted to the Annual General Meeting of 23 April 2020 for approval (Resolution 10)

	Amount/Accounting value €	Comments
Fixed remuneration	920,000	
Variable remuneration	1,472,000	<p>The target annual variable remuneration of Philippe Marien represents 160% of his fixed remuneration, the level at which it is capped.</p> <p>For 2019, his annual variable remuneration is based on four financial criteria and three extra-financial criteria. Those criteria, and the attainment levels achieved, are described in section 5.4.2.1 above.</p> <p>This variable remuneration will be paid subject to approval at the Annual General Meeting of 23 April 2020.</p> <p>Amount of 2018 annual variable remuneration paid during 2019: €1,472,000. This remuneration was approved at the Annual General Meeting of 25 April 2019 (ninth resolution).</p>
Multi-year variable remuneration	N/A	<p>No multi-year variable remuneration was awarded in 2019.</p> <p>Amount of 2018 multi-year variable remuneration paid during 2019: €147,200. This remuneration was approved at the Annual General Meeting of 25 April 2019 (ninth resolution).</p>
Deferred variable remuneration	N/A	No deferred variable remuneration.
Exceptional remuneration	N/A	No exceptional remuneration.
Stock options, performance shares or any other long-term remuneration awarded in respect of the year	588,632	<p>The contingent award of shares in 2019 is consistent with the remuneration policy for 2019 approved by the Annual General Meeting on 25 April 2019. The Board of Directors, acting on the recommendation of the Selection and Remuneration Committee, has awarded Philippe Marien:</p> <ul style="list-style-type: none"> • A maximum of 40,000 shares subject to performance conditions measured over three years, as described in section 5.4.2.4 above. <p>In 2019, Bouygues ended the multi-year variable remuneration package to which Philippe Marien had been entitled. Consequently, it was proposed that from 2019 (in line with the 2019 remuneration policy) he should be granted a new long-term remuneration package on the following terms:</p> <p>Additional award:</p> <ul style="list-style-type: none"> • A maximum of 13,333 shares subject to performance conditions as described in section 5.4.2.4 above, measured over the 2019 financial year. <p>After an assessment of the performance criteria, 5,000 shares were awarded to Philippe Marien for the 2019 financial year. Payment of that long-term remuneration (half of which will be in the form of a cash payment) will be subject to approval at the Annual General Meeting of 23 April 2020.</p> <ul style="list-style-type: none"> • A maximum of 26,666 shares subject to performance conditions as described in section 5.4.2.4 above, measured over the 2019 and 2020 financial years.
Remuneration for serving as a director	Paid by subsidiaries: 77,739	
Valuation of benefits in kind	3,660	Company car.

For information: components of remuneration approved by the Annual General Meeting under the regulated agreements procedure	Amount/Accounting value €	Comments
Severance benefit		No severance benefit.
Non-competition indemnity		No non-competition indemnity.
Supplementary pension scheme		<p>Philippe Marien, on the same basis and subject to the same conditions as the other members of the Group Management Committee, belongs to a supplementary pension scheme giving entitlement to an annual pension equal to 0.92% of the reference salary (average of the three best years) per year in the scheme, capped at eight times the social security ceiling (giving a cap of €324,192 for 2019).</p> <p>Entitlement to this supplementary pension is acquired only after ten years' service with the Bouygues group and is contingent on the beneficiary being a member of the Group Management Committee at the date of retirement. If he had retired in 2019, Philippe Marien would have been entitled, taking into account his length of service, to an annual pension of €249,400.</p> <p>In accordance with the Afep-Medef Code, this does not exceed 45% of his reference income.</p>

N/A: not applicable.

5. AGENDA OF THE ANNUAL GENERAL MEETING

Ordinary General Meeting

1. Approval of the parent company financial statements and transactions for the year ended 31 December 2019;
2. Approval of the consolidated financial statements and transactions for the year ended 31 December 2019;
3. Appropriation of 2019 earnings;
4. Approval of regulated agreements specified in Article L. 225-38 of the Commercial Code;
5. Approval of the remuneration policy for Executive Officers;
6. Approval of the remuneration policy for directors;
7. Approval of the information about the remuneration of corporate officers mentioned in Article L. 225-37-3 of the Commercial Code;
8. Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Martin Bouygues;
9. Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Olivier Bouygues;
10. Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Philippe Marien;
11. Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Olivier Roussat;
12. Renewal of the term of office of Alexandre de Rothschild as a director for three years;
13. Appointment of Benoît Maes as a director for three years;
14. Authorisation to the Board of Directors to trade in the company's shares, for a period of eighteen months.

Extraordinary General Meeting

15. Authorisation to the Board of Directors, for a period of eighteen months, to reduce the share capital by cancelling treasury shares held by the company;
16. Delegation of competence to the Board of Directors, for a period of eighteen months, to issue equity warrants during the period of a public offer for the company's shares, up to a limit of 25% of the share capital;
17. Amendments to the articles of association;
18. Delegation of powers to the Board of Directors to amend the articles of association to bring them into compliance with legal and regulatory provisions;
19. Powers to accomplish formalities.

6. BOARD OF DIRECTORS' REPORT AND THE DRAFT RESOLUTIONS

This section presents the draft resolutions that will be submitted to the Combined Annual General Meeting of Bouygues shareholders, and the Board of Directors' report explaining the reasons for those resolutions.

Ordinary General Meeting

Resolutions 1, 2 and 3 – Approval of the parent company and consolidated financial statements and transactions for the year ended 31 December 2019, and appropriation of 2019 earnings

We ask you to approve:

- the parent company financial statements for the year ended 31 December 2019, showing net profit of €1,165,641,196.85;
- the consolidated financial statements for the year ended 31 December 2019, showing net profit attributable to the Group of €1,184 million;
- the transactions recorded in those financial statements, or disclosed in the Board of Directors' management report or in the statutory auditors' report.

Those financial statements and reports are included in the 2019 Universal Registration Document; they are also available on www.bouygues.com. The Convening Notice to the Annual General Meeting contains a set of condensed consolidated financial statements.

The financial year ended 31 December 2019 gave distributable earnings of €3,092,646,666.78, consisting of the following:

- net profit for the year: €1,165,641,196.85;
- transfer to the legal reserve: -€745,018.10;
- retained earnings brought forward: €1,927,750,488.03.

In light of the uncertain context relating to the Covid-19 pandemic, as well as uncertainties weighing on the activity and the outlook for the Group, we propose to appropriate earnings in full to retained earnings.

In accordance with Article 243 bis of the General Tax Code, the dividend amounts paid out in respect of the last three financial years are listed in the table in the third resolution below.

First resolution

(Approval of the parent company financial statements and transactions for the year ended 31 December 2019)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the Board of Directors' management report and the auditors' report on the parent company financial statements, hereby approves the parent company financial statements for the year ended 31 December 2019 as presented to it, showing a net profit of €1,165,641,196.85, as well as the transactions recorded in those financial statements and summarised in those reports.

Second resolution

(Approval of the consolidated financial statements and transactions for the year ended 31 December 2019)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, and having acquainted itself with the consolidated financial statements for the year ended

31 December 2019, the Board of Directors' report on the management of the Group included in the management report in accordance with Article L. 233-26 of the Commercial Code, and the auditors' report on the consolidated financial statements, hereby approves the consolidated financial statements for the year ended 31 December 2019, showing a net profit attributable to the Group of €1,184 million, as well as the transactions recorded in those financial statements and summarised in those reports.

Third resolution

(Appropriation of 2019 earnings)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, notes that net profit for the year ended 31 December 2019 amounts to €1,165,641,196.85, which minus the transfer to the legal reserve of €745,018.10 and plus retained earnings of €1,927,750,488.03 gives distributable earnings of €3,092,646,666.78.

The meeting resolves, on the proposal of the Board of Directors, to appropriate earnings as follows:

€	
Net profit for the year	1,165,641,196.85
Transfer to the legal reserve	(745,018.10)
Retained earnings brought forward	1,927,750,488.03
Appropriation	
Retained earnings carried forward	3,092,646,666.78

In accordance with law, the Annual General Meeting notes that the following dividends were paid for financial years 2016, 2017 and 2018:

	2016	2017	2018
Number of shares	354,908,547	366,125,285 ^c	372,377,939 ^d
Dividend per share	€1.60	€1.70	€1.70
Total dividend ^{a & b}	€567,837,675.20	€620,427,649.70	€631,323,719.80

(a) The amounts shown represent dividends actually paid, taking account of the fact that shares held by the company itself do not qualify for dividends.

(b) Amounts eligible for the optional 40% tax relief mentioned in paragraph 2 of Article 158-3 of the General Tax Code.

(c) On 31 December 2017, the share capital comprised 366,125,285 shares. Given the cancellation of 1,157,844 shares by the Board of Directors on 21 February 2018, the number of shares entitled to dividend was 364,967,441.

(d) On 31 December 2018, the share capital comprised 372,377,939 shares. Given the cancellation of 869,832 shares by the Board of Directors on 20 February 2019, the number of shares entitled to dividend was 371,508,107.

Resolution 4 – Approval of regulated agreements

We ask you to approve the regulated agreements entered into in 2019, between Bouygues and:

- any of its corporate officers (Executive Officer, director);
- any company in which a corporate officer of Bouygues also holds a directorship;
- any shareholder holding more than 10% of the voting rights of Bouygues.

This approval is part of what is known as the regulated (or related-party) agreements procedure, which aims to prevent potential conflicts of interest.

In accordance with law, these agreements were approved by the Board of Directors prior to signature, the directors concerned having abstained from voting. The auditors' special report on regulated agreements is in chapter 8, section 8.3 of the 2019 Universal Registration Document. The agreements mentioned in the auditors' special report that were approved by general meetings in previous years do not have to be voted on again by this Annual General Meeting.

The Board of Directors has authorised the renewal of the regulated agreements set out below for 2020. As in previous years, we ask you to approve these regulated agreements.

Shared service agreements between Bouygues and its subsidiaries

Shared service agreements are standard in groups of companies. They enable Bouygues, as the parent company of the Group, to provide its subsidiaries with services and expertise in areas such as management, human resources, finance, communication, sustainable development, patronage, new technologies, insurance, legal affairs and innovation consultancy. Bouygues and its main subsidiaries sign annual agreements relating to these services, so that each business segment can request the services and expertise it needs.

The principle behind these agreements is based on (i) rules for allocating and invoicing the cost of shared services, including specific services, and (ii) the subsidiaries bearing a share of residual costs, up to a limit expressed as a percentage of sales of the subsidiary concerned. The share of residual costs is invoiced at cost plus a margin of 10% for high value-added services and 5% for low value-added services.

In 2019, Bouygues invoiced the following amounts under these shared service agreements:

- Bouygues Construction: €20.1 million
- Colas: €18.8 million
- TF1: €3.5 million
- Bouygues Telecom: €9.3 million

Reciprocal service agreement between Bouygues and SCDM

SCDM, a company controlled by Martin Bouygues and Olivier Bouygues, provides consultancy services in strategy, development, research and analysis into strategic developments and growth of the Bouygues group, major investments and divestments, and multi-year plans. SCDM has a team of specialists with extensive experience of mergers and acquisitions, and strategy.

Under the terms of this agreement, SCDM invoices Bouygues for costs actually incurred, subject to a cap of €7 million a year. The amount invoiced by SCDM to Bouygues in 2019 was €5.92 million. This amount mainly corresponds to the salaries of Martin Bouygues and Olivier Bouygues, which are paid by SCDM. The remainder is for the salaries of the strategy and development team, including social security and tax charges. In 2019, the team primarily worked on the sale by Bouygues of a 13% equity interest in Alstom.

Bouygues provides assistance and support services to SCDM, such as cash management, human resources management and IT support. Invoicing is at market rates, amounting to €0.4 million excluding VAT in 2019.

Amendment to the internal audit service agreement between Bouygues and Bouygues Telecom; the amount of services sourced from Bouygues is €350,000 excluding VAT for 2020, the same as in 2019.

Fourth resolution

(Approval of regulated agreements specified in Article L. 225-38 of the Commercial Code)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to Article L. 225-40 of the Commercial Code, and having acquainted itself with the auditors' special report, hereby approves the regulated agreements set out in that report that have not yet been approved by an Annual General Meeting.

Resolutions 5 and 6 – Approval of the remuneration policy for corporate officers (ex ante Say on Pay)

The remuneration of corporate officers is rightly attracting growing attention from shareholders and investors, and recent regulations have imposed more stringent requirements concerning the transparency of such remuneration and the powers of general meetings. The 2019 Universal Registration Document and the draft resolutions we are asking you to approve take account of these developments.

- In the fifth resolution, we ask you to approve the remuneration policy for all the Executive Officers: Chairman and Chief Executive Officer, and the Deputy Chief Executive Officers.
- In the sixth resolution, we ask you for the first time to approve the remuneration policy for directors.

This policy has been decided on by the Board of Directors on the basis of proposals from the Selection and Remuneration Committee. The policy helps to secure the long-term future of the company and is in line with its commercial strategy. It is presented in section 5.4.1 (Remuneration policy) of the 2019 Universal Registration Document.

Fifth resolution

(Approval of the remuneration policy for Executive Officers)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph II of Article L. 225-37-2 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the remuneration policy for Executive Officers. This policy is described in section 5.4.1 (Remuneration policy) of the 2019 Universal Registration Document.

Sixth resolution

(Approval of the remuneration policy for directors)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph II of Article L. 225-37-2 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the remuneration policy for directors. This policy is described in section 5.4.1 (Remuneration policy) of the 2019 Universal Registration Document.

Resolutions 7 to 11 – Approval of the remuneration paid to corporate officers in respect of the year ended 31 December 2019 (ex post Say on Pay)

Section 5.4.2 (Remuneration of corporate officers) of the 2019 Universal Registration Document provides the required information on the remuneration of corporate officers (Chairman and Chief Executive Officer, Deputy Chief Executive Officers, directors):

- paid in 2019; or
- awarded in respect of that year.

Pursuant to paragraph II of Article L. 225-100 of the Commercial Code, in the seventh resolution we ask you to approve all that information.

Then, in four separate resolutions, in accordance with paragraph III of Article L. 225-100 of the Commercial Code, you will vote in turn on the remuneration paid or awarded in respect of the 2019 financial year in consideration of their office, to:

- Martin Bouygues, Chairman and Chief Executive Officer (Resolution 8)
- Olivier Bouygues, Deputy Chief Executive Officer (Resolution 9)
- Philippe Marien, Deputy Chief Executive Officer (Resolution 10)
- Olivier Roussat, Deputy Chief Executive Officer (Resolution 11)

Seventh resolution

(Approval of the information about the remuneration of corporate officers mentioned in Article L. 225-37-3 of the Commercial Code)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph II of Article L. 225-100 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the information published pursuant to paragraph I of Article L. 225-37-3 of the Commercial Code and presented in section 5.4.2 (Remuneration of corporate officers in 2019) of the 2019 Universal Registration Document.

Eighth resolution

(Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Martin Bouygues)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph III of Article L. 225-100 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the year ended 31 December 2019 or awarded in respect of that year to Martin Bouygues. Those components are presented in section 5.4.2 (Remuneration of corporate officers in 2019) of the 2019 Universal Registration Document.

Ninth resolution

(Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Olivier Bouygues)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph III of Article L. 225-100 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the year ended 31 December 2019 or awarded in respect of that year to Olivier Bouygues. Those components are presented in section 5.4.2 (Remuneration of corporate officers in 2019) of the 2019 Universal Registration Document.

Tenth resolution

(Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Philippe Marien)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph III of Article L. 225-100 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the year ended 31 December 2019 or awarded in respect of that year to Philippe Marien. Those components are presented in section 5.4.2 (Remuneration of corporate officers in 2019) of the 2019 Universal Registration Document.

Eleventh resolution

(Approval of the remuneration components and benefits paid during 2019 or awarded in respect of the 2019 financial year to Olivier Roussat)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to paragraph III of Article L. 225-100 of the Commercial Code, and having acquainted itself with the Report on corporate governance, hereby approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during the year ended 31 December 2019 or awarded in respect of that year to Olivier Roussat. Those components are presented in section 5.4.2 (Remuneration of corporate officers in 2019) of the 2019 Universal Registration Document.

Resolutions 12 and 13 – Renewal, for three years, of the term of office of one director and appointment of one independent director

The terms of office of two directors (Helman le Pas de Sécheval and Alexandre de Rothschild) expire at the end of the Ordinary General Meeting of 23 April 2020.

Having served on the Board of Directors for twelve years, under the Afep-Medef Code Helman le Pas de Sécheval can no longer be regarded as an independent director.

On a proposal from the Selection and Remuneration Committee, we ask you to:

- renew the term of office of Alexandre de Rothschild (Resolution 12).
Alexandre de Rothschild is Executive Chairman of Rothschild & Co Gestion, the managing partner of Rothschild & Co. He has extensive knowledge of financial analysis, mergers and acquisitions, and industrial strategy. The directors appreciate his international experience; and
- appoint Benoît Maes as director to replace Helman le Pas de Sécheval (Resolution 13).
Benoît Maes meets all the independence criteria defined by the Afep-Medef Code; he will bring to the Board his expertise in finance as well as his knowledge of the property sector.

Terms of office

In accordance with the articles of association, their terms of office will be for a period of three years, expiring at the end of the Ordinary General Meeting called in 2023 to approve the financial statements for the year ended 31 December 2022.

Composition of the Board of Directors after the Annual General Meeting

If you adopt the twelfth and thirteenth resolutions, the Board of Directors will still have thirteen members:

Four directors from the SCDM group:

- Martin Bouygues (Chairman and CEO)
- Olivier Bouygues (Deputy CEO)
- SCDM, represented by Charlotte Bouygues
- SCDM Participations, represented by William Bouygues

Five independent directors:

- Clara Gaymard
- Anne-Marie Idrac
- Benoît Maes
- Colette Lewiner
- Rose-Marie Van Lerberghe

One non-independent external director:

- Alexandre de Rothschild

Two directors representing employee shareholders:

- Raphaëlle Deflesselle
- Michèle Vilain

One director representing employees:

- Francis Castagné

Two directors representing employees will be nominated by the Group Council on 4 June 2020. The first will replace Francis Castagné, and the second will be subject to approval by the Annual General Meeting of the amendment to the articles of association under the seventeenth resolution, to make it comply with the Pacte law.

The proportion of independent directors (calculated excluding directors representing employees and employee shareholders) will remain unchanged at five out of ten (50%).

The proportion of women directors (calculated excluding directors representing employees) will remain unchanged at seven out of twelve (58%).

The average age (calculated at the date of the Annual General Meeting) will increase from 55.8 years to 56.4 years.

CAREER RÉSUMÉS OF DIRECTORS WHOSE TERM OF OFFICE RENEWAL OR APPOINTMENT ARE SUBMITTED TO THE ANNUAL GENERAL MEETING OF 23 APRIL 2020 FOR APPROVAL

**Date of birth:**

3 December 1980

Nationality: French**Professional address:**

23 bis avenue de Messine
75008 Paris

First appointment to Board:

27 April 2017

Expiry of term of office: 2020**Shares held:** 500**Attendance rate at Board****meetings:** 100%**Alexandre de Rothschild****Expertise/experience**

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

Principal positions outside Bouygues SA

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

Other positions and functions outside the Group

In France: Chairman of K Développement SAS and Rothschild Martin Maurel Associés SAS; director of Rothschild & Co Concordia SAS; managing partner of RCB Partenaires SNC; general managing partner of Rothschild & Cie SCS and Rothschild Martin Maurel SCS; member of the supervisory board of Martin Maurel SA; standing representative of Rothschild & Co Gestion SAS, managing partner of RMM Gestion SNC.

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

Former positions and functions during the last five years (outside the Group)

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

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

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

2016 – Chairman of Messine Managers Investissements SAS.



Benoît Maes

Expertise/experience

Benoît Maes is a graduate of École Nationale Supérieure des Mines de Paris and an engineer of the Corps des Mines. He started his career in 1982 at the French Industry Ministry, as head of industrial development for the French Department of Industry for the Central France region.

He was assistant to the Secretary General before becoming Secretary General of the Observatoire de l'Énergie from 1985 to 1988, then technical adviser to the office of the Minister for Industry and Regional Development from 1988 to 1991.

In 1991, he joined the Gan-Groupama group, where he held several operational and financial posts, notably within the group general audit and actuarial division at Groupama, as well as senior management positions at Gan Assurances and Groupama Gan Vie. From 2011 to 2017, he was group Chief Financial Officer of Groupama SA.

Date of birth:

3 July 1957

Nationality: French

Twelfth resolution

(Renewal of the term of office of Alexandre de Rothschild as a director for three years)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, renews the term of office of Alexandre de Rothschild as a director for three years. This term shall expire at the end of the Annual General Meeting called to approve the financial statements for 2022.

Thirteenth resolution

(Appointment of Benoît Maes as a director for three years)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings, appoints Benoît Maes as a director for three years, replacing Helman le Pas de Sécheval whose term of office expires at the end of this Annual General Meeting. Benoît Maes' term of office shall expire at the end of the Annual General Meeting called to approve the financial statements for 2022.

Resolution 14 – Authorisation for the company to buy back its own shares

As we do each year, we are asking you to renew the authorisation that allows the company to repurchase its own shares as part of a share buyback programme.

Objectives authorised

This authorisation would cover the following objectives:

1. reduce the share capital by cancelling shares under the conditions laid down by law, subject to authorisation by the Extraordinary General Meeting;
2. fulfil the obligations arising from debt securities, in particular securities that grant the right to the allotment of company shares via redemption, conversion, exchange, presentation of a warrant or otherwise;
3. grant or sell shares to employees or corporate officers of the company or related companies, in particular as part of profit-sharing schemes, stock option plans, company savings schemes and Group savings schemes or through allotment of shares;

4. improve market liquidity and the regularity of listings of the company's equity securities and avoid price discrepancies not supported by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF;
5. retain shares and, as the case may be, deliver them subsequently as a medium of payment or exchange in an acquisition, merger, spin-off or asset-for-share exchange, in accordance with applicable regulations;
6. implement any market practice accepted by the AMF and generally carry out any other transaction in compliance with applicable regulations.

The Board of Directors decided at its meeting of 19 February 2020 to restrict the objectives of the share buyback programme to points 1, 3 and 4 above. The Board reserved the right to extend the programme to include other objectives, in which case the company would inform the market.

In accordance with law, the transactions may be carried out at any time, including during the period of a public offer for the company's shares. It is important that the company should be able, even during the period of a public offer, to buy back its own shares with a view to achieving the objectives of the buyback programme.

In 2019, the following transactions in Bouygues shares took place:

- 869,832 shares were cancelled on 20 February 2019;
- 1.76 million shares were purchased and 1.17 million shares sold through a service provider acting under the terms of a liquidity contract.

The authorisation is granted subject to the following upper limits:

Ceilings

- 5% of the share capital;
- maximum repurchase price: €55 per share;
- maximum budget: €1 billion.

Duration of authorisation

Eighteen months.

Fourteenth resolution

(Authorisation to the Board of Directors to trade in the company's shares, for a period of eighteen months)

The Annual General Meeting, having satisfied the quorum and majority requirements for ordinary general meetings pursuant to Article L. 225-209 of the Commercial Code, and having acquainted itself with the Board of Directors' report including its description of the share buy-back programme:

1. authorises the Board of Directors to repurchase or arrange for the repurchase by the company of its own shares, under the conditions set out below, shares representing no more than 5% of the company's share capital at the date on which the authorisation is used, in compliance with the legal and regulatory conditions applicable at that date;
2. resolves that this authorisation may be used for the purposes listed below, in relation to (i) a market practice accepted by the AMF, (ii) an objective specified in Article 5 of Commission Regulation (EU) No. 596/2014 on market abuse, or (iii) an objective mentioned in Articles L. 225-209 *et seq.* of the Commercial Code:
 - a) reduce the share capital by cancelling shares under the conditions laid down by law, subject to authorisation by the Extraordinary General Meeting,

- b) fulfil the obligations arising from debt securities, in particular securities that grant the right to the allotment of company shares via redemption, conversion, exchange, presentation of a warrant or otherwise,
 - c) grant or sell shares to employees or corporate officers of the company or related companies, in particular as part of profit-sharing schemes, stock option plans, company savings schemes and Group savings schemes or through allotment of shares,
 - d) improve market liquidity and the regularity of listings of the company's equity securities and avoid price discrepancies not supported by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF,
 - e) retain shares and, as the case may be, deliver them subsequently as a medium of payment or exchange in an acquisition, merger, spin-off or asset-for-share exchange, in accordance with applicable regulations,
 - f) implement any market practice accepted by the AMF and generally carry out any other transaction in compliance with applicable regulations;
3. resolves that the acquisition, sale, transfer or exchange of such shares may be carried out, on one or more occasions, in compliance with rules issued by the AMF in its Position-Recommendation DOC-2017-04, on all markets or off-market, including on Multilateral Trading Facilities (MTFs) or via a systematic internaliser, or over-the-counter, in any manner, including through the acquisition or sale of blocks of shares, using derivative financial instruments and at any time, including during the period of a public offer for the company's shares. All or part of the programme may be carried out through block trades;
4. resolves that the maximum purchase price be set at €55 (fifty-five euros) per share, subject to any adjustments in connection with share capital transactions. If the share capital is increased by incorporating share premium, earnings or reserves into capital and by allotment of free shares, or in the event of a stock split or reverse stock split, the price indicated above shall be adjusted by a multiplication factor equal to the ratio of the number of shares making up the share capital before the transaction to the number of shares after the transaction;
5. sets at €1,000,000,000 (one billion euros) the maximum amount of funds that can be used for the share buy-back programme thus authorised;
6. notes that, in accordance with law, the total shares held at any given date may not exceed 10% of the share capital in issue at that date;
7. gives full powers to the Board of Directors, with power to sub-delegate in accordance with law, to implement this authorisation, place all stock market orders, conclude all agreements, in particular with a view to the registration of purchases and sales of shares, complete all steps, declarations and formalities with the AMF and any other body, and in general, take all necessary measures to execute the decisions taken within the scope of this authorisation;
8. resolves that the Board of Directors shall inform the Annual General Meeting of the transactions carried out, in accordance with applicable regulations;
9. sets the period of validity of this authorisation, which voids and replaces any unused portion of any previous authorisation granted for the same purpose, at eighteen months from the date of this meeting.

Extraordinary General Meeting

Resolution 15 – Allows the Board to reduce the share capital by cancelling shares

Object and purpose of the authorisation

To allow the Board of Directors, if it deems fit, to reduce the share capital, on one or more occasions, by cancelling some or all of the shares held by the company as a result of using the various share buyback authorisations given by the Annual General Meeting, particularly under the fourteenth resolution submitted to this Annual General Meeting for approval.

Cancelling shares makes it possible, if the Board of Directors deems fit, to offset the dilution for shareholders resulting from the creation of new shares, for example shares issued under employee share ownership plans or on the exercise of stock options.

Ceiling

10% of the share capital in any 24-month period.

Duration of authorisation

Eighteen months.

Fifteenth resolution

(Authorisation to the Board of Directors, for a period of eighteen months, to reduce the share capital by cancelling treasury shares held by the company)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings pursuant to Article L. 225-209 of the Commercial Code, and having acquainted itself with the Board of Directors' report and the auditors' report:

1. authorises the Board of Directors to cancel, at its own initiative, on one or more occasions, some or all of the shares that the company holds or may hold as a result of utilising the various share buy-back authorisations given by the Annual General Meeting to the Board of Directors, up to a limit in any twenty-four month period of 10% of the total number of shares making up the company's share capital at the date of the transaction;
2. authorises the Board of Directors to charge the difference between the purchase value of the cancelled shares and their par value to all available share premium and reserve accounts;
3. delegates to the Board of Directors, with power to sub-delegate in accordance with law, full powers to carry out the capital reduction(s) resulting from cancellations of shares authorised by this resolution, to have the corresponding accounting entries made, to amend the articles of association accordingly, and generally to attend to all necessary formalities;
4. sets the period of validity of this authorisation, which voids and replaces any unused portion of any previous authorisation granted for the same purpose, at eighteen months from the date of this meeting.

Resolution 16 – Allows the Board to issue equity warrants free of charge during the period of a public offer for the company's shares

Object and purpose of the delegation of competence

To delegate to the Board of Directors the competence to issue, if it deems fit, equity warrants during a public offer for the company's shares, with the waiver of pre-emptive rights to the ordinary shares in the company to which the warrants would give entitlement.

This means that equity warrants giving entitlement to subscribe on preferential terms to shares in the company could be allotted free of charge to all existing shareholders prior to the expiry of an unsolicited public offer period.

This mechanism is designed to encourage the bidder to either withdraw its offer or make an improved offer for the company. Because warrants dilute the capital, a bidder will respond either by seeking to withdraw its offer, or by negotiating with the Board of Directors with a view to reaching a consensus on a fair valuation of the company such that the warrants would effectively lapse. Issuing share warrants during the period of a public offer is a measure designed to prevent, or at the very least hinder, an attempted public offer. In particular, the Board of Directors can use warrants as a bargaining counter to encourage a bidder to improve the terms of its offer, in the interests of the company's shareholders.

However, the powers thereby granted to the Board of Directors are not unlimited. During the public offer period, the initiator and target company must ensure that their acts, decisions and statements do not compromise the best interests of the company, or the equality of treatment and of access to information for the shareholders of the companies concerned. In addition, if the board of directors of the target company takes a decision, which if implemented is liable to frustrate the offer, it must inform the AMF (Article 231-7 of the AMF General Regulation).

This resolution must be decided on a simple majority of the votes cast.

Ceilings

Capital increase: €95,000,000 in nominal value or 25% of the share capital.

The number of equity warrants may not exceed one quarter of the existing number of shares or 95,000,000.

Duration of delegation

Eighteen months.

Sixteenth resolution

(Delegation of competence to the Board of Directors, for a period of eighteen months, to issue equity warrants during the period of a public offer for the company's shares, up to a limit of 25% of the share capital)

The Annual General Meeting, in extraordinary session but having satisfied the quorum and majority requirements for ordinary general meetings, in accordance with Article L. 233-32 II of the Commercial Code, and having acquainted itself with the Board of Directors' report and the auditors' report:

1. delegates to the Board of Directors the competence to issue on one or more occasions, during the period of a public offer for the company's shares, warrants giving entitlement to subscribe on preferential terms for one or more shares in the company, and to allot such warrants free of charge to all shareholders who hold shares in the company prior to expiry of the offer period. These warrants will lapse automatically as soon as the offer and any other competing offer has failed, lapsed or been withdrawn;
2. resolves that the capital increase that may result from the exercise of such equity warrants may not exceed either (i) one quarter of the number of shares comprising the share capital at the time the warrants are issued, or (ii) a nominal amount of €95,000,000 (ninety-five million euros), and that the maximum number of equity warrants that may be issued may not exceed one quarter of the number of shares comprising the share capital at the time the warrants are issued and 95,000,000 (ninety-five million);
3. resolves that the Board of Directors shall have full powers, with power to sub-delegate in accordance with law, to determine the conditions of exercise of the equity warrants, which must relate to the terms of the offer or any other competing offer, and the other characteristics of the warrants, such as the exercise price or the terms for determining the exercise price, and more generally the characteristics and terms of any issue decided under this delegation;
4. notes that this delegation entails the waiver by shareholders of their pre-emptive rights to those ordinary shares in the company to which any warrants issued pursuant to this delegation may give entitlement;
5. sets the period of validity of this delegation, which voids and replaces any unused portion of any previous delegation granted for the same purpose, at eighteen months from the date of this meeting.

Resolution 17 – Amendments to the articles of association

Proposed amendments

We propose to amend certain provisions of your company's articles of association in order to clarify certain points or to take into account certain legislative or regulatory developments.

These amendments relate to the following points:

1. **Competence of the Board of Directors to move the registered office to any location in France.**

The Board of Directors is henceforth competent to decide to move the registered office to any location in France, subject to ratification of that decision by the next subsequent Ordinary General Meeting (Article L. 225-36 of the Commercial Code). We propose to update Article 4 of the articles of association on this point.

2. **Cancellation of provisions concerning the identification of bearer shareholders.**

We propose to delete Article 8.2 of the articles of association which gave a detailed description of the procedure for identifying shareholders. This is because the regime governing the identification of bearer shareholders has been reformed by the Pacte law of 22 May 2019. Henceforth, with no requirement to stipulate this in the articles of association, Bouygues or its agent is entitled to request at any time and for a fee, either from the central depository which acts as issuance account-holder for its securities, or directly from one or more intermediaries, information concerning the owners of its shares and of securities conferring (immediately or in the future) voting rights at its general meetings of shareholders.

3. **Shares and voting rights taken into account in calculating the crossing of share ownership thresholds specified in the articles of association.**

We propose to supplement the current Article 8.3 of the articles of association (renumbered 8.2). This involves replicating, for the purposes of calculating the crossing of ownership thresholds specified in the articles of association, the equivalences of shares and voting rights mentioned in Article L.233-9 I of the Commercial Code. The calculation method for thresholds in the articles of association will therefore be aligned on that used for statutory thresholds.

So henceforth, in calculating whether the ownership thresholds specified in the articles of association have been crossed, it will be clear that shares (and the attached voting rights) will be included in the calculation where they are regarded as equivalent to owned shares, i.e.:

- shares or voting rights owned by other persons on behalf of the person concerned;
- shares or voting rights owned by companies which that person controls;
- shares or voting rights owned by a third party with whom that person acts in concert.

4. **Increase in the number of directors representing employees.**

The Pacte law of 22 May 2019 reduced from twelve to eight the number of directors above which the company must appoint a second director representing employees. We propose to amend Article 13.3 of the articles of association to take account of this change.

As a consequence of this amendment the Group Council which will meet on 4 June 2020 will designate a second director representing employees.

5. **Amendment to the registration date for double voting rights.**

We propose that you amend the second paragraph of Article 12 of the articles of association on the exercise of double voting rights by amending the registration date for exercising that right so that it complies with Article R. 225-85 of the Commercial Code. Shareholders will have to provide proof that they have held registered shares for more than two years no later than the second day preceding the general meeting of shareholders, rather than the third day as previously.

6. Decisions that can be taken by the Board of Directors by written consultation of the Board of Directors consulting the Chairman in writing.

In principle, the Board of Directors takes its decisions at meetings attended by directors, who participate in the meeting (if necessary by means of telecommunication). However since the Soilili law No. 2019-744 of 19 July 2019, the articles of association may authorise the Board to take certain decisions by consulting the directors in writing. It is against this background that we propose to amend Article 14 of the articles of association to authorise the Board to take the following decisions by consulting the Chairman in writing:

- provisional appointment of Board members in the event a vacancy arises;
- authorisation of guarantees, endorsements and sureties given by the company;
- amendment of the articles of association in order to bring them into compliance with legal and regulatory requirements, on authority delegated by a general meeting of shareholders;
- convening of a general meeting of shareholders;
- moving the registered office to another location within the same *département*.

Written consultation of the directors may be by e-mail.

7. Social and environmental impacts to be taken into consideration by the Board of Directors.

According to the Pacte law of 22 May 2019, the Board of Directors lays down guidelines for the company's business and ensures that they are implemented "in accordance with the corporate interest, taking into consideration the social and environmental impacts of the company's business". We propose that you supplement Article 15 of the articles of association to make it comply with this law.

8. Remuneration of directors.

The Pacte law replaces the expression "directors' fees" with "directors' remuneration". We propose that you update Article 16 of the articles of association to comply with Article L. 225-44 of the Commercial Code.

Seventeenth resolution

(Amendments to the articles of association)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings and having acquainted itself with the Board of Directors' report, hereby resolves to amend the articles of association as follows:

1. Moving the registered office: amendment to Article 4 as follows:

Existing version	Amended version
The registered office shall be located at 32 Avenue Hoche, 75008 Paris (France). The Board of Directors may decide to move the registered office within the same <i>département</i> or to an adjacent <i>département</i> subject to ratification by the next subsequent general meeting of shareholders. An extraordinary general meeting may decide to move the registered office to any other place.	The registered office shall be located at 32 Avenue Hoche, 75008 Paris (France). The Board of Directors may decide to move the registered office anywhere on French territory subject to ratification by the next subsequent ordinary general meeting of shareholders.

2. Identification of bearer shareholders: deletion of Article 8.2. As a result, Article 8.3 becomes Article 8.2.

3. **Disclosure thresholds:** insertion of a new paragraph at the end of the new Article 8.2, to read as follows: "In implementing the disclosure requirements stipulated by the articles of association as contained in the present Article, the equivalences and calculation methods specified by Articles L. 233-7 and L. 233-9 of the Commercial Code or the AMF General Regulation shall be applied."

4. Directors representing employees: amendment to Article 13.3 as follows:

Existing version	Amended version
<p>In accordance with Article L. 225-27-1 of the Commercial Code, the Board of Directors shall also include either one or two directors representing employees.</p> <p>Those directors shall be nominated by the Group Council governed by Articles L. 2331-1 <i>et seq.</i> of the Labour Code, in accordance with the following rule:</p> <ul style="list-style-type: none"> - where the number of members of the Board of Directors appointed by the general meeting, excluding directors representing employee shareholders, is twelve or less, the Group Council shall appoint one director representing employees; - where the number of members of the Board of Directors appointed by the general meeting, excluding directors representing employee shareholders, is more than twelve, the Group Council shall appoint two directors representing employees. <p>The term of office of directors representing employees shall commence on the date of their nomination; it shall expire two years from that date and may be renewed once.</p> <p>If the number of members of the Board of Directors appointed by the general meeting of shareholders falls to twelve or less, the terms of office of the two directors representing employees shall continue until they expire.</p> <p>The term of office of a director representing employees shall automatically end early in the event of the termination of the director's employment contract (except in the case of an intra-Group transfer) or if the company that employs the director leaves the Bouygues group.</p>	<p>In accordance with Article L. 225-27-1 of the Commercial Code, the Board of Directors shall also include either one or two directors representing employees.</p> <p>Those directors shall be nominated by the Group Council governed by Articles L. 2331-1 <i>et seq.</i> of the Labour Code, in accordance with the following rule:</p> <ul style="list-style-type: none"> - where the number of members of the Board of Directors appointed by the general meeting, excluding directors representing employee shareholders, is eight or less, the Group Council shall appoint one director representing employees; - where the number of members of the Board of Directors appointed by the general meeting, excluding directors representing employee shareholders, is more than eight, the Group Council shall appoint two directors representing employees. <p>The term of office of directors representing employees shall commence on the date of their nomination; it shall expire two years from that date and may be renewed once.</p> <p>If the number of members of the Board of Directors appointed by the general meeting, excluding directors representing employee shareholders, falls to eight or less, the terms of office of the two directors representing employees shall continue until they expire.</p> <p>The term of office of a director representing employees shall automatically end early in the event of the termination of the director's employment contract (except in the case of an intra-Group transfer) or if the company that employs the director leaves the Bouygues group.</p>

5. Amendment to the registration date for double voting rights: amendment to the second paragraph of Article 12 as follows:

Existing version	Amended version
<p>However, double voting rights shall be granted on the conditions stipulated by law to all fully paid-up shares which can be shown, no later than the third day before the date of the general meeting of shareholders, to have been registered for at least two years in the name of the same shareholder or in the name of a person in whom such rights are vested through testate or intestate succession, partition of marital community or donation <i>inter vivos</i> by the donor to his or her spouse or to a relative in the line of succession.</p>	<p>However, double voting rights shall be granted on the conditions stipulated by law to all fully paid-up shares which can be shown, no later than the second day before the date of the general meeting of shareholders, to have been registered for at least two years in the name of the same shareholder or in the name of a person in whom such rights are vested through testate or intestate succession, partition of marital community or donation <i>inter vivos</i> by the donor to his or her spouse or to a relative in the line of succession.</p>

6. Decisions that may be taken by written consultation of the Board of Directors: insertion at the end of Article 14 of two new paragraphs, to read as follows:

“The following decisions may, at the request of the Chairman, be taken by written consultation of the Board of Directors:

- provisional appointment of Board members;
- authorisation of guarantees, endorsements and sureties given by the company;
- decisions to amend the articles of association in order to bring them into compliance with legal and regulatory requirements, on authority delegated by a general meeting of shareholders;
- convening a general meeting of shareholders;
- moving the registered office within the same *département*.

Written consultation of the directors may be by e-mail. Decisions taken in this way shall be recorded in minutes prepared by the Chairman of the Board of Directors. Those minutes shall be archived on the same basis as other decisions taken by the Board of Directors.”

7. Powers of the Board of Directors: amendment of the first sentence of Article 15 as follows:

Existing version	Amended version
The Board of Directors shall lay down guidelines for the company's business and ensure that they are implemented.	The Board of Directors shall lay down guidelines for the company's business and ensure that they are implemented in the corporate interest, taking into consideration the social and environmental impacts of the company's business.

8. Remuneration of directors: amendment of the first paragraph of Article 16 as follows:

Existing version	Amended version
The Board of Directors shall receive directors' fees, which shall be charged to overheads. The amount shall be determined by the general meeting of shareholders and shall remain the same until decided otherwise. The Board of Directors shall decide how the fees are to be shared among its members.	The Board of Directors shall receive an amount charged to overheads, with a view to remunerating directors for their activities. The amount shall be set by a general meeting of shareholders and remain unchanged until otherwise decided. The Board of Directors shall decide how it is to be shared among its members.

Resolution 18 – Delegation of powers to the Board of Directors to bring the articles of association into compliance with regulatory provisions

Object and purpose of the delegation

We propose to allow the Board of Directors to amend the articles of association to bring them into compliance with legal or regulatory provisions.

Only an extraordinary general meeting is in principle competent to amend the articles of association. However, company law is constantly evolving and amendments to the articles of association are frequently necessary to bring them into conformity with new provisions. Law 2016-1691 of 9 December 2016 allows the Board of Directors, on delegation by the general meeting of shareholders, to amend the articles of association for this purpose. If the Board uses this delegation of powers, amendments made to the articles of association are subject to ratification by the next subsequent general meeting of shareholders.

Eighteenth resolution

(Delegation of powers to the Board of Directors to amend the articles of association to bring them into compliance with legal and regulatory provisions)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings pursuant to Article L. 225-36 of the Commercial Code and having acquainted itself with the Board of Directors' report, hereby delegates powers to the Board of Directors to make such amendments to the articles of association as are necessary to bring them into compliance with legal and regulatory provisions, subject to ratification of those amendments by the next subsequent extraordinary general meeting of shareholders.

Resolution 19 – Powers to accomplish formalities

The purpose of this resolution is to enable all legal and administrative formalities, and all filings and publications, to be carried out.

Nineteenth resolution

(Powers to accomplish formalities)

The Annual General Meeting, having satisfied the quorum and majority requirements for extraordinary general meetings, gives full powers to the bearer of an original, excerpt or copy of the minutes of this Annual General Meeting to accomplish all legal formalities and to carry out all necessary filings, publications and declarations stipulated by the applicable legal and regulatory provisions.

7. SUMMARY OF FINANCIAL AUTHORISATIONS SUBMITTED TO THE COMBINED ANNUAL GENERAL MEETING

Financial authorisations submitted to the Combined Annual General Meeting

- The table below summarises the financial authorisations that we ask you to confer on the Board of Directors during the Combined Annual General Meeting of 23 April 2020.
- In accordance with paragraph 3 of Article L. 225-37-4 of the Commercial Code, the table summarising the financial authorisations to increase the share capital conferred on the Board of Directors by the Annual General Meeting and currently in force, and the use made of such authorisations during 2019, are set out in the Report on corporate governance in chapter 5, section 5.3.8 of this Universal Registration Document.
- The authorisations mentioned in the table below replace any previous resolutions with the same purpose.

Purpose	Maximum nominal amount	Expiry/Duration
Share buybacks and reduction in share capital		
1. Purchase by the company of its own shares (Resolution 14)	<ul style="list-style-type: none"> • 5% of the share capital, maximum price of €55 per share • Total outlay capped at €1 billion 	23 October 2021 (18 months)
2. Reduce the share capital by cancelling shares (Resolution 15)	<ul style="list-style-type: none"> • 10% of the share capital in any 24-month period 	23 October 2021 (18 months)
Securities issues		
3. Issue equity warrants during the period of a public offer (Resolution 16)	<ul style="list-style-type: none"> • Capital increase: €95 million in nominal value and 25% of the share capital • The number of warrants is capped at one quarter of the number of existing shares and 95 million 	23 October 2021 (18 months)

REQUEST FOR DOCUMENTS AND INFORMATION

You can consult all the documents concerning the **COMBINED ANNUAL GENERAL MEETING OF 23 APRIL 2020** on Bouygues' website:

<https://www.bouygues.com/en/finance-2/individual-shareholders/annual-general-meeting/>

Last name: First name:

Postal address:

.....

E-mail address:@.....

As the owner of:

- registered shares,
- bearer shares, held in an account with (bank, financial institution or other account holder):

.....

In accordance with Article R. 225-88 of the Commercial Code, I hereby request that the company Bouygues provide me with documents and information referred to in Article R. 225-83 of said Code, for the purposes of the Combined Annual General Meeting referred to above:

- Files to be sent electronically to the e-mail address indicated above

Done in Date

(Signature)

To return to the following e-mail address: ag2020@bouygues.com

NOTE The documents and information referred to in Articles R. 225-81 and R. 225-83 of the Commercial Code are available on the company's website at www.bouygues.com.

Pursuant to paragraph 3 of Article R. 225-88 of the Commercial Code, shareholders owning registered shares may, by making a single request, obtain from the company documents and information of all subsequent general meetings.

Please tick this box if you wish to obtain said documents and information:



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Contacts

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A *Société Anonyme* (public limited company)

with a share capital of €379,828,120 •

Registration No. 572 015 246 Paris • APE code: 7010Z

