

Heavy Construction Sector

2018 Report – Key Findings



59 companies in the sector

Vigeo Eiris Infrastructure cluster

Research manager: Andrea Lo Giudice
andrea.lo-giudice@vigeo-eiris.com

Sector expert: Audrey Brachet

Sector analysts:

Ruth Binns
Abderrahmane Guessous
Catherine Jennings
Imane Lamine

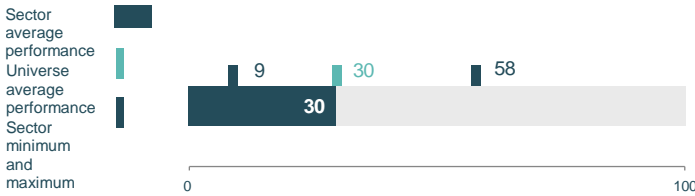
May Hong Nguyen
Louis Ramirez
Valère Verner
Jorge Yanez

Vigeo Eiris press contacts

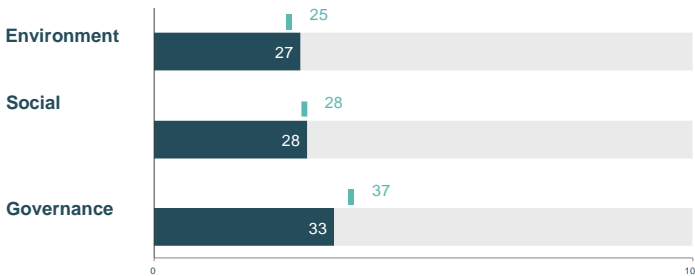
Anita Legrand
anita.legrand@vigeo-eiris.com
+33 (0) 1 55 82 32 44

Safiya Juma
safiya.juma@vigeo-eiris.com
+44 (0) 20 3752 5768

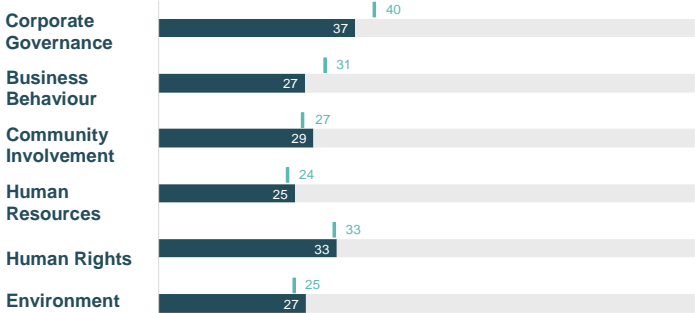
Key Findings 2018 – Heavy Construction



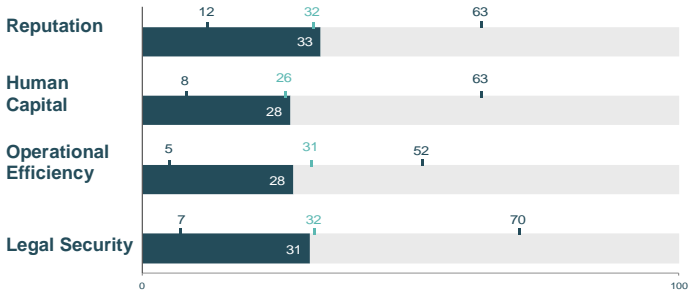
ESG PERFORMANCES – Sector & Universe



DOMAIN PERFORMANCES – Sector & Universe



RISK MITIGATION – Sector & Universe



TAKEAWAYS

- ▶ Despite being one of the highest CO2-emitting industrial sectors, Heavy Construction companies mainly demonstrate weak energy transition performances.
- ▶ Less than 10% of companies include Human Rights in their risk management framework..
- ▶ Heavy Construction companies are subject to frequent controversies on business ethics, including corruption and anti-competitive practices.
- ▶ Although companies are increasingly aware of their employees' and subcontractors' high exposure to safety risks, their performance on this issue remains weak.
- ▶ Good progress has been observed in the areas of non-discrimination and the promotion of diversity.

TOP PERFORMERS

- Europe: Vinci (58/100)
- North America: Aecon Group Inc (30/100)
- Asia Pacific: Obayashi (37/100)
- Emerging Market: Grana Y Montero (39/100)

MOST IMPROVED since 2017

- Europe: Salini Impregilo (+19)
- North America: No progress
- Asia Pacific: No progress
- Emerging Market: No progress

MOST MATERIAL DRIVERS

ADVANCED (60-100)	
ROBUST (50-59)	
LIMITED (30-49)	<ul style="list-style-type: none"> • Environmental strategy • Boards of Directors • Fundamental human rights • Corruption
WEAK (0-29)	<ul style="list-style-type: none"> • Health and safety • Reorganisation • Use of buildings

CARBON FOOTPRINT

Share of companies in each level of carbon footprint



ENERGY TRANSITION

Share of companies in each level of energy transition performance



SUSTAINABLE GOODS & SERVICES

Share of companies in each level of involvement in goods and services contributing to sustainable development



CONTROVERSIES RISK MITIGATION

Share of companies in each performance level in terms of controversy risk management



Number of companies in Warning list : 1

About this document

This document is an extract of the Vigeo Eiris 2018 Report on the Heavy Construction General sector.

The full report contains:

- More detailed information on performances and impacts highlighted here (data for each zone, historical evolution on 3 years of global performance and on each criterion, top performers on each domain, etc.)
- Detailed description of each takeaway on risks and opportunities
- The overview of methodological framework applied to the sector (weights of criteria, nature of stakeholders' expectations and their vulnerability on each topic).
- Detailed description of the methodology of all Vigeo Eiris research lines.

If you are interested in knowing more, please contact our customer services team at: global-sales@vigeo-eiris.com.

About Vigeo Eiris

Vigeo Eiris is an independent international provider of environmental, social and governance (ESG) research and services for investors and public & private organisations. We undertake risk assessments and evaluate the level of integration of sustainability factors within the strategy and operations of organisations.

Vigeo Eiris offers a wide range of services:

- ▶ For investors: decision-making support covering all sustainable and ethical investment approaches (including ratings, databases, sector analyses, portfolio analyses, structured products, indices and more)
- ▶ For companies & organisations: supporting the integration of ESG criteria into business functions and strategic operations (including sustainable bonds, corporate ratings, CSR evaluations and more)

Vigeo Eiris methodology and rating services adhere to the highest quality standards. With a team of more than 240 experts of 28 different nationalities, Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Hong Kong, Milan, Montreal, Rabat, Santiago and Stockholm.

The Vigeo Eiris Global Network, comprising 6 exclusive research partners, is present in Australia, Brazil, Germany, Israel, Japan and Spain. For more information: www.vigeo-eiris.com

Vigeo Eiris Press contacts:

Anita Legrand anita.legrand@vigeo-eiris.com +33 (0) 1 55 82 32 44
Safiya Juma safiya.juma@vigeo-eiris.com +44 (0) 20 3752 5768

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Partners and Offices

OUR PARTNERS:

Caer. Sitawi. Imug. Greeneye. Quick. Ecodes.

OUR OFFICES:

Boston	+1-617-428-0540	Montreal	+1 514 686 6208
Brussels	+32 2 206 67 91	Paris	+33 1 55 82 32 40
Casablanca	+212 522 87 14 77	Rabat	+212 5 37 56 46 32
Hong-Kong	+852 2588 3441	Santiago de Chile	+56 2 32 24 64 25
London	+44 203 752 5750	Stockholm	+46 73 663 62 46
Milan	+39 02 27 727120		

