KEOLIS GROUP
ANTI-CORRUPTION
CODE OF CONDUCT

For internal and external use
CONTENTS

MESSAGE FROM THE PRESIDENT & CEO 3
INTRODUCTION 4
SCOPE OF APPLICATION 4
PUBLICATION AND REVISION OF THIS DOCUMENT 5
ENTRY INTO FORCE 5

1. BACKGROUND ........................................................................................................................................ 6
   1.1. Legal and regulatory framework 6
   1.2. Definitions 7
   1.3. The Group’s compliance programme 9

2. MAIN DO’S AND DON’TS ACCORDING TO CONTEXT OR AT-RISK SITUATIONS .......................... 10
   2.1. Fundamental Principles 10
   2.2. Relations with public authorities 11
   2.3. Relations with public- and private-sector clients 12
   2.4. Relations with business partners 12
   2.5. Gifts and hospitality 14
   2.6. Facilitation payments 16
   2.7. Sponsorship and charitable contributions 17
   2.8. Conflicts of interest 19

3. PRECAUTIONS TO TAKE IN THE FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING ..................................................................................................................................................... 22
MESSAGE FROM THE PRESIDENT & CEO

For many years, the Keolis Group has displayed its commitment to fair practices and its rejection of all forms of corruption.

In 2013 the Group decided to voluntarily introduce the Konformité program, which calls on each employee to act and exercise their responsibilities in full compliance with legal requirements and business ethics. The fundamental principles are laid down in the Group’s Guide for Ethical Business Conduct.

In the anti-corruption field, Group Policies and Procedures have been issued to cover the areas requiring specific vigilance.

The French Act of Parliament dated 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life, known as “Sapin 2”, obliges certain large companies to implement an anti-corruption plan from 1 June 2017.

The Keolis Group falls within the scope of this law, and must ensure that its anti-corruption measures apply to all of its controlled companies, both in France and abroad.

Consequently, this anti-corruption Code of conduct aims to remind employees of the behaviour from which to refrain and that to adopt when they are faced with potentially at-risk situations in their line of professional duty.

I am confident that all of you will undertake their best efforts to abide by and effectively deploy the Keolis Group’s anti-corruption programme.

Jean-Pierre FARANDOU
President & CEO
INTRODUCTION

This Anti-corruption Code of conduct is an integral part of the Keolis Group’s business ethics policy, based on its Guide for Ethical Business Conduct which contains the principles and values expected by the Group in the exercise of all of its business activities, everywhere that it operates.

Observing the principles laid down by the Group’s Guide for Ethical Business Conduct implies prohibiting all forms of corruption and influence peddling, and dealing with situations of conflict of interest.

As a responsible group, the Keolis Group upholds a zero-tolerance policy with regard to active or passive corruption and to influence peddling. As a result, the Group is committed to prohibiting all forms of corruption in its business transactions and complying with all international anti-corruption conventions and all anti-corruption laws in force in the countries in which it operates.

This undertaking is binding on all the employees of the Group. It is part of the nobility of our profession and applies to the entire chain of mobility, whether in public transport-related activities or in all forms of parking services and a multitude of tailored mobility solutions.

This approach initiated by the Keolis Group in 2013 is today taken a step further by the obligation set out by the French lawmaker in the Act of Parliament no. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life (known as “Sapin II”) whose article 17 II 1° lays down the obligation for certain firms and groups of companies to implement:

“a Code of conduct defining and illustrating the different types of behaviour to be banned as potentially constituting acts of corruption or influence peddling”

The aim of this Code of conduct is to remind employees of the behaviour from which to refrain and that to adopt when they are faced with potentially at-risk situations in their line of professional duty, and especially in their dealings with clients, suppliers or any other stakeholder.

This Code cannot cover every single situation in which an employee is likely to find themselves. In such an event, the employee should seek advice or approval from a higher management function.

SCOPE OF APPLICATION

The application of this Code of conduct is mandatory in all companies controlled by the Keolis Group (here after “the Entities”). Each company in the Group shall comply with the Keolis Group’s commitments by rolling out and adapting Group procedures and tools and/or by introducing procedures and tools suited to their own business activity and their local environment.

The Group encourages the application of the principles laid down in this Code of conduct by companies in which it holds a minority share. The Group also undertakes to promote these principles in its relations with its suppliers and stakeholders.

International subsidiaries can make the necessary adjustments to this Code in accordance with their constraints and notably with their locally applicable legislation.

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1 Keolis Group: the Group comprises the company GROUPE KEOLIS S.A.S. and its Subsidiaries and Participations.
PUBLICATION AND REVISION OF THIS DOCUMENT

This Code of conduct is circulated to the Keolis Group’s employees as each Entity considers appropriate.

In Entities falling within the French scope, this Code will, pursuant to current legal requirements, be included in an amendment to the internal regulations of each subsidiary.

In its intention to prevent and fight corruption, the Group has also introduced a professional alert mechanism. Employees are invited to refer to the Keolis Group Professional Alert Procedure (Keolis Ethic Line).

ENTRY INTO FORCE

This Code of conduct comes into force on January 1st, 2018.
1. BACKGROUND

1.1. Legal and regulatory framework

The Entities of the Keolis Group are subject to supranational and national legislation with which they must ensure that they comply.

The legal and regulatory framework set up to tackle corruption, whether in France, Europe, or worldwide, is complex and increasingly stringent, and any acts or practices involving corruption are heavily penalised.

US law has traditionally led the way in terms of legislation tackling corruption. Through the FCPA (Foreign Corrupt Practices Act), which came into force in 1977 and was amended in 1998, the US imposes criminal penalties on legal entities (in the form of fines), and individuals (in the form of imprisonment and fines).

Following the lead of the FCPA, several international conventions have subsequently helped to advance the fight against corruption at international level:

- The OECD\(^2\) Convention on Combating Bribery of Foreign Public Officials, which entered into force in 1999, has enabled the main principles of the FCPA to be applied at international level.
- The Council of Europe Criminal Law Convention on Corruption, which came into force in 2002, addresses among other things corruption involving private individuals.
- The more recent UN Convention against Corruption (UNCAC) covers all aspects of the fight against corruption in its broadest sense.

The UK is home to the toughest anti-corruption legislation in the world. In the Bribery Act 2010, UK legislation distinguishes four categories of offence:

- Active corruption (the act of corrupting),
- Passive corruption (the act of being corrupted),
- Active corruption of a public foreign official,
- The failure by companies to prevent corruption.

The penalties for committing a crime under the Bribery Act are as follows:

- 10 years’ imprisonment and a fine for individuals found guilty under the Act,
- An unlimited fine for legal entities found guilty under the Act,
- Additional indirect penalties for companies, including the possible withdrawal of public grants or the exclusion from public procurement procedures.

In France, criminal law sanctions acts of corruption and influence peddling with penalties ranging up to:

- 10 years’ imprisonment and a 1 million euro fine for individuals,
- A fine of 5 million euros or 10 times the proceeds gained from the offence, for legal entities.

With the French Act of Parliament no. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life (known as Sapin II), France is for the first time obliging the senior management of certain companies to “implement measures aiming to prevent and detect acts of corruption and influence peddling in France or abroad”.

\(^2\) OECD: Organisation for Economic Co-operation and Development
These measures are as follows:

1. A Code of conduct,
2. An internal alert system,
3. A corruption risk mapping procedure,
4. Risk assessment of main clients, first-rank suppliers and intermediaries,
5. Accounting control procedures,
6. A training programme,
7. A disciplinary programme,
8. An internal monitoring and evaluation system for implemented provisions.

This requirement applies personally to the management executives of the companies concerned. However, companies are also responsible as legal entities for any failure to observe the requirements laid down in by the law.

The French Anti-corruption Agency (AFA) oversees compliance with these measures, and in the event of a breach, may issue a warning to the company concerned. In the event of an offence being committed, it may:

- Issue an injunction to the company and its representatives to comply within a timeframe of three years maximum,
- Issue a financial penalty proportionate to the gravity of the infringement and the financial capacity of the offenders, representing up to €200,000 for physical individuals and €1,000,000 for companies,
- Order the publication, public disclosure or display of the injunction or notice of penalty fines or an excerpt thereof.

1.2. Definitions

**WHAT IS CORRUPTION?**

There is no single definition for corruption, however all available definitions converge on a number of core concepts:

Corruption is traditionally defined as:

- the improper performance of one’s function or activity in return for an undue financial or other advantage,
- for personal benefit or for the benefit of a third-party,
- irrespective of whether ‘payment’ for the corruption be made directly to the recipient or via an intermediary and whether this ‘payment’ be intended for the corrupted person or a third party.

Traditional offences of corruption include:

- Active corruption, i.e. the giving or promising of advantages (by the corrupting party)
- Passive corruption, i.e. the receiving of advantages or incitement of others to offer or give advantages (by the corrupted party).

All acts of corruption committed in France or abroad are strictly prohibited and may result in heavy sanctions. The awareness of actual or possible offences and refraining from verifying their existence, or where relevant, putting a stop to them, is also an offence.
Acts of corruption performed abroad may also be liable to prosecution. For example:

- Any act of corruption committed abroad by (an) employee(s) of a French company, by the subsidiary of a French company or a foreign sales agent working for the company or subsidiary, could expose the company to liability in the country in which the crime is committed, as well as in France.
- A French company with UK operations may be prosecuted by UK authorities for acts of corruption committed in a foreign country, including any outside of the OECD.

Corruption, whether active or passive, direct or indirect, or in the public or private sector, is a punishable offence under French criminal law. Sanctions for such offences may apply to both individuals (in the form of imprisonment and fines) and legal persons (in the form of fines). Additional penalties, such as the exclusion of legal entities from public contracts, may also apply.

In French criminal law, there are two types of corruption:

- **Active corruption** (the offence of corrupting someone), whereby a person offers, promises or gives any undue financial or other advantage, whether directly or through intermediaries, to another person in order to influence them to perform an undue favour in return;
- **Passive corruption** (the offence of being corrupted), whereby a person requests, is promised or accepts, whether directly or indirectly, an undue advantage in return for an undue favour.

French criminal law distinguishes between public and private corruption. The persons concerned by these categories are as follows:

- **Public corruption**: public officials and civil servants (government employees, members of all authorities, any individual with a public mandate).
- **Private corruption**: employees, company partners, representatives, assistants of third-party private-sector organisations.

**WHAT IS INFLUENCE PEDDLING?**

Influence peddling, unlike corruption which applies to a relationship between corrupting and corrupted parties, refers to a three-way relationship whereby a person with proven or presumed influence over certain people exercises this influence in return for a benefit supplied by a third party wishing to gain an advantage from this influence (such as a favourable decision by public authorities, confidential information, jobs or public contracts).

As it does for corruption, French criminal law distinguishes between two types of influence peddling:

- **Active influence peddling** is when someone offers an advantage to another person in order that they apply their influence to obtain a favourable treatment from a third party for the benefit of the donor;
- **Passive influence peddling** applies to being encouraged to exercise one’s influence for the benefit of a third party.

In French law, influence peddling is severely punished by articles 433-1 and 433-2 of the Penal Code.

**Several examples of situations which could be qualified as influence peddling:**

- A supplier inviting a person on a holiday in consideration of the actual or presumed influence that the supplier believes that person has on the purchasers responsible for selecting suppliers;
- A company bidding for a contract giving a sum of money to an intermediary in return for them entering into contact with a member of the public service contract commission over which the official is considered to have significant influence, whether this is proven or not.
1.3. The Group’s compliance programme

Since 2013, the Group has implemented a compliance program ("Konformité") targeting several areas, including anti-corruption.

The aim of the programme is twofold:

- To provide all staff with a clear set of rules and principles, constituting effective guidelines for conducting all of the Group’s business activities, so as to have good knowledge and understanding of the Group’s issues and commitment,
- To empower those involved at operational level and make compliance a key focus of the business culture by placing it among the Group’s core values.

This programme is to be deployed across all Group Entities, in France and abroad. It shall be adapted as necessary to ensure compliance with local regulations, should these be more restrictive than the rules and principles outlined in the programme. This will be achieved through the issuance of additional local guidelines for the area of the compliance in question.

The compliance programme’s core documents notably include Policies and Procedures to support Groupe employees in conducting business in compliance with anti-corruption legislation and Group rules.

These Policies and Procedures have been drawn up to address the main identified sources of risk in terms of context or situations; they may highlight basic Group principles conduct to be adopted or procedures to be applied. These are set out in an easy-to-understand format, with a series of Do’s and Don’ts.

All documentation cited is available on the intranet KEOSPHERE within the open community Konformité.
2. MAIN DO’S AND DON'TS ACCORDING TO CONTEXT OR AT-RISK SITUATIONS

2.1. Fundamental Principles

Keolis Group rejects any form of corruption and applies this principle across the board. This principle concerns not only people qualified as public officials but anyone who could benefit from an act as a result of their position, function or relations. While certain legislation focuses only on corruption in the public sector, the Group’s anti-corruption policy is equally strict with regard to the private sector.

- Any attempt at active or passive corruption, be it direct or indirect:
  - Keolis Group’s Entities and employees must not directly or indirectly (through the intermediary of a supplier, subcontractor, consultant or any other third party acting in its name or on its behalf), propose, offer, or award any financial or other advantage, to a person in the public or private sector, for that or any another person, for the sole purpose of obtaining or retaining business; nor may they receive any advantage or favour that infringes regulations.
    - Bribes are strictly prohibited – a bribe being defined as anything of value offered in order to influence a decision.
    - The payment of illegal kickbacks to third parties (whether customers, suppliers or consultants) is prohibited.
    - The acceptance of commission from third parties is prohibited without the express permission of the Group.
  - On the same basis, Group’s Entities and employees must not accept the offer of any person claiming to have a real or presumed influence on a public or private sector employee, to use their influence to obtain contracts or a favourable decision.
  - It is forbidden to give any advantage of any type whatsoever that may be requested by a public official for the performance or arrangement of an administrative procedure or formality under their responsibility and which the Group is entitled to demand through normal legal channels.
    - Facilitation payments are quite simply prohibited by the Group, since they are in fact acts of corruption.
  - All employees of Group’s Entities are forbidden to request, accept or receive any financial or other advantage, for their own benefit or that of a member of their entourage, in return for a decision or act, carried out while conducting their professional functions, that opposes Keolis Group’s principles of independence, objectivity and protection of interests.
- Inciting actual or attempted corruption.
- Complicity with actual or attempted corruption.
Acts of corruption are punishable by fines and imprisonment for the employees that commit or participate in them.

Furthermore, they expose Keolis Group to the risk of extremely severe commercial, financial or administrative penalties. In addition to fines, a company found guilty of corruption may be excluded from public invitations to tender. A local affair may lead to financial, administrative and penal consequences not only for the Entity concerned but for the whole Group.

Finally, the damage to the Group’s image resulting from the revelation of acts of corruption, or the simple fact of being suspected of such action, can be irreversible and considerably harm the confidence of shareholders, clients and suppliers, thereby seriously affecting Group performance.

2.2. Relations with public authorities

The business activities performed by Entities of the Keolis Group may lead some of their employees to enter into relations with public officials and administrations in the context of government contracts and administrative procedures, as part of ordinary business conduct.

A public official is generally defined as any person in a country or region, who by either appointment or election holds a legislative, administrative or judicial office and exercises a public function for that country or region or any other public body. Thus, employees of companies that are partially owned by a public corporation and employees of political parties and candidates for political office are also considered as public officials.

Relations with public officials and equivalent persons must be conducted with extreme caution. Keolis Group is committed to full compliance with anti-corruption laws and regulations relating to public officials. Locally applicable regulations must in all cases be abided by.

As a general rule, nothing whatsoever should ever be offered to a public official, either directly or via a third party acting on behalf of Keolis Group’s Entity, in exchange for preferential treatment.
For example (non-exhaustive list):
- favourable decision or influence in the award of business or a contract,
- Information or involvement giving a significant advantage for obtaining business or contracts,
- The performance or fast-tracking of an administrative procedure,
- A favourable decision or influence in the results of an inspection or control by a verification body.

2.3. Relations with public- and private-sector clients

Professionalism, a sense of responsibility and a constant drive to improve performance and create the best possible company culture are key to the development and credibility of the Group.

The business transactions that we undertake with the public- and private-sector clients must be conducted in full compliance with applicable laws and with Keolis Group's principles of independence and objectivity, and must be performed transparently and subject to fair competition.

The **utmost vigilance** is therefore required to ensure that:
- **Business and contracts are won fairly**, without ever offering undue advantages (i.e. bribes) or succumbing to any attempts at blackmail;
- **Payment for the Group facilities and services** is made within a well-defined contractual framework in which all aspects of the business relationship are fully outlined;
- **Business relationships are conducted properly**, particularly as regards the use of gifts and hospitality.

2.4. Relations with business partners

Our ethical conception of business conduct must be shared by the business partners with whom we work.

We expect our business partners, whether consultants, providers of intellectual services or partners in Joint-Ventures or consortia, to work with integrity and abide by all the laws and regulations in force. It is essential that our suppliers and subcontractors share and apply Keolis Group's principles and rules in the anti-corruption domain.

An extreme vigilance has to be exercised in the **three key phases of our relations with business partners**:
- Selection phase
- Contract conclusion phase
- Contract implementation phase
The principle is that healthy and fair business relationships with partners, suppliers and subcontractors, are vital and ensures this by:

- Selecting suppliers and subcontractors using objective selection criteria (quality, price, compliance with deadlines, social and environmental factors) and holding competitive tenders;
- Signing procurement and supply contracts and any related business transactions, paying careful attention to the recording and receipt of orders, checking and paying invoices and the handling any possible disputes;
- Paying for delivered products and services, establishing a clear contractual framework with partners.

Any gifts and hospitality may only be offered within the limits of the Group rules in force (see paragraphe 2.5)

Employees incurring the Group's liability through working relationships with business partners must observe the principles laid down by the Policy for Relations with Business Partners and communicate them to their partners. This guide is supplemented by a Group Procedure for use by employees.

Any decision or act of purchase carries risks of:

- Collusion and conflict of interest that could impair the impartiality required when choosing to work with existing and future suppliers;
- Commission and illicit payments.

Special vigilance should be exercised when using intermediaries and business consultants. It may occur that business advisers be used to conceal an undue advantage (for example, in the form of hidden commission by overcharging, or a slush fund for bribery), in particular to obtain contracts abroad. Payments made to these business advisers may be diverted from the purpose for which they were made and be considered as acts of indirect corruption aiming to influence or recompense preferential treatment or the wrongful performance of a function or activity. These practices are forbidden and may seriously harm the reputation of the Group and hold the group criminally liable.

It is therefore advisable to exercise the greatest caution when working with business consultants, in particular outside France, from the moment contact is established until payment is made for the services provided on behalf of the Group.

DO’S

- Keolis Group employees involved in acts of purchase are required to comply with the rules and principles set out in the Relations with Business Partners Policy and Procedure and in the Keolis Group Purchasing Charter.
- For all relationships with a Business Partner, the Group's companies follow a methodical and documented selection process.
- The services provided are accurately described in a written agreement and are regularly updated and reviewed by the person in charge.
- Remuneration must be defined and all payments – as compensation for the services actually provided – will be made following verification of the service provision and on receipt of properly drawn-up invoices.
2.5. Gifts and hospitality

In our relations with partners – i.e. clients, public or private stakeholders, consultants, suppliers, etc – we may occasionally offer or receive hospitality or gifts.

- 'Gift' is taken here to mean any form of payment, gratuity (petrol coupons, tickets to sporting events, etc), perk, present or benefit (monetary or other), offered or received.
- 'Hospitality' is taken here to mean any form of social occasion (receptions, etc), entertainment (sports or social events, etc), travel (by air, rail or road), accommodation (in hotels, etc) or meals, offered or received.

In many countries, legislation recognises gifts and hospitality as normal business practices, considering them as signs of courtesy that foster good professional relations. However, anti-corruption laws forbid the giving of gifts, services or other items of value to a person, where the aim is to obtain an advantage or influence a business decision or any other action.

Vigilance is essential when offering or when offered gifts or hospitality, particularly, but not only, when this takes place in relations with the following:
- Public and private decision-makers that could be involved in Keolis Group business transactions,
- Public- and private-sector clients,
- Suppliers, subcontractors, consultants, etc.,
- Business partners.

Additional precautions are required when the recipient is a public official or equivalent, or holds decision-making power or influence over actions with a decisive effect on company interests, e.g.:
- Involvement in contract bidding procedures,
- The award of business or contracts,
- The issue of authorizations.

All gifts or hospitality, received or offered, must:
- comply with local laws and the specific local procedure established by Management in the country in which the employee operates;
- be a rare occurrence;
be in line with the accepted business practices of the country in which the employee operates, and suitable for the situation and occasion in question;

be of a reasonable, or even symbolic value and in no case be of a kind or nature that may give rise to suspicion of conflict of interest (i.e. they should be suitable to the recipient/beneficiary);

never be intended to gain an undue advantage or to influence a business decision.

- Consult the Group Instructions and Procedure in force in their Entity before offering any gift or hospitality, and in particular:
  - The value of gifts and hospitality must not exceed the limits laid down by the applicable procedure;
  - The hierarchical level of those on giving and receiving ends should also be taken into account;
  - The offering or receipt of gifts and hospitality must remain exceptional, once a year, for example, or at the end of a calendar year;
  - Certain types of gifts and hospitality are prohibited (those involving gambling, cash sums or commission, etc…).

- All gifts or hospitality shall be offered on behalf of the Entity concerned and financed by it.
  - Gifts should be symbolic, preferably bearing the Entity logo or that of the partner;
  - Any objects or activities offered should be in keeping with Group corporate values.

- Make sure that the Entity procedure on gifts and hospitality for external partners (i.e. clients and suppliers) is known throughout one’s Entity, particularly at the beginning of a new business relationship.

- Take your business partner’s policy on gifts and hospitality into consideration, particularly that of your clients and suppliers: Never offer gifts or hospitality that go against the recipient's company policy.

- If, for reasons of courtesy or protocol, you are required to accept or offer a meal falling outside the guidelines laid down by the procedure, inform your line manager beforehand.

- Inform your line manager in writing of any offer you receive of gifts or hospitality, of which the estimated value exceeds the limit stipulated in the relevant procedure.

- Retain and submit all documents relating to any gifts or hospitality offered to ensure that the associated costs appear in accounting records, in accordance with the relevant internal procedures.
  - You are advised, wherever possible, to follow the purchasing procedure and to issue a purchase order.

- Hospitality involving entertainment or leisure activities (e.g. concerts or sporting events) must take place within the context of a gathering, meeting or event aimed at enhancing business relationships. This type of hospitality must be a rare occurrence and of a nature that is permitted under local laws and internal procedures.
  - All hospitality requires the presence of a Keolis Group employee.
  - The invitation of spouses must be on an exceptional basis and justified by special circumstances.

- Hospitality involving travel and seminars must take place within a strictly professional context with events being organised and managed by the Keolis Group Brand and Communications Department.
  - Employees may not organise travel or client seminars without the express permission of their line manager.
2.6. Facilitation payments

Facilitation payments are absolutely prohibited at Keolis Group, since they are in fact acts of corruption.

Facilitation payments are contributions of small amounts or the giving of gifts to public officials of a low hierarchical level, in order to secure or fast-track the performance of necessary procedures or formalities under the official's responsibility, and which the firm is entitled to demand through normal legal channels and without compensation. For example: authorisations for operating sites, visas and work permits for expatriated employees, submission and registration of administrative documentation (set up of local legal entities, tax formalities, etc).

While such practices are illegal in most of the world and are forbidden by Keolis Group, it is not impossible for Group employees and Entities to find themselves faced with these kinds of situations. Knowing how to react is essential.

DON'TS

- Accept a gift or hospitality which does not comply with internal procedures (especially prohibited forms of gifts or hospitality).
- Request a gift or hospitality for your own benefit or that of your entourage.
- Offer gifts or hospitality under circumstances or for a value that may give rise to suspicions. In particular, the following situations require the utmost caution and compliance with internal procedures:
  - Where the recipient is a public official or equivalent;
  - When a tender procedure is in progress, during periods preceding or following the signing of contracts, during contract renegotiations, or, for example, when a complaint has been made against the company;
  - Where the frequency exceeds that permitted locally or where exceptional circumstances arise (for example, the offer of a business meal in the evening);
  - Where the value and/or frequency of gifts and hospitality exceeds the authorised limits.
- The same principles apply to gifts or hospitality received.

DO’S

- Always ask for a receipt or proof (in the form of an invoice) when a public official requests a payment of seemingly questionable legality. It is thus likely that the official will not insist if such payment is prohibited by local law.
- Make facilitation payments more difficult for those who request or apply them. For example, Group employees should (i) inform any public officials requesting facilitation payments that they are obliged to notify their hierarchy of the request, including the name of the person making the request; (ii) explain that cash payments are not authorised.
- Inform your line manager or an Ethics & Compliance Correspondent if such a request occurs. Employees should consider whether there is a need to inform the hierarchy of the person making the request, based on the circumstances, purpose, and amount of the request.
- Raise employee awareness of the ban on facilitation payments. It is essential to raise the awareness of Group employees, so that they can inform public officials of Keolis Group's ban on facilitation payments and of the consequences that they and their company incur if found to have undertaken such acts.
2.7. Sponsorship and charitable contributions

Entities of the Keolis Group are stakeholders in the local life of the communities in which they operate.

In this respect, it may occur that they occasionally decide to make donations, for example to charities working in educational, social or cultural areas. In France, some of these operations may be qualified for legal and tax purposes as philanthropy ("mécénat"). These actions demonstrate the commitment of the Group’s Entities to the community, and make up part of Social Responsibility policy.

Entities may also decide to take part in the sponsorship of events or activities organised by third parties in return for the opportunity to give commercial visibility to the brand, to networks operated or to services offered. These operations are part of service marketing and promotion strategy.

These two types of operation are broadly part of the Group’s communication strategy and contribute to enhancing the image and reputation of the Group. This is why, in all events, they must be carried out in strict compliance with the Group’s business ethics and abide by the principles laid down in the Group Policy and the two Group Procedures that accompany it.

Sponsorship is defined as providing material support to an event, a person, a product or an organisation in the aim of receiving direct benefit. The aim of sponsorship is to promote the desired corporate image by associating Group Entities with third-party events or organisations (for example, via advertising banners in stadium at sports events, Keolis branding on sports shirts, etc). The sponsored activities may also provide the sponsor a tangible commercial benefit for example, increased passenger traffic on routes stopping at a particular sports ground or facility.

DO’S

− Make it known amongst your business partners (agents, suppliers, business consultants, etc) that the Group operates a complete ban on facilitation payments, whatever their form (be it monetary or any other form of advantage).
− Never refuse to make a facilitation payment if you feel that you are under threat in any way, perhaps even physically, and that you risk jeopardising your own safety or being imprisoned. Inform your hierarchy immediately, or as soon as possible, that you were obliged to make a facilitation payment. The Management of your Entity, along with the Legal Department, will evaluate the need to report this offence to the competent authorities. Make sure that all payments appear in accounting records and are clearly identified.

DON’TS

− Attempt to conceal any facilitation payment (in expense claims, for example).
− Request third-parties to make facilitation payments on your behalf.

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Charitable contributions are defined as a commendable means of offering sums of money for charitable purposes, goods or services, without expecting any direct compensation, even in the form of advertising, from the recipient. Charitable contributions are generally made to not-for-profit organisations.

Philanthropy (mécénat) is a form of charitable contribution and is defined as the offering of financial or material support on an entirely disinterested basis – that is to say, not in return for any direct compensation from the recipient – for activities of public good. Unlike sponsorship, philanthropy is not part of a strategy to promote Group interests or obtain direct commercial benefit; however this does not rule out the possibility of enhancing the visibility of the Keolis brand. With philanthropy, a certain degree of continuity is generally required in the support provided.

Sponsorship and charitable contributions can be used to conceal undue advantages and may actually be or be interpreted as direct or indirect corruption, whatever their value. This risk is enhanced when the events or activities in question are the responsibility of political figures, government officials or their entourage or when a political figure or a public official stands to indirectly benefit from these operations. Such operations may raise other problems such as conflicts of interest, fraud, misuse of corporate assets and money laundering.

Sponsorship operations and charitable contributions that are not performed in accordance with the rules and principles set out by the Group may have serious consequences on corporate image, harm the Group's and its employees' reputation for integrity and potentially lead to criminal penalties.

**DO’S**

- Comply:
  - With local legislation.
  - With the Group Policy “Charitable Contributions and Sponsorship” and the two Group Procedures for internal use that accompany it.
- Carry out due diligence regarding the beneficiary (composition of governing body, list of founders or sponsors, absence from lists of international sanctions – corruption, money laundering, terrorist funding, etc.).
- Plan ahead to record the operation in the Entity’s budget
- Request the authorisation of line management if you do not have the authority to commit your Entity to this type of operation and/or the forecast value.

**DON’TS**

- Make contributions to political parties or politically-active foundations or associations.
- Initiate an action if you are aware of a proven or potential conflict of interest.
- Promise, offer or grant a contribution in exchange for an undue advantage of to influence a decision.
- Engage in an operation or in periods that are critical to Entity’s activity (tenders and local elections).
2.8. Conflicts of interest

A conflict of interest exists when a personal interest (personal, family, financial, associative, sporting, political, caritative, religious, union, philosophical) interferes with a professional function and might affect or appear to affect the position or decision that the employee or executive may take in their line of work.

The conflict of interest is therefore characterised by the fact that a person risks losing their intellectual independence or objectivity or having their decisions challenged, thus becoming more vulnerable in the exercise of their professional duties.

The conflict of interest is not an offence *per se*, but in certain circumstances, in addition to the specific (French) offence of “unlawful acquisition of interest”, may lead to potential situations of corruption.

The most common types of conflict of interest are:

<table>
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<tr>
<th>OUTSIDE EMPLOYMENT</th>
<th>A situation in which two activities are exercised (simultaneously or at different times) by the same person, which could conflict with each other because they defend opposing interests.</th>
</tr>
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<tbody>
<tr>
<td>NEPOTISM</td>
<td>A situation in which private, and usually family relationships (partner, child or other close relation) can interfere with professional duties (for example two relatives working in the same department with a hierarchical link, or a member of the entourage working for a supplier, client, public transport authority, etc.).</td>
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</tbody>
</table>
SELF-DEALING
A situation in which an employee acts on an operation as a representative, adviser, consultant, etc, while also having a personal interest which he could support to the detriment of his professional interests (e.g. a buyer choosing a supplier in which he has a financial interest).

GIFTS AND HOSPITALITY
A situation in which an employee receives or has received donations, gifts or favours from people (suppliers, customers, etc.) with whom they also entertain a business relationship.

Preventing conflicts of interest firstly requires that each of the Group’s employees take full responsibility for their actions. Abiding by the three following recommendations will help to substantially reduce the risks relating to conflicts of interest.

First recommendation: IDENTIFY POTENTIAL CONFLICTS OF INTEREST
Identifying potential conflicts of interest is a key factor to forewarn and address them. It is therefore your duty to ask yourself the right questions and identify any interests that you have which might conflict with those of the Keolis Group. This is your responsibility.

Below are examples of conflicts of interest that should be examined on a case-by-case basis, because they can influence your behaviour or your decision:
- You hold financial or non-financial interests in one of the Group’s competitors, suppliers or service providers, or interests in commercial property rented to the Group’s Entities;
- You accepted any sort of assignment or function with interests contrary to those that you represent or defend within the Group;
- You use a Group Entity for ends which diverge from its true purpose, in particular to give preferential treatment to or employ a member of your entourage or arbitrarily allocate resources to causes with which you are personally involved;
- You use your function, experience or expertise within the Group to develop commercial activity drawing on this function, experience or expertise, to the detriment of the Group;
- You receive or accept a gift or you are invited on a journey or to a function whose value is significant by a current or future supplier, partner or service provider;
- You promote a colleague with whom you entertain a relationship through one of the interests above;
- You are a member of a panel of an independent administrative authority, an associate or a member of any type of a verification or certification body which may be brought to pass judgment on a matter regarding a Group Entity;
- You are an active member of an association or trade organisation which is supported in any way by the Group and you draw one or several personal benefits either through the association or organisation or as part of your functions within the Group;
- You are a locally-elected official and take part in decisions directly relating to the interests of the Group in your election constituency or ward.
Second recommendation: BE TRANSPARENT

Transparency is fundamental. This is why, as soon as you identify a conflict of interest, whether for yourself or for one of your colleagues, you should spontaneously report this risk to your line manager and seek their advice before taking any decision or action, even if you believe or know that the only interests that will guide you are those of the Keolis Group.

Acting or taking a decision in this context will in all events and as soon as the conflict becomes known, lead to suspicion (even if unfounded) from your professional entourage, suppliers, clients or any other stakeholder, and will damage your credibility or that of the colleague concerned.

Third recommendation: BE EXEMPLARY IN THE EYES OF YOUR COLLEAGUES AND TEAM MEMBERS

This recommendation is specifically aimed at executives and all managers.

Your conduct naturally has a considerable effect on that of your team members. Your decisions and actions are seen as an example by the employees under your responsibility.

Consequently, you must:

- Within your scope of responsibility, arrange an internal discussion on the issue of conflicts of interest on the basis of this Code;
- Invite your team members to systematically raise any questions they have on the subject if they have a doubt about conflicts of interest for themselves or for their own team members,
- Finally, avoid placing yourself in a situation which might give rise to conflicts of interest.
3. PRECAUTIONS TO TAKE IN THE FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

The Keolis Group is not legally required to implement specific measures against money laundering and terrorist financing under the terms of the French Monetary and Financial Code.

Nevertheless, due to the activities deployed and the Group’s increasingly international footprint, Group employees should exercise vigilance.

This duty of vigilance is also required due to the contractual obligations which were placed on the Group when it last renegotiated its bank borrowing conditions, and which henceforth apply to all new borrowing arrangements contracted with Financial Institutions. As part of the fight against money laundering and terrorist financing, Financial Institutions are now passing their obligation of compliance down to their customers, in particular in the form of OFAC-type clauses (Office of Foreign Assets Control).

Under the conditions of the Group’s contractual declarations and commitments, it must meet two main types of obligation:

- Firstly, **it is the responsibility of each Group Entity to refrain from entering into capital transactions with persons or entities which may have been subject to certain international sanctions or which may be established in countries themselves subject to such sanctions.** Necessary measures must also be taken to prevent such persons from sitting on the board of directors of our subsidiaries or from having power of attorney on their behalf.

- Secondly, **no Group Entity should intentionally undertake an activity which might result in the violation of anti-corruption or money laundering regulations, nor provide a Joint-Venture partner or any other person with financial resources that may be used for the purpose of funding unlawful activities.**

Compliance with each of the following rules, which are already part of the Group General Rules, will allow the Group to meet its contractual obligations as referred to above. Contravening them could lead to significant repercussions; potentially to the point of the Group’s financing contract being terminated for breach.
1. Any participation of a Group Entity in the establishment of a Company (irrespective of the legal form of the transaction) must be submitted to the Group Comex for approval prior to the conclusion of the transaction (Group General Rules, article 3.1)

2. Any acquisition or disposal of a company or a shareholding must be performed in compliance with the Group’s commitment procedure for development projects (in general these transactions fall under the responsibility of the Undertaking Committee (CDE) - Strategic and Investments Committee (CDIS), and in exceptional circumstances, are subject to the sole authorisation of the Comex: Group General Rules, article 3.3)

3. Any appointment of a legal representative, a member of a board of directors or a supervisory board (or similar body), of an executive or non-executive chairman, in a Group company, may only be made following the prior authorisation of the Comex (Group General Rules, article 3.1)

In the cases of bid proposals or the conclusion of industrial or commercial partnerships, it is the responsibility of each project sponsor to verify in advance that no potential partners are cited on the international sanction lists referred to by our loan documentation.

- For bids or partnerships to be brought before a CDE or CDIS, this verification must be made before the business case is presented. In the case of a Go / No Go request for a partnership, the verification should be made for all partners considered.
  To these ends, the project sponsor should apply to:
  - The International Finance Department on international matters;
  - The Corporate Legal Department on French matters.
  The secretary of the CDE/CDIS will ensure that these procedures have been followed.

- For bids or partnerships which do not require approval by CDE or CDIS, the same diligence should be taken by the project sponsor, who should retain a record.

As a reminder, more broadly, as part of the anti-corruption programme, the Group guide “Relations with Business Partners” describes the principles to be followed at each key step of relationships with business partners: selection, contract conclusion and monitoring. This Guide, which applies in particular to JV partners, is supplemented by an internal procedure by which Group employees must abide (see paragraph 2.4 above).

The main senior executives of the Group make an annual declaration that, to the best of their knowledge, the Entities within their perimeter have applied the measures necessary for compliance with the instructions set out above.