



ANTI-CORRUPTION

Money laundering and financing terrorism

Code of conduct

General principles

As a responsible player and trusted partner, we have developed and we apply a robust Ethics and Compliance management system. Based on Group Values, Code of Ethics and related rules it allows us to work proudly with our internal and external stakeholders. Clients, customers, employees... as their requirements and international regulations are progressing, and as we strive to remain beyond their expectations, we constantly need to improve our way of working.

Corruption corrodes the fabric of society. It undermines people's trust in political and economic systems, institutions and leaders. It can cost people their freedom, health, money, reputation and sometimes their lives. It can be used to **finance terrorism**, and is facilitated by **money laundering**. Anti-corruption laws are very strict and the legislation of some of the countries in which Transdev Group operates holds both the perpetrator and the Company liable for any acts of corruption committed **anywhere in the world**. They sanction active or passive behaviors, and even the intent of corruption. They do not differentiate either between bribery of public officers (civil servants, elected persons, etc.) and of **private** agents (employees, consultants, etc.).

We are committed to fight against any kind of corruption, money laundering and terrorist financing. The purpose of this guide is to provide us with clear definitions, rules and guidelines on the different possible corruption modes, in order to help any of us to "correctly proceed".

I therefore ask you to read carefully and apply and promote this code of conduct in your work, to protect our stakeholders, yourself and the Group.

Thierry Mallet
Chief Executive Officer

DEFINITION

Bribery consists of directly or indirectly providing, promising, offering, giving, soliciting, accepting or receiving any undue advantage or anything of value, for oneself or for others, with the intent to carry out or refrain from carrying out a given act.

Bribery can be:

- Active when directly or indirectly providing, promising, offering, giving any undue advantage, for him/her or for others, to influence another to carry out or refrain from carrying out an act, or to reward him/her for carrying out or refraining from carrying out an act.
- Passive when soliciting, accepting or receiving any undue advantage, for him/her or for others, in order to carry out or refrain from carrying out an act, or for having carried out or refrained from carrying out an act.

Corruption is a collective term that includes, in addition to bribery, extortion and the laundering of the results of corruption.

Attempted corruption is corruption

Corruption can involve **public agents or officials**, and also **private agents**.

Money laundering is the process of concealing the origin, ownership or destination of illegally or dishonestly obtained money by hiding it within legitimate economic activities to make them appear legal.

Terrorist financing is the financing of terrorist acts, and of terrorists and terrorist organizations¹.

1. The FATF Recommendations – February 2012

RULES AND PRINCIPLES

➤ **We do not tolerate** any kind of bribery or corruption, neither active nor passive. You must **refuse any solicitation** made to you personally or to your relatives or associates, and **you shall not solicit or propose** any bribe.

We will **help any employee to refuse corruption**, and none of them will be sanctioned for refusing to perform an act of corruption. On the opposite, if you are found guilty of breaching anticorruption regulations you may be charged in accordance with the nature and gravity of the offence.

Gifts and invitations

(given or offered)



DEFINITION

Gifts are advantages of various natures given or received as thanks or as a token of friendship. They include greeting gifts offered at the start of a commercial relationship, of a personal event or a celebration day...

Invitation can include:

- Hospitality includes hotel accommodation, meals and transportation.
- Entertainment means any event, including cultural or sports activities, to which you, a client or a partner... is invited

RULES AND PRINCIPLES

Transdev prohibits any gift, hospitality or entertainment which could be **used to improperly influence a decision or perceived as such.**

When allowed, offered or received gifts must be **modest, exceptional² and**, where appropriate, **limited in time**. Of course, **no gift or invitation is acceptable (given or offered) in the context of a tender.**

When allowed, gifts and invitations are **restricted to business relations** and cannot concern family, relatives, friends... of the business relation.

Any gift or advantage exceeding the local procedure must be approved by the management and disclosed to the local E&C Officer.

GUIDELINES

If you receive or want to offer a gift or an invitation, **take a step back and ask yourself:**

- Is this advantage consistent with the local procedure
- Is the advantage **modest, exceptional and limited in time**?
- Is there any **local regulation** I could breach by offering or receiving this advantage?
- Could this advantage create any **conflict of interest³** situation? Have an influence on my choice or on the one of my counterpart?
- Can anyone consider that this gift has influenced the decision? What would be the effect if this advantage was **disclosed to the media**?

If there is any doubt, do not accept or offer the gift / invitation.

Anyway, keep a record of all advantages received or offered and declare them to you manager.

2. Not periodic, frequent, regular, ...

3. See "Conflict of Interests" ETH 2013 001a

Gifts (offered or received)



Acceptable

- Branded promotional gifts (pens, mugs, t-shirts).
- A gift of any reasonable value⁴ outside of commercial negotiations and tender processes (local product and souvenirs)⁵



Non acceptable

- Cash (Loans, credits, transfers...)
- Expensive jewelry
- Excessive, lavish or frequent/repeated gifts
- Alcohol
- Any gift during a tender process or contract negotiation⁶

Travel and invitations (offered or received)

Transdev Group recommends limiting invitation and traveling expenses to a minimum. Otherwise, the following principles must be applied:

In both case

- Ensure prior authorization before (and appropriate approval of expenses after) by your line management. Provide clear elements for compliant accounting⁷ of expenses
- Travel and invitation must be necessary for a working meeting or a commercial event. Leisure/entertainment events may be included if marginal and ethically acceptable
- Travel, residential and other related costs must be reasonable and consistent with Transdev travel policy

And, if you invite

- Transdev must pay directly (travel hotel...), not hand over money directly to the traveler.
- All costs that are not strictly related to the mission (personal travel extension, or expenses, extra services...) will remain at your guest's expenses.

Or, if you are invited

- Travel expenses, hotels... should be paid directly to suppliers by Transdev or if not possible, by your host. Travel and hospitality conditions must be consistent with Transdev internal rules.
- All costs that are not strictly related to the mission (personal travel extension or expenses, extra services...) are at your own expenses.

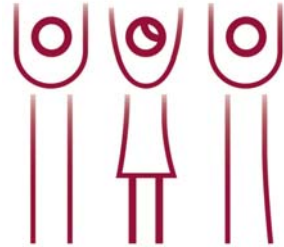
4. Compliant with local rules

5. All business lines / departments are concerned, such as Business Development, Purchasing, all corporate Departments carrying out commercial negotiations, etc.

6. This limitation concerns all functions (ie not only business development)

7. Including name of concerned people, clear objective, activity description, ...

Sponsorship, corporate philanthropic, nonprofit organizations and charities



DEFINITION

- **Sponsorship (or sponsoring):** Material support (financial or otherwise) provided to an event, person, product or organization for direct advertising benefits
- **Corporate Philanthropic:** material support (financial or otherwise) provided to a person, an entity or an organization to carry out public interest activities without direct advertising benefit
- **Nonprofit association:** group of people pooling their knowledge or activities on a permanent basis to defend and promote common interests for a purpose other than sharing profit
- **Charity:** organization set up to provide help and raise money for those in need



Transdev sponsors a cross country skier for the next Winter Olympics and we would like to invite some of our clients to the competition.

Invitations are part of the business relations and Transdev do sometimes invites some of its clients for specific events. Remember that specific limits exist for the public agent. Make sure your invitation is compliant. No invitation can be made during a tender process.

RULES AND PRINCIPLES

- Sponsorship, Corporate Philanthropic, membership or funding of a Non-profit Association, or Charity must never:
 - Be or give the impression of being intended to improperly influence the award of a contract,
 - Create a conflict of interest
 - or create a possible collusion
 - Bypass or circumvent any local law or regulation

All such contribution must be **public**, and are **not allowed** for:

- Profit orientated organizations.
- Organizations whose targets are not strictly in line with our ethical principles and could harm our image.

GUIDELINES

If you intend or are solicited to participate in, or bring support to an nonprofit organization, or provide sponsorship please refer to your country sponsorship procedure, and ensure that the organization, its ultimate beneficiaries, its links and the project itself has been carefully evaluated (see §business relationships).

Never request or accept sponsorship from a supplier either for yourself or your family or for the company.

The football club of the son of one of my client needs funding for next season, can we help him?

First talk to Legal Department as well as your Ethics & Compliance country manager, to make sure this activity corresponds to our policy. You must also verify that this sponsorship will not affect the decision of our client.



Intermediaries

75% of acts of corruption involve commercial intermediaries or local agents. These persons can conduct business for the company and pay bribes or facilitating payments without the knowledge of Transdev.

Also, the third parties can be involved in Money Laundering activities or terrorist financing. The laws and regulations of the countries in which Transdev operates do not differentiate between employees and intermediaries working on behalf of the company. Therefore, acts committed by third parties on behalf of the company are just as reprehensible as acts of corruption committed directly by the company or its employees.



DEFINITION

- **Intermediary:** a person or entity who is put in contact with or in between two or more trading parties.

RULES AND PRINCIPLES

- ▶ Any intermediary must
 - be ACFE checked beforehand, and if the relationship is long term, periodically reviewed
 - have a signed contract with a clear mission definition and timeframe, previously validated⁸

GUIDELINES

Take care when preparing or modifying a contract. It can hide the payment of bribes or facilitating payments for which you will be held liable. Any changes to the place or method of payment, the amount paid, exceptional fees or the reimbursement of expenses incurred are elements that must be closely monitored.

You should also pay particular attention to the people who are in contact with the intermediary in the course of its mission (employees, consultants, local agents, etc.), and be very cautious if a public agent insists that you have recourse to an intermediary.



My intermediary wants to amend our contract, and increase fees due to a more complicate negotiation. What should I do?

Check with your Legal Department. Be careful with any

- Request for an excessive amount of compensation or commission
- Expenses sheets with doubtful headings considering the activity
- Any intermediary wanting to recruit other intermediaries or sub-contractors without any real grounds for this
- The intermediary's remuneration is mainly based on performance success.

8. See Group procedure

Political contributions



DEFINITION

Political contributions: Any contribution made to a political party or organization, a politician or a candidate running for office, made in cash or other means, to support a political cause.

A payment can be anything of value including goods, services, gifts, loans, funding of a political meeting or event, purchase of tickets to fundraising events, an advertising campaign, ... It includes use of company office space, computer equipment or stationery.

RULES AND PRINCIPLES

- Transdev Group adheres to non-interference principle in the functioning of public authority and maintains a neutrality principle. As a public interest stakeholder, **we do not make any political contributions.**

Transdev respects the rights of individual employees to participate in the political process, however, all such activities must be done at a personal level, in your name, on your own time, at your own expense, and it must be clear that these activities are not done on Transdev's behalf. Any local political activities must be done in compliance with applicable laws and regulations.

Because rules are complex and differ from one country to another, ask Ethics and Compliance or Legal for clarification as necessary.

GUIDELINES

When a client or a partner asks for a political sponsorship, inform them of Transdev Group's policy. If you have any doubt, please consult your Ethics Officer or the Legal Department.

I understand that Transdev does not make political contributions or engage in political activity, but can I participate in these activities individually?



Yes, you have a right to participate as individual, however, it is your responsibility to make sure that these activities are done on your own time, not using the company resources or equipment. You must also make it clear that these are your own personal views and activities, not those of Transdev.

Facilitating payment

DEFINITION

Facilitating payment: a payment made to a public officer with the intention of expediting an administrative process. Facilitating payments are specific acts in terms of corruption as the payment is not intended to influence a decision but to speed up a procedure.

Distinction must be made with an accelerated procedure officially proposed by an administration in consideration for an official increased fee.

RULES AND PRINCIPLES

Although facilitating payments are tolerated in various countries it is illegal in others where, considered as bribery, it is sanctioned as such. Facilitating payments expose you to criminal proceedings.

 Transdev Group **does not accept** the use of facilitating payments.

GUIDELINES

When official documents are needed, the Administration may propose a rapid processing procedure in consideration for an increased fee. You must follow legal and regulatory procedures to obtain official documents and obtain a receipt for any payments made.

In the case of extortion accompanied with serious threats to physical integrity you are advised to get written statements corroborating the demand of a payment if possible. In any case you must report the incident to the company as soon as possible and record any payment made with clear description of its purpose.

A public officer asked me for €500 to accelerate the issue of a transportation license. This is common practice here!



Facilitating payments are tolerated in some countries but are illegal in others. Legal proceedings could be initiated against you and against the company. Do not pay!

Influence peddling

DEFINITION

Influence peddling is the use of position or political influence on someone's behalf in exchange for money or favors⁹.

It may consist in proposing or offering gifts (money, goods) or any kind of advantage to a person so that they use their influence with public authorities to promote the interests of an individual or legal entity. The acceptance or solicitation of gift is sanctioned in the same manner.

Lobbying can provide decision-makers with valuable insights and data, as well as grant stakeholders access to the development and implementation of public policies. However, lobbying can also lead to undue influence, unfair competition and regulatory capture to the detriment of the public interest and effective public policies¹⁰

RULES AND PRINCIPLES

 Networking and lobbying are **acceptable when transparent, ethical and responsible**.

However influence can hide indirect and direct corruption behaviors which are not acceptable. Influence peddling is a criminal offense and is of course prohibited by Transdev Group.

GUIDELINES

Be careful on any advantage offered, as described in §Gifts and Advantages, not to create any kind of debt, nor to ask directly or indirectly for any inappropriate return.

Assess and monitor cautiously any of your business relations who could have a direct or indirect link with public officials or civil servants (see §Know Your Counterpart).

Scrupulously apply the Group's procedure when recruiting commercial intermediaries¹¹.

9. Oxford Dictionaries 2016

10. OECD 2013 – Transparency and Integrity in lobbying

11. ADM-2004-001 – Commercial Intermediation and Service Provision

For the negotiation of a new bus contract, I would like to use the services of a local agent who really knows the workings and operation of the municipality and its influence networks.



The use of intermediaries is possible in such a situation however their services must be provided under a contract negotiated with your company's management following a comprehensive evaluation of the agent, their practices and history. Check this with the legal department and the Ethics & Compliance Manager.

Collusion



DEFINITION

Collusion: agreement between parties, in the public and/or private sector, to conspire to commit actions aimed to gain an unfair or illegal advantage (financial, political or otherwise).

RULES AND PRINCIPLES

Collusion is constituted of various criminal offences and may seriously negatively impact the company's image.

 We **refuse** any act of collusion or illegal agreements

GUIDELINES

In your relations with any third party, take care to not establish any agreement that could unfairly harm the interests of another company, client or Transdev Group itself.

Recruitment and other HR advantages



DEFINITION

Revolving door: refers to the movement of individuals between positions of public office and jobs in the same sector in the private or voluntary sector, in either direction. If not properly regulated, it can be open to abuse.

Other HR advantages may consist in recruiting someone, temporary or not, in giving compensation or benefit.... It could be used as a way to provide an undue advantage when the job is not necessary for example or if the person is not the most appropriate candidate.

RULES AND PRINCIPLES

Recruitment must be done according to group and country rules and based on strictly professional needs and skills.

Movement of individuals between positions of public office and jobs in the same sector in the private or voluntary sector must comply with any local law or regulation.

This kind of movements has to be carried out in accordance with the principle of transparency, and subject to previous conflict of interest analysis.

GUIDELINES

Any HR decision must be done in close coordination with the HR department.

Before taking an HR decision, take time to analyse the situation and ensure that no one is directly or indirectly in a potential conflict of interest situation.

Business relationships

(Know your counterpart - KYC)



Corruption, money laundering and terrorist financing as other offences can occur directly, when the company and/or one of its employees do such act, but it can also occur through external means: unclear nonprofit organization, unscrupulous lobbyist or commercial intermediary... In order to achieve our ethical and compliance objectives, we need to act on third parties we recruit and use.

DEFINITION

By **Counterpart**, we mean every people or entity we do business with or through: individuals or entities which are not part of Transdev Group but with which the Group works to achieve its missions and objectives (client, supplier, partner, associate company, intermediaries, advisor, local agents, consultants, etc.).

ACFE is a Group Acronym for

- **Able** to fulfil commitments
- **Compliant** with laws and regulations
- **Financially** stable
- **Ethically** reliable, and aligned with us

KYC (Know Your Counterpart) is the process we use to ensure that our counterpart is ACFE.

RULES AND PRINCIPLES

 Any counterpart¹² we work with, for commercial, production or other purpose must be

- **ACFE checked** beforehand and later periodically reviewed¹³
- selected with appropriate **call for competition**¹⁴,
- and have a clear and appropriate **mission, described precisely in a contract.**

Any recurrent and/or significant supplier, subcontractor or other entity working for Transdev must endorse our Suppliers' Charter¹⁵.

During a contract, you must remain in control of your business relation with your counterpart and have permanent oversight on his activities. If your counterpart is a medium or high risk, Transdev recommends to perform a yearly reevaluation of the initial assessment.

12. Except not significant / not recurrent day to day mission

13. Assessment level depends on risks - See Appendix 2

14. See your country thresholds (country legal department or E&C country manager)

15. PPS/SUP 2013 004v1 Supplier charter



He's ok. I've been working with him for years.

People can change, and you're not his only client.

You should regularly actualize evaluation of your partners (and always ask for proof of any expenses incurred).

Keep in mind



Do

- Report all suspicions on bribery or corruption to your line manager and/or your Ethics & Compliance Manager, or through the whistleblowing system.
- Exercise caution when giving or receiving gifts or advantages by asking yourself if it is made in good faith, reasonable, and proportionate. Make sure generosity will not be misinterpreted.
- Keep a record of all advantages received or offered and declare them to your manager and your E&C Officer.
- Always ask for a payment receipt when you pay money to a public official to obtain an administrative document.
- Perform a comprehensive evaluation of the reputation and history of all partners and intermediate before you begin working with them.
- Make sure all your partners are informed of our Code of Ethics and related appendix, and that they adhere to our Anti-Corruption Money Laundering and Financing Terrorists Commitments.
- Remember that both Transdev and you could be held liable for an act of bribery committed anywhere in the world.



Do not

- Offer a gift or an advantage to a person in exchange for a contract, commercial or other advantage, nor to avoid a disadvantage.
- Accept a gift or advantage from a third party in exchange for a service or the conclusion of a contract.
- Accept disproportionate or frequent gifts from suppliers.
- Invite a public or private agent without checking if it is compliant with laws regulations and internal rules.
- Make a donation to a political organization or body on behalf of Transdev without following the specific procedure for this.
- Accept to pay a small sum of money to accelerate the issue of a visa or permit without asking for an official receipt.
- Accept a change to an intermediary's contract without obtaining justification on the use of additional resources allocated.

Duty to alert



In any group country, a whistleblowing system is available for all employees, and enables them to disclose an incident while being protected from any retaliation.

Any breach, or attempted breach, of the Code shall be reported:

- either to your Manager
- or to your Country E&C Officer,
- or to your legal country manager
- or through your country whistleblowing system.

In case you do not have access, or do not know how to access, to your country whistleblowing system, do not hesitate to report to the Group Ethics and Compliance Officer (ethics@transdev.com).

Have a question Need advice



Please contact

- your manager
- your ethics and compliance country manager
- and/or your legal department
- and/or **ethics@transdev.com**