



KEOLIS GROUP ANTI-CORRUPTION AND INFLUENCE PEDDLING CODE OF CONDUCT

For internal and external use

May 2021

KEOLIS

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PLEDGE FROM THE CHIEF EXECUTIVE



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For many years, the Keolis Group has asserted its commitment to integrity in its practices and to rejecting of all forms of corruption and influence peddling.

Corruption, in all its forms, runs contrary to the Group's values. Not only is it illegal, but it unduly benefits people who abuse their power or position. It distorts competition and harms democracy.

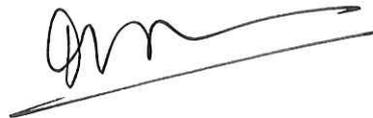
In January 2018, as part of its compliance programme, the Keolis Group drew up and published its **Anti-corruption Code of conduct** which aims to remind employees of the behaviour from which to refrain and that to adopt when they are faced with potentially at-risk situations in their line of professional duty.

Indeed, the Group must ensure that its plan against bribery, corruption and influence peddling covers all the companies it controls whether they are established in France or abroad.

Our policy, which is not a new development, has gathered pace since the entry into force of the French "Sapin II" Act of Parliament dated 9 December 2016; it is structured around the eight measures specified by this law, and more specifically a more robust risk mapping exercise, more specific accounting checks, and an updated version of this Code of Conduct which notably includes the new Group rules for gifts and hospitality and on managing links of interest.

Our employees must be familiar with and abide by the rules in this Code. We are all responsible for their implementation.

I am counting on your support to abide by and effectively deploy the Keolis Group's anti-corruption and influence peddling programme.



Marie-Ange Debon
Chief Executive Officer

INTRODUCTION

This Anti-corruption Code of conduct is an integral part of the Keolis Group's¹ 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 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 pursues a zero-tolerance policy regarding active or passive corruption and to influence peddling. As a result, the Group is committed to **prohibiting all forms of corruption and influence peddling 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.

This approach initiated by the Keolis Group in 2013 was strengthened 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 Third Party.

This Code is not exhaustive, and the rules may be changed to consider any legal modifications, learnings from the Group's corruption and influence peddling risk map, and any other benefit of experience.

It 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

This Code of conduct applies to the whole of the Keolis Group. It forms a common foundation for all companies controlled by the Keolis Group (here after "the Entities").

Each subsidiary has the possibility, in view of the specificities of its activities and locally applicable laws, of adding to the Group's Code of Conduct with an appendix tailored to its corruption and influence peddling risk map.

Each Entity shall comply with the Group's commitments by rolling out and adapting Group procedures and tools and/or by introducing equivalent procedures and tools suited to their own business activities and their local environment, where relevant.

¹ Keolis Group: the Group comprises the company GROUPE KEOLIS S.A.S. and its Subsidiaries and Participations.

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 all its Third Parties.

PUBLICATION AND REVISION OF THIS DOCUMENT

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

In accordance with the French Act of Parliament known as "Sapin II", this Code is to be considered an addition to the internal regulations of Companies in the France scope.

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

ENTRY INTO FORCE

This version of the Code of conduct comes into force on 1 May 2021 and thus supersedes the previous version dated January 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 or influence peddling 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 OECD² 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 UN Convention against Corruption (UNCAC), which came into force in 2005, covers all aspects of the fight against corruption in its broadest sense.

The UK has adopted 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 also fines (unlimited in their amount for legal entities) and imprisonment. For companies, these direct penalties are compounded by indirect ones, including the possible withdrawal of public grants or the exclusion from public procurement procedures.

In France, criminal law sanctions any 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.**

Beyond these prison sentences and fines, additional forms of punishment may apply (for example, disqualification from public procurement contracts 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 whistleblowing system,
3. A corruption risk mapping procedure,
4. Risk assessment of main clients, first-tier 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 in a personal capacity to the senior 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 few 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** (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, obtains a promise of or accepts, whether directly or indirectly, an undue advantage in return for an undue favour.

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

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

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.

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.

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 that gives a sum of money to an intermediary in exchange for contact with a member of the public procurement committee over whom the official is considered to have significant influence, whether or not this is proven.

1.3. The Group's compliance programme

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

The aim of the programme is twofold:

- to **provide** all staff with a **set of clear rules and principles**, constituting **effective guidelines for conducting all 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 ALL FORMS OF CORRUPTION AND INFLUENCE PEDDLING

Guide for Ethical Business Conduct



The Keolis Group rejects any form of corruption and influence peddling as a principle, and this principle applies 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 regarding the private sector.



DON'TS

- **Any attempt at active or passive corruption, whether 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 themselves or any another person, for the sole purpose of obtaining or retaining business; nor may they receive any advantage or favour** that infringes regulations.
 - Bribery is strictly prohibited – a bribe being defined as anything of value offered in order to influence a decision.
 - The payment of unlawful 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.
 - So-called "facilitation" payments are prohibited outright by the Group, since they are in essence acts of corruption.



DON'TS

- 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.**
 - **Being an accessory to actual or attempted corruption.**



PREVENTING CORRUPTION AND INFLUENCE PEDDLING IS EVERYONE'S BUSINESS AT KEOLIS GROUP

Acts of corruption or influence peddling are punishable by fines and imprisonment for the employees that commit or participate in them.

Furthermore, they expose the 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 Keolis Group's image** following 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.

WHEN IN DOUBT OR IN THE EVENT OF SUSPECTED ILLICIT PRACTICES

Any employees with a question or query on how to apply anti-corruption and influence peddling rules and principles should refer on an ad-hoc basis to:

- their line management;
- where applicable, their Entity's Compliance Correspondent or the Group Compliance Officer (groupcomplianceofficer@keolis.com);
- where applicable, their Entity's or the Group's Legal Department;
- where applicable, the Legal Department of the Entity or Group.

It is the duty of all employees to alert the company should they become aware of practices or acts that could potentially be considered as corruption:

- by contacting their line manager;
- or, where applicable, by making confidential use of their subsidiary's whistleblowing system, or the Group's system (Keolis Ethic Line).

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 a Keolis Group 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 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 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 Third Parties

Group Procedure for the assessment and management of relations with Third Parties



User guide for the application of the Group procedure for the assessment and management of relations with Third Parties



Our ethical conception of business conduct must be shared by Third Parties.

We expect these Third Parties, 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 the Group's principles and rules in the anti-corruption and influence peddling domain.

Extreme vigilance should be exercised in the **three key phases of relations with business partners**:

- **Selection phase**
- **Contract conclusion phase**
- **Follow-up phase of the relationship**

The principle is to entertain **healthy and fair business relationships with Third Parties (partners, suppliers and subcontractors)**, in the following situations:

- **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** (writing and receiving orders, checking and paying invoices, handling disputes),
- **paying for the products and services that they have actually delivered**, under the contractual framework established with them.

In these circumstances, any gifts and hospitality may only be offered within the limits of the Group rules in force (see paragraphe 2.5)

Employees of GKSAS and KSA must apply the Procedure for the assessment and management of relations with Third Parties. This procedure must also be applied to any project brought before the Group's governing bodies.

Regarding any other matter which does not fall within the Group's governance thresholds, Entities must apply the Instruction for the application of the Keolis Group Procedure for the assessment and management of relations with Third Parties. This Instruction must be applied unless the Entity has an equivalent internal procedure.

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 both in France and 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, from the moment contact is established until payment is made for the services provided on behalf of the Group.

The terms of contracts with business partners (individuals or legal entities) that are to be concluded by the companies Keolis S.A. or GROUPE KEOLIS S.A.S. must be reviewed by the Group Legal Affairs, Compliance and Insurance Division before their signature.

Entities must put in place a validation process for the terms of contracts prior to signature, involving their Legal department, or, failing that, their Finance Department, or else the Group Legal Affairs, Compliance and Insurance Division.



DO'S

- Keolis Group employees involved in acts of purchase are required to comply with the principles and rules set out in the **Keolis Group Procedure for the assessment and management of relations with Third Parties** or, if one exists, the equivalent Policy implemented by their Entity (see “User guide for the application of the Keolis Group Procedure for the assessment and management of relations with Third Parties”).
- For all relationships with a Business Partner, the Group's companies must follow a **selection process**.
- The services provided must be described in a written agreement stating their nature and must be regularly documented and reviewed.
- Fair remuneration must be defined, and payments made following verification of the service provision, in particular on the completeness and quality of services, on receipt of comprehensive and regularly established invoices.



DON'TS

- Enter into contract with a Third Party:
 - who refuses to sign a clear engagement against corruption;
 - whose past activities, reputation or references arouse legitimate suspicion as to dubious or non-ethical business practices;
 - who wishes to remain anonymous in transactions;
 - who refuses clear contracts for services provided and the fair corresponding remuneration.

2.5. Gifts and hospitality



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

- **'Giff'** 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 the following principles:

- it complies with applicable legislation,
- it must not have been requested,
- it must not be intended to gain a return favour or an undue advantage,
- it must not aim to influence a business decision and is not offered or given at a strategically important time (e.g., ongoing tender procedure, signature of agreements, vote, the granting of authorisations, the award of contracts, changes to legislation or regulations, etc.),
- it is occasional with regard to business activity,
- it would not be a cause of embarrassment if publicly disclosed,
- it is given in a strictly professional capacity.



DO'S

- **Consult the Keolis Group Policy for Gifts and Hospitality and the Procedure in force in their Entity before offering any gift or hospitality, and in particular:**
 - their value must not exceed the limits laid down by the applicable Policy or Procedure;
 - the offering or receipt of gifts and hospitality must remain exceptional, for example once a year 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 Third Party;
 - Any objects or activities offered should be in keeping with Group corporate values.
- **Circulate the Entity's Procedure on gifts and hospitality for Third Parties** (clients, service providers and suppliers), particularly at the beginning of a new business relationship.
- **Take your business partners' policy on gifts and hospitality into consideration**, particularly that of your clients, service providers and suppliers: never offer gifts or hospitality that contravene the recipient's company policy.
- **Request** the explicit and written authorisation of **line management** if, owing to exceptional circumstances, the value of such gifts or hospitality exceed the thresholds specified by the Group Policy or the Entity's 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. Keep a record of exceptional authorisations if the permitted thresholds are exceeded. **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.



DON'TS

- **Accept a gift or hospitality which does not comply with internal procedures.**
- **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, before or after contract signatures, during contract renegotiations, or during a claim or dispute;
 - Where the frequency exceeds that permitted locally or where exceptional circumstances arise (for example, inviting the person to a business dinner);
 - Where the value and/or frequency of gifts and hospitality exceeds the limits authorised by the procedure in force.

The same principles apply to gifts or hospitality received.

2.6. Facilitation payments

So-called “facilitation” payments are prohibited altogether in the Keolis Group, since they constitute 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 the Keolis Group, it is not impossible for Group company employees to find themselves faced with these kinds of situations. Knowing how to react is therefore essential.



DO'S

- **Always ask for a receipt or proof (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 make 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 a 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 that facilitation payments are prohibited by the Keolis Group.
- **Make it known amongst your business partners (agents, suppliers, business consultants) that the Keolis Group's policy is that of a total 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 any form of threat (physical or other) and that you risk jeopardising your own safety or freedom. Inform your hierarchy immediately, or as soon as possible, that you were obliged to make a facilitation payment. The Management of your Entity will refer to the Group Legal Department as to the need to report this offence to the competent authorities.** Make sure that all payments appear in accounting records and are clearly explained.



DON'TS

- **Attempt to conceal any facilitation payment** (in expense claims, for example).
- **Request Third Parties to make facilitation payments on your behalf.**

2.7. Charitable contributions and sponsorship

Group Policy, Charitable Contributions and Sponsorship



Group Procedures: Sponsorship, 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 Keolis 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 Keolis Group’s image by associating Group Entities with Third Party events or organisations conducted by Third Parties (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).

Charitable contributions are defined as a commendable means of offering sums of money, goods or services for charitable purposes, 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 or corporate patronage (*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 in the public interest. 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 the value paid by the donor or sponsor. This risk is exacerbated 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 engage in a charitable contribution or sponsorship in exchange for an undue advantage of to influence a decision.**
- **Engage in an operation during periods that are critical to the Entity's activity** (tenders and local elections).

PROCESS TO FOLLOW

- **Selection of beneficiary**
 - The Entity uses the **Charitable Contributions and Sponsorship form** to confirm that all due diligence has been performed (compliance with local legislation and Group Policy, checks on beneficiary, no apparent potential conflicts of interest).
- **Authorisation request**
 - **If the value of the operation exceeds the threshold specified by the Group Policy**, authorisation by France General Department and validation from the Brand and Communications Department (via the Charitable Contributions and Sponsorship form).
- **Contract conclusion**
 - All sponsorship activities, whatever their value, shall be written down in a contract.
 - **Principle of one-year validity.**
 - **No tacit renewal clauses.**
- **Monitoring and control**
 - Ensure that all clauses regarding compensation are respected and that the Group's image receives the anticipated benefits.

2.8. Links of interest



A **conflict of interest** is defined as any situation in which a personal interest, unrelated to the company in which an Employee works, might influence or appear to influence the position, decision or action that the Employee is going to take on behalf of the company.

Personal interests may be direct, with the most straightforward example being the increase of the personal wealth of the Employee in question. It may also be the interest of a Third Party who may obtain the Employee any direct or indirect benefit (for example, when the Employee's partner is a senior executive or leader or a supplier of the company).

The interests in question may have a connection, for example, with family or social relations, responsibilities exercised in a charity, a sports club, political or religious activities, or functions in local government if the Employee is an elected official.

Conflicts of interest are therefore characterised by the fact that the existence of an interest other than that of the Company may result in the Employee losing the independence, neutrality or objectivity that they must exercise when they are acting for and on behalf of their company.

The existence of links 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 situations of conflicts of interest are:

OUTSIDE EMPLOYMENT	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.
NEPOTISM	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.).
SELF-DEALING	A situation in which an employee works on an operation as a representative, adviser, consultant, etc, while also having a personal interest which they could prioritise over their 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.

Observing the following three recommendations will help to substantially reduce the risks relating to links of interest.

First recommendation: IDENTIFY LINKS OF INTEREST

Identifying links 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 situations 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 accept 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 situation of 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 of interest becomes known, lead to suspicion (even if unfounded) among your professional entourage, suppliers, clients or any other stakeholder, and will damage your reputation, authority, 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 managers.

Your conduct naturally has a decisive 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:

- read and apply the Keolis Group Policy on managing links of interest,
- within your scope of responsibility, arrange an internal discussion on the issue of links of interest on the basis of this Code;
- invite your team members to systematically escalate any questions they have on the subject if they have a doubt about conflict of interest regarding themselves or their own team members,
- facilitate the removal of any employee in a situation of conflict of interest,
- avoid placing your employees in a situation which might lead to conflicts of interest.
- avoid placing yourself in a situation that might lead to a conflict of interest.

It is the duty of each Group Entity to guarantee the traceability of any action taken to prevent and manage conflicts of interest, by:

- appointing within their HR department one or several people tasked with collecting declarations of links of interest from people in exposed functions when they join the Entity,
- appointing within their HR department one or several people tasked with centralising declarations of conflicts of interest from Employees during the fulfilment of their contract or assignment, and the answers made in return.

2.9. Interest representation (lobbying)

Interest representation can be defined as an activity whose purpose is to influence a public decision, and more specifically the content of a law or regulatory text.

In some countries such as France, interest representation is defined by law, must be declared and is subject to strict rules of deontology, in particular the following:

- the obligation to refrain from offering or giving presents, donations or benefits of significant value to their interlocutors,
- the obligation to refrain from organising colloquiums, events or meetings, in which representatives of public authorities are paid to speak or contribute.

All lobbying activity conducted by the Group must be transparent, in accordance with the applicable legislation, and approved by the governing body of the Entity in question (corporate officer).

Keolis SA, in accordance with French legislation, is listed in the register of interest representatives held by the High Authority for the Transparency in Public Life (HATVP).

3. ACCOUNTING RECORDS, INSPECTIONS AND AUDITS

Any act of **deception or falsification of accounting procedures** in the aim of concealing an act of corruption or influence peddling cannot be tolerated, whatever the country or activity in question.

The accounting rules of the Group or the Entity must be strictly observed.

It is the duty of every Entity leader to regularly ensure the proper application, within their perimeter, of all legal regulations and the rules and ethical principles set down by this Guide, the Policies and Procedures that are associated with it and, where relevant, the procedures specific to the Entity in question.

The Group's top senior executives sign a declaration every year certifying that, to the best of their knowledge, the Entities in their perimeter have taken all necessary measures to comply with the abovementioned directives.

The Group's Audit and Internal Control Department is attentive to any situation which may indicate a possible breach of these rules. Internal controls and audits are conducted on a regular basis.

4. 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 Asset 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 Group Entities' boards of directors or from having power of attorney on their behalf.
- Secondly, **no Group Entity should consciously 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.

Group
General
Rules



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 ExCom 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 Commitments Committee (CDE) - Investments and Strategy Committee (CDIS), and in exceptional circumstances, are subject to the sole authorisation of the ExCom ([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 ExCom ([Group General Rules](#), article 3.1)

When responding to calls for tenders or entering into industrial or commercial partnerships, it is the responsibility of project leaders to assess the probity of any potential partner **in advance**, in accordance with the Procedure for evaluating and managing relations with third parties.

In the case of tenders or partnerships submitted to the Group's governance bodies (CDE and CDIS), this assessment must be included in the presentation of the project to the governance bodies.

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