

ANTI-CORRUPTION CODE OF CONDUCT



Making progress become reality

CONTENTS

- FOREWORD1
- DEFINITIONS 2
- I. THE GROUP'S COMMITMENT TO COMBATING CORRUPTION 4
- II. RECIPIENTS OF THE CODE OF CONDUCT 5
- III. EVERYONE'S CONCERN 6
 - 1. Commitments of the Group's senior executives and managers 6
 - 2. Commitments of employees 6
 - 3. Role of the ethics/compliance department 7
- IV. COMBATING CORRUPTION ON A DAY-TO-DAY BASIS..... 9
 - 1. Prevention 9
 - 2. Detection 10
 - 3. Documenting decisions 11
 - 4. Control and assessment 12
 - 5. Accounting..... 12
 - 6. Raising the alarm 13
 - 7. Sanctions 13
- V. TAKING ACTION AGAINST RISKY PRACTICES 15
 - 1. Gifts and hospitality..... 15
 - 2. Facilitation payments 16
 - 3. Patronage and sponsorship..... 16
 - 4. Conflicts of interest 17
 - 5. Use of intermediaries 18
 - 6. Political funding..... 20
 - 7. Interest representation and lobbying 21
- APPENDIX 1 23
- APPENDIX 2 25

FOREWORD

The Bouygues group first drew up an Anti-Corruption Compliance programme in 2014. It was revised in 2017 to include the requirements of France's Sapin 2 law of 9 December 2016.

In addition to the Code of Ethics, we also wished to update this programme to take the latest regulations into account and make it even more explicit and practical.

Since 2017, the fight against corruption has been stepped up in France and worldwide and regulatory requirements have become increasingly stringent, in particular due to the extra-territorial application of various laws. Breach of the rules can have extremely serious implications for the Group, its senior executives and employees, including heavy fines, prison sentences, and restriction of the Group's ability to bid for public and private contracts and raise funds.

It is therefore vital for everyone to understand, embrace and strictly observe the rules on the prevention of corruption.

Quite obviously, our Group does not tolerate any form of corruption. Refusal of all forms of corrupt practices must be a fundamental obligation for all senior executives, managers and employees.

We particularly draw the attention of senior executives and managers to their specific responsibilities in this respect. We urge them to read this Code carefully, to circulate it broadly among their employees and make sure that its rules on prohibition, prevention and control are implemented effectively both in France and abroad.

Employees must understand that the Bouygues group does not tolerate any violation of the rules prohibiting corruption. All employees must therefore receive anti-corruption training. Above all, they should know that they can count on their line managers and the Group and Business segment Ethics Officers if they are exposed to a situation or event involving corruption. An employee must never be left to handle such a situation alone.

Martin Bouygues
Chairman of the Board of Directors



Olivier Roussat
Group Chief Executive Officer



DEFINITIONS

Public official: anyone in a position of official authority, whether appointed or elected, including:

- anyone who is employed or used as an agent or representative by a national, regional or local authority, an entity controlled by one of those authorities or an independent administrative authority;
- anyone employed or used by a public agency;
- candidates running for public office;
- heads of political parties; and
- employees of international public organizations.

Corruption: corruption may be active or passive.

- **Active corruption** is giving or agreeing to give a French or foreign public or private entity or person an undue advantage in exchange for acting or refraining from acting in the exercise of their official duties in order to benefit the perpetrator. The offence is committed even if the advantage is not actually paid or given. Fraudulent intent does not have to be proved for the offence to be pursued and punished.
- **Passive corruption** is accepting or soliciting an undue advantage that meets the above conditions.

Senior executive: means the directors and corporate officers of each Group Entity.

Entity: means the French and foreign-law companies and Entities that are directly or indirectly "controlled" by the Group's Business segments.

Group: means Bouygues SA and all the French and foreign-law companies and Entities directly or indirectly "controlled" by Bouygues SA (including joint ventures controlled by Bouygues SA, the Business segments or their Entities). "Control" has the meaning given to it in the combined provisions of Articles L. 233-3 and L. 233-16 of the French Commercial Code (*Code de Commerce*) and consequently includes both *de jure* and *de facto* control.

Manager: each Business segment will define the concept of "manager" applicable to its scope based on its processes and activities.

Business segment: means, in this document, Bouygues SA and each of the Group's Business segments, which are, as of the date hereof, Bouygues Construction, Bouygues Immobilier and Colas (Construction businesses), TF1 (Media) and Bouygues Telecom (Telecoms).

Ethics Officer and Compliance Officer: each Business segment appoints its own Ethics Officer and a Group Ethics Officer is appointed within Bouygues SA. In principle, the Ethics Officer is the General Counsel of the relevant entity, and is in charge of the roll-out and implementation the Group's Code of Ethics, Anti-Corruption Code of Conduct and Compliance programmes and policies. He or she may be supported by a Compliance Officer who is responsible for the operational implementation of these matters.

Influence peddling: like corruption, influence peddling may be active or passive.

- **Active influence peddling** is bribing a person to use their actual or supposed influence over another person to obtain an advantage or favourable decision.
- **Passive influence peddling** is agreeing to use one's influence or soliciting an advantage or favour in exchange for using one's influence.

I. THE GROUP'S COMMITMENT TO COMBATING CORRUPTION

The Bouygues Group condemns all forms of active and passive Corruption and Influence peddling, whether in the public or private sector and whether committed in France or abroad.

As stated in the Group's Code of Ethics, acts of Corruption, Influence peddling and similar offences are totally contrary to its shared values and ethical principles. Consequently, the Group has a zero tolerance policy as regards corruption and any breach of the applicable rules will be subject to disciplinary action.

This commitment to combating Corruption is all the more justified in that any breach of the national or international regulations, even where highly localized or involving insignificant amounts, could have very serious implications for the Group, its Senior executives and employees. Apart from fines and prison sentences for its Senior executives, a breach of the anti-corruption rules could:

- restrict the Group's access to public and private contracts;
- limit its ability to conduct business (for example, confiscation of assets, discontinuation of or restrictions on various activities);
- make it more difficult to obtain bank credit or insurance and attract investors;
- lead to internal disorganization and have a negative impact on staff; and
- harm the Group's image on a lasting basis.

In 2017, the Group revised its anti-corruption compliance programme to include the requirements of the law of 9 December 2016 on transparency, the fight against corruption and modernization of business life (the "Sapin 2" law)¹. The revised compliance programme is now replaced by this Anti-Corruption Code of Conduct.

The Code sets out the anti-corruption information, prevention, detection, control and sanction measures to be implemented by the Group in France and abroad².

Each Business segment may add or adopt more restrictive rules than those contained in this Code based on its risk map or specific business features. However, any changes must first be approved by the Group Ethics Officer.

(1) Notably Article 17, II, 1° of the Sapin 2 law.

(2) In the case of a joint venture controlled jointly by a Group Entity and a partner where it is not possible to require compliance with this Code, the partner should be asked to make a contractual undertaking to respect standards that are at least equivalent to those set out in this Code.

II. RECIPIENTS OF THE CODE OF CONDUCT

This Code of Conduct applies to all employees and senior executives of the Group¹ in the course of their business activities, regardless of the Entity, project or country concerned.

Each Business segment must ensure that all Entities in its scope adopt and apply the Code of Conduct in France and abroad.

All Group employees have a duty to combat corruption in all its forms.

Lastly, the Group expects its stakeholders (customers, suppliers, sub-contractors, co-contractors and intermediaries) to apply standards that are at least equivalent to those set out in this Code of Conduct.

(1) In the case of a joint venture controlled jointly by a Group Entity and a partner where it is not possible to require compliance with this Code, the partner should be asked to make a contractual undertaking to respect standards that are at least equivalent to those set out in this Code.

III. EVERYONE'S CONCERN

1. Commitments of the Group's Senior executives and Managers

The commitment of the Group's Senior executives and Managers is vital to ensure that the Code of Conduct is circulated to and embraced by all employees.

The role of Senior executives is all the more crucial in that the Sapin 2 law makes them responsible for implementing and applying anti-corruption arrangements, including a compliance programme. If they fail to do so, sanctions may be imposed on them personally¹.

The Group therefore expects all Senior executives and Managers to lead by example by:

- refraining from all corrupt practices and similar offences;
- implementing the information and prevention measures described below; and
- assisting in detecting and punishing any employee who violates the Code of Conduct.

The Group's Senior executives and key Managers are required to make a written commitment to this effect, which will be renewed every two years to factor in changes in regulations, recommendations made by the control authorities and more stringent standards.

An essential pillar of the anti-corruption arrangements

Exemplary management leadership is fundamental. You are ambassadors for this Code of Conduct with regard to the Group's employees and stakeholders.

You must therefore apply a zero tolerance policy on Corruption within your Business segment or Entity. You are also responsible for creating a climate of trust in which all employees feel that they can express any concerns they may have about ethical issues.

2. Commitments of employees

All Group employees have a duty to combat Corruption in all its forms. Accordingly and under penalty of sanctions, including criminal sanctions, they shall not:

- allow themselves to be corrupted in any way or attempt to corrupt a private individual or public official either directly or through an intermediary; or

(1) See Article 17, IV and V of the Sapin 2 law.

- commit any offences similar to Corruption (Influence peddling, favouritism¹, unlawful acquisition of interests², money laundering³, etc.).

The Group therefore expects all employees to embrace this Code of Conduct and to demonstrate care and discernment at all times in the course of their activities.

To ensure that the fight against Corruption is embraced by our stakeholders (customers, suppliers, service providers, sub-contractors, co-contractors and intermediaries), employees should make sure that their dealings with them meet the Group's compliance standards.

In the front line

You are the front-line players in day-to-day compliance. The tools provided by the Group should enable you to answer any questions you may have about the detection of and fight against Corruption.

However, if you have a doubt or a question, you should seek advice from your line Manager, legal department, Compliance Officer or the Business segment or Group Ethics Officer.

3. Role of the ethics/compliance department

The Group provides the means required to combat breaches of probity.

The ethics/compliance department is headed by the Ethics Officer, who in principle is the Business segment's general counsel, supported by specific teams (and, as the case may be, a Compliance Officer).

The role of the ethics/compliance department is to:

- organize the roll-out and implementation of the Code of Conduct;
- advise employees on matters relating to the Code; and

(1) Under Article 432-14 of the French Criminal Code, "Any person holding public authority or discharging a public service mission or holding an elected public office or acting as a representative, administrator or agent of the State, local or regional authorities, public undertakings, mixed economy companies of national interest discharging a public service mission and local mixed economy companies, or any person acting on behalf of any of the above-mentioned bodies, who procures or attempts to procure for others an undue advantage through a practice that breaches the statutory or regulatory provisions intended to ensure freedom of access and equality for candidates tendering for public and public service concession contracts, will be punished by two years' imprisonment and a fine of €30,000."

(2) Under Article 432-12 of the French Criminal Code, "The taking, receiving or keeping, directly or indirectly, of an interest in a business or business operation by any person holding public authority or discharging a public service mission, or any person holding an elected public office who at the time in question has the duty of assuring, in whole or in part, its supervision, management, liquidation or payment, will be punished by five years' imprisonment and a fine of €500,000 or, if higher, twice the amount of the proceeds from the offence."

(3) Under Article 324-1 of the French Criminal Code, "Money laundering is facilitating by any means the false justification of the origin of the assets or income of the perpetrator of a crime or offence that has brought the perpetrator a direct or indirect benefit. Money laundering is also assisting with investing, concealing or converting the direct or indirect proceeds of a crime or offence. Money laundering is punishable by five years' imprisonment and a fine of €375,000."

- provide additions or illustrations to the Code where warranted by the Business segment's specific features following a risk analysis. Any additions must be approved by the Group Ethics Officer.

Each Business segment has an Ethics Committee reporting to the Board of Directors. It meets regularly to review ethics issues and to assess the Corruption prevention and detection arrangements in place. It also contributes to defining the rules of conduct and action plans that will guide the conduct of senior executives and employees.

IV. COMBATING CORRUPTION ON A DAY-TO-DAY BASIS

1. Prevention

Information

To ensure that all senior executives and employees understand and embrace the Code of Conduct as best possible, it is available at all times on the Group Intranet and the Intranets of each Business segment, or by any other means determined by the Business segments.

Based on their arrangements, the Business segments regularly check that the content of the Code and the Group's commitment to the fight against corruption are known by everyone. They must provide their senior executives and employees with any information that may be useful to them in their activities, such as:

- memos about practices that require special attention with regard to the fight against corruption;
- alerts and legal or regulatory memos on anti-corruption legislation (recommendations by the authorities, case law, amendments to the laws), to be circulated promptly; and
- any information about the integrity of a stakeholder, in conjunction with the Business segment's legal department and, as the case may be, with specialized advisers and outside service providers.

Lastly, Business segments must use best efforts to ensure that their customers, key suppliers, sub-contractors, co-contractors, consultants, intermediaries and partners comply with the Code of Conduct or apply equivalent standards.

Training

The Business segments devise and implement a training programme adapted to their business activities and the geographies in which they operate. This programme should include:

- A **mandatory training** module for all employees, covering the Code of Conduct and rules on bribery and corruption.
- A **more specific in-person training** module for those senior executives and employees most exposed to corruption and influence peddling risks¹.

Contractual framework

The Business segments identify contracts that must include anti-corruption provisions.

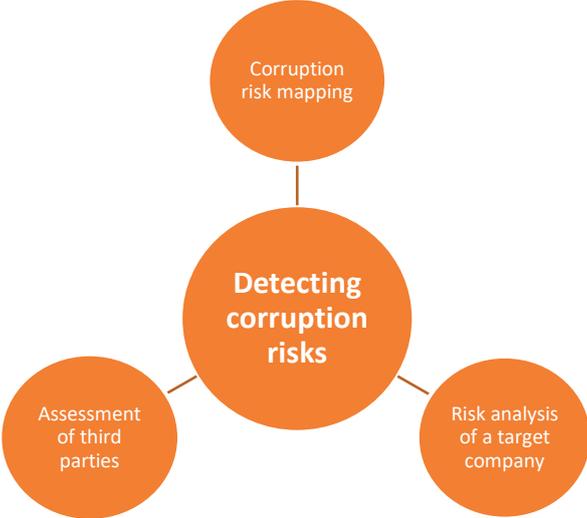
(1) For example, employees liable to be posted to countries with a Transparency International Corruption Perceptions Index of 50 or less (see link in Appendix 2 for the latest index).

Such provisions should at the very least be included in the following documents:

- contracts presenting a Corruption risk (e.g. partnership or joint venture agreements, sponsorship and patronage agreements, company acquisition agreements, contracts with intermediaries);
- individual employment or engagement contracts for employees exposed to a Corruption risk in the course of their work (e.g. an employee with responsibility for a subsidiary, Entity or project, a sales or purchasing department); and
- delegations of authority conferred on the senior executive responsible for an Entity, department or project or who is authorized to make financial commitments or exercises a function in a sales or purchasing department.

2. Detection

The Group has implemented several tools to ensure that the Corruption risks specific to its business activities are detected early on. In this respect, compliance checks must be performed before starting any major project or new business activity or opening a new business operation.



Corruption risk mapping

The Business segments draw up a risk map to identify, analyse and rank the risks of their Entities' exposure to external solicitations of Corruption. The risk map should take into account the business sectors and geographies in which the Entities operate. The need to update the risk map should be assessed annually.

Assessment of third parties

The Business segments implement procedures to assess the position of their customers, key suppliers, intermediaries and, more generally, their partners based on the Corruption risk map. These assessments must be effective, detailed, documented and updated based on the third party's risk level and developments in the relationship.

Risk analysis of a target company

The Group requires a stringent analysis of Corruption risk to be carried out before any merger or acquisition involving a target company.

Assessment of third parties: factors to be taken into consideration

A risk analysis of a partner may involve the following steps depending on the relevant Business segment or Entity's risk map:

- understand its background and environment;
- obtain information about its shareholder structure, key executives and beneficial owners¹;
- seek to establish whether it has any relationships with public officials;
- identify any convictions for breach of probity or any legal proceedings pending against it;
- determine the main elements of its anti-corruption arrangements; and
- document all stages of the analysis.

In the event of an audit, all of this information will be required by the authorities.

3. Documenting decisions

The legal departments of each Business segment should implement an adequate retention policy for all documentation arising from application of the Code of Conduct, including the Corruption risk map, third party assessments and risk analyses performed.

This document retention policy must enable a Business segment or Entity to demonstrate that its business dealings comply with the applicable regulations.

Documents should be retained for a sufficient period of time, which must be at least five years.

(1) The beneficial owner is the individual or individuals that directly or indirectly own more than 25% of a company's shares, or exercise control over the administrative or management bodies of a collective investment scheme or, as the case may be, the investment management firm representing it. See Article R.561-2 of the French Monetary and Financial Code.

4. Control and assessment

The rules and principles set out in the Code of Conduct are only effective if they are regularly controlled, assessed and improved.

All Senior executives and Managers with operational responsibility for a Group Entity must ensure that all business dealings are conducted duly and properly, that appropriate controls are in place and that the assessment resources made available by the Group or Business segment are used.

Business segments should implement several levels of control and assessment of the Code of Conduct's proper application:

- **Level 1:** all employees are responsible for making sure that the business activity complies with the applicable legislation.
- **Level 2:** internal control within the Business segment ensures that self-assessments are properly performed. An internal control report is sent to the Ethics Officer and Compliance Officer. The Compliance Officer uses the internal control report to report on the implementation of the Code of Conduct, improvements made or to be made, difficulties encountered and action plans to be implemented.
- **Level 3:** regular audits are performed by the Business segments and Bouygues SA's internal audit departments to ensure that the Group's operations are conducted in compliance with the principles of the Code of Conduct and the Group and Business Segment's internal control framework. The audit reports are sent to the Ethics Officer and the Compliance Officer of the Business segment and the Group, and to the Ethics Committee. If necessary, the Code of Conduct will be reinforced on the basis of the audit findings.

Compliance as a criterion in the annual appraisals of Senior executives and Managers

Implementation of the Code of Conduct and care taken with regard to anti-corruption practices will be taken into consideration in the annual appraisals of the Group's Senior executives and Managers.

Any shortcomings or failings during the year in the prevention and detection of Corruption within their subsidiary will therefore be taken into account and will be liable to affect their annual appraisal.

5. Accounting

The Group ensures that its funds and other assets are used for good faith commercial purposes, in particular by recording its business operations and transactions accurately and fairly in each Entity's accounts, in accordance with the applicable regulations and internal procedures.

All senior executives or employees who make accounting entries must be rigorous and properly document each entry. Furthermore, all transfers of funds require specific care, in particular regarding the identity of the beneficiary and the reason for the transfer.

Lastly, the accounting and finance departments must be closely involved in these matters.

6. Raising the alarm

The Group's Code of Ethics encourages freedom of expression. Employees and senior executives may report a concern or question about a practice that contravenes the Code of Conduct to their line Manager, legal department, or Compliance or Ethics Officer.

The Group has set up an internal whistleblowing facility for employees (including external and occasional staff), senior executives and stakeholders to report their concerns about (i) a crime or offence, (ii) a threat or harm to the public interest, (iii) a violation or attempt to conceal a violation of an international undertaking ratified or approved by France or a unilateral action taken by an international organization on the basis of such an undertaking, European Union law or the laws and regulations, or (iv) a violation of the Code of Conduct. Any concerns or questions raised under this internal whistleblowing facility should be reported to the Ethics Officer of the relevant Business segment. If the whistleblower believes that the situation goes beyond the scope of the Business segment, he or she may report it directly to the Group Ethics Officer. Likewise, the Business segment Ethics Officer may pass on an alert to the Group Ethics Officer if he or she believes that the situation goes beyond the scope of the Business segment.

The procedure for reporting, receiving and dealing with alerts is described in the appendix to the Code of Ethics entitled "Whistleblowing facility - procedure and rules pertaining to the receipt and processing of whistleblowing alerts".

Do not turn a blind eye

No one should turn a blind eye to any form of corrupt practice.

As far as the judicial authorities are concerned, you could be considered as an accomplice if you fail to prevent unlawful behaviour which you know about and have the means to prevent.

If you witness an act of Corruption, it is your duty to report it promptly. The relevant Entity or Business segment will then decide whether or not to report it to the authorities, in conjunction with the Ethics Officer and legal department.

7. Sanctions

Acts of Corruption or failure to prevent them are liable to punishment by the administrative and judicial authorities as described in Appendix 1 to this Code of Conduct. Senior executives or employees will remain personally liable for any fines imposed on them by a court.

Based on its zero tolerance policy as regards Corruption, the Group will take any measures it deems necessary if it discovers a breach of the compliance rules.

In any event, sanctions and remediation measures will be taken, which include:

- removal of a senior executive from office or disciplinary action against an employee (which may go as far as dismissal) in the event of a breach of the Code of Conduct or an act exposing his or her Entity, Business segment or Bouygues SA to the consequences of an act of Corruption;
- legal proceedings accompanied by civil action where corrupt practices are discovered; and
- termination of contractual relations with any sub-contractor, co-contractor or partner that engages in an act of Corruption.

V. TAKING ACTION AGAINST RISKY PRACTICES

Being offered a trip by a supplier, sponsoring a football team, funding a charitable cause, becoming a shareholder in a client company, paying a commission to an agent to expedite customs clearance of a goods delivery, or making contact with a legislator in charge of a "sensitive" law for the Group are all situations that may confront senior executives and employees of the Group and may presents corruption risks.

It is vital for everyone to be able to identify these risky practices and know how to react to them so as to avoid any liability either to themselves or the Group.

1. Gifts and hospitality

Although giving and receiving gifts and hospitality is an integral part of business life, it can affect the impartiality of the person giving or receiving them. In early 2020, the Group issued a "Gifts and hospitality" policy setting out the circumstances in which employees may give or accept gifts and hospitality.

The policy prohibits senior executives and employees from giving or receiving gifts or hospitality that do not comply with the policy in nature (capital goods, cash, debt forgiveness, etc.), value (exceeding the thresholds set by internal rules) or timing (during tender invitations or decision-making).

Depending on the amount, therefore, gifts or hospitality should either be reported to or authorized by your line Manager, where necessary after obtaining advice from the Compliance Officer or legal department. Any such gifts or hospitality must be traced and, where applicable, recorded clearly in the company's accounts.

Gifts and hospitality: good practices

In any circumstance where you may wish to give or receive a gift or hospitality, you should refer to the Group's "Gifts and Hospitality" policy and, where applicable, that of the relevant Business segment.

Ask yourself the following questions:

- Am I comfortable with this gift or hospitality?
- Would I be comfortable if the gift or hospitality were to be known about?
- What is the context? Is the gift or hospitality a business courtesy or an incentive?
- Is the gift or hospitality reasonable with regard to usual business practices?
- Will I remain independent if I give or receive this gift or hospitality?
- Could the image of my Entity, Business segment or the Group be negatively affected by it?

In case of doubt, you should contact your legal department or Compliance Officer.

2. Facilitation payments

Facilitation payments are undue payments made to (or solicited by) public officials to facilitate a transaction or expedite a routine administrative procedure (customs clearance of goods, obtaining a visa, permit, etc.) that may be legitimately requested.

The Group's position is to prohibit senior executives and employees from making any facilitation payments except where payment is demanded by force or under threat to the employee's life, physical well-being or safety.

3. Patronage and sponsorship¹

The Group values patronage actions, which further its objective of contributing to public life, as stated in the Code of Ethics. It also encourages contributions to sports, cultural, artistic and scientific events that are in keeping with the values it promotes.

However, patronage actions like sponsorship can present Corruption risks inasmuch as they can be used as a means to conceal and/or indirectly commit an unlawful act.

Patronage means donating money, goods or services to public interest causes.

Sponsorship is contributing to funding an organization or event such as a seminar, a conference or sports event, in order to obtain a potential commercial benefit from its visible participation in or association with the event. It therefore aims to promote the commercial image of a product or brand through advertising messages among other things.

Sponsorship actions must have a lawful purpose and must never be a means to conceal and/or indirectly commit an unlawful act (unlawful payment, corruption, influence peddling, etc.), and/or participate in activities prohibited by the Group (for example, funding of political parties).

Participation in any patronage or sponsorship action is therefore prohibited when:

- it is intended to obtain or retain a contract, decision or authorization;
- it is an incentive to carry out a project or takes place at a strategic time that could affect the interests of the relevant Business segment or Entity (tender invitation in progress, application for an authorization pending, etc.);
- the beneficiary and/or its senior executives have a criminal record or their management has been found wanting by their control organizations (in France, the Audit Court – *Cour des Comptes*);

(1) This section does not cover advertising sponsorship which is governed by Decree no. 92-280 of 27 March 1992 on the obligations of advertising, sponsorship and teleshopping service providers.

- the beneficiary is evidently seeking a personal gain or adopts behaviour or management practices suggesting that its members might or could embezzle funds;
- the employee behind the sponsorship action obtains a direct personal benefit from it; or
- the sponsorship action does not contribute in any way to the relevant Business segment or Entity's marketing or communications policy.

For patronage actions, the Business segments should set the framework for their patronage policy in conjunction with their Ethics Committee. Where a patronage action does not meet the conditions set out in the policy, the Business segment's Ethics Committee must be consulted to approve the action, the beneficiary and the form of the contribution.

Lastly, for each patronage or sponsorship action, the Group requires:

- a probity risk analysis to be performed on the beneficiary;
- the contribution to be set out in a formal written contract;
- the senior executive or employee behind the action to certify the relationship (or lack of relationship) with the beneficiary of the action; and
- the contribution to be monitored to ensure that it is used for the purpose set out in the contract.

Patronage or sponsorship actions: sensitive issues

A Business segment is responding to a tender invitation made by a municipal authority. The mayor of the town invites the Business segment employee in charge of the tender invitation to sponsor the town's sports competition during the same period.

What to do:

You should always be very careful about the context of the patronage or sponsorship action. This type of action is strictly prohibited while the Business segment is in negotiations with the municipal authority.

In case of doubt, you should contact your Business segment's Compliance Officer or legal department.

4. Conflicts of interest

There is a conflict of interests when the personal interests of a senior executive or an employee conflict or compete with the interests of the relevant Group entity.

The Code of Ethics prohibits senior executives and employees from directly engaging in an activity that would create a conflict of interest with their Entity or Business segment. Should a senior executive or employee find themselves in a potential or actual conflict of interest situation, they should refer to their line Manager without omitting any facts.

The Group has adopted a Conflicts of Interest Compliance programme.

Reporting a conflict of interest

Your sister-in-law is the CEO of a company that wants to become a new supplier to your Business segment. Your job allows you to influence the supplier selection process.

What to do:

You should report this conflict promptly to your line Manager, who will consult the Compliance Officer or legal department on the appropriate measures to take (for example, not taking part in the selection process, taking appropriate measures to keep the relevant documents confidential, etc.).

5. Use of intermediaries

Definition of intermediary

An intermediary is any entity or person, no matter what their status or business sector, that acts as a middleman between a third party in the public or private sector and the Group or one of its Business segments or Entities to assist in obtaining a contract, commitment, decision or authorization of any kind.

A person that merely provides technical consulting services or intellectual services, without acting as a middleman, is not an intermediary as defined in the previous paragraph. It is up to the relevant Senior executive or employee to assess whether or not the person or entity they intend to appoint is an intermediary. In case of doubt about the proposed service, you should consult your legal department or Compliance Officer.

Group's position

The use of intermediaries is strictly prohibited by the Group where the purpose is to carry out activities which the Group, its Business segments or Entities are not allowed to do themselves or if there is still a serious doubt about the intermediary's integrity even after taking all due precautions.

In some situations, for example when an Entity wishes to enter a new market or needs the assistance or support of a qualified professional to conduct negotiations or other commercial actions, use of an intermediary may be envisaged.

However, this practice may involve risks as the entity seeking the intermediary's assistance or support may be subject to heavy penalties should the intermediary engage in any corrupt practices. The use of intermediaries should therefore be considered carefully.

Furthermore, greater care should be taken when selecting an intermediary and in all subsequently dealings with that intermediary when:

- the intermediary negotiates with public officials;
- the intermediary is proposed or imposed by a third party (public official, customer, etc.); or
- a local law requires the use of an intermediary for the transaction envisaged.

In principle, an individual may not be used to act as intermediary. However, there may be exceptions to this principle if prior authorization is obtained from the relevant legal department or Compliance Officer. Exceptions must be justified and set out formally in a procedure to be submitted for approval to the Business segment Ethics Officer and the Group Ethics Officer.

Business segments may prohibit or restrict the use of certain types of intermediary based on their own risk map.

Prior approval

Employees wishing to use an intermediary must first consult with the relevant legal department or Compliance Officer and carry out the following checks:

- Is the intermediary a legal entity?
- Does it have legal existence and a real place of business?
- Does it file accounts?
- Who are its beneficial owners?
- Does it have sufficient experience and reputation in its field and adequate resources for the purpose (are its business activities real, is providing the relevant service its usual business activity, are its customers serious, does it have genuine knowledge of the relevant sector or country, etc.)?

Red flags

When you perform a risk analysis, you should pay special attention to the following:

- any potential conflicts of interest;
- personal and/or professional relationships between the intermediary and public officials;
- difficulty in obtaining the information required to carry out a risk analysis;
- any suspicious or unexplained demands by the intermediary (anonymity, exclusive relationship with the customer, etc.);
- any convictions for breach of probity by the intermediary, one of its senior executives or one of its shareholders;
- the payment terms proposed by the intermediary (cash, payment to a bank account in a tax haven, or to an account other than that of the intermediary, etc.) or the amount of the fee charged; and
- the intermediary's refusal to undertake to comply with anti-corruption regulations.

The decision to use an intermediary is based on the number and importance of any red flags identified, in conjunction with the relevant legal department, Compliance Officer or Ethics Officer.

Contractual relationship

Any business relationship with an intermediary must be governed by a contract drawn up with the help of the legal department or Compliance Officer. The contract is signed by a corporate officer of the relevant Business segment or Entity.

It must set out the contractual framework for the services to be provided by the intermediary and must include an anti-corruption clause.

Exceptions to these principles may be requested by the Business segments depending on their business activities. Exceptions must be justified and set out formally in a procedure to be submitted for approval to the Business segment Ethics Officer and the Group Ethics Officer.

An up-to-date list of intermediary contracts (and any amendments) should be prepared and sent regularly to the relevant Business segment's Ethics Officer.

Intermediary's fee

An intermediary's fee must be agreed contractually and must always reflect a fair payment for genuine, justifiable services. Accordingly, the fee must:

- be proportionate to the length and complexity of the service provided;
- include a fixed component and if a success fee is included, the amount of the success fee may not exceed the amount of the fixed component. The structure and terms of any success fee must first be approved by the Ethics Officer of the relevant Business segment;
- be paid on a percentage of completion basis and be conditional upon the intermediary's presentation of invoices documenting the services rendered (research, contract performance documents, reports, minutes of meetings, etc.); and
- be paid to a bank account in the country where the relevant project is located. If the intermediary is not based in that country, the fee may be paid in the country where the intermediary has its principal place of business.

Exceptions to these principles may be requested by the Business segments depending on their business activities. Exceptions must be justified and set out formally in a procedure to be submitted for approval to the Business segment Ethics Officer and the Group Ethics Officer.

6. Political funding

In France, it is strictly prohibited for legal entities to fund political parties or the career of a politician or candidate running for office. The same is true in many other countries.

The Group's general policy is not to contribute to funding political parties or politicians whether directly or indirectly through NGOs, think tanks, foundations, etc.

7. Interest representation and lobbying

The Group engages in interest representation or lobbying¹ to make its activities better known and understood. Senior executives of the Group and the Business segments are responsible for defining and determining lobbying objectives and policies. These policies must comply with the applicable regulations and must be in line with the Group's values.

Senior executives or employees involved in lobbying activities

Senior executives or employees involved in lobbying activities are expected to behave with probity and integrity in compliance with the applicable regulations, the Group's Code of Ethics and this Code of Conduct.

In France, the Business segments are responsible for registering, updating and reporting information on companies, Senior executives and employees in their scope who engage in lobbying activities in France to the French High Authority for Transparency in Public Life (HATVP).

Senior executives or employees involved in lobbying must:

- refrain from corrupt, unfair or anti-competitive practices, and in particular from offering a prohibited advantage with a view to influencing the decision of a public decision-maker;
- comply with their duty of transparency and reporting with regard to the HATVP;
- ensure that their Entity complies with the registration arrangements for the relevant registers and the specific rules governing the lobbying activity envisaged;
- refrain from inciting anyone to violate the ethical rules applicable to them;
- undertake not to attempt to obtain information or decisions through fraudulent means;
- refrain from using information obtained in the course of their activities for commercial or publicity purposes;
- refrain from selling copies of documents emanating from a government, administrative or independent public authority to third parties;
- ensure that trade organizations and think tanks of which Group representatives may be members comply with anti-corruption regulations.

Recourse to a third party for lobbying purposes

The provisions of this Code of Conduct regarding risk analysis, fees and contractual relationships applicable to intermediaries also apply to interest representatives.

A third-party interest representative must undertake to comply with the anti-corruption regulations.

(1) Lobbying means contributing to public debate about the drafting or implementation of a law, regulation or public policy by giving an opinion or providing technical expertise.

The hiring of or recourse to the services of former political or elected figures (Ministers, heads of local authorities, etc.) or civil servants of national or international institutions must comply with the rules governing their status (e.g. time lapse after standing down, etc.). In any event, their services may not be used for lobbying purposes in areas covered by their previous functions until the legal time has elapsed after they stand down.

Use of a lobbying firm: red flags

You wish to appoint a lobbyist. You should not do so if the lobbyist:

- cannot demonstrate the experience and resources required for the purpose;
- refuses to accept the mandatory clauses in the written contract;
- refuses to be registered on the relevant registers (for example, the HATVP's directory of interest representatives in France, the European transparency register);
- has a record of convictions for corrupt practices or similar offences.

APPENDIX 1

PROVISIONS OF THE SAPIN 2 LAW: ESCALATION OF THE FIGHT AGAINST CORRUPTION

France's Sapin 2 law introduced several ambitious measures designed to detect and prevent corporate Corruption. The new law has brought French anti-corruption legislation into line with that of many other countries.

Implementing a compliance programme

The law requires companies above a certain size to implement a compliance programme based on eight key pillars:

- adopting a code of conduct;
- an internal whistleblowing facility enabling employees to report situations in breach of the company's code of conduct;
- risk mapping;
- procedures to assess the situation of customers, key suppliers and intermediaries based on the risk map;
- internal or external accounting control procedures;
- training for managers and staff most exposed to Corruption and Influence peddling risks;
- disciplinary arrangements to sanction employees who breach the company's code of conduct;
- internal control and assessment arrangements for measures implemented.

Creation of the French Anti-Corruption Agency (AFA)

The AFA's role is to assist the competent authorities in preventing and detecting corrupt practices and similar offences. It plays a supervisory role and has its own power of sanction.

It is responsible for supervising compliance with measures and procedures to prevent and detect corruption that large companies are required to implement. Its personnel may perform on-site audits at a company's premises. Following these audits, the AFA may caution a company and, as appropriate, refer the matter to its sanctions board. The sanctions board may order the company to adapt its internal procedures and impose a fine on the company and those Senior executives considered to have breached the rules.

The AFA will also report any matters that come to its attention, which might constitute a crime or offence, to the national public prosecutor or the national public prosecutor for financial crime.

Deferred prosecution agreement

Along similar lines to the deferred prosecution agreements (DPA) that exist in the United States and the United Kingdom, the Sapin 2 law introduced the possibility for an organization accused of Corruption to reach an agreement with the national public prosecutor.

This innovative procedure allows the organization to reach a settlement with the prosecutor rather than become involved in a lengthy trial, the outcome of which may be uncertain. The company will be required to pay a public interest fine to the Treasury department, capped at 30% of its average annual sales of the last three years. It may also be required to submit to a compliance programme for up to three years under the AFA's supervision.

Extending the jurisdiction of the French courts

The Sapin 2 law reaffirms and extends the extra-territorial jurisdiction of the French courts. Their authority now extends to offences committed by a legal entity or a person that habitually resides in or conducts at least part of its business activities in France, regardless of nationality.

The new law has also lifted a number of obstacles that previously impeded the action of the French courts, which now have jurisdiction:

- even where the alleged behaviour is not punishable under the legislation of the country where the wrongdoing was committed;
- even where the victim has not taken action in that country; and
- without the need for the public prosecutor to have previously initiated proceedings.

The French criminal courts, like their UK and US counterparts, now have broader jurisdiction in corruption matters.

Heavier penalties on individuals

Since the Sapin 2 law came into effect, the government's policy has leaned increasingly towards more severe and systematic punishment of individuals who engage in corrupt practices. This means that notwithstanding any deferred prosecution agreement entered into by the company, legal action may still be taken against its Senior executives and employees who have committed a breach of probity. The courts make this objective a principle of action.

Protection of whistleblowers

The Sapin 2 law protects whistleblowers and relieves them of any criminal liability if they are forced to disclose secret information protected by law.

It also gives a whistleblower the right to refer directly to the legal or administrative authority in the event of serious or imminent danger or the risk of irreversible damage.

It also requires all companies with at least 50 employees to implement an appropriate whistleblowing facility for members of staff and external or occasional workers.

APPENDIX 2

USEFUL LINKS AND REFERENCES

France: French Anti-Corruption Agency (AFA)

AFA recommendations

<https://www.agence-francaise-anticorruption.gouv.fr/files/files/Recommandations%20AFA.pdf>

Code of Conduct

<https://www.agence-francaise-anticorruption.gouv.fr/files/2018-09%20-%20Code%20de%20conduite%20-%20D2AE.pdf>

Facilitation payments

<https://www.agence-francaise-anticorruption.gouv.fr/files/2019-07/2018-09 - Paiement de facilitation - D2AE -.pdf>

Conflicts of interest

https://www.agence-francaise-anticorruption.gouv.fr/files/files/AFA_Guide_conflits_dinterets.pdf

Corruption risk mapping

<https://www.agence-francaise-anticorruption.gouv.fr/fr/document/cartographie-des-risques-corruption>

Assessing the integrity of third parties

<https://www.agence-francaise-anticorruption.gouv.fr/files/2019-07/2018-09%20-%20Evaluation%20des%20tiers%20-%20D2AE.pdf>

Internal anti-corruption whistleblowing facility

<https://www.agence-francaise-anticorruption.gouv.fr/files/2019-07/2018-09%20-%20Dispositif%20d%27alerte%20interne%20-%20D2AE.pdf>

Practical guide on corporate anti-corruption compliance

<https://www.agence-francaise-anticorruption.gouv.fr/fr/guide-pratique-fonction-conformite-anticorruption-dans-lentreprise>

Practical guide on anti-corruption due diligence in mergers and acquisitions

<https://www.agence-francaise-anticorruption.gouv.fr/files/files/Guide%20pratique%20fusacq%202021-02%20DEF-2-19.pdf>

Practical guide on the gifts and hospitality policy in companies, industrial and commercial public undertakings, NGOs and foundations

<https://www.agence-francaise-anticorruption.gouv.fr/files/files/Guide%20pratique%20politique%20cadeaux%20et%20invitations.pdf>

United States

FCPA A Resource Guide to the US Foreign Corruption Practices Act

<https://www.justice.gov/sites/default/files/criminal-fraud/legacy/2015/01/16/guide.pdf>

FCPA Guidance (June 2020)

<https://www.justice.gov/criminal-fraud/page/file/937501/download>

United Kingdom

The Bribery Act 2010: Guidance about procedures which relevant commercial organisations can put into place to prevent persons associated with them from bribing
<https://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf>

Transparency International

The Corruption Perceptions Index (CPI)
<http://www.transparency.org/cpi>

BOUYGUES GROUP

32 avenue Hoche

F-75378 Paris cedex 08

Tel.: +33 (0)1 44 20 10 00

bouygues.com

Twitter: @GroupeBouygues



IMPORTANT NOTICE

**This document gives an overview
of the rules in effect
at 30 January 2022.**

**It will be revised as necessary
and the amendments will be posted only
on the Intranet and on bouygues.com.**

2014 • Revision: January 2022

The Bouygues group Code of Ethics,
Anti-Corruption Code of Conduct and
Compliance Programmes
(Competition, Financial Information and
Securities Trading, Conflicts of Interest
Embargoes and
Export Restrictions) are
accessible on the Group's Intranet
(ByLink).

The Bouygues logo, consisting of the word "BOUYGUES" in white, uppercase, sans-serif font, centered within a red, rounded rectangular border.

BOUYGUES