

# DEFENCE COMPANIES INDEX (DCI) ON ANTI-CORRUPTION AND CORPORATE TRANSPARENCY 2020

## FINAL ASSESSMENT

### BECHTEL CORPORATION

The following pages contain the detailed scoring for this company based on publicly available information.

The table below shows a summary of the company's scores per section:

Section	Number of Questions*	Score Based on Publicly Available Information
1. Leadership and Organisational Culture	4	8/8
2. Internal Controls	6	10/12
3. Support to Employees	7	12/14
4. Conflict of Interest	4	7/8
5. Customer Engagement	7	9/14
6. Supply Chain Management	5	8/10
7. Agents, Intermediaries and Joint Ventures	10	13/20
8. Offsets	1	2/2
9. High Risk Markets	4	4/8
10. State-Owned Enterprises	0	N/A
<b>TOTAL</b>		<b>73 / 96</b>
<b>BAND</b>		<b>B</b>

\*This column represents the number of questions on which the company was eligible to receive a score; i.e. where the company did not receive a score of N/A.

## 1. Leadership and Organisational Culture

Question
<b>1.1. Does the company have a publicly stated anti-bribery and corruption commitment, which is authorised by its leadership?</b>
Score
<b>2</b>
Comments
There is evidence that the company has a publicly stated anti-bribery and corruption commitment, which details the company's stance against any form of bribery or corruption and is endorsed by the President and Chief Operating Officer. Although the statement does not specifically mention bribery and corruption, its position appears as part of the Anti-Corruption Compliance Guidelines and so is sufficient to receive a score of '2'.
Evidence
<p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a></p> <p>[p.5] At Bechtel, uncompromising integrity, honesty, and fairness are at the heart of our company. We achieve success through the excellence of our people and the quality and value of our products and services. Corruption directly conflicts with these values. There is no place for it in our business, and we do not tolerate it.</p> <p>[p.6] "Ethical conduct is a Bechtel Value and an expectation for all Bechtel people. Our people holding themselves to the highest standards of ethical conduct and behavior is what enables the Company's reputation for uncompromising ethics. We will protect this above all else."</p> <p>—Jack Futcher,  President and Chief Operating Officer</p> <p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a></p> <p>[p.1] Ethics. Uncompromising integrity, honesty and fairness are at the heart of our company</p> <p>At the beginning of every customer relationship, we sit down together and define what good looks like in terms of being a good partner. As part of that, I give every customer a copy of our Vision, Values &amp; Covenants and say, 'this is our ultimate measure of success. If we're not living up to this, pick up the phone and call me, and we will fix it.'</p> <p style="text-align: right;">Brendan Bechtel, Chairman of the Board &amp; Chief Executive Officer (CEO)</p>

Question
<p><b>1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories:</b></p> <p>a) All employees, including staff and leadership of subsidiaries and other controlled entities;  b) All board members, including non-executive directors.</p>
Score
2
Comments
<p>There is evidence that the company publishes an anti-bribery and corruption policy which makes specific reference to the prohibition of bribery, payments to public officials, commercial bribery and facilitation payments. This policy clearly applies to all employees and board members as described in (a) and (b) in the question.</p>
Evidence
<p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>  [p.5] At Bechtel, uncompromising integrity, honesty, and fairness are at the heart of our company. We achieve success through the excellence of our people and the quality and value of our products and services. Corruption directly conflicts with these values. There is no place for it in our business, and we do not tolerate it.</p> <p>[...]</p> <p>Because corruption is so widespread and its effects are so damaging, almost all countries have passed or are in the process of passing laws against it. Some anti-corruption laws focus on bribery of government officials, but the prohibitions described in this guide and in our Code of Conduct apply to improper payments to private individuals—commercial bribery—as well.</p> <p>[p.7] Bechtel is committed to full compliance with all domestic and international anti-bribery laws, regulations, and conventions that prohibit corrupt actions in obtaining or retaining business or obtaining any other improper advantage.</p> <p>Bechtel policy prohibits making facilitating payments, that is, payments to secure performance of routine government actions.</p> <p>[...] Put simply, Bechtel does not pay bribes of any amount to anyone.</p> <p>[p.24] Facilitating payments are strictly prohibited by Bechtel policy.</p> <p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.3] To Whom Does it Apply?  Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.</p> <p>[p.41] Bechtel policy prohibits making facilitating payments (i.e., payments to secure performance of routine government actions). Engaging in or not reporting behavior that violates, or has the potential to violate, the standards set forth in the FCPA or the other anti-bribery laws and regulations will not be tolerated by Bechtel. All employees and anyone working on behalf of Bechtel must ensure that all interactions and transactions with government officials, their representatives or members of their families, employees of companies that are wholly or partially owned by a government entity, and any other persons are consistent with relevant anti-bribery laws.</p> <p>What Behavior is Expected?</p>

- Comply with all applicable laws and regulations prohibiting payment or giving, or offering to pay or give, anything of value, either directly or indirectly, to a government official, his or her representatives, a family member of a government official, a private individual, or employees of companies wholly or partially owned or controlled by a government entity or any other person
- Be aware that Bechtel policy prohibits making facilitating payments; make no payments to ensure or expedite the performance of ministerial or clerical duties by government functionaries
- Never allow joint venture or consortium partners, subcontractors, suppliers, agents, consultants, intermediaries, or others to make prohibited payments on Bechtel's behalf; ensure that all Bechtel business associates agree contractually that they will not engage in any behavior that would constitute a violation of the standards of the FCPA, the UK Bribery Act, or any other applicable anti-bribery law
- Seek advice in advance from the Legal Department, your organization's Ethics & Compliance officer, or the Ethics Helpline before offering any gifts, entertainment or other hospitality, meals, travel expenses, or charitable donations to a government official
- Report any observed conduct that potentially violates any anti-corruption law to the Legal Department, your Ethics & Compliance officer, or the Ethics Helpline

[p.42] What are some examples of facilitating payments and who is likely to request them?

Facilitating payments are small payments to secure routine actions to which Bechtel or its employees, customers, subcontractors, or suppliers are otherwise entitled such as processing government paperwork, providing police services, issuing licenses or visas, and processing goods through customs. These requests are likely to come from government employees such as customs agents, tax collectors, harbor masters, permitting authorities, mail carriers, and police officers, all with regard to providing personal benefit to the individual for the performance of services that they are in any event required to perform as a consequence of their position.

I understand that facilitating payments are legal under the FCPA. Why are they prohibited by Bechtel?

Although the FCPA does include an exception for facilitating payments, there is no similar exception in the UK Bribery Act. These payments are prohibited because they are a form of corruption and are illegal under the local laws of almost every country. Such payments often open the door for additional requests that may be more serious. Once a payment is made, it is virtually impossible to avoid making follow-on payments for the same service.

#### **[4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/>

Policy 102: Ethical Business Conduct  
Statement of policy

Building on a family heritage that spans over 100 years, Bechtel is committed to the highest global standard of ethical business conduct. This ethical standard is one of the company's most valuable assets and is a direct result of the conduct of its employees. The company will conduct all business transactions in a proper, fair, impartial, and ethical manner, avoiding even the appearance of impropriety. Bechtel will do business with clients and others who share our values and standards of conduct.

All Bechtel employees will observe and maintain high standards of ethical conduct in their relationships with clients, suppliers, subcontractors, communities, fellow employees, and others, wherever they work. Any action taken by Bechtel or its employees, representatives, or agents must be fully justifiable and not raise questions as to the company's honesty, impartiality, or reputation, or otherwise cause embarrassment to the company.

Bechtel employees must avoid any interest, relationship or outside activity that could affect the employee's objectivity in making decisions concerning his or her Bechtel duties and responsibilities. These global standards of conduct also apply to members of the board of directors, agents, consultants, contract personnel, licensors, and others, when they are representing or acting for, or on behalf of, Bechtel.

All Bechtel entities and affiliates, and their employees worldwide, will act in full compliance with all applicable laws and regulations of the United States, as well as those applicable in other countries where a Bechtel entity conducts business, except where compliance with local country law would violate U.S. law. Conduct that is prohibited under Bechtel policy or does not comply with laws and regulations may not be accomplished on Bechtel's behalf by anyone outside the company.

Bechtel will maintain an ethics and compliance program to communicate its commitment to uncompromising integrity in accordance with the corporate values, and to ensure compliance with all applicable laws, rules, and

regulations. This program will inform employees world-wide of Bechtel policies and management instructions concerning ethical business conduct and help them to resolve questions and report suspected violations. The reporting process will provide a confidential means of communication separate from line management. Retaliation against employees who come forward to raise concerns will not be tolerated.

The Bechtel ethics and compliance program will include an education and awareness program to provide employees with job-specific compliance training and to raise their level of awareness and sensitivity to key issues. Bechtel will publish its Code of Conduct booklet in a variety of languages to enhance accessibility for its global population. All employees are required to participate in ethics awareness workshops annually and to complete compliance training as assigned.

This policy, the Bechtel Code of Conduct booklet, and related policies and management instructions, constitute the Bechtel standards of conduct. Failure to comply with these standards may result in discipline, including termination.

Question
<b>1.3. Does the board or a dedicated board committee provide oversight of the company's anti-bribery and corruption programme?</b>
Score
<b>2</b>
Comments
Based on publicly available information, there is evidence that a designated board committee – the Audit Committee – is ultimately responsible for oversight of the company's ethics and compliance programme, which is understood to incorporate anti-bribery and corruption. There is evidence that this includes reviewing reports from management on the programme's performance, along with the results of internal and external audits.
Evidence
<p><b>[29] Audit Committee Charter (Excerpt) (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/</a>  The Audit Committee Charter provides, in relevant part:  The Audit Committee assists the Board of Directors in overseeing:</p> <p style="text-align: center;">* * *</p> <p>the Company's systems for monitoring compliance with and enforcement of the Company's Ethics and Compliance Program.</p> <p style="text-align: center;">* * *</p> <p>2. Duties and Responsibilities  d. Regarding Ethics and Compliance:  Concurs in the replacement of the Company's Chief Ethics and Compliance Officer, who shall report to the Audit Committee and the General Counsel.  Receives periodic reports from the Chief Ethics and Compliance Officer regarding:</p> <ul style="list-style-type: none"> <li>• The scope and status of the Ethics &amp; Compliance Program and other procedures designed to promote an ethical culture and compliance with laws, regulations and Company policy, including the Code of Conduct and the Company's risk assessment process. Reviews the Company's system to monitor compliance and enforcement of these programs.</li> <li>• Significant violations of Bechtel's Code of Conduct and the Company's responses thereto.</li> <li>• Any allegation of fraud, whether or not material, that involves management or any employee who has a significant role in the company's internal control over financial reporting.</li> <li>• Any allegation or complaint regarding potentially significant accounting or financial reporting matters.</li> <li>• Procedures for the receipt, retention and treatment of employee complaints received by the Company regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting and auditing matters.</li> </ul> <p><b>[5] Ethics and Compliance Program (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a>  3. Responsibilities</p> <p>3.1 Chief Ethics and Compliance Officer  1. The CECO will maintain and manage the Bechtel ethics and compliance program. The CECO:  [...]</p> <ul style="list-style-type: none"> <li>• Reports periodically to the Audit Committee of the board of directors on the status of the company's ethics and compliance program and related activities, including <ul style="list-style-type: none"> <li>- Company-wide ethics and compliance data and metrics;</li> <li>- Company-wide ethics education and awareness programs;</li> <li>- Compliance activities of all GBUs (including worldwide locations and projects);</li> <li>- Ethics Helpline statistics and trends;</li> <li>- Employee survey data;</li> <li>- Corporate and GBU compliance training plans and company-wide performance with respect to such plans; and</li> <li>- Activities in the company to assure compliance with company policies, laws, regulations, and legal obligations.</li> </ul> </li> </ul>

Question
<b>1.4. Is responsibility for implementing and managing the company's anti-bribery and corruption programme ultimately assigned to a senior executive, and does he or she have a direct reporting line to the board or board committee providing oversight of the company's programme?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that a designated senior executive – the Chief Ethics and Compliance Officer – has ultimate responsibility for implementing and managing the company's ethics and compliance programme, which is understood to incorporate anti-bribery and corruption. It is clear that this person has a direct reporting line to the Audit Committee, which provides oversight of the ethics and compliance programme. There is evidence of reporting activities between this person and the Audit Committee.</p>
Evidence
<p><b>[5] Ethics and Compliance Program (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a></p> <p>1. Background  The Chief Ethics and Compliance Officer (CECO) designs, maintains, and manages the Ethics and Compliance Program, including the Bechtel Ethics HelpLine, and provides functional guidance to the network of business-based ethics and compliance officers (E&amp;C Officers). The CECO establishes the base parameters of a Bechtel-wide ethics awareness and legal compliance training program designed to assure that all employees understand the Bechtel values and standards of conduct. The E&amp;C Officers implement the company-wide requirements in their organizations and are responsible for assessing the organization's unique business needs and establishing appropriate GBU compliance training requirements in coordination with the GBU Principal Counsel and the CECO.</p> <p>[...]</p> <p>3. Responsibilities</p> <p>3.1 Chief Ethics and Compliance Officer</p> <p>1. The CECO will maintain and manage the Bechtel ethics and compliance program. The CECO:</p> <p>[...]</p> <ul style="list-style-type: none"> <li>• Reports periodically to the Audit Committee of the board of directors on the status of the company's ethics and compliance program and related activities, including <ul style="list-style-type: none"> <li>- Company-wide ethics and compliance data and metrics;</li> <li>- Company-wide ethics education and awareness programs;</li> <li>- Compliance activities of all GBUs (including worldwide locations and projects);</li> <li>- Ethics Helpline statistics and trends;</li> <li>- Employee survey data;</li> <li>- Corporate and GBU compliance training plans and company-wide performance with respect to such plans; and</li> <li>- Activities in the company to assure compliance with company policies, laws, regulations, and legal obligations.</li> </ul> </li> </ul> <p>[...]</p> <p>Definitions and abbreviations  Chief Ethics and Compliance Officer (CECO). Designs and manages the Ethics and Compliance Program, and reports to the General Counsel with direct access to the Chief Executive Officer and Audit Committee of the board of directors.</p> <p><b>[4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/">https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/</a></p> <p>Responsibilities  Chief Ethics and Compliance Officer</p>

- Manages and maintains the Bechtel ethics and compliance program.
- Ensures that appropriate policies, management instructions, and procedures are in place to help employees comply with Bechtel's expectations for ethical business conduct.
- Ensures the existence of an ethics and compliance education and awareness program in appropriate subject areas in order to provide employees with job-specific compliance training and raise their level of awareness and sensitivity to key issues.
- Provides final and dispositive interpretation of the Bechtel standards of conduct to resolve employee questions and confidential inquiries.
- Represents Bechtel's ethics and compliance program outside the company through outreach to external stakeholders.
- Delegates to a network of business-based ethics and compliance officers as appropriate.

**[17] Nancy Higgins (Webpage)**

Accessed 22/10/2019

<https://www.bechtel.com/about-us/leadership/nancy-higgins/>

Nancy Higgins

Manager, Ethics & Compliance

Nancy Higgins is Bechtel's chief ethics & compliance officer, responsible for developing and maintaining Bechtel's global ethics and compliance program, including its international network of ethics and compliance officers.



## 2. Internal Controls

Question
<b>2.1. Is the design and implementation of the anti-bribery and corruption programme tailored to the company based on an assessment of the corruption and bribery risks it faces?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company has a formal risk assessment procedure that informs the design of the ethics and compliance programme, which is understood to address anti-bribery and corruption. There is evidence that the results of risk assessments are reviewed by the board on at least an annual basis. There is evidence that the results of such reviews are used to develop tailored mitigation plans and to update specific parts of the company's compliance programme.</p>
Evidence
<p><b>[28] Oversight and Assessment (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/</a>  The Board of Directors, executive leadership, senior management, the Corporate Compliance Committee, and Internal Audit work hand-in-hand to assess the company's compliance risks and assure the effectiveness of Bechtel's ethics and compliance policies and practices. The Chief Ethics and Compliance Officer reports quarterly to the Audit Committee of the Board on compliance risks and the ethics and compliance program activities designed to address those risks.</p> <p><b>[8] Corporate Compliance Committee (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/corporate-compliance/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/corporate-compliance/</a>  Corporate Compliance Committee</p> <p>The Corporate Compliance Committee is responsible for the assessment and prioritization of legal compliance risk areas, the sharing of compliance program best practices, and the development of enterprise-wide tools and monitoring mechanisms to increase the efficiency and effectiveness of company-wide compliance activities.</p> <p>The Committee's compliance risk assessment is shared annually with the senior management oversight committee and the Audit Committee of the Board of Directors.</p> <p>[...]</p> <p>Meetings and reports</p> <p>The Corporate Compliance Committee meets quarterly to review company-wide compliance program activities. Members present progress reports on the status of the compliance efforts for their assigned legal risk areas, whether there have been any changes to the risk area or their evaluation of the level of risk, and any adjustments to the compliance program to address these changes.</p> <p>As part of the continuous risk assessment process Subject Matter Expert (SME) members provide annual written reports on their assigned compliance risk areas, covering the adequacy of corporate policies, instructions, procedures etc. which define and implement their programs; any significant regulatory, political, or legal changes in their area of responsibility and whether these changes affect the level of compliance risk; and any new compliance risks to the company which need to be addressed.</p> <p>Business-based ethics and compliance officers provide an annual assessment and supplemental compliance training plan for any additional compliance training needed in their organizations beyond the company-wide compliance training core courses to address business-specific compliance risks, including specialized training required for high risk employees on an annual basis.</p>

**[29] Audit Committee Charter (Excerpt) (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/>

The Audit Committee assists the Board of Directors in overseeing:

\* \* \*

the Company's systems for monitoring compliance with and enforcement of the Company's Ethics and Compliance Program.

\* \* \*

2. Duties and Responsibilities

d. Regarding Ethics and Compliance:

Concurs in the replacement of the Company's Chief Ethics and Compliance Officer, who shall report to the Audit Committee and the General Counsel.

Receives periodic reports from the Chief Ethics and Compliance Officer regarding:

- The scope and status of the Ethics & Compliance Program and other procedures designed to promote an ethical culture and compliance with laws, regulations and Company policy, including the Code of Conduct and the Company's risk assessment process. Reviews the Company's system to monitor compliance and enforcement of these programs.

**[30] Internal Audit (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/internal-audit/>

Bechtel's Internal Audit group provides independent and objective assurance on the effectiveness of internal controls, including those designed to assure compliance with policies, procedures, laws and regulations.

Internal Audit prepares its annual audit plan with a focus on detecting corruption and uses the Transparency International Corruption Perceptions Index as one of the criteria for selecting which projects to audit. It also consults with Compliance counsel on an annual basis to identify emerging areas of anti-corruption risk and adjusts its audit plan accordingly.

**[7] Risk assessment of business commitments (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/commitments/>

Risk assessment of business commitments

Bechtel's "Commitments to Perform Services and Risk Assessment" policy specifies the detailed internal process and levels of approval required before any business can be undertaken by the company. It identifies a wide variety of risks that must be evaluated and disclosed as part of the approval process. There is a specific category of ethics and compliance risks that must be thoroughly analyzed before a Bechtel business entity can obtain corporate approval to take on work.

[Excerpt] [sic]

Business Ethics and Compliance Issues

Discuss any Business Ethics and compliance issues such as FCPA, OFAC, the Patriot Act, terrorist financing violations as well as any money laundering or other suspicious payments, import/export license requirements, etc. The existence of a Business Ethics or compliance issue may constitute an unusual risk.

Does the make-up of the customer organization raise any issues that would compromise Bechtel's ethical standards (this should not be limited to the customer's CEO or President)?

State what due diligence has been undertaken on the customer, the corporate group of companies of which the customer forms part and the key personnel of those entities. Contact the Legal Department for the latest due diligence process requirements.

Will this project be located in a High Risk Country as defined by Bechtel Security; or first time in-country presence in the past 10 years? If recommended by the Legal Department, projects located in such countries must have a project-specific ethics and compliance program procedure, including a compliance training plan for all project employees.

Question
<b>2.2. Is the company's anti-bribery and corruption programme subject to regular internal or external audit, and are policies and procedures updated according to audit recommendations?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company's ethics and compliance programme is subject to a regular audit process to ensure the entire programme is consistent with best practice and the business risks facing the company, including corruption risk specifically. There is evidence that this includes provisions for continuous improvement, supplemented by an internal audit at least every two years. There is also evidence that high-level audit findings are presented to the board, with clear ownership assigned to units and individuals for planned updates and improvements to the ethics and compliance programme.</p>
Evidence
<p><b>[30] Internal Audit (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/internal-audit/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/internal-audit/</a>  Bechtel's Internal Audit group provides independent and objective assurance on the effectiveness of internal controls, including those designed to assure compliance with policies, procedures, laws and regulations.</p> <p>Internal Audit prepares its annual audit plan with a focus on detecting corruption and uses the Transparency International Corruption Perceptions Index as one of the criteria for selecting which projects to audit. It also consults with Compliance counsel on an annual basis to identify emerging areas of anti-corruption risk and adjusts its audit plan accordingly.</p> <p>Among other things, Internal Audit:</p> <ul style="list-style-type: none"> <li>• Conducts regular process audits focused on areas of possible interaction with government officials, such as traffic &amp; logistics and customs clearance, visas &amp; work permits, and political contributions/donations;</li> <li>• Regularly monitors petty cash and procurement card payments and scrap and salvage processes that could potentially fund improper facilitating payments;</li> <li>• Routinely tests to assure that all suppliers and subcontractors are screened against the Restricted Party Lists;</li> <li>• Periodically reviews (on at least a biannual basis) payments to active agents to make sure they are consistent with contractual terms and conditions, and verifies the presence of anti-bribery terms and conditions in active subcontractor and partner agreements.</li> </ul> <p>Internal Audit reports detailing anti-corruption risks are reviewed and assessed by senior management, the Chief Ethics and Compliance Officer, and Compliance Counsel and their findings inform policy and/or procedure enhancements and the development of focused training courses.</p> <p>At periodic intervals, but no less frequently than every two years, Internal Audit evaluates and tests the implementation of the Ethics &amp; Compliance program procedures and controls designed to promote compliance with company policies and legal obligations to ensure the program is consistent with best practice and the business risks facing the company.</p> <p>Audit findings and recommendations for program improvement are communicated to the Chief Ethics and Compliance Officer for remediation. High-level findings are communicated to the Audit Committee.</p> <p><b>[5] Ethics and Compliance Program (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a>  3.1 Chief Ethics and Compliance Officer  1. The CECO will maintain and manage the Bechtel ethics and compliance program. The CECO:  [...]</p> <ul style="list-style-type: none"> <li>• Reports periodically to the Audit Committee of the board of directors on the status of the company's ethics and compliance program and related activities, including</li> </ul>

- Company-wide ethics and compliance data and metrics;
- Company-wide ethics education and awareness programs;
- Compliance activities of all GBUs (including worldwide locations and projects);
- [...]
- Activities in the company to assure compliance with company policies, laws, regulations, and legal obligations.

[...]

### 3.8 Internal Audit

1. In consultation with the CECO, the manager of internal audit will establish appropriate areas and systems to be monitored for legal and regulatory compliance. At periodic intervals, internal audit will evaluate and test the procedures and controls to monitor compliance with policies and legal obligations.
2. Internal audit conducts assessments and provides annual reports to the CECO on the status and effectiveness of monitoring activities in the company to ensure compliance with company policies, management instructions, and legal obligations.
3. At periodic intervals, but no less frequently than every two years, Internal Audit will evaluate and test the implementation of the Ethics and Compliance Program, with particular emphasis on the elements of the program designed to assure compliance with global anti-corruption laws, to ensure the program is consistent with best practice and the business risks facing the company. Audit findings and recommendations for program improvement will be communicated to senior management and the Chief Ethics and Compliance Officer for remediation.

### [6] Audit Committee Charter (Excerpt) (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/>

The Audit Committee receives periodic reports from the Chief Ethics and Compliance Officer regarding:

- The scope and status of the Ethics & Compliance Program and other procedures designed to promote an ethical culture and compliance with laws, regulations and Company policy, including the Code of Conduct and the Company's risk assessment process. Review management's monitoring of these programs.
- Significant violations of Bechtel's Code of Conduct and the Company's responses thereto.
- Any allegation of fraud, whether or not material, that involves management or any employee who has a significant role in the company's internal control over financial reporting.
- Any allegation or complaint regarding potentially significant accounting or financial reporting matters.
- Procedures for the receipt, retention and treatment of employee complaints received by the Company regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting and auditing matters.

Question
<b>2.3. Does the company have a system for tracking, investigating and responding to bribery and corruption allegations or incidents, including those reported through whistleblowing channels?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company commits to investigating incidents and there is a specific procedure in place to deal with whistleblowing cases. There is evidence that the company takes steps to ensure the independence of its investigations and that the company commits to ensure whistleblowers are informed of the outcome, if they so wish.</p> <p>There is also evidence that the company's Chief Ethics and Compliance Investigator receives and reviews all investigation reports, and that the board-level Audit Committee receives periodic reports on violations of the company's Code of Conduct. However, it is not clear from the evidence how frequently these reviews take place. Furthermore, the information provided does not cover the whole investigation process from receipt to final outcome, including documentation and actions to be taken at every step.</p>
Evidence
<p><b>[5] Ethics and Compliance Program (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a>  3. Responsibilities</p> <p>[...]</p> <p>2. With respect to the Bechtel Ethics HelpLine, the CECO will assure that:</p> <ul style="list-style-type: none"> <li>• E-mail, telephone and other contact information is publicized and maintained on Bechtel internal and external websites;</li> <li>• Measures are taken to maintain confidentiality, protect anonymity and eliminate fear of retaliation;</li> <li>• Reported concerns are reviewed and investigated by Internal Audit, Human Resources, the Legal Department, GBU ethics and compliance officers, executive-level management or others, as appropriate;</li> <li>• Appropriate management is advised of investigation findings and recommended corrective actions;</li> <li>• Facts and data concerning contacts to the Ethics HelpLine are collected and reported in a manner that facilitates consistent responses to ethics policy questions and requests for guidance, and production of meaningful statistical reports;</li> <li>• A follow-up system is maintained to ensure that appropriate, corrective actions are taken.</li> </ul> <p>When possible, investigation results and corrective actions are communicated to employees who reported concerns.</p> <p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.71] What to Expect When You Contact the Ethics HelpLine</p> <p>[...]</p> <p>Your report will be kept confidential to the extent permitted by law and Bechtel's need to fully investigate the matter. (If Bechtel discovers criminal or otherwise improper activity, the company may be required to report such activity to appropriate government enforcement authorities.)</p> <p>[p.75] Common Questions</p> <p>I understand I have an obligation to report violations, but what if I'm not sure about the facts or don't have enough information to conclude that a violation has occurred?</p> <p>We are all responsible for raising questions if we are concerned that the Bechtel standards of conduct are not being met. Talk to your manager or your organization's Ethics &amp; Compliance officer or call the Ethics HelpLine. They can help you determine whether there is an ethics or compliance issue that should be reported.</p>

Why do you investigate anonymous allegations? If people are unwilling to give their name, aren't they just trying to get someone else in trouble?

Some employees with genuine concerns are not comfortable identifying themselves. All reports of violations must be taken seriously. If it is determined that an employee has attempted to use the HelpLine to harm or slander another employee or Bechtel through false accusations, the employee may be subject to disciplinary action.

Will I find out what happened when the company investigated my report?

You will be informed of the outcome when the investigation is completed if you identify yourself. If you have reported anonymously, you can call the Ethics HelpLine later to learn the outcome of the investigation. However, due to privacy considerations, you will not be told the details of any discipline that results from the investigation.

I reported an ethics violation, but the person is still working here. Why wasn't he fired?

Due to privacy considerations, we cannot always share the outcome of investigations. However, not every substantiated allegation results in termination. Other forms of discipline, including training and verbal or written warnings, are used to correct violations of the Bechtel Code of Conduct.

Can I get in trouble for reporting a suspected violation to the Ethics HelpLine if it turns out I was mistaken or my allegation is not substantiated by the investigation?

No. There is never a penalty for contacting the Ethics HelpLine in good faith. Bechtel investigates all allegations of retaliation and takes appropriate corrective action if retaliation is found to have occurred. However, an employee may be subject to disciplinary action if he or she knowingly makes a false allegation, knowingly provides false or misleading information in the course of an investigation, or otherwise acts in bad faith.

#### **[29] Audit Committee Charter (Excerpt) (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/>

##### **2. Duties and Responsibilities**

##### **d. Regarding Ethics and Compliance:**

Concurs in the replacement of the Company's Chief Ethics and Compliance Officer, who shall report to the Audit Committee and the General Counsel.

Receives periodic reports from the Chief Ethics and Compliance Officer regarding:

[...]

- Significant violations of Bechtel's Code of Conduct and the Company's responses thereto.

#### **[31] Ethics HelpLine (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/>

It is not necessary to provide your name; however, if you do, your report will be kept confidential to the extent permitted by law and Bechtel's need to fully investigate the matter. Only those with a need to know will be involved in, or know of, the investigation.

[...]

All reports of suspected misconduct are taken seriously, independently considered, and investigated appropriately. Our Chief Ethics and Compliance Investigator, with 35 years of investigative experience, reviews every investigation report for quality and thoroughness. When an Ethics and Compliance investigation is substantiated, appropriate action is taken.

[...]

We make sure our colleagues know that they don't have to be certain that a violation has occurred before contacting the HelpLine — it is enough that they think a violation may have happened. Colleagues contacting the HelpLine can remain anonymous if they prefer. While it is helpful if an investigator can contact the source with follow-up questions, we do not want to create an impediment to our colleagues voicing their concerns.

We highlight the independence and professional qualifications of the Ethics & Compliance investigations group. The team is supervised by the Chief of Investigations with 35 years of experience associated with U.S. government and corporate investigations. The performance of each investigations team member is reviewed annually. All

investigation reports are reviewed by the Chief of Investigations and any complaints about the handling of investigations can be made to the Chief Ethics & Compliance Officer.

Perhaps the best way to build trust is to share information with our employees about the HelpLine activity. Every year, we share high-level data about the nature and outcomes of the allegations and inquiries received by Ethics and Compliance in the previous year. We also publish articles about real Ethics cases on myBechtel, our internal SharePoint site, and through other media. Regular From the Ethics Case File column in the Bechtel Globe, our internal magazine, discusses actual cases -- what was alleged by a HelpLine reporter or how the information came to us, how the allegation was investigated, and what the consequences were when the misconduct was substantiated – so our colleagues understand how the process works in our everyday work.

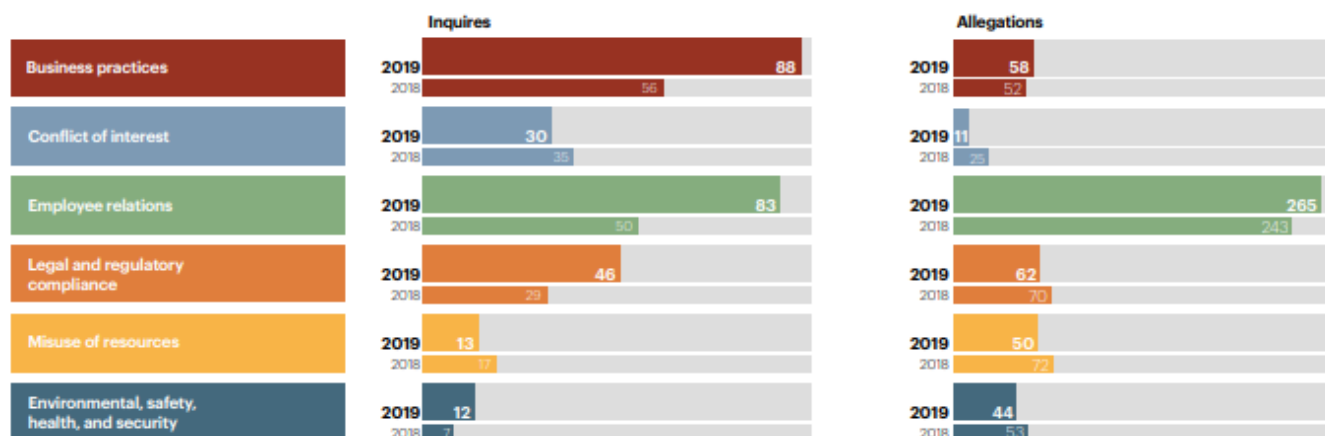


Question
<b>2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company assures itself of the quality of its internal investigations, including those reported through whistleblowing channels. The evidence indicates that staff tasked with conducting investigations are properly qualified to perform the function. There is evidence that complaints about the handling of concerns and investigations are overseen by an appropriate senior management officer.</p> <p>However, there is no evidence that the company reviews its investigations procedure at least every three years or in response to any changes in the regulatory environment.</p>
Evidence
<p><b>[31] Ethics HelpLine (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/">https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/</a></p> <p>It is not necessary to provide your name; however, if you do, your report will be kept confidential to the extent permitted by law and Bechtel's need to fully investigate the matter. Only those with a need to know will be involved in, or know of, the investigation.</p> <p>[...]</p> <p>All reports of suspected misconduct are taken seriously, independently considered, and investigated appropriately. Our Chief Ethics and Compliance Investigator, with 35 years of investigative experience, reviews every investigation report for quality and thoroughness. When an Ethics and Compliance investigation is substantiated, appropriate action is taken.</p> <p>[...]</p> <p>We make sure our colleagues know that they don't have to be certain that a violation has occurred before contacting the HelpLine — it is enough that they think a violation may have happened. Colleagues contacting the HelpLine can remain anonymous if they prefer. While it is helpful if an investigator can contact the source with follow-up questions, we do not want to create an impediment to our colleagues voicing their concerns.</p> <p>We highlight the independence and professional qualifications of the Ethics &amp; Compliance investigations group. The team is supervised by the Chief of Investigations with 35 years of experience associated with U.S. government and corporate investigations. The performance of each investigations team member is reviewed annually. All investigation reports are reviewed by the Chief of Investigations and any complaints about the handling of investigations can be made to the Chief Ethics &amp; Compliance Officer.</p> <p>Perhaps the best way to build trust is to share information with our employees about the HelpLine activity. Every year, we share high-level data about the nature and outcomes of the allegations and inquiries received by Ethics and Compliance in the previous year. We also publish articles about real Ethics cases on myBechtel, our internal SharePoint site, and through other media. Regular From the Ethics Case File column in the Bechtel Globe, our internal magazine, discusses actual cases -- what was alleged by a HelpLine reporter or how the information came to us, how the allegation was investigated, and what the consequences were when the misconduct was substantiated – so our colleagues understand how the process works in our everyday work.</p>

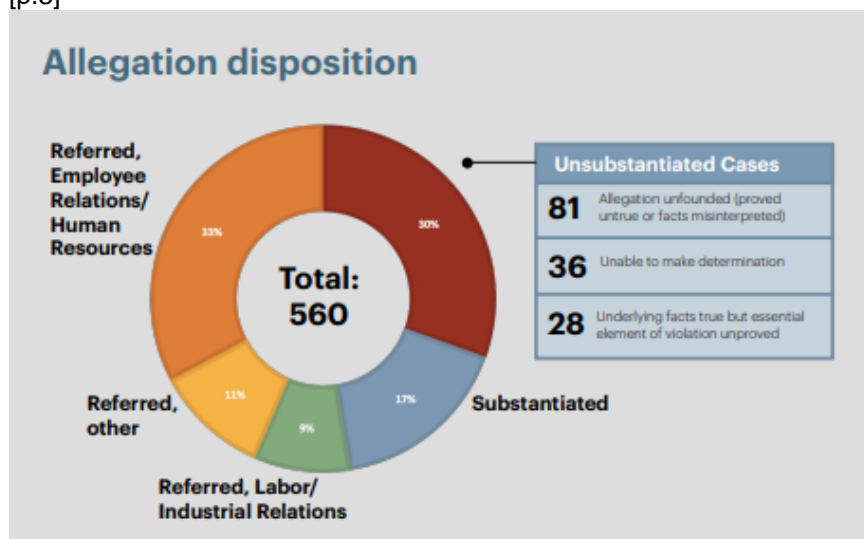


Question
<b>2.5. Does the company's investigative procedure include a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company commits to provide reports regarding significant violations of its Code of Conduct to the board-level Audit Committee, as well as statistics from its Ethics Helpline. The company also states that it may be required to report material findings to the relevant authorities, and although it is not explicitly stated, there is sufficient evidence to indicate that the Chief Ethics and Compliance Officer is responsible for ensuring this disclosure.</p>
Evidence
<p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.71] What to Expect When You Contact the Ethics HelpLine</p> <p>[...] Your report will be kept confidential to the extent permitted by law and Bechtel's need to fully investigate the matter. (If Bechtel discovers criminal or otherwise improper activity, the company may be required to report such activity to appropriate government enforcement authorities.)</p> <p><b>[5] Ethics and Compliance Program (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a>  3. Responsibilities</p> <p>3.1 Chief Ethics and Compliance Officer  1. The CECO will maintain and manage the Bechtel ethics and compliance program. The CECO:  [...]</p> <ul style="list-style-type: none"> <li>• Reports periodically to the Audit Committee of the board of directors on the status of the company's ethics and compliance program and related activities, including</li> <li>• Company-wide ethics and compliance data and metrics;</li> <li>• Company-wide ethics education and awareness programs;</li> <li>• Compliance activities of all GBUs (including worldwide locations and projects);</li> <li>• Ethics Helpline statistics and trends;</li> <li>• Employee survey data;</li> <li>• Corporate and GBU compliance training plans and company-wide performance with respect to such plans; and</li> <li>• Activities in the company to assure compliance with company policies, laws, regulations, and legal obligations.</li> </ul> <p><b>[29] Audit Committee Charter (Excerpt) (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/</a>  2. Duties and Responsibilities  d. Regarding Ethics and Compliance:  Concurs in the replacement of the Company's Chief Ethics and Compliance Officer, who shall report to the Audit Committee and the General Counsel.  Receives periodic reports from the Chief Ethics and Compliance Officer regarding:  [...]</p> <ul style="list-style-type: none"> <li>• Significant violations of Bechtel's Code of Conduct and the Company's responses thereto.</li> <li>• Any allegation of fraud, whether or not material, that involves management or any employee who has a significant role in the company's internal control over financial reporting.</li> </ul>

Question
<b>2.6. Does the company publish high-level results from incident investigations and disciplinary actions against its employees?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company publishes high-level data from ethical-related incidents and investigations involving company employees. This includes the number of reports received in total, including from whistleblowing channels, as well as the number of investigations launched, and the number of disciplinary actions as a result of investigation findings. This data is published at least on an annual basis covering cases from the past 12 months.</p>
Evidence
<p><b>[31] Ethics HelpLine (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/">https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/</a>  Every year, we share high-level data about the nature and outcomes of the allegations and inquiries received by Ethics and Compliance in the previous year. We also publish articles about real Ethics cases on myBechtel, our internal SharePoint site, and through other media. Regular From the Ethics Case File column in the Bechtel Globe, our internal magazine, discusses actual cases -- what was alleged by a HelpLine reporter or how the information came to us, how the allegation was investigated, and what the consequences were when the misconduct was substantiated – so our colleagues understand how the process works in our everyday work.</p> <p><b>[32] 2019 Ethics HelpLine Data (Document)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf">https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf</a>  [p.2] Last year, 762 individuals contacted Bechtel's Ethics HelpLine or their organization's Ethics &amp; Compliance officers to ask questions or report suspected misconduct—an increase of 7% from total contacts in 2018 (709). While most contacts come from Bechtel employees, Ethics &amp; Compliance has received contacts from and about suppliers or contractors. Of the 762 contacts, 490 (64%) were allegations and 272 (36%) were inquiries</p> <p>[...]</p> <p>What kinds of issues were raised in 2019?  The most common inquiries were about business practices (32%), followed closely by employee relations (30%). In most cases, these represent proactive efforts by employees to learn whether an activity or proposed course of action is acceptable under the Code of Conduct.</p> <p>The most frequent category of allegations was employee relations (54%), such as concerns about favoritism or inappropriate work relationships, compensation or disciplinary action. Employee relations allegations were up 9% from 2018. Next, legal and regulatory compliance issues (13%), like theft via false expense reports or providing Bechtel proprietary information to unauthorized parties. The third most frequent category was misuse of resources. Ethics &amp; Compliance also records inquiries and allegations in several other categories, including environmental, safety, health, and security.</p>



[p.3]



[...]

#### Substantiated allegations

Employee relations	22
Misuse of resources	20
Legal and regulatory compliance	18
Business practices	11
Conflict of interest	8
Environmental, safety, health, and security	2

[p.4]

#### Primary case outcome

Corrective/disciplinary action	58
Termination	9
Policy/process review or revision	4
Communication issued	2
Training provided	7
Other	11
No action required	2

What actions were taken with substantiated cases?

Ethics & Compliance is responsible for assuring that appropriate action is taken for every substantiated case. This chart shows the primary outcomes for the 81 cases that were substantiated in 2019.

In some cases, corrective action was taken with more than one employee, or more than one action was taken with a single employee. For example, one employee might receive a written disciplinary warning and be required to retake a compliance training course. In other cases, such as instances where a process had already been changed or the implicated employee had left the company, no further action was required. In 2019, there were 91 actions taken in 81 cases, while two cases required no further action.

### 3. Support to Employees

Question				
<b>3.1. Does the company provide training on its anti-bribery and corruption programme to all employees across all divisions and geographies, and in all appropriate languages?</b>				
Score				
<b>2</b>				
Comments				
There is evidence that the company provides training on anti-bribery and corruption. There is evidence that the company provides this training to all employees across all divisions and countries of operation and in all appropriate languages. The company states that employees are required to undertake refresher courses every two years.				
Evidence				
<p><b>[11] Compliance Training Program (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/c4447ec1-47bf-4b4f-8a77-53f3111302a8/BECHTEL-COMPLIANCE-TRAINING-PROGRAM">https://www.bechtel.com/getmedia/c4447ec1-47bf-4b4f-8a77-53f3111302a8/BECHTEL-COMPLIANCE-TRAINING-PROGRAM</a></p> <p>Compliance curriculum is designed to assure that all Bechtel employees in a given job family have the same basic competency in the substantive areas relevant to their jobs regardless of the business unit or location to which they are currently assigned. Courses are assigned based on the compliance risk level of a particular job family. More specialized instruction may also be required by an employee's base or assigned organization, based on the risk level of their specific job assignment.</p>				
BU Course	Course Description	Required Audience <sup>1</sup>	Required Refresh	Languages <sup>2</sup>
ETH0002-X1	Bechtel Business Ethics: Code of Conduct	All Employees	3 Years	A, C-S, C-Tr, E, Fr, P, Sp, T
RIM101	Managing Bechtel Records and Information	All Employees	3 Years	E, Fr, Sp
RIM102	Managing Bechtel Email	All Employees	3 Years	E, Fr, Sp
ETH0007-X1 (Basic Course)	Global Bribery and Corruption Awareness <sup>3</sup>	All Employees	2 Years	A, C-S, C-Tr, E, Fr, P, Sp
ETH0010-X1 (Basic Course)	Anti-Boycott: How to Handle Boycott Requests <sup>4</sup>	All Employees except Project Controls, ES&H, Quality, IS&T, Ofc Svcs, Admin, & Secretarial <sup>5</sup>	3 Years	E, Fr
PM161 (Intermediate)	Review of US Anti-Boycott Laws	Finance, Project Mgmt, BD, Start-up, Contracts, BBS Procurement, L&RM, IA, & HR	One time only, then take ETH0010-X1 as refresher	English only
ETH0009-X1 (Basic Course)	Export Controls, Commercial Products	All employees except Project Mgmt, Contracts, Engineering, Procurement, L&RM, IA, HR & BEO <sup>6</sup>	2 Years	C-S, E, Fr, P, Sp
SC140 (Intermediate)	Export Control (Online or Instructor-led)	Project Mgmt, Contracts, Engineering, Procurement, L&RM, IA, HR & BEO	2 Years	English only
ETH0006-X1	Economic Trade Sanctions and OFAC	Procurement, Finance, L&RM, IA, HR, BBS & BEO	2 Years	E, Fr, Sp

<sup>1</sup> Executive board members are subject to the same requirements as all employees. Non-executive board members receive periodic training for the Bechtel Code of Conduct, conflict of interest, anti-corruption, and anti-bribery.  
<sup>2</sup> Language Codes: Arabic (A), English (E), French (Fr), Portuguese (P), Spanish (Sp), Simplified Chinese (C-S), Traditional Chinese (C-Tr), and Thai (T).

<sup>3</sup> Acceptable Substitute: Instructor Led PM159 or Instructor Led ETH0001-X1

<sup>4</sup> Acceptable Substitute: Instructor Led PM161

<sup>5</sup> Employees in Montreal and Chile who require instruction in French or Spanish may take the basic course.

<sup>6</sup> Acceptable Substitute: Instructor Led SC140

### [3] Code of Conduct (Document)

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.3] To Whom Does it Apply?

Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

[p.7] Bechtel has developed ethics and compliance education and awareness programs in many subject areas in order to provide employees with job-specific compliance training and raise their level of awareness and sensitivity to key issues. All employees are required to participate in ethics awareness workshops annually and complete compliance training as assigned.

### [9] Ethics and Compliance (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/>

#### ONGOING TRAINING

We designed our Ethics & Compliance program to promote an organizational culture that encourages ethical conduct, a commitment to the Bechtel's values, and compliance with the law.

Our colleagues receive basic ethics training, compliance training for the legal risk areas they are likely to encounter in their jobs, and scenario-based training led by their managers. We require colleagues to participate in ethics awareness workshops annually and to complete compliance training as assigned.

### [5] Ethics and Compliance Program (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/program/>

#### 2. Requirements/instructions

##### 2.1 Education Programs

A company-wide ethics awareness and education program will be designed, established and maintained to ensure that all employees have an awareness of the Bechtel values and standards of conduct. All employees will participate in an ethics awareness training event at least once a year.

A company-wide compliance education program will be designed, established and maintained to ensure employees have an awareness of legal requirements that are relevant to their work at a level of detail appropriate to their job functions. The frequency, participants, mode of presentation, materials, program emphasis, and other criteria of the program will be established by the CECO with guidance from the Legal Department.

Each operating organization, in consultation with the CECO and the Legal Department, will tailor and augment the company-wide program as appropriate to address issues unique to the organization's business. A record of employee participation in ethics and compliance training will be maintained for tracking and reporting purposes.

Contract personnel, agents, consultants, and others acting for the company must also be made aware of the company's expectations for ethical behavior and that they must abide by the Bechtel standards of conduct when they are acting for, or on behalf of, the company.

### [4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/>

The Bechtel ethics and compliance program will include an education and awareness program to provide employees with job-specific compliance training and to raise their level of awareness and sensitivity to key issues. Bechtel will publish its Code of Conduct booklet in a variety of languages to enhance accessibility for its global

population. All employees are required to participate in ethics awareness workshops annually and to complete compliance training as assigned.

**[10] Sustainability Report 2017 (Document)**

Accessed 21/10/2019

<https://www.bechtel.com/bechtel/media/html/2017-reports/assets/pdf/sr/The-Bechtel-Sustainability-Report-2017.pdf>

[p.23] Ethics

[...]

Our compliance training program provided all Bechtel colleagues with anti-corruption and bribery training, and other education in the substantive legal risks they are likely to encounter in their jobs. Our colleagues also participated in live, scenario-based workshops designed to build awareness of risks, understanding of Ethics and Compliance Program resources, and techniques to prevent ethics or compliance incidents. Our global Ethics HelpLine provided an independent, confidential channel for colleagues and others to raise questions or concerns, via telephone or the internet, with access to native speakers and translators of more than 200 languages.

Question				
<b>3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees:</b> a) Employees in high risk positions, b) Middle management, c) Board members.				
Score				
2				
Comments				
<p>Based on publicly available information, there is evidence that employees in certain positions receive different and tailored training on anti-bribery and corruption. The company makes specific reference to all three categories of employee referred to in the question – employees in high risk positions, middle management and board members – and indicates that training requirements are defined according to the level of risk of their specific job assignment. There is evidence that employees in high-risk positions receive tailored training on an annual basis.</p>				
Evidence				
<b>[11] Compliance Training Program (Document)</b> Accessed 29/06/2020 <a href="https://www.bechtel.com/getmedia/c4447ec1-47bf-4b4f-8a77-53f3111302a8/BECHTEL-COMPLIANCE-TRAINING-PROGRAM">https://www.bechtel.com/getmedia/c4447ec1-47bf-4b4f-8a77-53f3111302a8/BECHTEL-COMPLIANCE-TRAINING-PROGRAM</a> Compliance curriculum is designed to assure that all Bechtel employees in a given job family have the same basic competency in the substantive areas relevant to their jobs regardless of the business unit or location to which they are currently assigned. Courses are assigned based on the compliance risk level of a particular job family. More specialized instruction may also be required by an employee's base or assigned organization, based on the risk level of their specific job assignment.				
BU Course	Course Description	Required Audience <sup>1</sup>	Required Refresh	Languages <sup>2</sup>
ETH0002-X1	Bechtel Business Ethics: Code of Conduct	All Employees	3 Years	A, C-S, C-Tr, E, Fr, P, Sp, T
RIM101	Managing Bechtel Records and Information	All Employees	3 Years	E, Fr, Sp
RIM102	Managing Bechtel Email	All Employees	3 Years	E, Fr, Sp
ETH0007-X1 (Basic Course)	Global Bribery and Corruption Awareness <sup>3</sup>	All Employees	2 Years	A, C-S, C-Tr, E, Fr, P, Sp
ETH0010-X1 (Basic Course)	Anti-Boycott: How to Handle Boycott Requests <sup>4</sup>	All Employees except Project Controls, ES&H, Quality, IS&T, Ofc Svcs, Admin, & Secretarial <sup>5</sup>	3 Years	E, Fr
PM161 (Intermediate)	Review of US Anti-Boycott Laws	Finance, Project Mgmt, BD, Start-up, Contracts, BBS Procurement, L&RM, IA, & HR	One time only, then take ETH0010-X1 as refresher	English only
ETH0009-X1 (Basic Course)	Export Controls, Commercial Products	All employees except Project Mgmt, Contracts, Engineering, Procurement, L&RM, IA, HR & BEO <sup>6</sup>	2 Years	C-S, E, Fr, P, Sp
SC140 (Intermediate)	Export Control (Online or Instructor-led)	Project Mgmt, Contracts, Engineering, Procurement, L&RM, IA, HR & BEO	2 Years	English only
ETH0006-X1	Economic Trade Sanctions and OFAC	Procurement, Finance, L&RM, IA, HR, BBS & BEO	2 Years	E, Fr, Sp

<sup>1</sup> Executive board members are subject to the same requirements as all employees. Non-executive board members receive periodic training for the Bechtel Code of Conduct, conflict of interest, anti-corruption, and anti-bribery.



**[3] Code of Conduct (Document)**

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.7] Bechtel has developed ethics and compliance education and awareness programs in many subject areas in order to provide employees with job-specific compliance training and raise their level of awareness and sensitivity to key issues. All employees are required to participate in ethics awareness workshops annually and complete compliance training as assigned.

**[9] Ethics and Compliance (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/>

ONGOING TRAINING

[...]

Our colleagues receive basic ethics training, compliance training for the legal risk areas they are likely to encounter in their jobs, and scenario-based training led by their managers. We require colleagues to participate in ethics awareness workshops annually and to complete compliance training as assigned.

**[5] Ethics and Compliance Program (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/program/>

2.1 Education Programs

[...]

A company-wide compliance education program will be designed, established and maintained to ensure employees have an awareness of legal requirements that are relevant to their work at a level of detail appropriate to their job functions. The frequency, participants, mode of presentation, materials, program emphasis, and other criteria of the program will be established by the CECO with guidance from the Legal Department.

Each operating organization, in consultation with the CECO and the Legal Department, will tailor and augment the company-wide program as appropriate to address issues unique to the organization's business. A record of employee participation in ethics and compliance training will be maintained for tracking and reporting purposes.

**[33] Training (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/training/>

ONGOING TRAINING

We designed our Ethics & Compliance program to promote an organizational culture that encourages ethical conduct, a commitment to the Bechtel's values, and compliance with the law.

Our colleagues receive basic ethics training based on the Code of Conduct and the compliance training for the legal risks they may encounter in their daily work. Course assignments are made based on job function. All colleagues worldwide participate in the annual ethics awareness workshops - scenario-based ethics and compliance refresher training led by their managers.

We regularly measure the effectiveness of our compliance training and the annual Ethics Awareness Workshops. Colleagues are asked to respond to an online feedback survey for each completed course.

**[34] Bechtel Compliance Training Program 2020 (Document)**

Accessed 29/06/2020

<https://www.bechtel.com/getmedia/8eff95d7-b022-4186-b816-6192f11a1fee/2020-BECHTEL-COMPLIANCE-TRAINING-PROGRAM.pdf>

[p.1] Bechtel's compliance curriculum is designed to assure that all employees in a given job family have the same basic competency in the substantive areas relevant to their jobs regardless of the business unit or location to which they are currently assigned. Courses are assigned based on the compliance risk level of a particular job family. More specialized instruction may also be required by an employee's base or assigned organization, based on the risk level of their specific job assignment. Employees in high-risk positions receive specialized training on an annual basis.



Question
<b>3.3. Does the company measure and review the effectiveness of its anti-bribery and corruption communications and training programme?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company measures and reviews the effectiveness of its ethics and compliance communications and personnel training programme. There is evidence that the company has a system to do this, for example through staff surveys.</p> <p>However, the company receives a score of '1' because it is not from the evidence that the company specifically measures the effectiveness of its anti-bribery and corruption training, or whether the results are used to update specific parts of the company's anti-bribery and corruption communications and training programme. There is also no clear evidence that the company conducts a full review of its anti-bribery and corruption communications and training programme at least every three years.</p>
Evidence
<p><b>[33] Training (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/training/">https://www.bechtel.com/about-us/ethics-compliance/training/</a>  ONGOING TRAINING  We designed our Ethics &amp; Compliance program to promote an organizational culture that encourages ethical conduct, a commitment to the Bechtel's values, and compliance with the law.</p> <p>Our colleagues receive basic ethics training based on the Code of Conduct and the compliance training for the legal risks they may encounter in their daily work. Course assignments are made based on job function. All colleagues worldwide participate in the annual ethics awareness workshops - scenario-based ethics and compliance refresher training led by their managers.</p> <p>We regularly measure the effectiveness of our compliance training and the annual Ethics Awareness Workshops. Colleagues are asked to respond to an online feedback survey for each completed course.</p> <p><b>[5] Ethics and Compliance Program (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a>  3. Responsibilities</p> <p>3.1 Chief Ethics and Compliance Officer  1. The CECO will maintain and manage the Bechtel ethics and compliance program. The CECO:  [...]  <ul style="list-style-type: none"> <li>• Reports periodically to the Audit Committee of the board of directors on the status of the company's ethics and compliance program and related activities, including</li> </ul> [...]  - Employee survey data;</p> <p><b>[31] Ethics HelpLine (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/">https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/</a>  Bechtel, like many companies, conducts an ethics and compliance survey in which employees are asked if they observed misconduct over the past year, whether they reported what they saw, and if they didn't report it, why not? Some employees say that they did not feel they had enough information or didn't know whether the conduct or incident they observed was a violation of Bechtel's Code of Conduct.</p> <p>A common reason for employees at most companies not to report an ethics violation is fear of retaliation or other negative consequences for speaking up. Our employee survey results show that most Bechtel employees believe they can report unethical conduct or practices without fear of retaliation, and that they feel comfortable reaching out to someone at the company to seek advice about ethical dilemmas or concerns.</p>

[...]

On measuring employee trust in hotline procedures

Results from our most recent Ethics Survey show that Bechtel employees have a high level of awareness of the company's expectations for ethical business conduct. Almost all Bechtel colleagues who responded to the survey told us they understand Bechtel's Code of Conduct; 98% said they understand what constitutes ethical conduct in their jobs and know how to recognize misconduct when they see it.

Awareness of ethics and compliance resources was also high, with 96-97% of colleagues telling us they know how to contact the Ethics HelpLine and know how to obtain Ethics & Compliance guidance. I was particularly pleased to see that 96% told us they know how to contact their organization's ethics and compliance officer -- a 3% increase since the previous survey.

These results show that our colleagues' knowledge of the Ethics & Compliance program and their trust in the Ethics HelpLine has increased substantially since we began conducting Ethics & Compliance Surveys in 2009. In addition to our ethics and compliance survey, we look at the HelpLine data to see how many employees are coming forward with ethics concerns, what kind of concerns are being raised, and whether employees are comfortable identifying themselves or choose to remain anonymous. Over time, we are looking to see an increase in the number of people calling the HelpLine for advice vs. those calling to report violations. Further, we look for a gradual increase of the percentage of people who feel comfortable identifying themselves when contacting the HelpLine vs. the number of employees remaining anonymous.

**[32] 2019 Ethics HelpLine Data (Document)**

Accessed 29/06/2020

<https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf>

[p.1] 2019 Ethics HelpLine Data

To increase transparency of the Ethics & Compliance program and build confidence in the integrity of the Ethics & Compliance processes, the nature and outcomes of the previous year's allegations and inquiries are reported in the Globe each year. "We share our outcomes because we want all Bechtel colleagues to understand how the system works and that Ethics and Compliance can be trusted to look into the concerns brought to our attention," says Nancy Higgins, chief ethics and compliance officer. "We also look at the case topic trends when deciding what cases to use in the next Ethics Awareness Workshop."

Question
<b>3.4. Does the company ensure that its employee incentive schemes are designed in such a way that they promote ethical behaviour and discourage corrupt practices?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company incorporates integrity and accountability as measures in its annual employee performance reviews. The company indicates that such reviews are based on its 'Vision, Values and Covenants', which makes specific reference to ethics and integrity, and are designed to promote ethical behaviour while discouraging corrupt practices.</p> <p>However, the company receives a score of '1' because it does not provide further information on how such assessments impact on the company's bonus or reward schemes. There is also no clear evidence to indicate that, where financial rewards are part of incentive schemes, there are procedures in place to ensure that they are proportionate to the base salary in the case of high risk employees.</p>
Evidence
<p><b>[31] Ethics HelpLine (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/">https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/</a>  On increasing trust in an employee helpline</p> <p>Our Vision, Values &amp; Covenants provide the core set of values that guide Bechtel employees as we perform our work every day. One of those values is Ethics which means we are uncompromising in our integrity, honesty, and fairness.</p> <p>One of the four performance measures that each employee is assessed against annually is Behavior. The detailed criteria for assessment is aligned to the Bechtel Behavioral Framework that defines seven key behaviors essential for driving individual, team, and company success: accountable; collaborate; communicate; customer focus; deliver; problem solve; and role model with reference to the Vision, Values and Covenants. The Framework builds on the foundation of our Vision, Values &amp; Covenants, illustrating what those behaviors look like across all levels of the organization.</p>

Question
<b>3.5. Does the company commit to and assure itself that it will support and protect employees who refuse to act unethically, even when it might result in a loss of business?</b>
Score
<b>2</b>
Comments
<p>There is publicly available evidence that the company commits to support and protect any employee who refuses to act unethically, in keeping with the company's anti-corruption commitments, even where such actions result in a loss of business or another disadvantage to the company. There is evidence that the company assures itself of its employees' confidence in this commitment through anonymised surveys.</p>
Evidence
<p><b>[5] Anti-Retaliation Policy (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/">https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/</a></p> <p>This policy applies globally to all Bechtel employees, and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel.</p> <p>Bechtel is committed to maintaining a work environment that is free of harassment, intimidation, discrimination and retaliation for engaging in protected activity such as reporting violations or participating in an investigation pertaining to alleged violations of laws, the Code, policies, or procedures. Crucial to these objectives is promoting an atmosphere where employees and others feel safe to engage in frank, honest communication – raising questions or concerns at any time without fear of retaliation.</p> <p>Bechtel strictly prohibits any form of retaliatory action against employees who raise issues or ask questions, make reports, participate in an investigation, refuse to participate in suspected improper or wrongful activity, or exercise workplace rights protected by law (in each case "Protected Activity"). Situations or behaviors that could lead to an employee engaging in a Protected Activity include, but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Discrimination or harassment;</li> <li>• Fraud;</li> <li>• Unethical or unprofessional business conduct;</li> <li>• Non-compliance with Bechtel policies/procedures, including the Code of Conduct;</li> <li>• Real or potential threats to Bechtel workers or the public's health and/or safety;</li> <li>• Violations of local, state or federal laws and regulations;</li> <li>• Other illegal or improper practices or policies.</li> </ul> <p><b>Protection from retaliation</b>  Any Bechtel employee who engages in Protected Activity will be shielded from retaliation. Retaliation occurs when an employer takes an Adverse Action against an employee because she/he engaged in a Protected Activity. Adverse Action includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Demotion;</li> <li>• Suspension;</li> <li>• Termination;</li> <li>• Failing to hire or consider for hire or promotion;</li> <li>• Failing to give equal consideration in making employment decisions or to make impartial employment recommendations;</li> <li>• Adversely impacting working conditions or otherwise denying any employment benefit to an employee;</li> <li>• Creating a hostile or intimidating work environment.</li> </ul> <p>Bechtel prohibits retaliation even if the concerns raised are not confirmed following an investigation. However, an employee may be subject to Adverse Action if the employee knowingly made a false allegation, provided false or misleading information in the course of an investigation, or otherwise acted in bad faith.</p> <p>This anti-retaliation policy does not exempt employees from the consequences of their own misconduct or inadequate performance, and self-reporting such issues is not Protected Activity. The policy also does not prevent Bechtel from managing employee performance and addressing conduct issues after an employee has engaged in Protected Activity, so long as Protected Activity is not the reason for the performance management.</p>

[...]

#### Consequences for Policy Violation

Any Bechtel employee who retaliates against an employee engaged in a Protected Activity or who otherwise violates this policy is subject to disciplinary action, up to and including termination of employment.

#### [3] Code of Conduct (Document)

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.73] Bechtel is committed to maintaining a work environment that is free of harassment, intimidation, retaliation, and discrimination. Crucial to these objectives is promoting an atmosphere where employees feel safe to engage in frank, honest communication— raising questions or concerns at any time without fear of retaliation. Bechtel strictly prohibits any form of retaliation against employees who raise issues or ask questions, make reports, participate in an investigation, refuse to participate in suspected improper or wrongful activity, or exercise workplace rights protected by law, including disclosure to identified public entities and disclosure of company confidential or proprietary information to the extent such disclosure is required or permitted by law.

#### [31] Ethics HelpLine (Webpage)

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/>

Bechtel, like many companies, conducts an ethics and compliance survey in which employees are asked if they observed misconduct over the past year, whether they reported what they saw, and if they didn't report it, why not? Some employees say that they did not feel they had enough information or didn't know whether the conduct or incident they observed was a violation of Bechtel's Code of Conduct.

A common reason for employees at most companies not to report an ethics violation is fear of retaliation or other negative consequences for speaking up. Our employee survey results show that most Bechtel employees believe they can report unethical conduct or practices without fear of retaliation, and that they feel comfortable reaching out to someone at the company to seek advice about ethical dilemmas or concerns.

At Bechtel, our goal is to provide our people a suitable culture and the right mechanisms so that they can raise any ethical concerns without fear of retaliation—and know that their concerns will be taken seriously and handled appropriately. Our From the Ethics Case File column addresses these concerns by providing real-life examples of how cases are handled.

No Bechtel employee should be asked to conduct business in a manner that is unethical, and the company will support any employee who refuses to violate the Code of Conduct and speaks up to report the situation to Ethics & Compliance.

[...]

#### On measuring employee trust in hotline procedures

Results from our most recent Ethics Survey show that Bechtel employees have a high level of awareness of the company's expectations for ethical business conduct. Almost all Bechtel colleagues who responded to the survey told us they understand Bechtel's Code of Conduct; 98% said they understand what constitutes ethical conduct in their jobs and know how to recognize misconduct when they see it.

Awareness of ethics and compliance resources was also high, with 96-97% of colleagues telling us they know how to contact the Ethics HelpLine and know how to obtain Ethics & Compliance guidance. I was particularly pleased to see that 96% told us they know how to contact their organization's ethics and compliance officer -- a 3% increase since the previous survey.

These results show that our colleagues' knowledge of the Ethics & Compliance program and their trust in the Ethics HelpLine has increased substantially since we began conducting Ethics & Compliance Surveys in 2009.

In addition to our ethics and compliance survey, we look at the HelpLine data to see how many employees are coming forward with ethics concerns, what kind of concerns are being raised, and whether employees are comfortable identifying themselves or choose to remain anonymous. Over time, we are looking to see an increase

in the number of people calling the HelpLine for advice vs. those calling to report violations. Further, we look for a gradual increase of the percentage of people who feel comfortable identifying themselves when contacting the HelpLine vs. the number of employees remaining anonymous.

**[35] World Recognition of Distinguished General Counsel (Document)**

Accessed 29/06/2020

<https://www.directorsroundtable.com/wp-content/uploads/2015/02/GC-Bechtel-Bailey.pdf>

[p.6-7] I am 100% confident that not only would Riley and the rest of the management team support my taking action on unethical behavior — they would expect it and consider inaction unethical. I have seen this many times. We have lost significant amounts of money on decisions to withdraw from bids or prospects because of our “no options,” “no alternatives,” “no excuses” approach to the issue. We act decisively when individuals behave unethically. There has never been a question, never a debate, never a calculation about the cost; never a hesitation about the right action to take.

**[36] Anti-Corruption Guidelines 2020 (Document)**

Accessed 29/06/2020

<https://www.bechtel.com/getmedia/e6364688-ffae-4b54-b7b0-3880194f7328/2020-Anti-Corruption-Guidelines.pdf>

[p.14] We have lost significant amounts of money on decisions to withdraw from bids or prospects because of our no options and no excuses approach to bribery and corruption. There has never been a question, never a debate, never a calculation about the cost, and never a hesitation about the right action to take. We act decisively, and support and protect those who raise ethical concerns.

**[31] Ethics HelpLine (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/>

On measuring employee trust in hotline procedures

Results from our most recent Ethics Survey show that Bechtel employees have a high level of awareness of the company's expectations for ethical business conduct. Almost all Bechtel colleagues who responded to the survey told us they understand Bechtel's Code of Conduct; 98% said they understand what constitutes ethical conduct in their jobs and know how to recognize misconduct when they see it.

Question
<b>3.6. Does the company have a clear policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company promotes a clear policy of non-retaliation against both whistleblowers and employees who report bribery and corruption incidents. There is evidence that this policy applies to all employees across the organisation, including those engaged by the group as third parties and suppliers. The company commits to assure itself of its employees' confidence in this commitment through surveys and other measures.</p>
Evidence
<p><b>[5] Anti-Retaliation Policy (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/">https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/</a></p> <p>This policy applies globally to all Bechtel employees, and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel.</p> <p>Bechtel is committed to maintaining a work environment that is free of harassment, intimidation, discrimination and retaliation for engaging in protected activity such as reporting violations or participating in an investigation pertaining to alleged violations of laws, the Code, policies, or procedures. Crucial to these objectives is promoting an atmosphere where employees and others feel safe to engage in frank, honest communication – raising questions or concerns at any time without fear of retaliation.</p> <p>Bechtel strictly prohibits any form of retaliatory action against employees who raise issues or ask questions, make reports, participate in an investigation, refuse to participate in suspected improper or wrongful activity, or exercise workplace rights protected by law (in each case "Protected Activity"). Situations or behaviors that could lead to an employee engaging in a Protected Activity include, but are not limited to the following:</p> <ul style="list-style-type: none"> <li>• Discrimination or harassment;</li> <li>• Fraud;</li> <li>• Unethical or unprofessional business conduct;</li> <li>• Non-compliance with Bechtel policies/procedures, including the Code of Conduct;</li> <li>• Real or potential threats to Bechtel workers or the public's health and/or safety;</li> <li>• Violations of local, state or federal laws and regulations;</li> <li>• Other illegal or improper practices or policies.</li> </ul> <p><b>Protection from retaliation</b>  Any Bechtel employee who engages in Protected Activity will be shielded from retaliation. Retaliation occurs when an employer takes an Adverse Action against an employee because she/he engaged in a Protected Activity. Adverse Action includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Demotion;</li> <li>• Suspension;</li> <li>• Termination;</li> <li>• Failing to hire or consider for hire or promotion;</li> <li>• Failing to give equal consideration in making employment decisions or to make impartial employment recommendations;</li> <li>• Adversely impacting working conditions or otherwise denying any employment benefit to an employee;</li> <li>• Creating a hostile or intimidating work environment.</li> </ul> <p>Bechtel prohibits retaliation even if the concerns raised are not confirmed following an investigation. However, an employee may be subject to Adverse Action if the employee knowingly made a false allegation, provided false or misleading information in the course of an investigation, or otherwise acted in bad faith.</p> <p>This anti-retaliation policy does not exempt employees from the consequences of their own misconduct or inadequate performance, and self-reporting such issues is not Protected Activity. The policy also does not prevent</p>



Bechtel from managing employee performance and addressing conduct issues after an employee has engaged in Protected Activity, so long as Protected Activity is not the reason for the performance management.

[...]

#### Consequences for Policy Violation

Any Bechtel employee who retaliates against an employee engaged in a Protected Activity or who otherwise violates this policy is subject to disciplinary action, up to and including termination of employment.

### [3] Code of Conduct (Document)

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.3] To Whom Does it Apply?

Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct. This policy applies globally to all Bechtel employees, and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel.

[p.71] Bechtel depends on its employees to report violations or potential violations of the Bechtel Code of Conduct so that the company can take appropriate action and remedy the situation.

[...] If you believe you have been subjected to retaliation, you should immediately contact the Ethics HelpLine or Human Resources.

[p.73] All Bechtel employees are protected from retaliation for raising a question or concern or participating in an investigation pertaining to alleged violations of laws, the Code, policies, or procedures.

Bechtel is committed to maintaining a work environment that is free of harassment, intimidation, retaliation, and discrimination. Crucial to these objectives is promoting an atmosphere where employees feel safe to engage in frank, honest communication— raising questions or concerns at any time without fear of retaliation. Bechtel strictly prohibits any form of retaliation against employees who raise issues or ask questions, make reports, participate in an investigation, refuse to participate in suspected improper or wrongful activity, or exercise workplace rights protected by law, including disclosure to identified public entities and disclosure of company confidential or proprietary information to the extent such disclosure is required or permitted by law.

[p.74] Further Guidance

If you have further questions about retaliation, consult Policy 402, Anti-Retaliation, in the Personnel Policy Manual—U.S. ("Redbook"), your Ethics & Compliance officer, or the Ethics HelpLine.

[p.75] Disciplinary action may be taken against any individual who:

[...]

- Attempts to retaliate against an employee who reports a suspected violation

#### Common Questions

Can I get in trouble for reporting a suspected violation to the Ethics HelpLine if it turns out I was mistaken or my allegation is not substantiated by the investigation?

No. There is never a penalty for contacting the Ethics HelpLine in good faith. Bechtel investigates all allegations of retaliation and takes appropriate corrective action if retaliation is found to have occurred. However, an employee may be subject to disciplinary action if he or she knowingly makes a false allegation, knowingly provides false or misleading information in the course of an investigation, or otherwise acts in bad faith.

### [4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/>

Retaliation against employees who come forward to raise concerns will not be tolerated.



**[5] Ethics and Compliance Program (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/program/>

3. Retaliation against employees who come forward to raise concerns will not be tolerated. Threats or acts of retribution against any employee for proper use of any company reporting mechanism is cause for appropriate discipline, up to and including termination.

[...]

2. With respect to the Bechtel Ethics HelpLine, the CECO will assure that:

[...]

- Measures are taken to maintain confidentiality, protect anonymity and eliminate fear of retaliation;

**[27] Ethics Helpline (Webpage)**

Accessed 23/10/2019

<https://secure.ethicspoint.com/domain/media/en/gui/36036/index.html>

WELCOME TO THE BECHTEL ETHICS HELPLINE

[...]

Bechtel enforces a strict non-retaliation policy prohibiting retaliation against anyone who raises a concern about possible misconduct or alleged wrongdoing.

**[31] Ethics HelpLine (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/>

No Bechtel employee should be asked to conduct business in a manner that is unethical, and the company will support any employee who refuses to violate the Code of Conduct and speaks up to report the situation to Ethics & Compliance.

[...]

Bechtel, like many companies, conducts an ethics and compliance survey in which employees are asked if they observed misconduct over the past year, whether they reported what they saw, and if they didn't report it, why not? Some employees say that they did not feel they had enough information or didn't know whether the conduct or incident they observed was a violation of Bechtel's Code of Conduct.

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[...]

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comfortable identifying themselves or choose to remain anonymous. Over time, we are looking to see an increase in the number of people calling the HelpLine for advice vs. those calling to report violations. Further, we look for a gradual increase of the percentage of people who feel comfortable identifying themselves when contacting the HelpLine vs. the number of employees remaining anonymous.

**[32] 2019 Ethics HelpLine Data (Document)**

Accessed 29/06/2020

<https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf>

[p.2] Ethics & Compliance program is working

Last year, 762 individuals contacted Bechtel's Ethics HelpLine or their organization's Ethics & Compliance officers to ask questions or report suspected misconduct—an increase of 7% from total contacts in 2018 (709). While most contacts come from Bechtel employees, Ethics & Compliance has received contacts from and about suppliers or contractors. Of the 762 contacts, 490 (64%) were allegations and 272 (36%) were inquiries

Question
<b>3.7. Does the company provide multiple whistleblowing and advice channels for use by all (e.g. employees and external parties), and do they allow for confidential and, wherever possible, anonymous reporting?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company has multiple channels for employees to report instances of suspected corrupt activity and seek advice on the company's ethics and compliance programme. There is evidence that these channels are sufficiently varied to allow employees to raise concerns across the management chain, as well as through an external service provider. There is evidence that these channels allow for confidential and anonymous reporting and that they are available and accessible to all employees in all jurisdictions where the company operates, including those employed by the group as third parties, suppliers and joint venture partners, and in all relevant languages.</p>
Evidence
<p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a></p> <p>[p.3] To Whom Does it Apply?  Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.</p> <p>[p.4] Common Questions  What should I do if I still have questions after consulting this booklet or I need an interpretation of the applicable Bechtel policy?  There are several resources you can turn to for further guidance. Consider talking with your manager, supervisor, or local Ethics &amp; Compliance officer. You can also contact the Bechtel Ethics HelpLine online at <a href="http://helpline.bechtel.com">helpline.bechtel.com</a> or by telephone at 1-800-BECHTEL (1-800-232-4835) in the United States and Canada or at one of the international numbers listed on the Ethics &amp; Compliance site on myBechtel.</p> <p>[p.71] Bechtel depends on its employees to report violations or potential violations of the Bechtel Code of Conduct so that the company can take appropriate action and remedy the situation.</p> <p>Several channels of reporting are available, depending on the issue, including:</p> <ul style="list-style-type: none"> <li>• The Ethics HelpLine May Be Contacted in Any of the Following Ways:</li> <li>• Your supervisor</li> <li>• A higher level of management</li> <li>• Your Ethics &amp; Compliance officer</li> <li>• The Environmental, Safety &amp; Health Department</li> <li>• The Bechtel Ethics HelpLine</li> </ul> <p>The Ethics HelpLine is a confidential resource available to employees to discuss any ethics or compliance question or concern, to seek clarification or guidance about the Bechtel standards of conduct, or to report potential wrongdoing or inappropriate conduct in the company.</p> <p>What to Expect When You Contact the Ethics HelpLine</p> <ul style="list-style-type: none"> <li>• You will be treated with respect.</li> <li>• Your concern will be treated seriously.</li> <li>• You will not be required to identify yourself.</li> <li>• Your report will be kept confidential to the extent permitted by law and Bechtel's need to fully investigate the matter. (If Bechtel discovers criminal or otherwise improper activity, the company may be required to report such activity to appropriate government enforcement authorities.)</li> </ul>

- Only those with a need to know will be involved in or know of the investigation.

[p.72] The Ethics HelpLine May Be Contacted in Any of the Following Ways:

- Through the Internet at: [helpline.bechtel.com](http://helpline.bechtel.com)
- By telephone: 1-800-BECHTEL (1-800-232-4835) from the United States and Canada
- For callers outside these locations, additional toll-free numbers are listed on the HelpLine web portal and on the myBechtel Ethics & Compliance site
- Native language speakers or translators fluent in more than 120 languages are available to help with questions and concerns in languages other than English
- The Ethics HelpLine is answered 24 hours a day/seven days per week by an external independent service provider
- By mail to: Bechtel Ethics HelpLine (Confidential Mail) 12011 Sunset Hills Road Reston, VA 20190 U.S.A.
- By e-mail to: Ethics (or [ethics@bechtel.com](mailto:ethics@bechtel.com)) or [NSEComp@bechtel.com](mailto:NSEComp@bechtel.com) (for NS&E employees)

### [27] Ethics Helpline (Webpage)

Accessed 23/10/2019

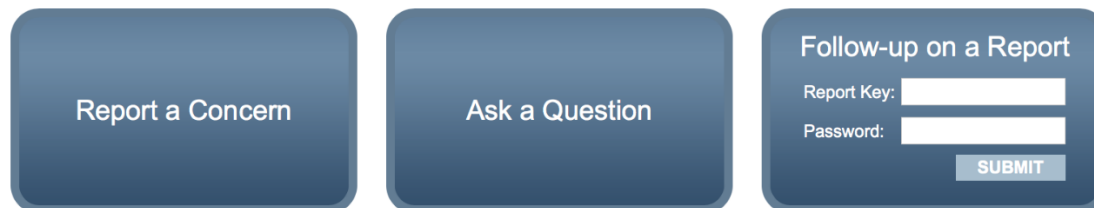
<https://secure.ethicspoint.com/domain/media/en/gui/36036/index.html>

#### WELCOME TO THE BECHTEL ETHICS HELPLINE

Bechtel is committed to the highest standards of ethical business conduct and depends on its employees to report violations or potential violations of the Bechtel Ethics Code of Conduct so that the company can take appropriate action and remedy the situation. We also encourage you to use the HelpLine to simply ask a question or seek guidance on how to apply the Code of Conduct in your daily work.

If you do have a question or concern, you may submit it below or, if you prefer, talk to your supervisor, your Ethics & Compliance Officer or any member of management.

It is not necessary to provide your name, however, if you do, your report will be kept confidential to the extent permitted by law and Bechtel's need to fully investigate the matter. Only those with a need to know will be involved in, or know of, the investigation.



Bechtel enforces a strict non-retaliation policy prohibiting retaliation against anyone who raises a concern about possible misconduct or alleged wrongdoing.

### [9] Ethics and Compliance (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/>

24/7/365

We encourage and expect Bechtel employees to speak up if they become aware of any unlawful or unethical conduct.

The Bechtel Ethics HelpLine is a confidential means of communication separate from line management available to employees to discuss any ethics or compliance question or concern. The HelpLine is staffed 24 hours a day, seven days a week, by an independent service provider. We make available native speakers or translators of more than 200 languages.

Our colleagues can raise issues online and outside the Bechtel network via a web portal at [helpline.bechtel.com](http://helpline.bechtel.com). Colleagues can access this portal using any Internet connection, and Bechtel log-in information is not required.

The site includes frequently asked questions about the HelpLine process and a copy of the Bechtel Code of Conduct.

**[5] Ethics and Compliance Program (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/program/>

**2.3 Employee Questions and Concerns**

The company will encourage employees to raise questions or concerns with management and will provide guidance and information to managers to help them to respond appropriately.

The Bechtel Ethics HelpLine will be provided as a confidential means of communication separate from line management available to employees to discuss any ethics or compliance question or concern, to seek clarification or guidance about the Bechtel standards of conduct, or to report potential wrongdoing or inappropriate conduct in the company.

**[10] Sustainability Report 2017 (Document)**

Accessed 21/10/2019

<https://www.bechtel.com/bechtel/media/html/2017-reports/assets/pdf/sr/The-Bechtel-Sustainability-Report-2017.pdf>

[p.23] Ethics

[...] Our compliance training program provided all Bechtel colleagues with anti-corruption and bribery training, and other education in the substantive legal risks they are likely to encounter in their jobs. Our colleagues also participated in live, scenario-based workshops designed to build awareness of risks, understanding of Ethics and Compliance Program resources, and techniques to prevent ethics or compliance incidents. Our global Ethics HelpLine provided an independent, confidential channel for colleagues and others to raise questions or concerns, via telephone or the internet, with access to native speakers and translators of more than 200 languages.

**[1] Anti-Corruption Compliance Guidelines (Document)**

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.37] When and How to Report Violations of our Anti-Corruption Policy

Q. I understand I have an obligation to report anti-corruption violations, but what if I'm not sure about the facts or don't have enough information to conclude that a violation has occurred?

A. We all have the responsibility to ask questions if we are concerned that the Bechtel standards of conduct are not being met. Talk to your manager, your organization's Ethics and Compliance Officer, or the Anti-Corruption Subject Matter Expert identified in the Key Contacts section of the Ethics and Compliance site on BecWeb or call the Ethics HelpLine. They can help you determine whether there is an ethics or compliance issue that should be reported.

[p.38] How to Report Violations

Bechtel depends on you to report violations or potential violations of these anti-corruption guidelines so that the company can take appropriate action to address any issues.

Several different channels of reporting are available, depending on the issue, including:

- Your supervisor
- A higher level of management
- Your Ethics and Compliance Officer
- The Legal Department
- Internal Audit
- The Bechtel Ethics HelpLine

The Ethics HelpLine may be contacted in any of the following ways:

- Through the Internet at: [helpline.bechtel.com](http://helpline.bechtel.com)
- By telephone: 1-800-BECHTEL (1-800-232-4835) from the United States and Canada
- For callers outside these locations, additional toll-free numbers are listed on the HelpLine web portal and on the myBechtel Ethics & Compliance site
- Native language speakers or translators fluent in more than 120 languages are available to help with questions and concerns in languages other than English
- The Ethics HelpLine is answered 24 hours a day/ seven days per week by an external independent service provider
- By mail to: Bechtel Ethics HelpLine (Confidential Mail) 12011 Sunset Hills Road Reston, VA 20190 U.S.A.
- By e-mail to: Ethics (or [ethics@bechtel.com](mailto:ethics@bechtel.com)) or [NSEComp@bechtel.com](mailto:NSEComp@bechtel.com) (for NS&E employees)

**[4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/>

Policy 102: Ethical Business Conduct. Statement of policy

[...] The reporting process will provide a confidential means of communication separate from line management.

**[5] Anti-Retaliation Policy (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/>

Obligation to Raise Concerns

Bechtel depends on its employees to raise questions or concerns so that the company can take appropriate action. All employees are required to report any suspicion of improper or wrongful activity. Several different channels for reporting are available, which are explained in detail in the Bechtel Code of Conduct.

Reports of suspected improper or wrongful activity will be treated confidentially, and employees have the choice to report concerns anonymously. If submitting a concern anonymously, it is important to provide sufficiently detailed information regarding the subject matter of the concern and identify potential witnesses to enable Bechtel to effectively address the concern.

## 4. Conflict of Interest

Question
<b>4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?</b>
Score
<b>2</b>
Comments
Based on publicly available information, there is evidence that the company has a clear policy and procedure that defines conflicts of interest, including actual, potential and perceived conflicts. There is evidence that the policy explicitly covers employee relationships, government relationships, financial interests and other employment. The company states that this policy applies to all employees and board members, including those of subsidiaries and other controlled entities.
Evidence
<p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a></p> <p>[p.3] To Whom Does it Apply?  Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.</p> <p>[p.59] Conflicts of Interest  Bechtel employees must avoid any interest, relationship, or outside activity that could affect the employee's objectivity in making decisions concerning his or her Bechtel duties and responsibilities. A conflict of interest may exist when an employee or a member of his or her family is involved in an activity or has a personal interest that could impair, or even appear to impair, the ability to make objective and fair decisions, or could create an incentive to act in a manner that would advance personal interests at the expense of Bechtel.</p> <p>What Behavior is Expected?</p> <ul style="list-style-type: none"> <li>• Avoid situations where personal, social, financial, or political activities interfere with or have the potential to interfere with your duty to and objectivity concerning Bechtel</li> <li>• Never work for, or provide services or advice to, current or potential customers, competitors, or suppliers that you must deal with as part of your job at Bechtel</li> <li>• Never invest in a supplier, competitor, or customer if you (or those you supervise) have direct dealings with; involvement in the selection or assessment of; or negotiations with the supplier, competitor, or customer</li> <li>• Obtain a conflict of interest determination from your Ethics &amp; Compliance officer before you or a family member undertakes any outside activity that could create the appearance of divided loyalty or conflict of interest</li> <li>• Disclose and resolve any existing situations that potentially create a conflict of interest or the appearance of a conflict</li> </ul> <p>Common Questions</p> <p>-What kinds of situations are most likely to create potential conflicts of interest?  -Each situation is different and requires individual consideration. A conflict of interest may occur without any deliberate action on the part of the employee. At times employees may be faced with situations where the business actions they take on behalf of Bechtel may conflict with their own personal or family interests because the course of action that is best for them personally may not also be the course of action best for Bechtel. Some of the most common conflict of interest situations involve:</p> <ul style="list-style-type: none"> <li>• Taking on an outside job (by either you or a family member) for a Bechtel customer, competitor, supplier, or contractor while you are employed by Bechtel</li> </ul>



- Hiring or supervising an individual with whom you have a significant personal or family relationship (see the Bechtel Workplace Relationships policy, which is Policy A401J in the Personnel Policy Manual—International [“Greenbook”] and Policy 401J in the Personnel Policy Manual—U.S. [“Redbook”])

[p.60]

- Serving as a board member or consultant for an outside commercial company or not-for-profit organization
- Owning or having a substantial financial interest in a competitor, supplier, or contractor
- Having a personal interest or potential financial gain from any Bechtel business transaction
- Accepting gifts, discounts, favors, or services from a current or potential customer, competitor, or supplier when that benefit is not equally available to all Bechtel employees

-What size investment is considered a “substantial financial interest”?

-A substantial financial interest is an investment of an amount that is more than 1% of the total outstanding class of securities/ capital value of an entity or represents more than 5% of the personal net worth of the Bechtel employee, the employee’s family members, or others with whom the employee has a close personal relationship.

-My son works for a Bechtel supplier, and my sister works for a competitor. Is this a problem for me in my job? Can’t control where they decide to work.

-Probably not. Many conflicts of interest can be resolved in a mutually acceptable way, but they must be disclosed so that steps can be taken to provide assurance that potential conflicts do not affect or appear to affect company decisions. Failure to disclose potential conflicts of interest may lead to disciplinary action.

-Is it OK to buy stock in a corporation that is one of the owners of the project I work on? I’ve been very impressed with its employees and think this would be a good investment.

-It may be OK. The answer depends upon your job, the size of the investment, and its relationship to your net worth. Ask your Ethics & Compliance officer if you need to obtain a conflict of interest determination. Also, you must not invest if you are in possession of material inside information.

[p.65] Public Service

Many Bechtel employees participate actively in civic life. From time to time, Bechtel’s interest and the employee’s obligation to the civic organization may pull in opposite directions, placing the employee in a difficult or awkward situation. In such cases, Bechtel employees must abstain, indicating that they are doing so to avoid a conflict of interest or the appearance of one, and must notify their supervisor or manager of the abstention.

What Behavior is Expected?

- When speaking out on public issues, make sure to do so as an individual—not as a Bechtel employee
- Avoid giving the appearance that you are speaking or acting on Bechtel’s behalf if you have not been authorized to be an official Bechtel spokesperson

### [13] Conflicts of Interest (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/conflicts-interest/>

Conflicts of Interest

Bechtel has established a process to review and prevent actual or apparent conflicts of interest. It provides requirements for disclosing potential conflicts of interest and the process for obtaining a conflict of interest review. It applies to all Bechtel organization and entity employees, contract labor, consultants, and others acting for the company.

Definitions

1. Immediate Family Member—includes an employee’s spouse, domestic partner, child or stepchild, parent, parent-in-law, sibling, and anyone sharing the employee’s household (other than a tenant or employee).
2. Relative—includes an employee’s grandparents, spouse’s grandparents, grandchildren, great-grandchildren, stepsiblings, half-sibling, uncles, aunts, nephews, nieces and cousins.
3. Financial Interest or Financial Involvement—may include transactions involving cash, securities, loans, forgiveness of debt, non-cash trades or benefits, or ownership interests.
4. Passive Investment—a purely financial involvement in an organization for which the employee performs no managerial functions, provides no advice, and has no ability to influence the policies, products, or business of the outside organization. Passive investments include ownership of shares in a public or private company,



whether held individually, in a 401K plan, or as an investment in a stock mutual fund or stock market index fund.

5. Substantial interest—a financial investment that is more than 1% of the total outstanding class of securities/capital value of an entity or represents more than 5% of the personal net worth of the employee, the employee's family members, or others with whom the Bechtel employee has a close personal relationship.
6. Senior Bechtel Officers—are Bechtel Principal Vice Presidents, Senior Vice Presidents and Directors.

#### Background

A conflict of interest exists whenever an employee's personal interests are inconsistent with —i.e., conflict with — the interests of Bechtel. While employed at Bechtel, an employee's primary business loyalty must lie with Bechtel. As a result, an employee must not engage in activities outside of work that create a possible conflict of interest between an employee's and Bechtel's best interest. An actual conflict of interest need not exist to constitute a violation of the Bechtel standards of conduct. Activities that create the appearance of conflict of interest must also be avoided.

#### Instruction

##### I. General Guidelines and Responsibilities:

1. Employees must fully disclose through the conflict of interest review process any activity or transaction that might give rise to a conflict of interest, or even the appearance of a conflict of interest. In some cases, an employee may not realize that a conflict exists until he or she is already engaged in the activity. In such cases, the employee should contact Ethics and Compliance as soon as the employee becomes aware that the potential for conflict exists. If known by the employee, the same information must be disclosed for immediate family members or relatives.
2. If an employee is unsure about whether a contemplated activity might constitute a potential conflict of interest, the employee should contact the organization's ethics and compliance officer for guidance concerning whether disclosure through the conflict of interest review process is required.
3. Upon completion of a conflict of interest review, the ethics and compliance officer will issue a conflict of interest determination, the process for which is described below.

##### II. Conflict of Interest Disclosure and Review Requirements

1. Disclosure of potential conflicts of interest. Conflicts of interest may arise in a number of circumstances. These may include:
  - Having a financial interest, in any supplier, subcontractor, customer or competitor, where the Bechtel employee can influence, or has the appearance of influence over, business dealings or decisions affecting that entity, except a passive interest as described in Section IV.3 below.
  - Ownership, directly or indirectly, of a substantial interest in, or having effective control of, a client, subcontractor, supplier or other service firm which is currently or potentially doing business with or in competition with Bechtel, or with a present or prospective Bechtel client.
  - Acting as an employee, officer, director, partner, consultant, representative, agent, auditor or advisor of a Bechtel competitor, supplier, customer, partner, contractor, or subcontractor, except when so acting at the request of Bechtel.
  - Misusing or engaging in unapproved disclosures of proprietary or confidential information.
  - Using or diverting Bechtel's know-how, internal information, equipment, tools, materials, supplies or the time and services of its personnel for any purpose not compatible with Bechtel's best interests.
  - Participating in a focus group or survey and sharing Bechtel know-how where the ultimate beneficiary of the information is unknown.
  - Dealing directly, in the course of normal company responsibilities, with an immediate family members, relatives or others with whom the Bechtel employee has a close personal relationship who are employed by a supplier, vendor, customer, or competitor of Bechtel.
  - Serving as a board member for an outside entity, except when such board service is:
    - At the request of Bechtel;
    - For an industry or professional association; or
    - For a not-for-profit entity whose activities are unrelated to Bechtel business or activities, and which does not seek or receive funding from Bechtel, a Bechtel-sponsored organization, or the Bechtel Foundation.
  - Having a personal financial involvement with an employee or representative of a supplier, customer, or competitor of Bechtel with whom the Bechtel employee interacts in a business capacity for Bechtel.
  - Using Bechtel property, information or assets or an employee's position with Bechtel for personal gain.
  - Directly or indirectly owning, trading or dealing in real estate, materials, supplies, equipment or other property with the intent of selling or renting to Bechtel, or its clients.

- Acting as a consultant, advisor, or expert witness in a legal process, such as a lawsuit, administrative proceeding, mediation, arbitration, dispute resolution, government or private investigation, rule-making procedure, or similar process, unless acting at the request of Bechtel.
  - Acting as an officer or employee of any government or any department, agency, or entity controlled by the government.
  - Acting as an officer or employee of a Public International Organization, e.g., United Nations, International Monetary Fund (IMF), World Bank).
  - Any other activity that might adversely affect Bechtel, its business, or its reputation.
2. If a potential conflict of interest or appearance of conflict of interest may exist, employees should contact their organization's ethics and compliance officer for guidance. The ethics and compliance officer will advise the employee whether a conflict of interest review is required. If so, employees will cooperate fully in the review process by providing all necessary information.
  3. In addition to complying with the conflict of interest disclosure and review requirements for all employees, senior Bechtel officers seeking to serve on the board of directors or similar body of a public company or other for-profit enterprise must obtain approval of the Chief Operating Officer with concurrence of the General Counsel.

[...]

#### IV. Interests and Activities That Do Not Require a Conflict of Interest Review

1. Working for any entity that is not a supplier, subcontractor, customer or competitor.
2. Acting as an employee, officer, director, partner, consultant, representative, agent, or advisor, of an entity at the request of Bechtel.
3. Having a passive investment interest in any supplier, customer, or competitor where such interest is less than 1% of the outstanding securities/capital value of the entity and represents less than 5% of the total assets of the employee, the employee's immediate family members, relatives or others with whom the Bechtel employee has a close personal relationship.
4. Serving on the board of a not-for-profit entity whose activities are unrelated to Bechtel business or activities, and which does not seek or receive funding from Bechtel, a Bechtel-sponsored organization, or the Bechtel Foundation.
5. Serving as an officer or director of an industry or professional association.

#### [4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/>

Bechtel employees must avoid any interest, relationship or outside activity that could affect the employee's objectivity in making decisions concerning his or her Bechtel duties and responsibilities. These global standards of conduct also apply to members of the board of directors, agents, consultants, contract personnel, licensors, and others, when they are representing or acting for, or on behalf of, Bechtel.

[...]

This policy, the Bechtel Code of Conduct booklet, and related policies and management instructions, constitute the Bechtel standards of conduct. Failure to comply with these standards may result in discipline, including termination.

Question
<b>4.2. Are there procedures in place to identify, declare and manage conflicts of interest, which are overseen by a body or individual ultimately accountable for the appropriate management and handling of conflict of interest cases?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company has clear procedures to identify, declare and manage conflicts of interest, actual, potential and perceived. This includes a statement that all employee and board member declarations of actual and potential conflicts of interest are recorded in a dedicated register that is accessible to those responsible for oversight of the process.</p> <p>There is evidence that potential and actual conflict of interest declarations are reviewed and overseen by Ethics and Compliance Officers, and/or the Chief Ethics and Compliance Officer, who has ultimate accountability for implementation of the policy and handling of individual cases. The description of this procedure also includes examples of criteria for recusals and a description of the potential punitive measures for breaches of the policy.</p>
Evidence
<p><b>[13] Conflicts of Interest (Webpage)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/conflicts-interest/">https://www.bechtel.com/about-us/ethics-compliance/conflicts-interest/</a>  Instruction</p> <p>I. General Guidelines and Responsibilities:</p> <ol style="list-style-type: none"> <li>Employees must fully disclose through the conflict of interest review process any activity or transaction that might give rise to a conflict of interest, or even the appearance of a conflict of interest. In some cases, an employee may not realize that a conflict exists until he or she is already engaged in the activity. In such cases, the employee should contact Ethics and Compliance as soon as the employee becomes aware that the potential for conflict exists. If known by the employee, the same information must be disclosed for immediate family members or relatives.</li> <li>If an employee is unsure about whether a contemplated activity might constitute a potential conflict of interest, the employee should contact the organization's ethics and compliance officer for guidance concerning whether disclosure through the conflict of interest review process is required.</li> <li>Upon completion of a conflict of interest review, the ethics and compliance officer will issue a conflict of interest determination, the process for which is described below.</li> </ol> <p>II. Conflict of Interest Disclosure and Review Requirements  [...]</p> <ol style="list-style-type: none"> <li>If a potential conflict of interest or appearance of conflict of interest may exist, employees should contact their organization's ethics and compliance officer for guidance. The ethics and compliance officer will advise the employee whether a conflict of interest review is required. If so, employees will cooperate fully in the review process by providing all necessary information.</li> <li>In addition to complying with the conflict of interest disclosure and review requirements for all employees, senior Bechtel officers seeking to serve on the board of directors or similar body of a public company or other for-profit enterprise must obtain approval of the Chief Operating Officer with concurrence of the General Counsel.</li> </ol> <p>III. Conflict of Interest Determination Process</p> <ol style="list-style-type: none"> <li>Requests for a conflict of interest determination will be decided on a case by case basis. The employee should submit a request for review in writing, using the form attached as Attachment 1 to this Instruction, to their organization's ethics and compliance officer. (The Request for Conflict of Interest Determination form is also available on the Ethics and Compliance site on myBechtel.) On this form, the employee should supply, at a minimum, the following information: <ul style="list-style-type: none"> <li>A description of the employee's duties and responsibilities with Bechtel.</li> <li>A description of the relationship, financial interest, role, or activity, in which the employee proposes to become involved.</li> <li>A description of the proposed relationship of the Bechtel employee to the persons, entities or activities at issue.</li> </ul> </li> </ol>

- A description of any relationship between Bechtel and the persons, entities, or activities at issue.
  - The proposed level of the employee's involvement or position with the persons, entities or activities at issue.
  - Any compensation or other benefit to the employee arising from the proposed activity.
  - Whether the employee expects to perform the proposed activity during Bechtel working hours or with the use of Bechtel equipment or assets.
2. Conflict of interest reviews will be conducted by the ethics and compliance officer for the employee's organization and will be determined on a case by case basis in consultation with the employee, the employee's supervisor or functional manager, and others, as appropriate. In cases involving a senior Bechtel officer, the conflict of interest review will be conducted by the CECO and the determination will be made in consultation with the COO and the General Counsel.
  3. In cases where the proposed activity presents no conflict of interest, the ethics and compliance officer will issue written conflict of interest determination to that effect if requested by the employee.
  4. In cases where the proposed activity potentially presents a conflict of interest, but the potential conflict can be eliminated or mitigated by the imposition of certain restrictions on the employee's involvement in the activity, the ethics and compliance officer will issue a written conflict of interest determination that sets forth, in detail, any such restrictions. A copy of this determination will be sent to the employee and the employee's supervisor. An employee's failure to follow the restrictions set forth in the conflict of interest determination may result in disciplinary action.
  5. In cases where the proposed activity presents an unavoidable conflict of interest, the ethics and compliance officer will issue a written conflict of interest determination that prohibits the employee from engaging in the proposed activity. A copy of this determination will be sent to the employee and the employee's supervisor.
  6. Once a written determination has been made, it continues in effect until it is reversed, modified, or withdrawn. If circumstances change, such as the employee moves to a different assignment within Bechtel, it is the employee's responsibility to inform the organization's ethics and compliance officer of the change. Upon review, the previous decision may be reversed, modified, or withdrawn.
  7. Records of conflict of interest reviews will be retained by the GBU or other business-based ethics and compliance officer. Records of conflict of interest reviews involving a senior Bechtel officer will be retained by the CECO. Conflict of interest determinations shall be classified as Level 2 Confidential business records. Conflict of interest review data will be collected and analyzed by the CECO in order to improve conflict of interest guidance and processes and to provide visibility of company-wide conflict of interest issues.
  8. An employee may appeal the determination of a conflict of interest review by the organization ethics and compliance officer, or pose questions, to the CECO. In cases involving a senior Bechtel officer, appeal of a conflict of interest determination may be made to the CEO.

#### IV. Interests and Activities That Do Not Require a Conflict of Interest Review

1. Working for any entity that is not a supplier, subcontractor, customer or competitor.
2. Acting as an employee, officer, director, partner, consultant, representative, agent, or advisor, of an entity at the request of Bechtel.
3. Having a passive investment interest in any supplier, customer, or competitor where such interest is less than 1% of the outstanding securities/capital value of the entity and represents less than 5% of the total assets of the employee, the employee's immediate family members, relatives or others with whom the Bechtel employee has a close personal relationship.
4. Serving on the board of a not-for-profit entity whose activities are unrelated to Bechtel business or activities, and which does not seek or receive funding from Bechtel, a Bechtel-sponsored organization, or the Bechtel Foundation.
5. Serving as an officer or director of an industry or professional association.

#### [3] Code of Conduct (Document)

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.59] What Behavior is Expected?

[...]

- Obtain a conflict of interest determination from your Ethics & Compliance officer before you or a family member undertakes any outside activity that could create the appearance of divided loyalty or conflict of interest
- Disclose and resolve any existing situations that potentially create a conflict of interest or the appearance of a conflict

## [p.60] Further Guidance

Requests for Conflict of Interest Determinations may be submitted at [coi.bechtel.com](http://coi.bechtel.com) or by completing the form attached to Ethics & Compliance Management Instruction 102.

For issues concerning reporting relationships between close personal friends or relatives, consult the Bechtel Workplace Relationships policy, which is Policy A401J in the Personnel Policy Manual—International (“Greenbook”) and Policy 401J in the Personnel Policy Manual—U.S. (“Redbook”). Questions about whether an activity could create an actual or apparent conflict of interest should be directed to your manager or supervisor and your organization’s Ethics & Compliance officer. You can also contact Human Resources, the Legal Department, or the Ethics HelpLine for further guidance.

[p.75] Aviolation of the rules and standards set forth in Our Code of Conduct and Bechtel policies and instructions may be grounds for termination or other disciplinary action. Disciplinary action may be taken against any individual who:

- Authorizes or participates in a violation of the Code of Conduct rules and standards or Bechtel policies or instructions
- Improperly or negligently supervises a person who commits a violation
- Fails to report a violation or withholds relevant information about a violation

**[4] Policy 102: Ethical Business Conduct Statement of policy (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/>

Bechtel employees must avoid any interest, relationship or outside activity that could affect the employee’s objectivity in making decisions concerning his or her Bechtel duties and responsibilities. These global standards of conduct also apply to members of the board of directors, agents, consultants, contract personnel, licensors, and others, when they are representing or acting for, or on behalf of, Bechtel.

[...]

This policy, the Bechtel Code of Conduct booklet, and related policies and management instructions, constitute the Bechtel standards of conduct. Failure to comply with these standards may result in discipline, including termination.

Question
<b>4.3. Does the company have a policy and procedure regulating the appointment of directors, employees or consultants from the public sector?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company has a policy which includes controls to assess and regulate employment and offers of employment or consultancy engagement to current and recently departed public officials. There is evidence that the policy requires senior compliance officer approval for the initiation of any employment discussions with former or current public officials, a review of conflict of interests, and restrictions on their activities if such conflicts of interest are identified.</p> <p>However, there is no evidence that the company has a policy to implement a cooling-off period of at least 12 months before such public officials are permitted to have any form of contact or relationship with their former organisation on the company's behalf.</p>
Evidence
<p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.31] The U.S. government, as well as many other countries and state and local governments, have laws that regulate the recruiting and hiring of their current or former employees (both civilian and military). These rules and regulations apply to all of Bechtel, not just those entities doing business with U.S. government customers. Bechtel is strongly committed to complying with these laws and to avoiding even the appearance of impropriety when interfacing with U.S. or other government officials. This compliance is maintained in the recruiting, hiring, and employment of U.S. or other government officials.</p> <p>What Behavior is Expected?</p> <ul style="list-style-type: none"> <li>Be aware that employment discussions and other employment-related actions involving current or former U.S. government employees raise unique legal concerns.</li> </ul> <p>Common Questions</p> <p>-What should I do if I am approached by a current U.S. government employee about employment with Bechtel?  -Tell the prospective candidate that you must contact our Human Resources Department to determine whether you may properly engage in employment discussions.</p> <p>-I am a Bechtel employee working on a U.S. government project. I have heard that my counterpart will be leaving U.S. government service and may be interested in working in the private sector. I think she would be a great asset for Bechtel, and I have a job that would be perfect for her. May I have general, exploratory discussions with her about whether she would be interested in working at Bechtel?  -No. Bechtel policy requires that you first contact Human Resources or the Legal Department before having any compliance is maintained in the recruiting, hiring, and employment of U.S. or other government officials. involving current or former U.S. government employees raise unique legal concerns employment-related discussions. They can give you guidance on how the initial contact may be made.</p> <p>-Should I also be concerned about recruiting or hiring current or former U.S. state or local government employees? What about other countries' government employees?  -In much the same manner as the U.S. government, many other countries, states, and local governments have laws and regulations concerning employment of current and former employees. Therefore, Bechtel policy also requires that you contact Human Resources or the Legal Department before recruiting or hiring current or former employees of foreign, state, or local governments to ensure that we comply with the law and avoid potential conflicts of interest. By taking this precaution, you can avoid exposing yourself and Bechtel to legal liability.</p>



**[13] Conflicts of Interest (Webpage)**

Accessed 21/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/conflicts-interest/>**V. Additional Guidance for Other Potential Conflicts of Interest**

Conflict of interest laws and regulations applicable to current and former U.S. Government employees, including Special Government Employees, are described in [other policies and procedures relating Recruitment of United States Government Employees for Positions with the Bechtel Group of Companies, and Recruitment and Hiring of United States Government Employees.

Responsibilities of management regarding the hiring and placement of employees' relatives in the workplace are described in the Bechtel Workplace Relationships policy.

**[37] Political Activities (Webpage)**

Accessed 29/06/20

<https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/>

Specific rules govern the hiring of former public officials in Bechtel's government business. Prior to initiating contact or having discussions, whether formal or informal, with a government employee regarding possible employment, the appropriate Human Resources Department (HR), in conjunction with the Legal Department and Ethics and Compliance, makes an initial determination of whether employment discussion can begin. Before any offer for employment can be made, the prospective employee must submit a written statement setting forth any government restrictions applicable to their activities for Bechtel. HR, Ethics & Compliance and Legal ensure that any such limitations would not prohibit or unduly restrict the prospective employee from carrying out the intended duties and authorities of the position. HR maintains adequate records of any former officials employed or retained by the company to respond to related government audit requests and support representations required in proposals.



Question
<b>4.4. Does the company report details of the contracted services of serving politicians to the company?</b>
Score
<b>2</b>
Comments
The company publishes a clear statement that it does not contract serving politicians, so therefore receives a score of '2'.
Evidence
<p><b>[37] Political Activities (Webpage)</b>  Accessed 29/06/20  <a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a>  Bechtel does not contract, i.e. hire, active (currently serving) politicians for services. Due diligence process for potential third-party hires such as subcontractors, partners, agents or representatives includes a specific review of employment and ownership to identify any direct or indirect connections to active politicians.</p>

## 5. Customer Engagement

### 5.1 Contributions, Donations and Sponsorships

Question
5.1.1. Does the company have a clearly defined policy and/or procedure covering political contributions?
Score
0
Comments
<p>There is evidence that the company has a policy on political contributions, which states that such donations are generally prohibited but permissible in certain circumstances with appropriate authorisation and sign-off. There is also evidence that the company is associated with a Political Action Committee (PAC) in the United States.</p>
Evidence
<p><b>[36] Anti-Corruption Guidelines 2020 (Document)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/getmedia/e6364688-ffae-4b54-b7b0-3880194f7328/2020-Anti-Corruption-Guidelines.pdf">https://www.bechtel.com/getmedia/e6364688-ffae-4b54-b7b0-3880194f7328/2020-Anti-Corruption-Guidelines.pdf</a>  [p.12] Political Contributions and Activities  In the United States and many other countries, a corporation's political activities are significantly limited by law. As a general rule, political contributions of corporate funds or use of corporate property, services, or other assets (including employee time spent on such activities) for political purposes is prohibited or highly restricted. For this reason, Bechtel policy requires advance approval or notification of the appropriate Bechtel manager and the Legal Department, even where such activities are permitted. And, of course, any costs incurred in connection with them must be strictly and properly accounted for.</p> <ul style="list-style-type: none"> <li>• In the United States, notify the Manager of Government Affairs in the Bechtel Washington, D.C. office of any inquiries or visits (planned or unplanned) to or from U.S. executive branch or legislative branch employees or political candidates.</li> <li>• Outside the United States, notify the Bechtel country manager, the President, Regions and Corporate Relations and the Legal Department of any inquiries or visits to or from any government official or political candidate.</li> <li>• Ensure that any corporate or project contributions, political events, and use of company time or resources for political purposes are approved in advance by the Manager of Government Affairs in the Bechtel Washington, D.C. office (U.S. federal), Corporate Affairs &amp; Government Affairs (U.S. state or local), or the applicable country manager and Legal Department for non-U.S. based contributions, events or activities.</li> </ul> <p><b>[37] Political Activities (Webpage)</b>  Accessed 29/06/20  <a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a>  Bechtel does not make corporate political contributions to federal office candidates in the U.S., as such contributions are prohibited by law. Bechtel policy requires approval by the Manager of Government Affairs for any federal, state and local political activity. Bechtel has an employee-run Political Action Committee (PAC). PAC contributions can be <a href="#">found here</a>. More information on our political activities in the U.S. can be <a href="#">found here</a>. Bechtel discloses lobbying activities per U.S. law and requires all its contractors, representatives, agents, and consultants to do the same.</p> <p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>  [p.18] Political Contributions and Activities:  In the United States and many other countries, a corporation's political activities are significantly limited by law. As a general rule, political contributions of corporate funds or use of corporate property, services, or other assets (including employee work time spent on such activities) for political purposes is prohibited or highly restricted. For this reason, Bechtel policy requires advance approval or notification of the appropriate Bechtel manager, even</p>

where such activities are permitted. And, of course, any costs incurred in connection with them must be strictly and properly accounted for.

[p.19]

- In the United States, notify the Washington, D.C. office of any inquiries or visits (planned or unplanned) to or from U.S. executive branch or legislative branch officials or political candidates.
- Outside the United States, notify the Bechtel country manager of any inquiries or visits to or from any government official or political candidate.
- Ensure that any corporate or project contributions, political events, and use of company time or resources for political purposes are approved by the Bechtel Washington, D.C. office (U.S. federal), corporate External Affairs & Communications (U.S. state or local), or the applicable country manager (non-U.S.).

### [3] Code of Conduct (Document)

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.3] To Whom Does it Apply?

Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

[p.23] Political Activities

Bechtel employees may voluntarily participate during their personal time in political causes or political action committees (PACs). As a matter of policy, Bechtel does not apply direct or indirect pressure on any employee to make any political contribution or participate in the support of a political party, the political candidacy of any individual, or a political cause. Moreover, employees are in no way required to make a contribution to the Bechtel PAC, even if they receive a solicitation.

In the United States and many other countries, a corporation's political activities are significantly limited by law. As a general rule, political contributions of corporate funds or use of corporate property, services, or other assets (including employee work time spent on such activities) for political purposes are prohibited or highly restricted. Where such political activities are permitted, any costs incurred in connection with them must be strictly accounted for.

[...]

What Behavior is Expected?

- Do not participate in political activities on company time or using company resources
- Do not circulate or display materials of a political nature in any facility occupied by Bechtel
- In the United States, notify the Washington, D.C. office of any inquiries or visits (planned or unplanned) to or from U.S. executive branch or legislative branch officials or political candidates
- Outside the United States, notify the Bechtel country manager of any inquiries or visits to or from any government official or political candidate
- Coordinate any inquiries or visits from any U.S. state or local government officials or political candidates with the corporate External Affairs & Communications organization
- If you engage in any activities intended to directly or indirectly influence a U.S. executive branch or legislative branch official, be sure you understand the reporting requirements and applicable charging practices
- Ensure that any corporate or project contributions, political events, and use of company time or resources for political purposes are approved by corporate Regions and Government Affairs in the Bechtel Washington, D.C. office (for U.S. federal, state, or local matters); or the applicable country manager (non-U.S.)

Common Questions

What if a project receives a request from the local Congressional representative to attend a fundraising event and contribute funds? May we give corporate funds and attend the event?

All requests of this nature should be forwarded to the Washington, D.C. office. It is illegal for corporate contributions to be given to a candidate running for Congress. Funds may be contributed to a candidate through the Bechtel

PAC, which is managed by the Washington, D.C. office. Contribution decisions are made by the Bechtel PAC Board.

[p.24] What should I do if I feel pressured to contribute or participate in a political cause?

You have the right to refuse to contribute without reprisal. If you find yourself in a situation where you feel pressured, you should talk to your manager or contact Human Resources, the Legal Department, your Ethics & Compliance officer, or the Bechtel Ethics HelpLine.

What is the policy regarding local politics? May a project buy tickets to a political fundraiser for a local official, such as a city council member?

This might be OK in some jurisdictions, but many countries have different laws for different political offices or jurisdictions. For example, in the U.S., the laws governing state and local political contributions vary from state to state. Contact corporate External Affairs & Communications or the Legal Department for guidance.

What is the Bechtel PAC?

The Bechtel Political Action Committee (Bechtel PAC), organized as a separate segregated fund of Bechtel Group, Inc. pursuant to federal election law, is funded exclusively from individual donations. According to federal law, corporations are not permitted to make contributions to federal candidates, but they are allowed to create political action committees that can make contributions. A PAC is a committee organized with the purpose and intent of supporting political candidates financially. PACs receive and raise money from eligible employees and make donations to political campaigns. They therefore provide an indirect way for employees to participate in campaigns.

If I don't contribute to the Bechtel PAC, will it hurt my career?

Contributions to the Bechtel PAC are not reported back to management. Not contributing will not hurt your career; at the same time, choosing to contribute will not provide any benefit to your employment at Bechtel.

Further Guidance

If you are unsure of the proper business practice with respect to political activities, consult your supervisor or manager; Human Resources; the Legal Department; corporate Government Affairs; or the Washington, D.C. office. You can also contact your organization's Ethics & Compliance officer or the Bechtel Ethics HelpLine.

Question
5.1.2. Does the company publish details of all political contributions made by the company and its subsidiaries, or a statement that it has made no such contribution?
Score
2
Comments
There is evidence that the company publishes details of its political contributions in the United States by including direct links on its website to official reporting documents and to the Open Secrets website. There is evidence that this data is updated and published on at least an annual basis. These details include the recipient and amount, and whether the contribution was made by an individual or a Political Action Committee (PAC).
Evidence
<p><b>[37] Political Activities (Webpage)</b> Accessed 29/06/20 <a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a> Bechtel does not make corporate political contributions to federal office candidates in the U.S., as such contributions are prohibited by law. Bechtel policy requires approval by the Manager of Government Affairs for any federal, state and local political activity. Bechtel has an employee-run Political Action Committee (PAC). PAC contributions can be <a href="#">found here</a>. More information on our political activities in the U.S. can be <a href="#">found here</a>. Bechtel discloses lobbying activities per U.S. law and requires all its contractors, representatives, agents, and consultants to do the same.</p> <p>[Text contains links to the FEC website as per evidence 39 and to the Open Secrets website as per evidence 38 – see below]</p> <p><b>[39] Bechtel PAC (Webpage)</b> Accessed 29/06/2020 <a href="https://www.fec.gov/data/committee/C00103697/#section-3">https://www.fec.gov/data/committee/C00103697/#section-3</a></p>

Total raised

Browse receipts

Coverage dates: 01/01/2019 to 03/31/2020

TOTAL RECEIPTS	\$244,515.44
TOTAL CONTRIBUTIONS	\$244,015.44
Total individual contributions	\$244,015.44
Itemized individual contributions	\$219,193.62
Unitemized individual contributions	\$24,821.82
Party committee contributions	\$0.00
Other committee contributions	\$0.00
Presidential public funds	\$0.00

**[38] Bechtel Group Contributions and Lobbying spending (Webpage)**

Accessed 29/06/2020

<https://www.opensecrets.org/orgs/summary?id=D000000237>

# Bechtel Group

*Top Affiliates: Bechtel Power · Bechtel National***CONTRIBUTIONS**

Ranks 782 of 19,186

**\$394,433****LOBBYING**

Ranks 405 of 5,497 in 2019

**\$1,120,000** in 2019

NOTE: The organization itself did not donate, rather the money came from the organization's PACs, their individual members or employees or owners, and those individuals' immediate family members. Organizations themselves cannot contribute to candidates and party committees. Totals include subsidiaries and affiliates.

**All Recipients**

Cycle:

<div> <div></div> <div>Export to CSV</div> <div>Reset Filters</div> </div>				
Filter by View:	Filter by Type:	Filter by Chamber:		
Recipient	Total	From Individuals	From PACs	Recipient Type
National Republican Senatorial Cmte	\$72,949	\$72,934	\$15	Political Party
National Republican Congressional Cmte	\$15,666	\$15,666	\$0	Political Party
Fleischmann, Chuck	\$13,700	\$11,200	\$2,500	Candidate (R-TN03)

[The list continues for many more rows to account for all contributions, with the same level of detail]

Question
<b>5.1.3. Does the company have a clearly defined policy and/or procedure covering charitable donations and sponsorships, whether made directly or indirectly, and does it publish details of all such donations made by the company and its subsidiaries?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company has a clear policy covering both charitable donations and sponsorships, whether made directly or through corporate foundations, to ensure that such donations are not used as vehicles for bribery and corruption. There is evidence that this policy include measures to ensure this, such as specifying criteria for donations, procedures for senior sign-off, and due diligence on recipients.</p> <p>However, while the company publishes some details of the company's charitable activities, there is insufficient evidence that it publishes details of all donations as described in score '2'. There is also no evidence that the company updates this information on at least an annual basis.</p> <p>It is noted that the company has an internal policy – Bechtel Policy 404, Corporate Contributions and Memberships – but it does not appear to be publicly accessible.</p>
Evidence
<p><b>[40] Anti-Corruption (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/anti-corruption-compliance-guidelines/">https://www.bechtel.com/about-us/ethics-compliance/anti-corruption-compliance-guidelines/</a>  Bechtel's Anti-Corruption Compliance Guidelines apply globally to all Bechtel employees, and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel.</p> <p>[...]</p> <p>Bechtel makes charitable contributions and sponsorships through the Bechtel Group Foundations as well as directly in the communities where we have offices and projects. All donations are aligned with our Vision, Values and Covenants, the Code of Conduct, and the Anti-Corruption Compliance Guidelines. We strictly prohibit all charitable contributions for corrupt purposes or as a conduit for a corrupt payment.</p> <p>Bechtel policy prescribes that a charitable contribution has to be made for exclusively public purposes, and that it may not attempt to influence legislation, and does not participate in, or intervene in any political campaign of a candidate for public office.</p> <p>Guidance on making charitable contributions is included in the Anti-Corruption Compliance Guidelines (p.17) and recommends that anyone considering charitable contributions seek guidance from the Legal Department, their organization's Ethics and Compliance Officer, and/or Compliance Counsel.</p> <p>Due diligence activity in the form of negative media searches, restricted parties list screening and conflicts of interest occurs before any charitable contribution is made.</p> <p>Bechtel also circulated specific guidance in connection with making COVID-19 related contributions through the Bechtel Global Foundation as well as some of its independent business groups.</p> <p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>  [p.25] Charitable Contributions</p> <p>Charitable contributions are a part of Bechtel's commitment to creating sustainable development in many of the countries in which it conducts business. Charitable contributions can take the form of:</p> <ul style="list-style-type: none"> <li>• Facility funding associated directly or indirectly with the award of or performance of an underlying contract</li> <li>• Donating time, funds, or property</li> </ul>



- Using work time or Bechtel facilities or services for, or to assist, charitable organizations
- Providing a share of revenue to a state-owned enterprise established for charitable purposes
- Fundraising in support of community activities

Unfortunately, there can be a risk of corruption associated with contributions made to charitable entities. Payments made under the guise of charitable contributions are sometime used as a means to circumvent anti-corruption laws. Corruption can arise where the charitable entity is non-existent, a front or shell enterprise, or associated with a government official.

For this reason, we must use caution when making charitable donations. They may not be offered:

- To gain an improper advantage or to influence government officials
- To obtain or retain business
- To obtain or retain an advantage in the conduct of business
- When the entity to which the contribution is made is associated with, or owned by, a government official
- When such a contribution is not permitted by applicable law
- When both the donation and its intended use are not transparent

In addition, any charitable donation and its intended use must comply with all other applicable legal requirements, such as the U.S.A. Patriot Act and other similar U.S. statutes that prohibit sponsoring or giving anything of value to organizations or individuals that sponsor or support terrorism or the spread of weapons of mass destruction. All charitable donations must be properly and accurately reflected in Bechtel's books and records.

Because of the complexities involved in making charitable contributions, you should seek guidance from the Legal Department or the organization Ethics and Compliance Officer, or the Anti-Corruption Subject Matter Expert identified in the Key Contacts section of the Ethics and Compliance site on BecWeb if you have any questions about a contemplated or requested charitable contribution.

#### REFERENCE:

Bechtel Policy 404, Corporate Contributions and Memberships [http:// corporatemanual.becweb.ibechtel.com/ Documents/Policies/Policy404.pdf](http://corporatemanual.becweb.ibechtel.com/Documents/Policies/Policy404.pdf)

#### [3] Code of Conduct (Document)

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.41] What Behavior is Expected?

[...]

- Seek advice in advance from the Legal Department, your organization's Ethics & Compliance officer, or the Ethics Helpline before offering any gifts, entertainment or other hospitality, meals, travel expenses, or charitable donations to a government official.

#### [16] The Bechtel Group Foundation (Webpage)

Accessed 22/10/2019

<https://www.bechtel.com/about-us/bechtel-group-foundation/>

Bechtel Group Foundation partners with four global nonprofits, our Signature Programs, on efforts that:

- Promote education, especially in science, technology, engineering, and math
- Use engineering and construction skills to improve quality of life worldwide
- Make effective use of the passions and unique skills of Bechtel's people

The Foundation also joins with Bechtel colleagues in responding to disasters that affect offices or jobsites around the world.

Helping communities around the world

During the last 60+ years, the Foundation has made a significant impact on our communities. Among its efforts:

- Founding the National Action Council for Minorities in Engineering
- Building homes in Chile through Habitat for Humanity
- Restoring the cable cars in Bechtel's headquarters city of San Francisco
- Creating Engineers Week to introduce young people to the profession
- Expanding the Engineering Academy at Oakland Technical High School

- Funding the Bechtel Initiative for Global Growth and Change at Stanford University
- Renovating the engineering building at the American University of Beirut
- Supporting engineering programs at universities in Australia, Canada, China, and the United Kingdom
- Serving as the title sponsor for Dream Big, a film that educates K-12 students and the general public about the inspiring work that engineers do worldwide

#### [15] Signature Programs

Accessed 23/04/2020

<https://www.bechtel.com/about-us/signature-programs/>

Bechtel partners with four global non-government organizations that promote education or use engineering and construction skills to improve the quality of life.

- DiscoverE Sustains and grows the engineering profession through volunteering, education, and outreach to students.
- Engineers Without Borders Supports community-driven sustainable design and development programs around the world.
- FIRST® Robotics Inspires people to be science and technology leaders through mentor-based programs that build science, engineering, and technology skills.
- Junior Achievement® Educates kids about workforce readiness, financial literacy, and entrepreneurship.

#### [14] Bechtel Recognizes Colleagues for Their Commitment to Local Communities – Press Release (Webpage)

Accessed 23/04/2020

<https://www.bechtel.com/newsroom/releases/2020/02/bechtel-agov-projects-donate-5-million-charity/>

Press Release | 10 February 2020 | Reston, Va.

Employees donate \$5.6 million and countless volunteer hours to helping youths, veterans, and families

Bechtel today thanked colleagues at the company's affiliated government and nuclear projects for donating more than \$5.6 million in 2019. These efforts included fundraising for charities, toy and food drives, walks supporting a variety of causes and countless volunteer hours supporting our local communities across all projects. The recognition is part of Bechtel's Stewardship Month, celebrated each year in February.

Examples at Bechtel-affiliated projects include:

- Lawrence Livermore National Laboratory's Helping Others More Effectively (HOME) Campaign raised more than \$3.7 million for charitable organizations through their annual employee giving program. Their efforts were supported by a match from Lawrence Livermore National Security, LLC, which manages and operates the lab.
- Consolidated Nuclear Security LLC and its employees at the Y-12 National Security Complex in Tennessee and the Pantex Plant in Texas were active in charitable contributions to United Way, Big Brothers Big Sisters, educational activities, veterans' services, workforce development activities with local labor unions, and employee-directed community grants.
- Employees and tradespeople at the Plant Vogtle Units 3 & 4 construction project in Georgia made considerable contributions to Forces United, STEM Programming, United Way, and the Burke County Sheriff's Department for traffic safety. The volunteer hours completed by colleagues neared 1,000 hours and supported a wide variety of local causes and events throughout the year.
- The Waste Treatment and Immobilization Plant and its employees donated funds and volunteer hours to local organizations and community programs in southeastern Washington including Toys for Tots, Junior Achievement, the Family Food Drive, and a significant contribution to United Way.
- The Pueblo Chemical Agent-Destruction Plant project in Colorado, led by Bechtel National Inc., donated a considerable amount to United Way through employee and corporate contributions. Other causes included donations to STEM Programming for the Pueblo School District, the American Red Cross, and the Pueblo YMCA.
- Employees at the Blue Grass Chemical Agent-Destruction Pilot Plant project in Kentucky, managed by Bechtel Parsons Blue Grass, donated significant funding to United Way and other charitable organizations. Colleagues kept busy in 2019 recording nearly 2,200 volunteer hours, awarding 12 scholarships, and donating approximately 127 units of blood all within their local community.
- Savannah River Remediation, LLC and its Bechtel-affiliated employees in Aiken, South Carolina supported various causes, such as the Heart Walk, Toys for Tots, United Way, FIRST Robotics teams, and Helping Hands amongst various volunteer hours.
- Colleagues at a government project in Canberra, Australia put down their razors and supported the November campaign for cancer awareness in men.

- Employees at Bechtel's world headquarters in Reston, Virginia raised funds for local schools, mentored students, and supported the U.S. Navy Seabees scholarship program.

The company's signature stewardship program partners include FIRST® Robotics, Junior Achievement Worldwide, DiscoverE, and Engineers Without Borders. Bechtel partners with the four nonprofits to support education, encourage volunteerism and improve communities globally by sharing our engineering and construction expertise.

## 5.2 Lobbying

Question
<b>5.2.1 Does the company have a policy and/or procedure covering responsible lobbying?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company has a policy on lobbying. There is evidence that the policy applies company-wide to all employees, board members and third parties engaged in lobbying activities on the company's behalf. There is evidence of specific controls and oversight mechanisms that apply to all types of lobbyists, which are ensured through clear terms in all contractual agreements. The company provides guidelines on the types of behaviours that are acceptable by requiring that lobbyists abide by its Code of Conduct, Vision, Values and Covenants document, as well as all appropriate regulations.</p>
Evidence
<p><b>[37] Political Activities (Webpage)</b>  Accessed 29/06/20  <a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a>  Bechtel requires all contractors, representatives, agents, consultants, and lobbyists to abide by the applicable laws and regulations, our Vision, Values and Covenants, and the Code of Conduct. All agreements with lobbyists include contractual requirements to follow applicable law. A failure to do so is grounds for termination. Lobbyists also sign a statement committing to follow Bechtel Standards of Conduct.</p> <p><b>[3] Code of Conduct (Document)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  <p>[p.3] To Whom Does it Apply?  Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.</p> <p>[p.23] Political Activities</p> <p>U.S. law permits Bechtel to lobby on issues that impact its interests. The U.S. definition of lobbying may include any actions taken directly or indirectly with the intent of influencing a U.S. executive branch or legislative branch official. Lobbying activities can trigger several complex issues such as reporting requirements and whether related costs are tax deductible or allowable for U.S. government contract accounting purposes.</p> <p>What Behavior is Expected?</p> <ul style="list-style-type: none"> <li>• Do not participate in political activities on company time or using company resources</li> <li>• Do not circulate or display materials of a political nature in any facility occupied by Bechtel</li> <li>• In the United States, notify the Washington, D.C. office of any inquiries or visits (planned or unplanned) to or from U.S. executive branch or legislative branch officials or political candidates</li> <li>• Outside the United States, notify the Bechtel country manager of any inquiries or visits to or from any government official or political candidate</li> <li>• Coordinate any inquiries or visits from any U.S. state or local government officials or political candidates with the corporate External Affairs &amp; Communications organization</li> <li>• If you engage in any activities intended to directly or indirectly influence a U.S. executive branch or legislative branch official, be sure you understand the reporting requirements and applicable charging practices</li> <li>• Ensure that any corporate or project contributions, political events, and use of company time or resources for political purposes are approved by corporate Regions and Government Affairs in the Bechtel Washington, D.C. office (for U.S. federal, state, or local matters); or the applicable country manager (non-U.S.)</li> </ul> </p>

**[1] Anti-Corruption Compliance Guidelines (Document)**

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.22] Use of Third Parties or Intermediaries

Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.

Typical third parties or intermediaries used in business dealings may include:

[...]

- Lobbyists
- Financial advisors

The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel- related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf. We then have a continuing duty to properly supervise all such third parties or intermediaries as they perform Bechtel-related activities to prevent misconduct. Upon any indication of misconduct, we have a duty to respond appropriately by reporting the misconduct as soon as possible.

<b>Question</b>																														
<b>5.2.2 Does the company publish details of the aims and topics of its public policy development and lobbying activities it carries out?</b>																														
<b>Score</b>																														
<b>1</b>																														
<b>Comments</b>																														
<p>The company publishes some information on its lobbying topics and activities in the United States by providing a direct link to its quarterly federal lobbying reports on its website. These disclosures provide high-level information on the topics on which the company conducts lobbying activities.</p> <p>However, the company receives a score of '1' because it does not provide details about its broader public policy aims or positions. The company also does not publish any information about its lobbying activities outside of the United States.</p>																														
<b>Evidence</b>																														
<p><b>[44] US House of Representatives Lobbying Disclosure Act – Bechtel Q2 2020</b>          Accessed 06/08/2020  <a href="https://disclosurespreview.house.gov/ld/ldxmlrelease/2020/Q2/301188913.xml">https://disclosurespreview.house.gov/ld/ldxmlrelease/2020/Q2/301188913.xml</a></p> <p><b>LOBBYING ACTIVITY.</b> Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Add additional page(s) as needed.</p> <p>15. General issue area code DEF</p> <p>16. Specific lobbying issues</p> <p>Issues pertaining to the DOE National Nuclear Security Administration; issues pertaining to US Navy maintenance and infrastructure.</p> <p>17. House(s) of Congress and Federal agencies <input type="checkbox"/> Check if None</p> <p>U.S. SENATE, U.S. HOUSE OF REPRESENTATIVES</p> <p>18. Name of each individual who acted as a lobbyist in this issue area</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">First Name</th> <th style="width: 20%;">Last Name</th> <th style="width: 10%;">Suffix</th> <th style="width: 40%;">Covered Official Position (if applicable)</th> <th style="width: 10%;">New</th> </tr> </thead> <tbody> <tr> <td>Jay</td> <td>Farrar</td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Colleen</td> <td>Deegan</td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Robert</td> <td>DeGrasse</td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table> <p>19. Interest of each foreign entity in the specific issues listed on line 16 above <input checked="" type="checkbox"/> Check if None</p> <p>[...]</p> <p><b>LOBBYING ACTIVITY.</b> Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Add additional page(s) as needed.</p> <p>15. General issue area code AER</p> <p>16. Specific lobbying issues</p> <p>Issues related to NASA Mobile Launcher 2 (ML-2).</p> <p>17. House(s) of Congress and Federal agencies <input type="checkbox"/> Check if None</p> <p>U.S. HOUSE OF REPRESENTATIVES</p> <p>18. Name of each individual who acted as a lobbyist in this issue area</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">First Name</th> <th style="width: 20%;">Last Name</th> <th style="width: 10%;">Suffix</th> <th style="width: 40%;">Covered Official Position (if applicable)</th> <th style="width: 10%;">New</th> </tr> </thead> <tbody> <tr> <td>Robert</td> <td>DeGrasse</td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table> <p>19. Interest of each foreign entity in the specific issues listed on line 16 above <input checked="" type="checkbox"/> Check if None</p>	First Name	Last Name	Suffix	Covered Official Position (if applicable)	New	Jay	Farrar			<input type="checkbox"/>	Colleen	Deegan			<input type="checkbox"/>	Robert	DeGrasse			<input type="checkbox"/>	First Name	Last Name	Suffix	Covered Official Position (if applicable)	New	Robert	DeGrasse			<input type="checkbox"/>
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First Name	Last Name	Suffix	Covered Official Position (if applicable)	New																										
Robert	DeGrasse			<input type="checkbox"/>																										

Question																																																
5.2.3 Does the company publish full details of its global lobbying expenditure?																																																
Score																																																
1																																																
Comments																																																
<p>There is evidence that the company publishes some details of its lobbying expenditure, by providing direct links on its website to details of all of its lobbying expenditure, up to the most recently reported financial year. This expenditure data is broken down by corporate entity, geography, and internal, external and association lobbying.</p> <p>However, the company receives a score of '1' because the data provided only accounts for company's lobbying activities in the United States and therefore it is not clear that this covers all of the company's lobbying activities in all applicable jurisdictions.</p>																																																
Evidence																																																
<p><b>[37] Political Activities (Webpage)</b> Accessed 29/06/20 <a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a> Bechtel discloses lobbying activities per U.S. law and requires all its contractors, representatives, agents, and consultants to do the same.</p> <p><u>U.S. House of Representatives Lobbying Disclosures</u> <u>U.S. Senate Lobbying Disclosure</u></p>																																																
<p><b>[41] Bechtel Lobbying Disclosure (Webpage)</b> Accessed 29/06/2020 <a href="https://disclosurespreview.house.gov/?index=%22lobbying-disclosures%22&amp;size=10&amp;keyword=%22Bechtel%22&amp;sort=[{%22_score%22:true},{%22field%22:%22registrant.name%22,%22order%22:%22asc%22}]">https://disclosurespreview.house.gov/?index=%22lobbying-disclosures%22&amp;size=10&amp;keyword=%22Bechtel%22&amp;sort=[{%22_score%22:true},{%22field%22:%22registrant.name%22,%22order%22:%22asc%22}]</a></p> <table><tr><th>HOUSE IDENTIFICATION NUMBER</th><th>SENATE ID</th><th>REGISTRANT NAME</th><th>CLIENT NAME</th><th>LOBBYISTS</th><th>REPORT TYPE</th><th>FILING YEAR</th><th>FILE</th></tr><tr><td>313730000</td><td>5734-12</td><td>BECHTEL NATIONAL, INC</td><td>BECHTEL NATIONAL, INC</td><td>Brannen, Laura +</td><td>1st Quarter Report</td><td>2020</td><td><a href="#">View Report</a></td></tr><tr><td>313730000</td><td>5734-12</td><td>BECHTEL NATIONAL, INC</td><td>BECHTEL NATIONAL, INC</td><td>DeGrasse, Robert +</td><td>2nd Quarter Report</td><td>2020</td><td><a href="#">View Report</a></td></tr><tr><td>315640536</td><td>5357-1007425</td><td>BGR Government Affairs</td><td>Bechtel Global Corporation</td><td>Tavlarides, Mark</td><td>1st Quarter Termination Report</td><td>2020</td><td><a href="#">View Report</a></td></tr><tr><td>313720000</td><td>5723-12</td><td>Bechtel Group, Inc.</td><td>Bechtel Group, Inc.</td><td>Brannen, Laura +</td><td>1st Quarter Report</td><td>2020</td><td><a href="#">View Report</a></td></tr></table> <p>[This list continues over 22 more pages]</p>	HOUSE IDENTIFICATION NUMBER	SENATE ID	REGISTRANT NAME	CLIENT NAME	LOBBYISTS	REPORT TYPE	FILING YEAR	FILE	313730000	5734-12	BECHTEL NATIONAL, INC	BECHTEL NATIONAL, INC	Brannen, Laura +	1st Quarter Report	2020	<a href="#">View Report</a>	313730000	5734-12	BECHTEL NATIONAL, INC	BECHTEL NATIONAL, INC	DeGrasse, Robert +	2nd Quarter Report	2020	<a href="#">View Report</a>	315640536	5357-1007425	BGR Government Affairs	Bechtel Global Corporation	Tavlarides, Mark	1st Quarter Termination Report	2020	<a href="#">View Report</a>	313720000	5723-12	Bechtel Group, Inc.	Bechtel Group, Inc.	Brannen, Laura +	1st Quarter Report	2020	<a href="#">View Report</a>								
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<p><b>[42] Bechtel Lobbying Disclosure US Senate (Document)</b> Accessed 29/06/2020 <a href="https://www.bechtel.com/getmedia/9f466a28-6366-447f-be91-ce188e02ac75/Senate-Lobbying-Database-June-2020.pdf">https://www.bechtel.com/getmedia/9f466a28-6366-447f-be91-ce188e02ac75/Senate-Lobbying-Database-June-2020.pdf</a></p> <table><tr><th>Registrant Name</th><th>Client Name</th><th>Filing Type</th><th>Amount Reported</th><th>Date Posted</th><th>Filing Year</th></tr><tr><td>Bechtel Group, Inc.</td><td>BECHTEL GROUP INC</td><td>FIRST QUARTER REPORT</td><td>\$190,000.00</td><td>04/19/2020</td><td>2020</td></tr><tr><td>BECHTEL NATIONAL INC</td><td>BECHTEL NATIONAL INC</td><td>FIRST QUARTER REPORT</td><td>\$40,000.00</td><td>04/19/2020</td><td>2020</td></tr><tr><td>BGR Government Affairs</td><td>Bechtel Global Corporation</td><td>FIRST QUARTER TERMINATION</td><td>\$20,000.00</td><td>03/27/2020</td><td>2020</td></tr><tr><td>Ernst &amp; Young LLP (Washington Council Ernst &amp; Young)</td><td>Bechtel Group, Inc.</td><td>FIRST QUARTER REPORT</td><td>\$30,000.00</td><td>04/18/2020</td><td>2020</td></tr><tr><td>Miller &amp; Chevalier, Chtd.</td><td>BECHTEL CORPORATION</td><td>FIRST QUARTER REPORT</td><td>\$30,000.00</td><td>04/20/2020</td><td>2020</td></tr><tr><td>Owen Evans Ingols</td><td>Bechtel National, Inc.</td><td>FIRST QUARTER REPORT</td><td>\$60,000.00</td><td>04/15/2020</td><td>2020</td></tr><tr><td>Bechtel Group, Inc.</td><td>BECHTEL GROUP INC</td><td>FOURTH QUARTER REPORT</td><td>\$200,000.00</td><td>01/19/2020</td><td>2019</td></tr></table>	Registrant Name	Client Name	Filing Type	Amount Reported	Date Posted	Filing Year	Bechtel Group, Inc.	BECHTEL GROUP INC	FIRST QUARTER REPORT	\$190,000.00	04/19/2020	2020	BECHTEL NATIONAL INC	BECHTEL NATIONAL INC	FIRST QUARTER REPORT	\$40,000.00	04/19/2020	2020	BGR Government Affairs	Bechtel Global Corporation	FIRST QUARTER TERMINATION	\$20,000.00	03/27/2020	2020	Ernst & Young LLP (Washington Council Ernst & Young)	Bechtel Group, Inc.	FIRST QUARTER REPORT	\$30,000.00	04/18/2020	2020	Miller & Chevalier, Chtd.	BECHTEL CORPORATION	FIRST QUARTER REPORT	\$30,000.00	04/20/2020	2020	Owen Evans Ingols	Bechtel National, Inc.	FIRST QUARTER REPORT	\$60,000.00	04/15/2020	2020	Bechtel Group, Inc.	BECHTEL GROUP INC	FOURTH QUARTER REPORT	\$200,000.00	01/19/2020	2019
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[This list continues for a total of 521 entries]

**[44] US House of Representatives Lobbying Disclosure Act – Bechtel Q2 2020**

Accessed 06/08/2020

<https://disclosurespreview.house.gov/ld/ldxmlrelease/2020/Q2/301188913.xml>**TYPE OF REPORT**8. Year 2020 Q1 (1/1 - 3/31) ☐ Q2 (4/1 - 6/30) ☒ Q3 (7/1 - 9/30) ☐ Q4 (10/1 - 12/31) ☐9. Check if this filing amends a previously filed version of this report ☐10. Check if this is a Termination Report ☐ Termination Date \_\_\_\_\_ 11. No Lobbying Issue Activity ☐**INCOME OR EXPENSES - YOU MUST complete either Line 12 or Line 13****12. Lobbying**

INCOME relating to lobbying activities for this reporting period was:

Less than \$5,000 ☐\$5,000 or more ☐ \$ \_\_\_\_\_

Provide a good faith estimate, rounded to the nearest \$10,000, of all lobbying related income for the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

**13. Organizations**

EXPENSE relating to lobbying activities for this reporting period were:

Less than \$5,000 ☐\$5,000 or more ☒ \$ 40,000.00**14. REPORTING** Check box to indicate expense accounting method. See instructions for description of options.☒ **Method A.** Reporting amounts using LDA definitions only☐ **Method B.** Reporting amounts under section 6033(b)(8) of the Internal Revenue Code☐ **Method C.** Reporting amounts under section 162(e) of the Internal Revenue Code

Signature

Digitally Signed By: Jay C. Farrar

Date

7/16/2020  
9:27:57 AM

### 5.3 Gifts and Hospitality

Question
<b>5.3.1 Does the company have a policy and/or procedure on gifts and hospitality to ensure they are bona fide to prevent undue influence or other corruption?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company has a policy on the giving and receipt of gifts and hospitality with clear procedures designed to ensure that such promotional expenses are not used as vehicles for bribery and corruption. There is evidence that the policy specifies financial and proportional limits for different types of promotional expenses and addresses the risks associated with gifts and hospitality given to public officials. There is evidence that all gifts and hospitality above a certain threshold are recorded in a dedicated central register that is accessible to those responsible for oversight of the process.</p>
Evidence
<p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.21] Bechtel business should always be won or lost on the basis of merit. Bechtel employees may only offer or approve business courtesies that are legal, proper, and in full compliance with Bechtel policies and instructions and do not give rise to the reasonable perception that they are being offered for the purpose of gaining an unfair business advantage. An employee may never use personal funds or resources to avoid reporting or seeking approval for a business courtesy that could not be provided by Bechtel.</p> <p>Gifts and business courtesies to some individuals such as government employees, officials, and representatives, as well as employees of government-owned entities, are subject to complex laws and regulations. Anti-corruption laws may also extend to employees of public international organizations and private individuals. Bechtel's business partners may also have internal policies limiting or prohibiting business courtesies. Employees who are in the position of offering or approving such business courtesies must familiarize themselves with company policies, instructions, and the applicable laws. (See Offering Business Courtesies to U.S. Government Employees on page 29 and Anti-Corruption on page 41.)</p> <p>What Behavior is Expected?</p> <ul style="list-style-type: none"> <li>• Ensure that all gifts or entertainment are appropriate, properly approved and accounted for, and in full compliance with Bechtel policy, management instructions, and all applicable laws</li> <li>• Obtain approval from your supervisor before offering any business courtesy with a market value greater than \$100</li> <li>• In geographic areas where exchanges of business gifts are customary, ensure that gifts are limited in value (at the level of common courtesies), are not in excess of generally accepted local business practices, are free of any implication of obligation, are approved by the appropriate level of management, and are recorded, as required by Ethics &amp; Compliance Management Instruction 102</li> <li>• Offer only those business courtesies that the recipient is permitted to accept under the gift acceptance rules of his or her organization</li> <li>• When unsure of the rules, seek guidance from your manager, your local Ethics &amp; Compliance officer, or the Legal Department</li> </ul> <p>[p.22] Common Questions  Are there any categories of gifts or business courtesies that can never be offered?  You must never offer any gift or entertainment that would be illegal, including anything offered to a government official in breach of local or international bribery laws. Other gifts that are always unacceptable include:</p> <ul style="list-style-type: none"> <li>• Any gift of cash or cash equivalent (such as gift certificates, discounts, loans, stock, stock options)</li> <li>• Any gift or entertainment that may imply an obligation to the donor or that may be considered excessive or in poor taste</li> <li>• Any gift or entertainment that is a quid pro quo (offered for something in return)</li> </ul>

- Any entertainment that is indecent, sexually oriented, does not comply with Bechtel's value of mutual respect, or that might otherwise adversely affect Bechtel's reputation

[p.29] Specific requirements and restrictions apply to the offering of business courtesies to U.S. government officials or employees. Laws, regulations, and rules concerning acceptable meals, gifts, and entertainment for U.S. government employees are extremely complicated and vary depending on the government branch, state, or other jurisdiction.

The U.S. Office of Government Ethics has issued restrictive and complex rules regarding the acceptance of gifts, meals, entertainment, travel, and other business courtesies by U.S. executive branch employees, including U.S. military personnel.

Many U.S. government agencies have established their own interpretations of these rules, and Bechtel complies with these standards. Different rules apply to the U.S. legislative branch.

#### What Behavior is Expected?

- Never offer or give a business courtesy to any U.S. government employee unless the regulations applicable to that employee permit acceptance of the business courtesy
- Do not offer business courtesies to members of the U.S. judicial branch
- Ensure that all gifts offered or accepted are appropriate, properly approved and accounted for, and in full compliance with Bechtel policy, management instructions, and the law; when in doubt, consult your Ethics & Compliance officer
- Contact the manager of the Washington, D.C. office for guidance concerning offering business courtesies to members of the U.S. Senate or House of Representatives or their staffs

[p.30] Bechtel employees may generally offer the following business courtesies to U.S. executive branch employees:

- Light refreshments such as soft drinks, coffee, and doughnuts when not part of a meal
- Modest advertising or promotional items such as a Bechtel coffee mug, calendar, pen, or similar item displaying the Bechtel logo

#### [1] Anti-Corruption Compliance Guidelines (Document)

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.10] Gifts and Business Courtesies

#### What We Mean by "Gifts"

Throughout this guide, you will see the term "gifts." The term means anything of value, and includes the following:

- Cash or cash equivalents, such as gift certificates or stock
- Loans
- Tangible items
- Forgiveness or guarantees of loans or other obligations
- Meals, entertainment, or other business courtesies
- Tickets to events
- Lodging
- Use of any Bechtel facility, property, or service
- Transportation

When we use the term "gift," we mean not only the actual act of giving something of value to another; it also refers to any offer of a gift or promise to give a gift in the future. When in doubt, apply the broadest possible meaning to the term.

#### Analyzing Gifts:

##### The Four Key Questions

Not all gifts and business courtesies are prohibited by Bechtel's anti-corruption rules and policies. Gifts, entertainment, and other business courtesies are commonly offered to create goodwill and strengthen working relationships. In many cultures, offering or giving gifts or other courtesies is a normal, expected, and customary part of doing business. Nonetheless, care must be taken to make sure that they do not give rise to the reasonable perception that they are being offered for the purpose of gaining an unfair business advantage.

We approach the issue of whether a particular gift is permitted under Bechtel's anti-corruption policy by asking four key questions:

1. Is the purpose of the gift proper?
2. Could the purpose of the gift appear improper?
3. Does the gift violate any of the recipient's policies or the law?
4. Does the gift violate Bechtel policy?

Each question is addressed in a separate section. At first glance, the questions may appear simple, but answering them correctly requires careful analysis of all of the required information in order to form a determination as to whether a proposed action is permissible.

[p.11] Analyzing Gifts: The Four Key Questions

Key Question 1: Is the purpose of the gift proper?

IF NO: STOP Gift is Prohibited

IF YES: Proceed to Key Question 2 on page 13

[...] If we offer or give inappropriate gifts or business courtesies to an employee or representative of a customer in connection with our business dealings, we run the risk that the trust relationship could become distorted. This can happen if the person receiving the gift becomes tempted to make business decisions based on his or her own personal desire to receive the item being offered or given, rather than making those decisions in the best interests of the customer. In such instances, trust fails and the relationship becomes tainted by impropriety. These are the situations that anti-corruption laws and company policies are intended to prevent.

[p.12] Key Question 1: Is the purpose of the gift proper?

Anti-corruption rules and policies do not prohibit the giving of all gifts or business courtesies. Reasonable and limited expenditures for appropriate gifts or business courtesies, such as providing a business meal while working, are helpful in building business relationships and do not improperly affect them. In many cultures, offering or giving gifts or other courtesies is a normal, expected, and customary part of doing business.

The ultimate answer to Key Question 1 depends on what we intend to achieve by giving the gift. If the gift is being given as a normal business courtesy, without any intent to influence the recipient's decision making or to create an unfair business advantage for Bechtel, the gift may be permissible, provided the standards set forth in Key Questions 2, 3, and 4 are also met.

If, however, the gift is being given to obtain or retain business or an advantage in the conduct of business, to influence the recipient's decision making, or to gain an unfair business advantage for Bechtel, then the intent behind the gift is improper and it is prohibited.

Demonstrating Proper Intent through Transparency:

All business transactions must be fully and accurately accounted for in our books and records. This is one of the most important ways in which corruption is prevented. Most anti-corruption laws make the maintenance of accurate business records a mandatory legal requirement.

[...] The following are examples of gifts that are always unacceptable and are prohibited outright by Bechtel Policy:

- Any gift of cash or cash equivalent, including gift certificates, discounts, loans, stock, or stock options
- Any gift or entertainment that may imply an obligation to the donor or that may be considered excessive
- Any gift or entertainment that is quid pro quo (offered for something in return)
- Any "secret" or "disguised" gift

REFERENCE: Bechtel Policy 116, Records and Information Management [...]

[p.13] Key Question 2: Could the purpose of the gift appear improper?

Even if we do not actually intend to offer or give a gift or business courtesy for an improper purpose, the type of gift, manner of giving it, timing, or other factors can create an appearance that the gift or business courtesy is improper. We must always consider and be aware of how the offer or gift would appear to an objective observer who was not involved in the transaction.

If there is a reasonable possibility that an objective observer would believe that the offer or gift was being made to influence the recipient's decision making or to gain an unfair business advantage for Bechtel, an appearance of

impropriety exists. Therefore, offering or giving the gift or business courtesy is prohibited. Typically, the purpose may appear improper because of the nature of or circumstances surrounding the gift.

Consider the following when determining whether a gift may appear improper:

**Value:** A gift that is disproportionate in value with respect to either the recipient or the circumstances in which it is given creates the appearance of impropriety. Because there is no specific formula for determining what value is disproportionate, this is an area where you must observe caution.

[p.14] Key Question 2: Could the purpose of the gift appear improper?

**Gifts of Nominal Value:** In most circumstances, gifts of nominal value do not create an appearance of impropriety. While there is no magic number that is considered nominal, if the gift is small enough that it is unlikely to improperly influence the recipient, it is most likely allowable. Examples of gifts of nominal value include oysters, a fruit basket, a promotional item, or a small memento.

**Timing:** Offering or giving gifts at or near the time the recipient is making a decision that involves Bechtel's business interests often creates an appearance of impropriety. Use special caution and seek advice from your supervisor, your local ethics and compliance officer, the Anti-Corruption Subject Matter Expert identified in the Key Contacts section of the Ethics and Compliance site on BecWeb, or the Ethics HelpLine.

**Frequency:** Gift upon gift to the same recipient could lead an independent bystander to conclude that the purpose of the serial gifting is improper. Frequent gifts and entertainment can create the appearance of impropriety even where any one of the individual gifts would not raise such questions. With the exception of nominal gifts of logo items, repeated gifts of any sort given to the same recipient should be avoided.

**Manner:** Gifts given openly and with transparency (as described above) are unlikely to create an appearance of impropriety. By contrast, secret, disguised, or unrecorded gifts almost always create an appearance of impropriety.

**Gifts to Government Employees:**

In many countries, including the United States, the acceptance of gifts or business courtesies is strictly regulated because it is seen as one of the most obvious forms of bribery—especially when it occurs in connection with a current or potential business transaction or regulatory event. For this reason, such gifts are particularly susceptible to the risk of appearing improper, even when no impropriety is intended by the donor.

We must never give a government official any gift for the purpose of influencing the official in his or her capacity as a public official.

Bechtel employees must be particularly careful to make sure that any gift or business courtesy to a government employee complies with all applicable laws, rules, and regulations. Never offer a business courtesy unless you are confident that the recipient is allowed to accept the gift under the rules applicable to his or her organization.

[p.18] Does the gift violate Bechtel policy?

IF YES: STOP Gift is Prohibited

IF NO: The Gift is Allowed

Even if a gift is given with proper intent, carries no appearance of impropriety, and complies with laws, rules, and regulations applicable to the recipient, it still must satisfy Bechtel policy before it can be given. Certain kinds of gifts require advance consultation, approval or concurrence from the appropriate Bechtel manager.

**Consultation and Approval Requirements**

Before offering any gifts, entertainment or other hospitality, meals, travel expenses, or charitable donations to a government official, seek advice from the Legal Department, your organization's ethics and compliance officer, or the Ethics Helpline.

[p.19] III-Considered Gifts: In addition to prohibiting the types of gifts listed in the discussion of Key Question 1, Bechtel's Gifts Policy, as contained in our Code of Conduct, prohibits any gift or entertainment that is in poor taste, indecent, sexually oriented, inconsistent with Bechtel's value of mutual respect, or that might reflect poorly on Bechtel.

**[36] Anti-Corruption Guidelines 2020 (Document)**

Accessed 29/06/2020

<https://www.bechtel.com/getmedia/e6364688-ffae-4b54-b7b0-3880194f7328/2020-Anti-Corruption-Guidelines.pdf>

[p.6] Not all gifts and business courtesies are prohibited by Bechtel's anti-corruption rules and policies. Gifts, entertainment, and other business courtesies are commonly offered to create goodwill and strengthen working relationships. In many cultures, offering or giving gifts or other courtesies is a normal, expected, and customary part of doing business. Nonetheless, care must be taken to make sure that they do not give rise to a perception that they are being offered for the purpose of gaining an unfair business advantage.

We approach the issue of whether a particular gift or business courtesy is permitted under Bechtel's anti-corruption policy by asking four key questions:

1. Is the purpose of the gift proper?
2. Could the purpose of the gift appear improper?
3. Does the gift violate any of the recipient's policies or the law?
4. Does the gift violate Bechtel policy?

Each question is addressed in a separate section. At first glance, the questions may appear simple, but answering them correctly requires careful analysis of all of the required information in order to form a determination as to whether a proposed action is permissible.

Remember: All gifts greater than US\$100 must be recorded in the dedicated gift section in Bechtel's expense reporting system.

## 6. Supply Chain Management

Question
<b>6.1 Does the company require the involvement of its procurement department in the establishment of new supplier relationships and in the oversight of its supplier base?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company's procurement department is involved in the establishment and management of supplier relationships, and there is some evidence that this department is responsible for oversight of the company's supplier base.</p> <p>However, the company receives a score of '1' because there is no evidence that the company assures itself of the procurement department's involvement at least every three years.</p>
Evidence
<p><b>[18] Supplier Procurement (Webpage)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/supplier/procurement/">https://www.bechtel.com/supplier/procurement/</a>  Our suppliers and subcontractors are critical members of our contracting and procurement functions in support of the company's diverse business portfolio, encompassing power, civil infrastructure, telecommunications, tanks, mining &amp; metals, oil, gas &amp; chemicals, water, defense and nuclear security, and environmental cleanup &amp; management services.</p> <p>[...] The procurement organization</p> <p>We are a global organization that conducts procurement operations in numerous countries. Our staff is segmented into experienced specialists for contracting, procuring, and materials management. Most people are dedicated to direct support of our projects, while others play a more indirect role by providing functional services to our projects.</p> <p>Each project has its own commercial team responsible for obtaining the correct materials and services; validating capabilities of prospective suppliers; managing the bid cycle; ensuring that a fair evaluation of each responsive bidder is conducted prior to award; and monitoring safety, quality, and schedule. This team consists of several specific disciplines, including subcontracts, purchasing, expediting, supplier quality, traffic and logistics, and jobsite inventory and material control.</p> <p><b>[21] Supplier Guide: Executing Work with Bechtel 2020 (Document)</b>  Accessed 23/04/2020  <a href="https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf">https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf</a>  [p.i] We are pleased to provide our Supplier Guide: Executing Work with Bechtel 2020 as an introduction to our suppliers and subcontractors on working within Bechtel's Global Supply Chain. This publication is designed to address expectations we have for our suppliers and subcontractors, provide information on points of contact, and explain how to make initial contacts, respond to a solicitation, and successfully execute the agreement you receive.</p> <p>[...]</p> <p>In this guide, we will refer to our Procurement and Contracts organization collectively as Bechtel's Supply Chain, as we establish our end-to-end processes for the management of goods and services, and emphasize the importance of our suppliers' and subcontractors' lower-tier suppliers and subcontractors in executing the work. Also, instead of repeating the terms "suppliers and subcontractors," we will use "suppliers" to refer to both collectively.</p> <p>Please recognize that the content of this brochure includes general descriptions of our requirements, and each project may have different project-specific requirements; be sure to fully review applicable purchase orders or contracts as they will establish your obligations.</p>



If you have questions, wish to provide feedback, need further information, or require additional copies of this brochure, please contact Scott Harrison at [swharris@bechtel.com](mailto:swharris@bechtel.com).

Sincerely,  
Principal Vice President  
Corporate Manager of Procurement and Contracts

[p.2] When executing work, a project team is established, led by a project manager or project director, with managers of its functions assigned and reporting to the project manager. The majority of Bechtel's spend is done on projects, so the Project Procurement Manager (PPM) and Project Contracts Manager (PCM) are the primary points of contact for the Supply Chain for each project. The PPM and PCM are responsible for the execution of all spend, including developing supply chain strategies and bidder lists and completing the evaluation, award, administration, and closeout of the agreements. Therefore, any query you have specific to active project work Bechtel has ongoing should be directed to the PPM or PCM. Within each project, the PPM and PCM have a staff that is assigned under a matrix assignment.

#### [p.4] Global Business Unit Contacts

Each GBU has a Manager of Procurement/Contracts, responsible for deploying tools and work processes to each new project within that GBU, staffing the project, and ensuring the proper execution of the project. Each of the managers below is responsible for all procurement and contracts activity within that GBU and the three support organizations listed above (Bantrel, BEO, and IS&T).

[p.11] The portal allows you to express interest in current projects. This can be done during the registration process, as well as after approval. Note that expression of interest in a project does not guarantee future bid opportunities or work. In addition to the supplier portal, several GBUs have supplier forums where they discuss upcoming projects, procurement and contracts packages that will be bid, and points of contact. Another source is to contact the Procurement and Contracts Manager for the GBU; however, this approach may not be ideal because of the limited availability of these personnel.

#### Who do I talk to?

We break down our communications into pre-bid and bid phases. Prior to the request for quote being released, you can have discussions with procurement, contracts, engineering, and other functions to provide data on products and services. If your contacts are with our engineering group, please be sure to also find the corresponding procurement or contracts representative so that your capabilities are known.

[...] During the bid phase, all communication with other parties must stop, and all communications must flow through the procurement or contracts representative, also known as the Buyer. If you do not follow this process, you could find your company being disqualified in the bidding process. All requests for clarifications, meetings, and all correspondence should be channeled through the Buyer using the online discussions tool within the RFQ.

#### [10] Sustainability Report 2017 (Document)

Accessed 22/10/2019

<https://www.bechtel.com/bechtel/media/html/2017-reports/assets/pdf/sr/The-Bechtel-Sustainability-Report-2017.pdf>

[p.29]

Supplier Assessment for  
Impacts on Society

SO9

Corporate Procurement conducts an annual sustainability performance survey for all of its key suppliers.

#### [3] Code of Conduct (Document)

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.63] Although exceptions can be granted by the Corporate Manager of Procurement, Bechtel employees may not, as a general rule, be a supplier to Bechtel or knowingly work for a current or potential supplier while they are employed by Bechtel. In all cases, appropriate advance approval must be obtained for an employee to deviate from standard practices or when an exception under special company programs applies.

Question
<b>6.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company has formal procedures to conduct risk-based due diligence when engaging and re-engaging with any suppliers. The company indicates that this due diligence process includes establishing the beneficial ownership of the supplying company and there is evidence that high risk suppliers are stated to be subject to enhanced due diligence.</p> <p>There is evidence that this process is conducted at least every two years or when any red flags arise over the course of the supplier relationship. The evidence indicates that the company will not enter into a relationship with a supplier if red flags highlighted in the due diligence cannot be mitigated.</p>
Evidence
<p><b>[19] Due diligence for business associates (Webpage)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/</a>  Due diligence for business associates  To provide the requirements for the preparation and completion of a due diligence investigation of proposed partners and business associations ("Associate"). Associate includes a relationship that arises where Bechtel makes a binding commitment either unilaterally or as the result of complying with local law to use a specific subcontractor or supplier on a project either before or after Bechtel submits a bid. Proper completion and review of the due diligence investigation is fundamental to a thorough assessment of all business Associates and is essential for ensuring compliance with Bechtel's policies.</p> <p>Appropriate due diligence of the Associate must be performed before a commitment is made. This instruction applies to the diligence investigation conducted for every Associate for which the Joint Associations (Partnering) policy requires approval. The status and results of the due diligence must be reported in the request for approval under policy, together with a statement as to when any outstanding due diligence will be completed.</p> <p>An investigation will always entail satisfying certain basic minimum requirements. Additional investigative steps must be satisfied in certain situations, such as when the initial review of the Associate raises a "red flag" (e.g., the Associate is owned by a government official or evidence of a prior or current bad reputation) or the project will take place in a jurisdiction that presents a high risk of corrupt actions.</p> <p>Instructions for completing the required due diligence investigation are set forth in the Due Diligence Guidelines for Business Associates found in Attachment A to this instruction.</p> <p><b>Responsibilities</b></p> <p>Global Business Unit or Functional Unit  The GBU or Functional Unit team is responsible for conducting the due diligence investigation according to the Ethics and Compliance Due Diligence Guidelines for Business Associates set forth in Attachment A, completing the due diligence questionnaire and file, and making a recommendation and explanation to GBU or Functional management on the acceptability of the Associate. All financial information relating to an Associate that must be reported in the request for approval under the Joint Associations (Partnering) will be obtained through the GBU CFO.</p> <p>The GBU team sends the completed due diligence questionnaire and file to the Legal Department for permanent filing.</p> <p>[...]</p> <p>The Legal Department conducts periodic updates of due diligence investigations for Associates on active projects, or who have been designated by a GBU or Functional Unit to be kept up-to-date, and shares the results of such periodic searches and updates with the original GBU or Functional Unit sponsor of the Associate and with any other</p>

GBU that has registered an interest in the Associate.

The Legal Department periodically reviews and updates the due diligence guidelines and questionnaire as appropriate.

[...]

Ethics and compliance due diligence guidelines for business associates

#### 1. Scope of due diligence

These guidelines describe the due diligence investigation that is required to be performed in making a decision on whether or not to form a joint association under the Joint Associations (Partnering) policy. Specific questions regarding a due diligence investigation will be referred to either the Legal Department's Principal Counsel (Compliance) or GBU Principal Counsel.

The due diligence investigation of a potential Associate should be made early in the relationship, usually at the same time that Bechtel and the potential Associate are negotiating the terms of their relationship, and of their joint pursuit of a project. Deviations from these guidelines must be documented and explained.

#### 2. Subjects of due diligence

The GBU or Functional Unit will make a due diligence investigation as described in these guidelines for every member (an "Associate") of any joint association for which the Joint Associations (Partnering) policy requires approval. The policy requires approval for all project- specific and multi-project joint associations, joint ventures, joint stock companies, teaming agreements, partnerships, exclusive subcontractor relationships<sup>1</sup> and similar joint undertakings of any sort.

It is important to identify the precise legal entity with which we will partner, and if it is a subsidiary, sister company or a special purpose entity of a parent company, you will conduct the appropriate due diligence inquiry for both the Associate and its parent company. The appropriate due diligence related to a parent company may vary dependent upon ownership interests including whether the parent is publicly traded on a recognized major stock exchange (e.g., London, NYSE, NASDAQ), or where a substantial interest in or control over an otherwise publicly traded company is actually held or exercised by a private individual (e.g. through front or shell companies or ownership of "golden" shares).

If one of Bechtel's Associates is itself a joint association, the GBU or Functional Unit will make a due diligence investigation for each member of that second-tier joint association.

[...]

The Legal Department will up-date the due diligence investigation, concerning those parts of the due diligence requirements for which it is responsible, for all approved Associates with whom we have an existing project, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and will provide the results of the investigation to each GBU or Functional Unit who has registered an interest in the Associate.

The GBU or Functional Unit will assign one of three classes (Class A, Class B or Class C) to each Associate after the initial screening. The due diligence required for a Class A Associate represents the minimum investigation that must be performed for all Associates. Additional information is required for Class B and Class C Associates. It is important to note that the class of an Associate may change as a result of information discovered during the due diligence investigation. It is possible that an Associate may satisfy the criteria of more than one Class. In that event the GBU must perform a due diligence investigation that satisfies the more restrictive of the applicable Class obligations.

(a) An Associate will be Class A where

(i) either

- Bechtel has worked successfully with the Associate<sup>2</sup> in the last three years on a project where the Associate provided similar services ("Recently Approved Associate"), or
- the Associate, the client and the project are all located<sup>3</sup> in one or more of the following countries:<sup>4</sup>
  - Australia
  - Belgium
  - Canada

- France
- Germany
- Japan
- Netherlands
- Sweden
- Switzerland
- United Kingdom
- United States; or
- With the approval of the Legal Department's Principal Counsel (Compliance) or the Chief Ethics and Compliance Officer, a country listed by Transparency International in its most recent Corruptions Perceptions Index with a rating of at least 80 or above; or

(ii) The Associate is acting as an exclusive subcontractor or supplier and it will NOT have to interface with any governmental agencies (exclusive of obtaining its own license to do business) for or on behalf of Bechtel in the performance of the project or act in any manner in which it can influence the award of the contract which Bechtel is pursuing (e.g. bring export credit financing or unilaterally satisfy local content requirements).

(iii) Provided as to (i) and (ii) above, the initial screening review does not give

- reason for concern about the Associate's character, reputation or ethics, or
- give raise to any red flags (see Attachment 1) that are not resolved to the satisfaction of the Legal Department's Principal Counsel (Compliance) or the Chief Ethics and Compliance Officer.

(b) An Associate will be a Class B Associate where one (but only one) of the criteria set forth in Section 3 (a) (i) (B) or (ii) above for a Class A Associate is not met or as to any such Associate the criteria in (iii) above is not satisfied.

(c) An Associate will be Class C where it is not Class A or Class B.

[...]

#### Due diligence step-by-step

The following sections describe each step in the due diligence process.

#### 1. Steps that apply to all classes of Associates

##### (a) GBU due diligence team

Once a potential Associate is chosen, the senior GBU or Functional Unit officer responsible for the prospect or, where an exclusive subcontractor/supplier is selected after the award of a project is made, the project, should assign a team to conduct the due diligence investigation. The team should include GBU personnel working on the prospect or project, and must include representatives of the GBU Principal Counsel and if a prospect the GBU M&BD group. A Team Leader from the GBU or Functional Unit should be selected who will be responsible for the completion of the due diligence investigation.

##### (b) Screening

The initial screening is a quick check of the sort of information that might disqualify even companies that we know well. It will also provide the information needed for any early notification that may be required under the Joint Associations (Partnering) policy. These are the steps of the initial screening:

- Identify the specific legal entity that will be the Associate, and parent company (if applicable), so that appropriate data is collected. A sister company or special purpose entity is not the same as a parent company.
- Collect basic publicly available information on the Associate, using readily available sources (e.g., local business contacts, Google), including the Register of Associates, maintained by the Legal Department, who have already been the subject of a due diligence investigation. This will include research on executives/principals of the Associate.
- Complete the Business Associate Identification Form in Attachment 3. The Business Associate Identification Questionnaire Forms in Attachment 7 and Attachment 8 may be used in support of this step. It is recognized that not all of the information requested on the forms may be available at this early stage.
- Check on the local reputation of the Associate for honesty in business that is publicly available (e.g., local contacts, Google for the prior 5 year period) and with Bechtel people who may have information about the Associate's reputation.

Provide the Legal Department as much information about the company (and the parent company if applicable) as is known. This includes the full name (or as much as you know), business address or where you think the company is located (country), what type of business or industry the company is in (E&C, water, power) and the full names of the executives (if known).

[...]

Information that is gathered will be provided to the Legal Department so that it can perform a basic media search and a search of Restricted Party Lists, as described in Attachment 4.

The results of the preliminary research by the GBU or Functional Unit team and the Legal Department, including the resolution of any red flags, will be used to make a recommendation on whether or not to proceed with the Associate, subject to the satisfactory completion of the remaining due diligence investigation requirements.

#### (c) Recently Approved Associate Screening

The screening process described in Section B 1 (b) above completes the due diligence investigation for any Associate who has been approved within the last two years (as shown in the Register of Associates); provided, however, that if that Associate would have otherwise been a Class B or Class C Associate: (i) a full due diligence investigation as set forth in Section B 1 (f) for that Associate has been completed within the last three years; and (ii) any red flags that were found were fully resolved as determined by the Legal Department's Principal Counsel (Compliance) or the Chief Ethics and Compliance Officer. If red flags were found that cannot be resolved on available information, the additional investigation for Class A Associates will be conducted.

[...]

#### (e) Investigation

The investigation is a more in-depth evaluation of data for each Associate. These are the steps of the investigation:

##### 1. General Background Information for all Classes of Associates

- The GBU or Functional Unit team has completed the initial screening set forth in Section B 1 (b) above and any gaps have been resolved (e.g. if the full names of the executives/principals were not provided in the initial screening stage, they will be provided now).
- The GBU or Functional Unit team will complete the due diligence questionnaire. The form of questionnaire is set forth in Attachment 5 (see also the Business Associate Identification Questionnaire Forms in Attachment 7). The questions should be answered to the best of your ability. If a question seeks a "yes" or "no" answer, but cannot be answered in that fashion, please explain why in the "comments" column.
- The Legal Department will conduct, as further described in Attachment 4, (A) a search of company information through the company's website (if available), (B) a media search, (C) a search of Restricted Party Lists, (D) a search of information on the country (unless it is a Class A country – see section A.3) in which the project and the Associate are located to determine the level of corruption that is perceived to exist in those jurisdictions, and (E) a review local laws concerning improper payments (e.g., FCPA, UK Bribery Act of 2010, etc.).
- The GBU or Functional Unit team should investigate how business is transacted in the host country, for two principal reasons: to see how likely improper payments are in the country; and to provide input to the Legal Department to see how the local laws concerning improper payments would apply.
- The GBU or Functional Unit team will review the information available about the Associate and the project (including any experience of Bechtel with the Associate), the results of the research by the Legal Department, and any red flags. If red flags are found in the investigation of a Class A Associate that cannot be resolved between the GBU or Functional Unit and the Chief Ethics and Compliance Officer or the Legal Department's Principal Counsel (Compliance) on available information, the additional investigation for a Class B Associate or Class C Associate, as applicable, will be conducted.

##### 2. Additional steps for Class B Associates:

###### a. Inquiries

Check the Associate's reputation with private parties and certain government agencies. Guidance on making the inquiries is given in Attachment 6. Checks can be made with:

###### 1. Private parties

- (A) Companies that we know well, who are already working in the country



2. Government agencies (the staff of the Bechtel Washington DC office may be able to facilitate contacts
  - (A) Commercial officer at US embassy in foreign country
  - (B) Other foreign embassies (e.g. UK or Australian)

**b. Interviews**

The process for Class B Associates includes at least one interview with a senior officer of the Associate so that the GBU or Functional Unit can access reliable detailed information and will also include an inspection of the Associate's facilities.

With the approval of the GBU President, this interview can be omitted for any Class B Associate, if:

- (A) it is a public company whose securities are traded on one of the following exchanges:
  - New York Stock Exchange
  - NASDAQ
  - London Stock Exchange
  - Any other exchange approved by the General Counsel; and
- (B) the initial screening review does not give reason for concern about the Associate's character, reputation or ethics, or raise any red flags that have not been resolved.

**3 Additional steps for Class C Associates**

Additional steps are added for Class C Associates that are not used for Class A Associates or Class B Associates:

**a. Inquiries**

In addition to inquiries for a Class B Associate, the GBU or Functional Unit team will check on the local reputation for honesty in business of the Associate with private parties (e.g. independent reputable local business persons). These may include:

- (A) Local lawyers and banks (Corporate Treasury may be consulted for assistance in identifying potential contacts with local banks); and
- (B) Public Accounting Firms (Corporate Finance may be able to contact local offices of international accounting firms for assistance with information about local laws and practices)

**b. Interviews**

The process for Class C Associates includes two interviews. The initial interview will meet the same criteria as that performed for a Class B Associate. There will also be a personal meeting, face-to-face, between a senior official of Bechtel and the Associate (e.g. Owner or Managing Director). This meeting has two primary purposes: to make sure that the Associate understands that Bechtel is deadly serious about compliance with its policies concerning business practices; and to allow senior Bechtel managers to assess the depth of the Associate's commitment to following our rules. With the approval of the GBU President and the Legal Department's Principal Counsel (Compliance), these interviews can be omitted for any Class C Associate, if:

- (A) it is a public company whose securities are traded on one of the following exchanges:
  - New York Stock Exchange
  - NASDAQ
  - London Stock Exchange
  - Any other exchange approved by the General Counsel; and
- (B) the initial screening review does not give reason for concern about the Associate's character, reputation or ethics, or raise any red flags that have not been resolved.

**4. Additional Due Diligence for Exclusive Subcontractors/Suppliers**

Where an exclusive subcontractor/supplier will be used in a high risk jurisdiction<sup>5</sup> and the scope of work of the subcontractor/supplier will include substantial interface with government entities (e.g. customs clearance or obtaining work visas for staff or labor) the Supplemental Subcontractor/Supplier Due Diligence Work Sheet Form (Attachment 8) should also be utilized to memorialize the initial due diligence performed as to that subcontractor/supplier.

**5. Summary Comments (Applies to all classes of Associates)**

The GBU Counsel and the Legal Department's Principal Counsel (Compliance) shall review the due diligence concerning the Associate prior to the completion of the Due Diligence questionnaire (Attachment 5).

For all classes of Associates, there will be a final summary, based on the answers to all of the questions in the

questionnaire (Attachment 5), stating whether or not the person completing the questionnaire believes that Bechtel should consider partnering with this company.<sup>6</sup> The GBU Principal Counsel or the Legal Department's Principal Counsel (Compliance) shall approve the completed due diligence package as set forth in Attachment 2 prior to the submission of the Policy 304 Management Approval Letter.

#### 6. Due Diligence File Record Retention

Whatever the outcome of the Joint Associations (Partnering) policy process and whether or not any formal agreement with the Associate is in fact entered or whether the prospect or project goes forward, the GBU or Functional Unit team will send a completed due diligence questionnaire (Attachment 5) and a complete due diligence file (section A.4) to the Legal Department's Principal Counsel (Compliance), for permanent filing.

#### 7. Periodic updates

The Legal Department will up-date the due diligence file concerning those parts of the due diligence requirements for which it is responsible as described in Attachment 4, for Associates on active projects, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and sooner if a significant red flag appears. If red flags are found that cannot be resolved on available information, the additional investigation for Class B or C Associates as applicable will be conducted. In either case, results will be shared with the original GBU sponsor of the Associate, and with any other GBU that has registered an interest in the Associate.

#### Footnotes

<sup>1</sup> An exclusive subcontractor relationship under the Joint Associations (Partnering) policy includes a relationship that arises where Bechtel makes a binding commitment either unilaterally or as the result of complying with local law to use a specific subcontractor or supplier on a project either before or after Bechtel submits a bid.

<sup>2</sup> This will include affiliates of an Associate with whom Bechtel has worked successfully, provided there is clear common control.

<sup>3</sup> You should treat a subsidiary as located with its parent, unless there is significant local ownership.

<sup>4</sup> These are the 11 best-rated countries in TI's Bribe Payers Index for 2008, and are also all among the 25 best-rated countries in TI's Corruption Perceptions Index for 2010.

<sup>5</sup> High risk jurisdictions are defined as those countries with a Transparency International CPI of 50 or less.

<sup>6</sup> This summary could also be used as a part of the Joint Associations (Partnering) policy MAL.

#### [1] Anti-Corruption Compliance Guidelines (Document)

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.22] Typical third parties or intermediaries used in business dealings may include:

- Consultants
- Agents
- Custom clearing agents
- Sales agents or sales consultants
- Suppliers
- Subcontractors
- Partners
- Joint venture or consortium partners
- Freight forwarders
- Attorneys
- Lobbyists
- Financial advisors

The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel- related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf.

[p.32] Due Diligence Guidelines for Business Partners and Agents

[...]

These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.



Nevertheless, such associations can present compliance risks to Bechtel since, in many cases, we can be held responsible for the misconduct of our business partners and agents. For that reason, complete due diligence must be conducted and all required approval obtained before entering into any agreement with a joint venture partner or retaining an agent or representative.

Bechtel has adopted Ethics and Finance Due Diligence Guidelines to provide general guidance for preparing and completing a proper due diligence investigation with respect to proposed business partners and agents. Proper completion and review of the investigation outlined in those guidelines is fundamental to thoroughly assessing all business partners, representatives, or agents and is essential for ensuring compliance with Bechtel's policies.

Question
<b>6.3 Does the company require all of its suppliers to have adequate standards of anti-bribery and corruption policies and procedures in place?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company ensures that its suppliers have adequate anti-bribery and corruption policies in place. The company states that it expects its suppliers to follow its Code of Conduct and Anti-Corruption Guidelines, which prohibit bribery and facilitation payments and address conflicts of interest, gifts and hospitality and whistleblowing. There is evidence which indicates that the company assures itself of this when onboarding new suppliers.</p>
Evidence
<p><b>[43] Bechtel's Expectations for Suppliers' and Subcontractors' Conduct (Document)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/getmedia/dd8eb965-5d40-4175-ab6b-2e46308fc050/Supplier-and-Subcontractor-Expectations-(2020-Update).pdf">https://www.bechtel.com/getmedia/dd8eb965-5d40-4175-ab6b-2e46308fc050/Supplier-and-Subcontractor-Expectations-(2020-Update).pdf</a></p> <p>[p.1] Bechtel works only with qualified suppliers and subcontractors who commit to safely and responsibly deliver quality goods and services—on time and within budget. Although quality, cost, and timeliness are important, we will not solicit and award purchase orders and subcontracts to suppliers and subcontractors that do not meet our standards for safety, ethics, conduct, and protection of human rights. Bechtel is committed to the highest safety, ethical, and human rights standards in the industry, and we expect the same dedication from our supplier and subcontractor organizations. Our suppliers and subcontractors must comply with all terms of the purchase order and/or subcontract and will immediately notify Bechtel of any actual or potential violations. To the extent that the purchase order or subcontract does not contain specific requirements that append or modify the below, we expect our suppliers and subcontractors at all tiers of performance to commit to the following:</p> <p>[...]</p> <p>Anti-Corruption Compliance  Bechtel is committed to full compliance with all domestic and international anti-bribery laws, regulations, and conventions that prohibit corrupt actions in obtaining or retaining business or obtaining any other improper business advantage. In addition, Bechtel policy prohibits making facilitating payments of any kind, that is, payments to secure or expedite the performance of routine government actions. Bechtel will not condone or tolerate suppliers or subcontractors engaging in or not reporting behavior that violates, or has the potential to violate, the standards set forth in the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act of 2010, or any other relevant anti-corruption laws.</p> <p><b>[21] Supplier Guide: Executing Work with Bechtel 2020 (Document)</b>  Accessed 23/04/2020  <a href="https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf">https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf</a></p> <p>[p.i] ... We depend on you, the supplier and subcontractor, to bring expert knowledge, innovation, quality, and integrity to our projects and customers.</p> <p>[...] Bechtel is committed to the highest safety and ethical standards in the industry, and we expect the same dedication and commitment from our supplier and subcontractor organizations. We seek suppliers and subcontractors who understand their obligations and collaborate with us to meet our customers' expectations.</p> <p>[p.5] Standards of Conduct and Ethics  Bechtel is committed to the highest standards of business ethics and corporate compliance. It is Bechtel's policy to deal only with organizations whose ethical standards are fully aligned with our own, and our ethical standards are outlined in our Code of Conduct. As a supplier, you must have a focus on ethics in all aspects of your business practices. An outline of our Code of Conduct expectations for our suppliers follows:</p> <p>Gifts and Entertainment – Bechtel chooses its suppliers and contractors based on the quality and value of the goods and services they are able to provide. It is Bechtel's policy to never solicit or accept gifts or gratuities that</p>

may influence or appear to influence a Bechtel employee's decision in the selection of bidders for the supply of equipment or services.

**Conflicts of Interest** – As a supplier, you should disclose any conflict of interest to a company you are planning to do business with. Participation in personal activities and disclosing a conflict of interest will not infringe on the supplier's ability to do business with Bechtel.

**Raising ethics or compliance questions and concerns:** Bechtel suppliers, subcontractors, and other third-party business partners are encouraged to ask questions about our Code of Conduct or report any suspected misconduct involving Bechtel directly or indirectly through the Bechtel Ethics HelpLine, available 24 hours a day, 7 days a week. The HelpLine number is +1-800-232-4835.

[p.6] **Anti-Corruption and Anti-Bribery Laws, including the Foreign Corrupt Practices Act**

Bechtel is committed to full compliance with all domestic and international anti-bribery laws, regulations, and conventions that prohibit corrupt actions in obtaining or retaining business or obtaining any other improper advantage, including the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the US Foreign Corrupt Practices Act (FCPA), and the United Nations Convention Against Corruption.

Bechtel expects that suppliers and contractors at all tiers of our supply chain will be equally committed to this anti-corruption position. Engaging in or not reporting behavior that violates, or has the potential to violate, the standards set forth in the FCPA or other anti-bribery laws and regulations will not be condoned or tolerated by Bechtel. This includes giving anything of value, either directly or indirectly, to a government official or family member of a government official, a private individual, or employees of companies wholly or partially owned by a government entity.

#### **[1] Anti-Corruption Compliance Guidelines (Document)**

Accessed 22/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.7] Bechtel is committed to full compliance with all domestic and international anti-bribery laws, regulations, and conventions that prohibit corrupt actions in obtaining or retaining business or obtaining any other improper advantage.

Bechtel policy prohibits making facilitating payments, that is, payments to secure performance of routine government actions.

[...] Put simply, Bechtel does not pay bribes of any amount to anyone.

[p.22] **Use of Third Parties or Intermediaries**

Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.

Typical third parties or intermediaries used in business dealings may include:

[...]

- Suppliers
- Subcontractors
- Partners

[...]

[p.24] Facilitating payments are strictly prohibited by Bechtel policy.

[p.32] **Due Diligence Guidelines for Business Partners and Agents**

From time to time, it is in Bechtel's interest to form a business association with another party. These associations may be used to provide access to special technical expertise or additional financial resources, to allow for sharing of costs and risks, to meet contractual or legal requirements for local participation in a project, or to allow Bechtel to engage in certain market segments more effectively. Similarly, Bechtel retains, on occasion, agents or other representatives to act on our behalf and aid in our business.

These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.

### [3] Code of Conduct (Document)

Accessed 21/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

#### [p.3] To Whom Does it Apply?

Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

[p.21] Bechtel business should always be won or lost on the basis of merit. Bechtel employees may only offer or approve business courtesies that are legal, proper, and in full compliance with Bechtel policies and instructions and do not give rise to the reasonable perception that they are being offered for the purpose of gaining an unfair business advantage. An employee may never use personal funds or resources to avoid reporting or seeking approval for a business courtesy that could not be provided by Bechtel.

Gifts and business courtesies to some individuals such as government employees, officials, and representatives, as well as employees of government-owned entities, are subject to complex laws and regulations. Anti-corruption laws may also extend to employees of public international organizations and private individuals.

[p.41] Bechtel policy prohibits making facilitating payments (i.e., payments to secure performance of routine government actions). Engaging in or not reporting behavior that violates, or has the potential to violate, the standards set forth in the FCPA or the other anti-bribery laws and regulations will not be tolerated by Bechtel. All employees and anyone working on behalf of Bechtel must ensure that all interactions and transactions with government officials, their representatives or members of their families, employees of companies that are wholly or partially owned by a government entity, and any other persons are consistent with relevant anti-bribery laws.

#### What Behavior is Expected?

[...]

- Never allow joint venture or consortium partners, subcontractors, suppliers, agents, consultants, intermediaries, or others to make prohibited payments on Bechtel's behalf; ensure that all Bechtel business associates agree contractually that they will not engage in any behavior that would constitute a violation of the standards of the FCPA, the UK Bribery Act, or any other applicable anti-bribery law.

[p.59] Bechtel employees must avoid any interest, relationship, or outside activity that could affect the employee's objectivity in making decisions concerning his or her Bechtel duties and responsibilities. A conflict of interest may exist when an employee or a member of his or her family is involved in an activity or has a personal interest that could impair, or even appear to impair, the ability to make objective and fair decisions, or could create an incentive to act in a manner that would advance personal interests at the expense of Bechtel.

[p.71] Bechtel depends on its employees to report violations or potential violations of the Bechtel Code of Conduct so that the company can take appropriate action and remedy the situation.

Several channels of reporting are available, depending on the issue, including:

- The Ethics HelpLine May Be Contacted in Any of the Following Ways:
- Your supervisor
- A higher level of management
- Your Ethics & Compliance officer
- The Environmental, Safety & Health Department

#### The Bechtel Ethics HelpLine

The Ethics HelpLine is a confidential resource available to employees to discuss any ethics or compliance question or concern, to seek clarification or guidance about the Bechtel standards of conduct, or to report potential wrongdoing or inappropriate conduct in the company.

**[22] Expectations for Suppliers, Subcontractors & Vendors (Webpage)**

Accessed 23/04/2020

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Ethics>

Bechtel is committed to the highest standards of ethical conduct and seeks to do business only with suppliers and subcontractors who share these values. We conduct our business transactions fairly, properly, and impartially and expect the same from our suppliers and subcontractors. Any conduct that fails to meet our standard of ethics, integrity, and responsible conduct may preclude suppliers and subcontractors from being invited to participate in a solicitation.

**[20] Shared Values (Webpage)**

Accessed 22/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/>

Our Code of Conduct applies globally to all Bechtel agents, consultants, contracted labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

**[18] Supplier Procurement (Webpage)**

Accessed 23/04/2020

<https://www.bechtel.com/supplier/procurement/>

Supplier quality

Frequent communication and regular visits to our suppliers' facilities is common practice. It reinforces our proactive approach to resolve potential issues, which helps suppliers deliver consistent value to the customer in a timely manner. To verify compliance with purchase order requirements and specifications, supplier quality surveillance is performed in accordance with approved quality surveillance plans. Sound knowledge of industry codes and standards is applied so that any nonconforming quality or manufacturing issues are identified before they have a chance to affect the project

Question
<b>6.4 Does the company ensure that its suppliers require all their sub-contractors to have anti-corruption programmes in place that at a minimum adhere to the standards established by the main contractor?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company takes steps to ensure that its sub-contractors have adequate anti-bribery and corruption programmes in place, and that the substance of its anti-corruption and bribery programme is required of sub-contractors throughout the supply chain. This evidence appears in the form of a clear statement and set of supplier principles that sets the minimum standards of ethical behaviour expected throughout the supply chain.</p>
Evidence
<p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a></p> <p>[p.22] Use of Third Parties or Intermediaries  Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.</p> <p>Typical third parties or intermediaries used in business dealings may include:</p> <ul style="list-style-type: none"> <li>[...]</li> <li>■ Suppliers</li> <li>■ Subcontractors</li> <li>■ Partners</li> <li>[...]</li> </ul> <p>[p.32] Due Diligence Guidelines for Business Partners and Agents  From time to time, it is in Bechtel's interest to form a business association with another party. These associations may be used to provide access to special technical expertise or additional financial resources, to allow for sharing of costs and risks, to meet contractual or legal requirements for local participation in a project, or to allow Bechtel to engage in certain market segments more effectively. Similarly, Bechtel retains, on occasion, agents or other representatives to act on our behalf and aid in our business.</p> <p>These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.</p> <p><b>[21] Supplier Guide: Executing Work with Bechtel 2020</b>  Accessed 23/04/2020  <a href="https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf">https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf</a></p> <p>[p.i] In this guide, we will refer to our Procurement and Contracts organization collectively as Bechtel's Supply Chain, as we establish our end-to-end processes for the management of goods and services, and emphasize the importance of our suppliers' and subcontractors' lower-tier suppliers and subcontractors in executing the work. Also, instead of repeating the terms "suppliers and subcontractors," we will use "suppliers" to refer to both collectively.</p> <p>[...] Bechtel is committed to the highest safety and ethical standards in the industry, and we expect the same dedication and commitment from our supplier and subcontractor organizations. We seek suppliers and subcontractors who understand their obligations and collaborate with us to meet our customers' expectations.</p> <p>[p.5] Standards of Conduct and Ethics  Bechtel is committed to the highest standards of business ethics and corporate compliance. It is Bechtel's policy to deal only with organizations whose ethical standards are fully aligned with our own, and our ethical standards are</p>

outlined in our Code of Conduct. As a supplier, you must have a focus on ethics in all aspects of your business practices. An outline of our Code of Conduct expectations for our suppliers follows:

**Gifts and Entertainment** – Bechtel chooses its suppliers and contractors based on the quality and value of the goods and services they are able to provide. It is Bechtel's policy to never solicit or accept gifts or gratuities that may influence or appear to influence a Bechtel employee's decision in the selection of bidders for the supply of equipment or services.

**Conflicts of Interest** – As a supplier, you should disclose any conflict of interest to a company you are planning to do business with. Participation in personal activities and disclosing a conflict of interest will not infringe on the supplier's ability to do business with Bechtel.

**[p.6] Anti-Corruption and Anti-Bribery Laws, including the Foreign Corrupt Practices Act**  
Bechtel expects that suppliers and contractors at all tiers of our supply chain will be equally committed to this anti-corruption position. Engaging in or not reporting behavior that violates, or has the potential to violate, the standards set forth in the FCPA or other anti-bribery laws and regulations will not be condoned or tolerated by Bechtel. This includes giving anything of value, either directly or indirectly, to a government official or family member of a government official, a private individual, or employees of companies wholly or partially owned by a government entity.

#### **[p.19] Managing the Supplier's Supply Chain**

One of the largest risks to Bechtel is the performance of our supplier's lower-tier suppliers, referred to as "sub-suppliers." We rely extensively on our suppliers to flow down applicable commercial and technical requirements to their suppliers, then provide the necessary oversight to ensure sub-suppliers perform to quality and schedule requirements, especially considering the growing "fracturing" of the supply chain.

Although we do rely on the supplier to manage its sub-suppliers, Bechtel does take some or all of the following steps with sub-suppliers, depending on the complexity of the equipment and the criticality to schedule:

- We request suppliers to identify sub-suppliers in the Form of Proposal.
- Based on type of equipment, we review sub-suppliers against restricted parties lists, financial capabilities, and other data we have on the sub-supplier.
- We require suppliers to provide an integrated schedule showing the sequencing of work with its sub-suppliers against the fabrication plans for the supplier.
- We determine any sub-suppliers for which we will perform quality reviews based on:
  - Surveillance plans, requested from the supplier for critical sub-tier suppliers to ensure the supplier is providing adequate oversight; or
  - Unpriced POs, requested to ensure that the supplier is providing adequate oversight of the sub-supplier.
- We include sub-suppliers on our kick-off agenda.

#### **[22] Expectations for Suppliers, Subcontractors & Vendors (Webpage)**

Accessed 23/04/2020

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Ethics>

Bechtel is committed to the highest standards of ethical conduct and seeks to do business only with suppliers and subcontractors who share these values. We conduct our business transactions fairly, properly, and impartially and expect the same from our suppliers and subcontractors. Any conduct that fails to meet our standard of ethics, integrity, and responsible conduct may preclude suppliers and subcontractors from being invited to participate in a solicitation.

#### **Lower-Tier Suppliers Throughout the Supply Chain**

In addition to the above commitment, we expect our suppliers and subcontractors to secure the same commitment from lower tier suppliers and subcontractors. The above requirements are mandatory and reflect, in part, Bechtel's corporate values/ethos and social responsibility on such issues.

#### **[20] Shared Values (Webpage)**

Accessed 22/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/Shared Values>



Our Code of Conduct applies globally to all Bechtel agents, consultants, contracted labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

**[43] Bechtel's Expectations for Suppliers' and Subcontractors' Conduct (Document)**

Accessed 29/06/2020

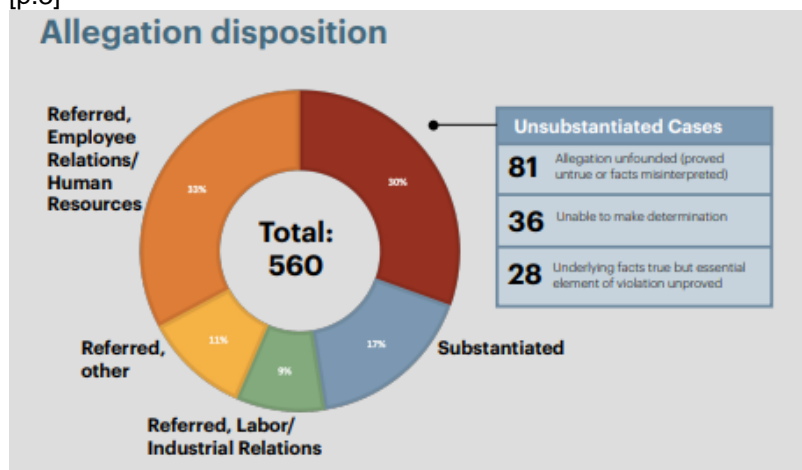
[https://www.bechtel.com/getmedia/dd8eb965-5d40-4175-ab6b-2e46308fc050/Supplier-and-Subcontractor-Expectations-\(2020-Update\).pdf](https://www.bechtel.com/getmedia/dd8eb965-5d40-4175-ab6b-2e46308fc050/Supplier-and-Subcontractor-Expectations-(2020-Update).pdf)

[p.4] Lower-Tier Suppliers Throughout the Supply Chain

In addition to the above commitment, we expect our suppliers and subcontractors to secure the same commitment from lower tier suppliers and subcontractors. The above requirements are mandatory and reflect, in part, Bechtel's corporate values/ethics and social responsibility on such issues.

Question
6.5 Does the company publish high-level results from ethical incident investigations and disciplinary actions against suppliers?
Score
1
Comments
<p>There is evidence that the company publishes high-level data from ethical incidents and investigations, and that this includes reports from and about suppliers and contractors. The data includes the number of allegations made and the number of disciplinary actions as a result of investigation findings. This data is published at regular intervals, on at least an annual basis covering cases in the past 12 months.</p> <p>However, the company receives a score of ‘1’ because the data is not disaggregated to show supplier data as separate from other types of individuals, such as company employees.</p>
Evidence
<p><b>[32] 2019 Ethics HelpLine Data (Document)</b> Accessed 29/06/2020 <a href="https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf">https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf</a> [p.2] Last year, 762 individuals contacted Bechtel’s Ethics HelpLine or their organization’s Ethics &amp; Compliance officers to ask questions or report suspected misconduct—an increase of 7% from total contacts in 2018 (709). While most contacts come from Bechtel employees, Ethics &amp; Compliance has received contacts from and about suppliers or contractors.</p> <p>Of the 762 contacts, 490 (64%) were allegations and 272 (36%) were inquiries.</p> <p>What kinds of issues were raised in 2019? The most common inquiries were about business practices (32%), followed closely by employee relations (30%). In most cases, these represent proactive efforts by employees to learn whether an activity or proposed course of action is acceptable under the Code of Conduct. The most frequent category of allegations was employee relations (54%), such as concerns about favoritism or inappropriate work relationships, compensation or disciplinary action. Employee relations allegations were up 9% from 2018. Next, legal and regulatory compliance issues (13%), like theft via false expense reports or providing Bechtel proprietary information to unauthorized parties. The third most frequent category was misuse of resources. Ethics &amp; Compliance also records inquiries and allegations in several other categories, including environmental, safety, health, and security.</p> <p>[...]</p>
<div><div><div><div>Business practices</div><div>201988</div><div>201856</div></div><div><div>Conflict of interest</div><div>201930</div><div>201835</div></div><div><div>Employee relations</div><div>201983</div><div>201850</div></div><div><div>Legal and regulatory compliance</div><div>201946</div><div>201829</div></div><div><div>Misuse of resources</div><div>201913</div><div>201817</div></div><div><div>Environmental, safety, health, and security</div><div>201912</div><div>20187</div></div></div><div><div><div>Inquires</div><div>201988</div><div>201856</div></div><div><div>Allegations</div><div>201958</div><div>201852</div></div><div><div>201911</div><div>201825</div></div><div><div>2019265</div><div>2018243</div></div><div><div>201962</div><div>201870</div></div><div><div>201950</div><div>201872</div></div><div><div>201944</div><div>201853</div></div></div></div>

[p.3]



[...]

#### Substantiated allegations

Employee relations	22
Misuse of resources	20
Legal and regulatory compliance	18
Business practices	11
Conflict of interest	8
Environmental, safety, health, and security	2

[p.4] Note: Not all investigations are closed in the same year they are opened; 79 of the 490 allegations opened in 2019 were still open at year's end. Similarly, 59 of the 515 cases opened in 2018 were carried over into 2019. This is because some matters require extensive review of documents and records, and interviews with witnesses in multiple locations worldwide. Data from closed cases are reported in the year the case is closed.

#### Primary case outcome

Corrective/disciplinary action	58
Termination	9
Policy/process review or revision	4
Communication issued	2
Training provided	7
Other	11
No action required	2

What actions were taken with substantiated cases?

Ethics & Compliance is responsible for assuring that appropriate action is taken for every substantiated case. This chart shows the primary outcomes for the 81 cases that were substantiated in 2019.

In some cases, corrective action was taken with more than one employee, or more than one action was taken with a single employee. For example, one employee might receive a written disciplinary warning and be required to retake a compliance training course. In other cases, such as instances where a process had already been changed or the implicated employee had left the company, no further action was required. In 2019, there were 91 actions taken in 81 cases, while two cases required no further action.

## 7. Agents, Intermediaries and Joint Ventures

### 7.1 Agents and Intermediaries

Question
<b>7.1.1 Does the company have a clear policy on the use of agents?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company has a clear policy to control the use of agents which addresses the corruption risks associated with the use of agents and provides details of specific controls to mitigate these risks. As part of this policy, the company commits to establishing and verifying that the use of an agent is, in each case, necessary to perform a legitimate business function. There is evidence that this policy applies company-wide to all divisions within the organisation which might employ agents, including any subsidiaries and joint ventures.</p>
Evidence
<p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>  [p.22] Use of Third Parties or Intermediaries</p> <p>Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.</p> <p>Typical third parties or intermediaries used in business dealings may include:</p> <ul style="list-style-type: none"> <li>■ Consultants</li> <li>■ Agents</li> <li>■ Custom clearing agents</li> <li>■ Sales agents or sales consultants [...]</li> </ul> <p>The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel- related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf.</p> <p>[p.23] References:  [...]</p> <ul style="list-style-type: none"> <li>• Legal Department Procedure No. 1.0, Business Ethics and Finance Due Diligence for Agents, <a href="http://compliance.becweb.ibechtel.com/Documents/LDP_No1.0_DD_Partners.doc">http://compliance.becweb.ibechtel.com/Documents/LDP_No1.0_DD_Partners.doc</a></li> </ul> <p>[p.32] Due Diligence Guidelines for Business Partners and Agents</p> <p>From time to time, it is in Bechtel's interest to form a business association with another party. These associations may be used to provide access to special technical expertise or additional financial resources, to allow for sharing of costs and risks, to meet contractual or legal requirements for local participation in a project, or to allow Bechtel to engage in certain market segments more effectively. Similarly, Bechtel retains, on occasion, agents or other representatives to act on our behalf and aid in our business.</p> <p>These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.</p>

Nevertheless, such associations can present compliance risks to Bechtel since, in many cases, we can be held responsible for the misconduct of our business partners and agents. For that reason, complete due diligence must be conducted and all required approval obtained before entering into any agreement with a joint venture partner or retaining an agent or representative.

Bechtel has adopted Ethics and Finance Due Diligence Guidelines to provide general guidance for preparing and completing a proper due diligence investigation with respect to proposed business partners and agents. Proper completion and review of the investigation outlined in those guidelines is fundamental to thoroughly assessing all business partners, representatives, or agents and is essential for ensuring compliance with Bechtel's policies.

**[20] Shared Values (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/>

Agents and Intermediaries

During the due diligence process, agents and intermediaries are specifically asked questions about ownership and control. The process also includes a search for any media coverage that could identify any beneficial ownership issues prior to engagement. Third-party research companies are engaged when the status of beneficial ownership is not clear from other sources.

Bechtel will only retain agents or intermediaries in those circumstances where it is either required by law or there is a necessary and compelling business reason to do so. In the limited instances where we use these third parties, the company has a robust policy and accompanying legal instructions for vetting and onboarding anyone who will fill an agent or intermediary role. Approval for engaging agents or intermediaries must go through multiple approval levels within the business and with legal/compliance up to and including the general counsel. In addition, all agents must confirm their commitment to Bechtel's Code of Conduct and each contract has anti-bribery commitments including certifications that must be signed before any payments are made for services.

Agents are not awarded incentive fees. When the relationship includes commission-based compensation, it is capped at reasonable levels. Bechtel's contractual agreements with agents include expectations to comply with all anti-bribery legislation.

All agents and intermediaries are contractually agree to:

- Abide by Bechtel's Code of Conduct;
- Not violate any applicable laws related to anti-bribery or corruption;
- Train any relevant parties about relevant anti-corruption laws that are employed by the agent or intermediary that will work on the contract;
- Not make any prohibited payments to any government official with respect to any activities undertaken relating to the contract;
- That no part of the value received under the contract will be used for any improper purposes;
- That it has fully disclosed to Bechtel any existing family relationships or current or former close business relationships between itself or any of its employees, partners, officers, directors or stockholders and any government official, party political official or candidate for political office and agrees to notify Bechtel of any such relationship that may arise during the term of the agreement.

Question
<b>7.1.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging its agents and intermediaries?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company has formal procedures to conduct risk-based anti-bribery and corruption due diligence prior to engaging and re-engaging any agents and intermediaries, at least every two years. The company states that agents and highest risk intermediaries are subject to enhanced due diligence. The evidence suggests that the company will not engage or terminate its engagement with agents where the risks identified in the due diligence cannot be mitigated.</p>
Evidence
<p><b>[23] Due diligence for business representatives (Webpage)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-representatives/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-representatives/</a>  Due diligence for business representatives  To provide general guidance for the preparation and completion of a proper ethics and compliance due diligence investigation of proposed Representatives. Proper completion and review of the due diligence investigation is fundamental to a thorough assessment of all business Representatives, and is essential for ensuring compliance with Bechtel's policies.</p> <p>This applies to the diligence investigation conducted for every individual or company that provides "representative services" to Bechtel, as described in our policy for Agreements and Outside Consultants and Representatives and in the attached guidelines. It does not apply to parties who only supply consulting services consisting entirely of advice to and consultation with Bechtel.</p> <p>Appropriate due diligence of the Representative must be performed before a commitment to retain a Representative is made. This instruction applies to the diligence investigation conducted for every Representative for which our policy for Agreements and Outside Consultants and Representatives requires approval. The status and results of the due diligence must be reported in the request for approval under our policy for Agreements and Outside Consultants and Representatives, together with a statement as to when any outstanding due diligence will be completed.</p> <p>Instructions for completing the required due diligence investigation are set forth in the Ethics and Compliance Due Diligence Guidelines for Representatives.</p> <p>Responsibilities</p> <p>Global Business Unit or Functional Unit  The GBU or Functional Unit team is responsible for conducting the due diligence investigation according to the Ethics and Compliance Due Diligence Guidelines for Representatives set forth in Attachment A, completing the due diligence questionnaire and file, and making a recommendation and explanation to GBU or Functional management on the acceptability of the Representative. All financial information relating to a Representative that must be reported in the request for approval will be obtained through the GBU CFO.</p> <p>[...]</p> <p>The Legal Department conducts periodic updates of due diligence investigations for Representatives on active projects, or who have been designated by a GBU or Functional Unit to be kept up-to-date, and shares the results of such periodic searches and updates with the GBU or Functional Unit sponsor of the Representative and with any other GBU that has registered an interest in the Representative.</p> <p>[...]</p> <p>Ethics and compliance due diligence guidelines for representatives</p> <p>1. Scope of due diligence</p>

These guidelines describe the due diligence investigation that is required to be performed in making a decision on whether or not retain any individual or company (a "Representative") to provide representative services under our policy for Agreements and Outside Consultants and Representatives.<sup>1</sup> Specific questions regarding a due diligence investigation will be referred to either the Legal Department's Principal Counsel (Compliance) or GBU Principal Counsel.

The due diligence investigation of a potential representative should be performed early once the need for such relationship has been identified, usually at the same time that Bechtel has determined to pursue a project.

## 2. Subjects of due diligence

[...]

It is important to identify the precise legal entity or person we plan to hire as Representative, and if it is a subsidiary, sister company or a special purpose entity of a parent company, you should conduct the appropriate due diligence inquiry for both the Representative and its parent company.

If one of Bechtel's Representative is itself a joint association, you should make a due diligence investigation for each member of that joint association.

If Bechtel will have a partner on the project as described under our policy for Agreements and Outside Consultants and Representatives that is using an Representative, you shall perform a due diligence investigation of that Representative.

The Legal Department will up-date the due diligence investigation, concerning those parts of the due diligence requirements for which it is responsible, for all approved Representatives with whom we have an existing contract, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and will provide the results of the investigation to each GBU or Functional Unit who has registered an interest in the Representative.

[...] Due diligence step-by-step

## 2. Screening

The initial screening is a quick check of the sort of information that might disqualify even a representative that we know well, in advance of preparing a request for approval under our policy for Agreements and Outside Consultants and Representatives. These are the steps of the initial screening:

- (i) Identify the specific person or legal entity that will be the Representative, and of any parent company, so that appropriate data is collected.
- (ii) Collect basic publicly available information on the Representative, using readily available sources (e.g., local business contacts, Google), including the Register of Representatives, maintained by the Legal Department, who have already been the subject of a due diligence investigation. This will include research on executives/principals of the Representative, if a company.
- (iii) Complete the Identification Form. It is recognized that not all of the information requested on the forms may be available at this early stage.
- (iv) Check on the local reputation of the Representative for honesty in business that is publicly available (e.g., local contacts, Google for the prior 5 year period) and with Bechtel people who may have information about the Representative's reputation.

Provide the Legal Department as much information about the Representative (and of any parent company) as is known. This includes the full name (or as much as you know), business address or where you think the Representative is located (country), what type of business or industry the Representative is in or supports (E&C, water, power) and the full names of the executives (if a company and known).

[...]

Information that is gathered will be provided to the Legal Department so that it can perform a basic media search and a search of Restricted Party Lists.

The results of the preliminary research by the GBU or Functional Unit team and the Legal Department, including the resolution of any red flags, will be used to make a recommendation on whether or not to proceed with the Representative, subject to the satisfactory completion of the remaining due diligence investigation requirements.

## 3. Investigation



The investigation is a more in-depth evaluation of data for the Representative. These are the steps of the investigation:

- a) The GBU or Functional Unit team will complete the due diligence questionnaire for the Representative. The questions should be answered to the best of your ability. If a question seeks a “yes” or “no” answer, but cannot be answered in that fashion, please explain why in the “comments” column.
- b) The Legal Department will conduct, as further described in Attachment 4, (A) a search of Representative or company (including information through the company’s website (if available)), (B) a media search, (C) a search of Restricted Party Lists, (D) a search of information on the country in which the Representative or company is located to determine the level of corruption that is perceived to exist in that jurisdiction, and (E) a review local laws concerning improper payments (e.g., FCPA, UK Bribery Act of 2010, etc.).
- c) The GBU or Functional Unit team should investigate how business is transacted in the host country, for two principal reasons: to see how likely improper payments are in the country, and to provide input to the Legal Department to see how the local laws concerning improper payments would apply.
- d) The GBU team should complete the collection of basic identifying information on the Representative, and give a completed Representative Identification Form to the Legal Department. If the full names of the executives/principals were not provided in the pre-screening stage, they should be provided now.
- e) The GBU Team should review the information available about the Representative and the project (including any experience of Bechtel with the Representative), the results of the research by the Legal Department, and any red flags. If red flags are found that cannot be resolved on available information, additional investigation should be conducted.
- f) The GBU or Functional Unit team should check on the local reputation for honesty in business of the Representative. The GBU or Functional Unit team should check Bechtel people who may have information about the Representative’s reputation and should also check with private parties and government agencies. Checks can be made with:
  - (i) Private parties
    - (A) Local lawyers and banks (Corporate Treasury may be consulted for assistance in identifying potential contacts with local banks)
    - (B) Companies that we know well, who are already working in the country
    - (C) Public Accounting Firms (Corporate Finance may be able to contact local offices of international accounting firms for assistance with information about local laws and practices)
  - (ii) Government agencies (the staff of the Bechtel Washington DC office may be able to facilitate contacts)
    - (A) Commercial officer at US embassy in foreign country
    - (B) Other foreign embassies
- g) The investigation process includes two interviews.
  - (i) The process for Representatives includes at least one interview with the Representative or if a company a senior officer of the Representative so that the GBU or Functional Unit can access reliable detailed information and will also include an inspection of the Representative’s facilities.
  - (ii) There should also be a personal meeting, face-to-face, between the Representative or a senior official of the Representative if a company and Bechtel. This meeting has two primary purposes: to make sure that the Representative understands that Bechtel is deadly serious about compliance with its policies concerning business practices; and to allow senior Bechtel managers to assess the depth of the Representative’s commitment to following our rules.
- h) The GBU Counsel and the Legal Department’s Principal Counsel (Compliance) shall review the due diligence concerning the Representative prior to the completion of the Due Diligence questionnaire.
- i) There should be a final summary, based on the answers to all of the questions in the questionnaire, stating whether or not the person completing the questionnaire believes that Bechtel should consider hiring this Representative.<sup>2</sup> The Legal Department’s Principal Counsel (Compliance) shall approve the completed due diligence package prior to the submission of the policy for Agreements and Outside Consultants and Representatives Management Approval Letter.

For recently approved Representatives, that being a Representative who has been approved within the last two (2) years (as shown in the Register of Representatives) and for which a complete due diligence review was previously completed, the GBU or Functional Unit is only required to (x) perform the screening set forth in section B 2 above, (y) interview the Representative to ensure that the Representative continues to understand and commits to comply with Bechtel’s compliance requirements, and (z) update the prior relevant sections of the due diligence questionnaire. This process is not repeatable more than once after which the full due diligence review set forth herein must be repeated. However, if red flags are found that cannot be resolved based on available information or other issues have been identified giving raise to ethical concerns them the full investigation in section B.3 must be conducted.

[...]

## 5. Periodic updates

The Legal Department will up-date the due diligence file concerning those parts of the due diligence requirements for which it is responsible, for Representatives on active projects, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and sooner if a significant red flag appears. If red flags are found that cannot be resolved on available information, additional investigation will be conducted.

In either case, results will be shared with the original GBU or Functional Unit sponsor of the Representative, and with any other GBU that has registered an interest in the Representative.

**[1] Anti-Corruption Compliance Guidelines (Document)**

Accessed 23/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.22] Use of Third Parties or Intermediaries

Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.

Typical third parties or intermediaries used in business dealings may include:

- Consultants
- Agents
- Custom clearing agents
- Sales agents or sales consultants [...]

The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel- related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf.

[p.32] Due Diligence Guidelines for Business Partners and Agents

From time to time, it is in Bechtel's interest to form a business association with another party. These associations may be used to provide access to special technical expertise or additional financial resources, to allow for sharing of costs and risks, to meet contractual or legal requirements for local participation in a project, or to allow Bechtel to engage in certain market segments more effectively. Similarly, Bechtel retains, on occasion, agents or other representatives to act on our behalf and aid in our business.

These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.

Nevertheless, such associations can present compliance risks to Bechtel since, in many cases, we can be held responsible for the misconduct of our business partners and agents. For that reason, complete due diligence must be conducted and all required approval obtained before entering into any agreement with a joint venture partner or retaining an agent or representative.

Bechtel has adopted Ethics and Finance Due Diligence Guidelines to provide general guidance for preparing and completing a proper due diligence investigation with respect to proposed business partners and agents. Proper completion and review of the investigation outlined in those guidelines is fundamental to thoroughly assessing all business partners, representatives, or agents and is essential for ensuring compliance with Bechtel's policies.

Question
<b>7.1.3 Does the company aim to establish the ultimate beneficial ownership of its agents and intermediaries?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company has formal procedures to establish the beneficial ownership of agents, as part of its due diligence process, prior to engaging them, and at least every two years. There is evidence that the company operates, as a minimum, a risk based beneficial ownership verification policy, whereby all agent provided information is verified and high risk agent's information is independently verified. In addition, the company indicates that it conducts media searches and may use a third party research company if this information is not readily available.</p> <p>There is also evidence company will not engage or terminate its engagement with agents where red flags identified in the due diligence cannot be mitigated. Although the company does not explicitly state that this includes red flags on beneficial ownership, there is sufficient evidence that beneficial ownership checks are embedded throughout the process to satisfy this part of the scoring criteria for '2'.</p>
Evidence
<p><b>[20] Shared Values (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>  Agents and Intermediaries</p> <p>During the due diligence process, agents and intermediaries are specifically asked questions about ownership and control. The process also includes a search for any media coverage that could identify any beneficial ownership issues prior to engagement. Third-party research companies are engaged when the status of beneficial ownership is not clear from other sources.</p> <p>Bechtel will only retain agents or intermediaries in those circumstances where it is either required by law or there is a necessary and compelling business reason to do so. In the limited instances where we use these third parties, the company has a robust policy and accompanying legal instructions for vetting and onboarding anyone who will fill an agent or intermediary role. Approval for engaging agents or intermediaries must go through multiple approval levels within the business and with legal/compliance up to and including the general counsel. In addition, all agents must confirm their commitment to Bechtel's Code of Conduct and each contract has anti-bribery commitments including certifications that must be signed before any payments are made for services.</p> <p><b>[23] Due diligence for business representatives (Webpage)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-representatives/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-representatives/</a>  Appropriate due diligence of the Representative must be performed before a commitment to retain a Representative is made. This instruction applies to the diligence investigation conducted for every Representative for which our policy for Agreements and Outside Consultants and Representatives requires approval. The status and results of the due diligence must be reported in the request for approval under our policy for Agreements and Outside Consultants and Representatives, together with a statement as to when any outstanding due diligence will be completed.</p> <p>Instructions for completing the required due diligence investigation are set forth in the Ethics and Compliance Due Diligence Guidelines for Representatives.</p> <p>[...]</p> <p>2. Subjects of due diligence</p> <p>[...]</p> <p>It is important to identify the precise legal entity or person we plan to hire as Representative, and if it is a subsidiary, sister company or a special purpose entity of a parent company, you should conduct the appropriate due diligence</p>

inquiry for both the Representative and its parent company.

If one of Bechtel's Representative is itself a joint association, you should make a due diligence investigation for each member of that joint association.

If Bechtel will have a partner on the project as described under our policy for Agreements and Outside Consultants and Representatives that is using an Representative, you shall perform a due diligence investigation of that Representative.

[...] Due diligence step-by-step

## 2. Screening

The initial screening is a quick check of the sort of information that might disqualify even a representative that we know well, in advance of preparing a request for approval under our policy for Agreements and Outside Consultants and Representatives. These are the steps of the initial screening:

- (i) Identify the specific person or legal entity that will be the Representative, and of any parent company, so that appropriate data is collected.
- (ii) Collect basic publicly available information on the Representative, using readily available sources (e.g., local business contacts, Google), including the Register of Representatives, maintained by the Legal Department, who have already been the subject of a due diligence investigation. This will include research on executives/principals of the Representative, if a company.

[...] Provide the Legal Department as much information about the Representative (and of any parent company) as is known. This includes the full name (or as much as you know), business address or where you think the Representative is located (country), what type of business or industry the Representative is in or supports (E&C, water, power) and the full names of the executives (if a company and known).

[...] The results of the preliminary research by the GBU or Functional Unit team and the Legal Department, including the resolution of any red flags, will be used to make a recommendation on whether or not to proceed with the Representative, subject to the satisfactory completion of the remaining due diligence investigation requirements.

## 3. Investigation

The investigation is a more in-depth evaluation of data for the Representative. These are the steps of the investigation:

[...] (d) The GBU team should complete the collection of basic identifying information on the Representative, and give a completed Representative Identification Form to the Legal Department. If the full names of the executives/principals were not provided in the pre-screening stage, they should be provided now.

[...]

For recently approved Representatives, that being a Representative who has been approved within the last two (2) years (as shown in the Register of Representatives) and for which a complete due diligence review was previously completed, the GBU or Functional Unit is only required to (x) perform the screening set forth in section B 2 above, (y) interview the Representative to ensure that the Representative continues to understand and commits to comply with Bechtel's compliance requirements, and (z) update the prior relevant sections of the due diligence questionnaire. This process is not repeatable more than once after which the full due diligence review set forth herein must be repeated. However, if red flags are found that cannot be resolved based on available information or other issues have been identified giving rise to ethical concerns then the full investigation in section B.3 must be conducted.

[...]

## 5. Periodic updates

The Legal Department will up-date the due diligence file concerning those parts of the due diligence requirements for which it is responsible, for Representatives on active projects, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and sooner if a significant red flag appears. If red flags are found that cannot be resolved on available information, additional investigation will be conducted.

In either case, results will be shared with the original GBU or Functional Unit sponsor of the Representative, and with any other GBU that has registered an interest in the Representative.

Question
<b>7.1.4 Does the company's anti-bribery and corruption policy apply to all agents and intermediaries acting for or on behalf of the company, and does it require anti-bribery and corruption clauses in its contracts with these entities?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company's anti-bribery and corruption policy applies to all agents and intermediaries acting for or on behalf of the company. There is clear evidence that agents must confirm their commitment to the Code of Conduct prior to undertaking work for the company, and that all agents and intermediaries are subject to anti-bribery and corruption clauses in their contracts.</p> <p>However, the company receives a score of '1' because the company does not specifically clarify that these anti-corruption clauses include audit and termination rights.</p>
Evidence
<p><b>[20] Shared Values (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>  Shared Values  Our Code of Conduct applies globally to all Bechtel agents, consultants, contracted labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.</p> <p>All business partners, agents and external consultants are contractually required to adhere to Bechtel's Code of Conduct and agree to anti-bribery terms and conditions in our contracts.</p> <p>[...] In addition, all agents must confirm their commitment to Bechtel's Code of Conduct and each contract has anti-bribery commitments including certifications that must be signed before any payments are made for services.</p> <p>[...] Bechtel's contractual agreements with agents include expectations to comply with all anti-bribery legislation.</p> <p>All agents and intermediaries are contractually agree to:</p> <ul style="list-style-type: none"> <li>• Abide by Bechtel's Code of Conduct;</li> <li>• Not violate any applicable laws related to anti-bribery or corruption;</li> <li>• Train any relevant parties about relevant anti-corruption laws that are employed by the agent or intermediary that will work on the contract;</li> <li>• Not make any prohibited payments to any government official with respect to any activities undertaken relating to the contract;</li> <li>• That no part of the value received under the contract will be used for any improper purposes;</li> <li>• That it has fully disclosed to Bechtel any existing family relationships or current or former close business relationships between itself or any of its employees, partners, officers, directors or stockholders and any government official, party political official or candidate for political office and agrees to notify Bechtel of any such relationship that may arise during the term of the agreement.</li> </ul> <p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>  [p.22] Use of Third Parties or Intermediaries</p> <p>Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.</p>

Typical third parties or intermediaries used in business dealings may include:

- Consultants
- Agents
- Custom clearing agents
- Sales agents or sales consultants [...]

The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel- related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf. We then have a continuing duty to properly supervise all such third parties or intermediaries as they perform Bechtel-related activities to prevent misconduct. Upon any indication of misconduct, we have a duty to respond appropriately by reporting the misconduct as soon as possible.

[p.32] Due Diligence Guidelines for Business Partners and Agents

[...]

These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.

### **[3] Code of Conduct (Document)**

Accessed 23/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.3] To Whom Does it Apply?

Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

[p.41] What Behavior is Expected?

[...]

- Never allow joint venture or consortium partners, subcontractors, suppliers, agents, consultants, intermediaries, or others to make prohibited payments on Bechtel's behalf; ensure that all Bechtel business associates agree contractually that they will not engage in any behavior that would constitute a violation of the standards of the FCPA, the UK Bribery Act, or any other applicable anti-bribery law.



Question
<b>7.1.5 Does the company ensure that its incentive schemes for agents are designed in such a way that they promote ethical behaviour and discourage corrupt practices?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company highlights and addresses incentive structures for agents as a factor in bribery and corruption risk. The company indicates that it places a reasonable threshold on sales-based commissions and there is evidence that the company is alert to requests for unusually large payments or to pay individuals into non-local bank accounts.</p> <p>However, the company receives a score of '1' because there is no evidence that the company requires that remuneration is paid in stage payments over the course of their contract.</p>
Evidence
<p><b>[20] Shared Values (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>  Agents are not awarded incentive fees. When the relationship includes commission-based compensation, it is capped at reasonable levels. Bechtel's contractual agreements with agents include expectations to comply with all anti-bribery legislation.</p> <p><b>[1] Anti-Corruption Compliance Guidelines (Document)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>  [p.22] Use of Third Parties or Intermediaries</p> <p>[...]</p> <p>Be alert to the potential for a violation of anti-corruption rules or laws where third parties or intermediaries are involved in the transaction. If an agent or consultant suggests making a payment that appears improper or unusual, investigate. Decline the payment if the request is in any way questionable. Beware especially of requests for:</p> <ul style="list-style-type: none"> <li>• Unusually large sums</li> <li>• Cash</li> <li>• Payments for which there is inadequate documentation</li> <li>• "Rush" or "last minute" payments</li> <li>• Unexpected commission payments</li> <li>• Payments to be made in the name of individuals or entities other than those named in the relevant Bechtel purchase order or agreement</li> <li>• Payments to accounts in countries other than the one in which we are transacting business</li> </ul>



Question
7.1.6 Does the company publish details of all agents currently contracted to act with and on behalf of the company?
Score
0
Comments
There is no publicly available evidence that the company publishes any details of the agents currently contracted to act for or on its behalf.
Evidence
No evidence found.

Question
<b>7.1.7 Does the company publish high-level results from incident investigations and sanctions applied against agents?</b>
Score
<b>0</b>
Comments
<p>There is some publicly available evidence that the company publishes high-level data from ethical incidents and investigations, which includes reports from and about suppliers and contractors. However, it is not sufficiently clear that this evidence includes data about incidents and investigations involving agents or intermediaries, and therefore the company receives a score of '0'.</p>
Evidence
<p><b>[32] 2019 Ethics HelpLine Data (Document)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf">https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf</a>  [p.2] Ethics &amp; Compliance program is working</p> <p>Last year, 762 individuals contacted Bechtel's Ethics HelpLine or their organization's Ethics &amp; Compliance officers to ask questions or report suspected misconduct—an increase of 7% from total contacts in 2018 (709). While most contacts come from Bechtel employees, Ethics &amp; Compliance has received contacts from and about suppliers or contractors.</p>

## 7.2 Joint Ventures

Question
<b>7.2.1 Does the company conduct risk-based anti-bribery and corruption due diligence when entering into and operating as part of joint ventures?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company has formal procedures to conduct risk-based anti-bribery and corruption due diligence on all of its joint venture partnerships. This includes establishing the ultimate beneficial ownership of the partner company, with enhanced due diligence for joint ventures operating in high risk countries. There is evidence that the company conducts anti-bribery and corruption due diligence prior to entering into a joint venture and once activities have been established, at least every two years.</p>
Evidence
<p><b>[20] Shared Values (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>  Bechtel's due diligence process for partners and exclusive subcontractors follows a tiered approach depending on, among other considerations, the anti-corruption risk in the market where the work is performed. Due diligence for all suppliers and subcontractors involved in high-risk services (e.g. customs clearance, security, airport greeter service, etc) includes enhanced anti-corruption analysis.</p> <p>[...]</p> <p>Bechtel's due diligence for JV partners and exclusive subcontractors follows a tiered approach depending on the anti-corruption risk in the market at issue. Anti-corruption risks are categorized as low-risk ("A"), medium risk ("B") or high risk ("C") depending on the relative risks inherent in the project that include Transparency International's Corruption Perception Index rating, past experience and the number of bribery enforcement actions as well as the information we uncovered as part of our own independent due diligence activities.</p> <p><b>[24] Due diligence for joint associations (Webpage)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/</a>  Due diligence for joint associations (excerpt)  Associations (collaborative business arrangements between a Bechtel organization and a third party) are used to enhance Bechtel's competitiveness, provide access to special technical or additional financial resources, permit sharing of costs and risks, meet requirements for local participation, and/or allow Bechtel to engage in certain market segments more effectively than it could alone.</p> <p>[...]</p> <p>Approval requests must address the following, as applicable, with sufficient information to permit an informed decision:</p> <ul style="list-style-type: none"> <li>• Information about the proposed associate(s) (including a brief history, financial report, assessment of technical/professional capabilities, reputation, key personnel, past affiliations, prior Bechtel experience and any other facts relevant to making a full and informed decision).</li> <li>• Any character, reputation, ethics or compliance issue (e.g., FCPA, OFAC, the Patriot Act, terrorist financing violations as well as any money laundering or other suspicious payments, requirement for use of an agent, import/export license requirements).</li> <li>• Associate's commitment to Bechtel's standards regarding ethics, compliance with laws, health, safety, the environment and sustainable development.</li> <li>• Key management and governance principles.</li> </ul> <p>Key Criteria for Associations</p> <ul style="list-style-type: none"> <li>• Associations may be with a person, persons, company, or government (including government agencies and government-sponsored or government-owned companies) of stature and integrity.</li> </ul>

- Association partners must share and have a demonstrably common understanding of Bechtel's ethical standards and commitment to legal requirements (e.g., FCPA, import/export license requirements).
- Association partners must share Bechtel's commitment to safety, health, the environment and sustainable development.
- Principals in non-Bechtel interests should be persons of demonstrable integrity and competence, and with requisite financial and other capabilities.

#### **[19] Due diligence for business associates (Webpage)**

Accessed 22/10/2019

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/>

##### Due diligence for business associates

To provide the requirements for the preparation and completion of a due diligence investigation of proposed partners and business associations ("Associate"). Associate includes a relationship that arises where Bechtel makes a binding commitment either unilaterally or as the result of complying with local law to use a specific subcontractor or supplier on a project either before or after Bechtel submits a bid. Proper completion and review of the due diligence investigation is fundamental to a thorough assessment of all business Associates and is essential for ensuring compliance with Bechtel's policies.

Appropriate due diligence of the Associate must be performed before a commitment is made. This instruction applies to the diligence investigation conducted for every Associate for which the Joint Associations (Partnering) policy requires approval. The status and results of the due diligence must be reported in the request for approval under policy, together with a statement as to when any outstanding due diligence will be completed.

An investigation will always entail satisfying certain basic minimum requirements. Additional investigative steps must be satisfied in certain situations, such as when the initial review of the Associate raises a "red flag" (e.g., the Associate is owned by a government official or evidence of a prior or current bad reputation) or the project will take place in a jurisdiction that presents a high risk of corrupt actions.

Instructions for completing the required due diligence investigation are set forth in the Due Diligence Guidelines for Business Associates found in Attachment A to this instruction.

##### Responsibilities

##### Global Business Unit or Functional Unit

The GBU or Functional Unit team is responsible for conducting the due diligence investigation according to the Ethics and Compliance Due Diligence Guidelines for Business Associates set forth in Attachment A, completing the due diligence questionnaire and file, and making a recommendation and explanation to GBU or Functional management on the acceptability of the Associate.

[...]

##### Ethics and compliance due diligence guidelines for business associates

##### 1. Scope of due diligence

These guidelines describe the due diligence investigation that is required to be performed in making a decision on whether or not to form a joint association under the Joint Associations (Partnering) policy. Specific questions regarding a due diligence investigation will be referred to either the Legal Department's Principal Counsel (Compliance) or GBU Principal Counsel.

The due diligence investigation of a potential Associate should be made early in the relationship, usually at the same time that Bechtel and the potential Associate are negotiating the terms of their relationship, and of their joint pursuit of a project.

Deviations from these guidelines must be documented and explained.

##### 2. Subjects of due diligence

The GBU or Functional Unit will make a due diligence investigation as described in these guidelines for every member (an "Associate") of any joint association for which the Joint Associations (Partnering) policy requires approval. The policy requires approval for all project-specific and multi-project joint associations, joint ventures, joint stock companies, teaming agreements, partnerships, exclusive subcontractor relationships<sup>1</sup> and similar joint

undertakings of any sort.

It is important to identify the precise legal entity with which we will partner, and if it is a subsidiary, sister company or a special purpose entity of a parent company, you will conduct the appropriate due diligence inquiry for both the Associate and its parent company. The appropriate due diligence related to a parent company may vary dependent upon ownership interests including whether the parent is publicly traded on a recognized major stock exchange (e.g., London, NYSE, NASDAQ), or where a substantial interest in or control over an otherwise publicly traded company is actually held or exercised by a private individual (e.g. through front or shell companies or ownership of “golden” shares).

If one of Bechtel’s Associates is itself a joint association, the GBU or Functional Unit will make a due diligence investigation for each member of that second-tier joint association.

The GBU or Functional Unit will also do a due diligence investigation for any agents of Bechtel’s Associates who are working on the same project. Use the Business Ethics Due Diligence Guidelines for Agents for this purpose.

The Legal Department will up-date the due diligence investigation, concerning those parts of the due diligence requirements for which it is responsible, for all approved Associates with whom we have an existing project, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and will provide the results of the investigation to each GBU or Functional Unit who has registered an interest in the Associate.

### 3. Classification of Associates

The extent of the due diligence investigation will vary depending classification of the Associate.

The GBU or Functional Unit will assign one of three classes (Class A, Class B or Class C) to each Associate after the initial screening. The due diligence required for a Class A Associate represents the minimum investigation that must be performed for all Associates. Additional information is required for Class B and Class C Associates. It is important to note that the class of an Associate may change as a result of information discovered during the due diligence investigation. It is possible that an Associate may satisfy the criteria of more than one Class. In that event the GBU must perform a due diligence investigation that satisfies the more restrictive of the applicable Class obligations.

(a) An Associate will be Class A where

(i) either

- Bechtel has worked successfully with the Associate<sup>2</sup> in the last three years on a project where the Associate provided similar services (“Recently Approved Associate”), or
- the Associate, the client and the project are all located<sup>3</sup> in one or more of the following countries:<sup>4</sup>
  - Australia
  - Belgium
  - Canada
  - France
  - Germany
  - Japan
  - Netherlands
  - Sweden
  - Switzerland
  - United Kingdom
  - United States; or
  - With the approval of the Legal Department’s Principal Counsel (Compliance) or the Chief Ethics and Compliance Officer, a country listed by Transparency International in its most recent Corruptions Perceptions Index with a rating of at least 80 or above; or

(ii) The Associate is acting as an exclusive subcontractor or supplier and it will NOT have to interface with any governmental agencies (exclusive of obtaining its own license to do business) for or on behalf of Bechtel in the performance of the project or act in any manner in which it can influence the award of the contract which Bechtel is pursuing (e.g. bring export credit financing or unilaterally satisfy local content requirements).

(iii) Provided as to (i) and (ii) above, the initial screening review does not give

- reason for concern about the Associate’s character, reputation or ethics, or

- give raise to any red flags (see Attachment 1) that are not resolved to the satisfaction of the Legal Department's Principal Counsel (Compliance) or the Chief Ethics and Compliance Officer.

(b) An Associate will be a Class B Associate where one (but only one) of the criteria set forth in Section 3 (a) (i) (B) or (ii) above for a Class A Associate is not met or as to any such Associate the criteria in (iii) above is not satisfied.

(c) An Associate will be Class C where it is not Class A or Class B.

[...]

For all classes of Associates, there will be a final summary, based on the answers to all of the questions in the questionnaire (Attachment 5), stating whether or not the person completing the questionnaire believes that Bechtel should consider partnering with this company.<sup>6</sup> The GBU Principal Counsel or the Legal Department's Principal Counsel (Compliance) shall approve the completed due diligence package as set forth in Attachment 2 prior to the submission of the Policy 304 Management Approval Letter.

#### 6. Due Diligence File Record Retention

Whatever the outcome of the Joint Associations (Partnering) policy process and whether or not any formal agreement with the Associate is in fact entered or whether the prospect or project goes forward, the GBU or Functional Unit team will send a completed due diligence questionnaire (Attachment 5) and a complete due diligence file (section A.4) to the Legal Department's Principal Counsel (Compliance), for permanent filing.

#### 7. Periodic updates

The Legal Department will up-date the due diligence file concerning those parts of the due diligence requirements for which it is responsible as described in Attachment 4, for Associates on active projects, or who have been designated by a GBU or Functional Unit to be kept up-to-date, at least every two years, and sooner if a significant red flag appears. If red flags are found that cannot be resolved on available information, the additional investigation for Class B or C Associates as applicable will be conducted. In either case, results will be shared with the original GBU sponsor of the Associate, and with any other GBU that has registered an interest in the Associate.

#### Footnotes

<sup>1</sup> An exclusive subcontractor relationship under the Joint Associations (Partnering) policy includes a relationship that arises where Bechtel makes a binding commitment either unilaterally or as the result of complying with local law to use a specific subcontractor or supplier on a project either before or after Bechtel submits a bid.

<sup>2</sup> This will include affiliates of an Associate with whom Bechtel has worked successfully, provided there is clear common control.

<sup>3</sup> You should treat a subsidiary as located with its parent, unless there is significant local ownership.

<sup>4</sup> These are the 11 best-rated countries in TI's Bribe Payers Index for 2008, and are also all among the 25 best-rated countries in TI's Corruption Perceptions Index for 2010.

<sup>5</sup> High risk jurisdictions are defined as those countries with a Transparency International CPI of 50 or less.

<sup>6</sup> This summary could also be used as a part of the Joint Associations (Partnering) policy MAL.

#### [1] Anti-Corruption Compliance Guidelines (Document)

Accessed 23/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.22] Use of Third Parties or Intermediaries

Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.

Typical third parties or intermediaries used in business dealings may include:

[...]

- Joint venture or consortium partners

The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel- related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf.

[p.32] Due Diligence Guidelines for Business Partners and Agents

From time to time, it is in Bechtel's interest to form a business association with another party. These associations may be used to provide access to special technical expertise or additional financial resources, to allow for sharing of costs and risks, to meet contractual or legal requirements for local participation in a project, or to allow Bechtel to engage in certain market segments more effectively. Similarly, Bechtel retains, on occasion, agents or other representatives to act on our behalf and aid in our business.

[...]

Nevertheless, such associations can present compliance risks to Bechtel since, in many cases, we can be held responsible for the misconduct of our business partners and agents. For that reason, complete due diligence must be conducted and all required approval obtained before entering into any agreement with a joint venture partner or retaining an agent or representative.

Bechtel has adopted Ethics and Finance Due Diligence Guidelines to provide general guidance for preparing and completing a proper due diligence investigation with respect to proposed business partners and agents. Proper completion and review of the investigation outlined in those guidelines is fundamental to thoroughly assessing all business partners, representatives, or agents and is essential for ensuring compliance with Bechtel's policies.



Question
<b>7.2.2. Does the company commit to incorporating anti-bribery and corruption policies and procedures in all of its joint venture partnerships, and does it require anti-bribery and corruption clauses in its contracts with joint venture partners?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company commits to establishing and implementing anti-bribery and corruption policies in all of its joint ventures, by requiring adherence to its Code of Conduct. There is evidence that the company states that it includes anti-bribery and corruption clauses in its joint venture contracts.</p> <p>However, the company receives a score of '1' because it does not specify that it takes steps to detect, control and prevent breaches of this policy through mechanisms such as audit and termination rights.</p>
Evidence
<p><b>[20] Shared Values (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>  Our <u>Code of Conduct</u> applies globally to all Bechtel agents, consultants, contracted labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.</p> <p>All business partners, agents and external consultants are contractually required to adhere to Bechtel's Code of Conduct and agree to anti-bribery terms and conditions in our contracts.</p> <p>[...]</p> <p>Joint Ventures</p> <p>Bechtel's joint venture (JV) relationships are governed by extensive representations and warranties related to anti-bribery compliance. For example, the following terms and conditions, among others, are included in all agreements:</p> <ul style="list-style-type: none"> <li>• Each party shall comply with all relevant anti-corruption legislation.</li> <li>• Neither party will accept or use anything of value received under the agreement for any purpose that would constitute a violation of any relevant anti-corruption laws.</li> <li>• Each party shall ensure its affiliates and representatives do not take any action in connection with the agreement or project that would constitute a violation of any anti-corruption legislation.</li> <li>• No party will request any service or action or inaction by the other party that would or might constitute a violation of any anti-corruption laws.</li> <li>• Each Party represents that none of its (or its affiliates or its affiliates') employers, officers, directors and representatives, and employees who are engaged in implementing the agreement (together, the "Related Parties"), is a government official. Each party represents that it has disclosed to the other party any family relationship between any of its Related Parties and any government official and agrees to notify the other party of any such family relationship that may arise during the term of this agreement.</li> <li>• No party will make or permit any off-the-books accounts, inadequately identified transactions, recording of non-existent expenditures, entry of liabilities with incorrect identification of their object or the use of false documents with respect to any activities undertaken relating to this agreement or the project.</li> </ul> <p><b>[24] Due diligence for joint associations (excerpt) (Webpage)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/</a>  Bechtel will only enter into associations with others having ethical standards compatible with its own. All activities must conform to recognized standards of business conduct, the Business Principles for Countering Bribery in the Engineering and Construction Industry and comply with the laws, rules, regulations, and decrees of the United States, the home country of the relevant Bechtel entity and those countries in which the services are performed. Payments for improper influence, either directly or indirectly, are prohibited in all cases. Violations of the terms of the Foreign Corrupt Practices Act by an association partner can result in the imposition of severe criminal and civil</p>

penalties not only upon Bechtel, but also upon any officer, director, agent or employee who engages in or authorizes proscribed activities.

**[3] Code of Conduct (Document)**

Accessed 23/10/2019

<https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf>

[p.3] To Whom Does it Apply?

Our Code of Conduct summarizes the standards of conduct that guide our actions and applies globally to all Bechtel employees and to members of the board of directors, agents, consultants, contract labor, and others when they are representing or acting for, or on behalf of, Bechtel. We expect our partners, subcontractors, and suppliers worldwide to be guided by these principles as well. We seek out customers and partners who share our values and standards of conduct.

[p.41] What Behavior is Expected?

[...]

Never allow joint venture or consortium partners, subcontractors, suppliers, agents, consultants, intermediaries, or others to make prohibited payments on Bechtel's behalf; ensure that all Bechtel business associates agree contractually that they will not engage in any behavior that would constitute a violation of the standards of the FCPA, the UK Bribery Act, or any other applicable anti-bribery law.

**[1] Anti-Corruption Compliance Guidelines (Document)**

Accessed 23/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.22] Use of Third Parties or Intermediaries

Anti-corruption rules do not distinguish between acts performed by Bechtel and acts performed by others we may hire to assist in Bechtel's business activities. Prohibitions that apply to Bechtel employees apply equally to all individuals and entities who act on our behalf. This ensures that companies do not skirt the law by funneling corrupt dealings through third parties or intermediaries.

[p.32] Due Diligence Guidelines for Business Partners and Agents

[...]

These associations are entered into with due care and consideration and with the expectation that our business associates share our commitment to ethical business conduct and compliance with the law. We expect our agents, partners, subcontractors, and suppliers to be guided by the principles summarized in our Code of Conduct and these Anti-Corruptions Guidelines.

[p.35] Joint Venture Partners and Agents

Q. Why do I need to be concerned about a joint venture (JV) partner?

A. The actions of a JV partner will always be attributed to Bechtel, whether Bechtel is aware of those actions or not. A JV partner and its employees who work on the JV are considered agents of the other JV partner. It is imperative that Bechtel closely oversee the activities of our JV partners that relate to the JV. In short, anti-corruption laws do not differentiate between actions taken by the JV partner or its employees and those of Bechtel.

Question
<b>7.2.3 Does the company commit to take an active role in preventing bribery and corruption in all of its joint ventures?</b>
Score
<b>2</b>
Comments
<p>Based on publicly available information, there is evidence that the company commits to take an active role in preventing bribery and corruption in all of its joint ventures. There is clear evidence to support the company's commitment, such as a requirement that the company has oversight of the joint venture's financial activities, including access to books and records.</p>
Evidence
<p><b>[3] Code of Conduct (Document)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.41] What Behavior is Expected?  [...]</p> <ul style="list-style-type: none"> <li>Never allow joint venture or consortium partners, subcontractors, suppliers, agents, consultants, intermediaries, or others to make prohibited payments on Bechtel's behalf; ensure that all Bechtel business associates agree contractually that they will not engage in any behavior that would constitute a violation of the standards of the FCPA, the UK Bribery Act, or any other applicable anti-bribery law.</li> </ul> <p><b>[24] Due diligence for joint associations (Webpage)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/</a>  Bechtel will only enter into associations with others having ethical standards compatible with its own. All activities must conform to recognized standards of business conduct, the Business Principles for Countering Bribery in the Engineering and Construction Industry and comply with the laws, rules, regulations, and decrees of the United States, the home country of the relevant Bechtel entity and those countries in which the services are performed. Payments for improper influence, either directly or indirectly, are prohibited in all cases. Violations of the terms of the Foreign Corrupt Practices Act by an association partner can result in the imposition of severe criminal and civil penalties not only upon Bechtel, but also upon any officer, director, agent or employee who engages in or authorizes proscribed activities.</p> <p><b>[20] Shared Values (Webpage)</b>  Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>  Joint Ventures  Bechtel's joint venture (JV) relationships are governed by extensive representations and warranties related to anti-bribery compliance. For example, the following terms and conditions, among others, are included in all agreements:</p> <ul style="list-style-type: none"> <li>Each party shall comply with all relevant anti-corruption legislation.</li> <li>Neither party will accept or use anything of value received under the agreement for any purpose that would constitute a violation of any relevant anti-corruption laws.</li> <li>Each party shall ensure its affiliates and representatives do not take any action in connection with the agreement or project that would constitute a violation of any anti-corruption legislation.</li> <li>No party will request any service or action or inaction by the other party that would or might constitute a violation of any anti-corruption laws.</li> <li>Each Party represents that none of its (or its affiliates or its affiliates') employers, officers, directors and representatives, and employees who are engaged in implementing the agreement (together, the "Related Parties"), is a government official. Each party represents that it has disclosed to the other party any family relationship between any of its Related Parties and any government official and agrees to notify the other party of any such family relationship that may arise during the term of this agreement.</li> <li>No party will make or permit any off-the-books accounts, inadequately identified transactions, recording of non-existent expenditures, entry of liabilities with incorrect identification of their object or the use of false documents with respect to any activities undertaken relating to this agreement or the project.</li> </ul>

**[1] Anti-Corruption Compliance Guidelines (Document)**

Accessed 23/10/2019

<https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf>

[p.22] Use of Third Parties or Intermediaries

[...] The law thus obligates us to be aware of all activities of third parties or intermediaries who perform Bechtel-related business. Our obligations start with a duty to be careful in our initial selection of any third party or intermediary to represent Bechtel or transact business on the company's behalf. We then have a continuing duty to properly supervise all such third parties or intermediaries as they perform Bechtel-related activities to prevent misconduct. Upon any indication of misconduct, we have a duty to respond appropriately by reporting the misconduct as soon as possible.

[p.35] Q. Why do I need to be concerned about a joint venture (JV) partner?

A. The actions of a JV partner will always be attributed to Bechtel, whether Bechtel is aware of those actions or not. A JV partner and its employees who work on the JV are considered agents of the other JV partner. It is imperative that Bechtel closely oversee the activities of our JV partners that relate to the JV. In short, anti-corruption laws do not differentiate between actions taken by the JV partner or its employees and those of Bechtel.

[p.37] Q. Do Bechtel's rules for keeping accurate books and records also apply to joint ventures?

A. Yes. The actions of a JV partner will always be attributed to Bechtel, regardless of whether Bechtel is aware of those actions or not. A JV partner and its employees who work on the JV are considered agents of the other JV partner. It is, therefore, imperative that Bechtel has oversight of the financial activities, including the JV's books and records.

## 8. Offsets

Question
8.1. Does the company explicitly address the corruption risks associated with offset contracting, and is a dedicated body, department or team responsible for oversight of the company's offset activities?
Score
2
Comments
The company publishes a clear statement to indicate that it does not enter into contracts that require an offset obligation, as a matter of policy.
Evidence
<p><b>[20] Shared Values (Webpage)</b>            Accessed 29/06/2020  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>            Bechtel does not enter into contracts that require an offset obligation.</p>

Question
<b>8.2 Does the company conduct risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations, which includes an assessment of the legitimate business rationale for the investment?</b>
Score
N/A
Comments
The company publishes a clear statement that it does not enter into offset contracts, and is therefore exempt from scoring on this question.
Evidence
N/A

Question
8.3. Does the company publish details of all offset agents and brokers currently contracted to act with and/or on behalf of the company?
Score
N/A
Comments
The company publishes a clear statement that it does not enter into offset contracts, and is therefore exempt from scoring on this question.
Evidence
N/A



Question
<b>8.4 Does the company publish details about the beneficiaries of its indirect offset projects?</b>
Score
N/A
Comments
The company publishes a clear statement that it does not enter into offset contracts, and is therefore exempt from scoring on this question.
Evidence
N/A

## 9. High Risk Markets

Question
<b>9.1 Does the company have enhanced risk management procedures in place for the supply of goods or services to markets or customers in countries identified as at a high risk of corruption?</b>
Score
<b>2</b>
Comments
<p>There is evidence that the company acknowledges the corruption risks associated with operating in different markets, and there is evidence that it has a risk assessment process in place to account for these specific risks, with clear risk management procedures in place. The results of risk assessments have a direct impact on business decisions and inform the development and implementation of additional controls.</p>
Evidence
<p><b>[7] Risk assessment of business commitments (Webpage)</b>  Accessed 23/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/commitments/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/commitments/</a>  Risk assessment of business commitments</p> <p>Bechtel's "Commitments to Perform Services and Risk Assessment" policy specifies the detailed internal process and levels of approval required before any business can be undertaken by the company. It identifies a wide variety of risks that must be evaluated and disclosed as part of the approval process. There is a specific category of ethics and compliance risks that must be thoroughly analyzed before a Bechtel business entity can obtain corporate approval to take on work.</p> <p>[Excerpt]</p> <p>Business Ethics and Compliance Issues  Discuss any Business Ethics and compliance issues such as FCPA, OFAC, the Patriot Act, terrorist financing violations as well as any money laundering or other suspicious payments, import/export license requirements, etc. The existence of a Business Ethics or compliance issue may constitute an unusual risk.</p> <p>[...]</p> <p>Will this project be located in a High Risk Country as defined by Bechtel Security; or first time in-country presence in the past 10 years? If recommended by the Legal Department, projects located in such countries must have a project-specific ethics and compliance program procedure, including a compliance training plan for all project employees.</p> <p><b>[19] Due diligence for business associates (Webpage)</b>  Accessed 22/10/2019  <a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/</a>  An investigation will always entail satisfying certain basic minimum requirements. Additional investigative steps must be satisfied in certain situations, such as when the initial review of the Associate raises a "red flag" (e.g., the Associate is owned by a government official or evidence of a prior or current bad reputation) or the project will take place in a jurisdiction that presents a high risk of corrupt actions.</p> <p>[...]</p> <p>4. Additional Due Diligence for Exclusive Subcontractors/Suppliers  Where an exclusive subcontractor/supplier will be used in a high risk jurisdiction<sup>5</sup> and the scope of work of the subcontractor/supplier will include substantial interface with government entities (e.g. customs clearance or obtaining work visas for staff or labor) the Supplemental Subcontractor/Supplier Due Diligence Work Sheet Form (Attachment 8) should also be utilized to memorialize the initial due diligence performed as to that subcontractor/supplier.</p>

<sup>5</sup> High risk jurisdictions are defined as those countries with a Transparency International CPI of 50 or less.

**[20] Shared Values (Webpage)**

Accessed 29/06/2020

<https://www.bechtel.com/about-us/ethics-compliance/shared-values/>

Bechtel's due diligence for JV partners and exclusive subcontractors follows a tiered approach depending on the anti-corruption risk in the market at issue. Anti-corruption risks are categorized as low-risk ("A"), medium risk ("B") or high risk ("C") depending on the relative risks inherent in the project that include Transparency International's Corruption Perception Index rating, past experience and the number of bribery enforcement actions as well as the information we uncovered as part of our own independent due diligence activities.

[...]

Instructor-led, project-specific anti-corruption training is provided to relevant personnel in high-risk markets.

Question										
9.2 Does the company disclose details of all of its fully consolidated subsidiaries and non-fully consolidated holdings (associates, joint ventures and other related entities)?										
Score										
0										
Comments										
<p>There is no evidence that the company discloses details of its fully consolidated subsidiaries or non-fully consolidated holdings.</p> <p>Based on publicly available information, there is some evidence to suggest that the company may have subsidiaries or joint venture partners; however the company does not provide a list with percentages owned or further details necessary to satisfy the requirements of score '1'.</p>										
Evidence										
<p><b>[2] The Bechtel Report 2019 (Document)</b> Accessed 16/04/2020 <a href="https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf">https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf</a></p> <p>[p.3] New partnerships and project milestones</p> <p>[...]</p> <ul style="list-style-type: none"><li>The government of Serbia selected a Bechtel-ENKA joint venture to build the country's first 5G-ready motorway, a 70-mile (112-kilometer) dual carriageway, and a key flood defense system in the West Morava river valley.</li></ul> <p>[...]</p> <ul style="list-style-type: none"><li>A Bechtel-ENKA joint venture completed a 40-mile (65-kilometer) motorway in Kosovo that connects critical trade routes and facilitates economic growth.</li></ul> <p><b>[23] Offices (Webpage)</b> Accessed 23/10/2019 <a href="https://www.bechtel.com/about-us/offices/">https://www.bechtel.com/about-us/offices/</a></p> <p>Business Offices</p> <table><tr><td>Infrastructure 11 Pilgrim Street London England EC4V 6RN UnitedKingdom Tel: +44 20 7651 7777 Fax: +44 20 7651 7972</td><td>Mining &amp; Metals Alcantara Building Apoquindo 3885 Piso 16 Las Condes Santiago CP 7550177 Chile Tel: +56 2 2675 1000</td><td>Nuclear, Security &amp; Environmental 12011 Sunset Hills Road Suite 110 Reston Virginia 20190 USA Tel: +1 571 392 6300</td><td>Oil, Gas &amp; Chemicals 3000 Post Oak Blvd. P.O. Box 2166 Houston Texas 77056-6503 USA Tel: +1 713 235 2000 Fax: +1 713 960 9031</td></tr></table> <p>Offices</p> <table><tr><td><b>AMERICAS</b></td><td><b>ASIA-PACIFIC</b></td><td><b>EUROPE, MIDDLE EAST, AFRICA</b></td></tr><tr><td><p>Brazil Bechtel do Brasil Construções Ltda. Praia de Botafogo 440 CEP 22250-040 - Botafogo Rio de Janeiro - Brazil Tel:+55 21 2105 2400 Fax:+55 21 2105 2413</p></td><td><p>Australia 540 Wickham Street Fortitude Valley Brisbane Queensland 4006 Australia Tel:+61 7 3167 5000 Fax:+61 7 3167 5001 <a href="#">More Details</a></p></td><td><p>Egypt Bechtel Egypt S.A.E. 47th Building, 90 Street North, 5th Settlement P.O Box 11835 New Cairo 11431 Egypt Tel:+2 02 26728655/56 Fax:+2 02 26728657</p></td></tr></table> <p>[The list continues to list offices in 24+ countries around the world]</p>	Infrastructure 11 Pilgrim Street London England EC4V 6RN UnitedKingdom Tel: +44 20 7651 7777 Fax: +44 20 7651 7972	Mining & Metals Alcantara Building Apoquindo 3885 Piso 16 Las Condes Santiago CP 7550177 Chile Tel: +56 2 2675 1000	Nuclear, Security & Environmental 12011 Sunset Hills Road Suite 110 Reston Virginia 20190 USA Tel: +1 571 392 6300	Oil, Gas & Chemicals 3000 Post Oak Blvd. P.O. Box 2166 Houston Texas 77056-6503 USA Tel: +1 713 235 2000 Fax: +1 713 960 9031	<b>AMERICAS</b>	<b>ASIA-PACIFIC</b>	<b>EUROPE, MIDDLE EAST, AFRICA</b>	<p>Brazil Bechtel do Brasil Construções Ltda. Praia de Botafogo 440 CEP 22250-040 - Botafogo Rio de Janeiro - Brazil Tel:+55 21 2105 2400 Fax:+55 21 2105 2413</p>	<p>Australia 540 Wickham Street Fortitude Valley Brisbane Queensland 4006 Australia Tel:+61 7 3167 5000 Fax:+61 7 3167 5001 <a href="#">More Details</a></p>	<p>Egypt Bechtel Egypt S.A.E. 47th Building, 90 Street North, 5th Settlement P.O Box 11835 New Cairo 11431 Egypt Tel:+2 02 26728655/56 Fax:+2 02 26728657</p>
Infrastructure 11 Pilgrim Street London England EC4V 6RN UnitedKingdom Tel: +44 20 7651 7777 Fax: +44 20 7651 7972	Mining & Metals Alcantara Building Apoquindo 3885 Piso 16 Las Condes Santiago CP 7550177 Chile Tel: +56 2 2675 1000	Nuclear, Security & Environmental 12011 Sunset Hills Road Suite 110 Reston Virginia 20190 USA Tel: +1 571 392 6300	Oil, Gas & Chemicals 3000 Post Oak Blvd. P.O. Box 2166 Houston Texas 77056-6503 USA Tel: +1 713 235 2000 Fax: +1 713 960 9031							
<b>AMERICAS</b>	<b>ASIA-PACIFIC</b>	<b>EUROPE, MIDDLE EAST, AFRICA</b>								
<p>Brazil Bechtel do Brasil Construções Ltda. Praia de Botafogo 440 CEP 22250-040 - Botafogo Rio de Janeiro - Brazil Tel:+55 21 2105 2400 Fax:+55 21 2105 2413</p>	<p>Australia 540 Wickham Street Fortitude Valley Brisbane Queensland 4006 Australia Tel:+61 7 3167 5000 Fax:+61 7 3167 5001 <a href="#">More Details</a></p>	<p>Egypt Bechtel Egypt S.A.E. 47th Building, 90 Street North, 5th Settlement P.O Box 11835 New Cairo 11431 Egypt Tel:+2 02 26728655/56 Fax:+2 02 26728657</p>								

Question
<b>9.3 Does the company disclose its beneficial ownership and control structure?</b>
Score
<b>0</b>
Comments
<p>There is evidence that the company is privately owned; however, there is no publicly available evidence that the company discloses any information about its beneficial ownership or control structure. As such, it is not clear whether any individual owns 25% or more of its shares or voting rights. There is also no evidence that information about its shareholders is accessible in a publicly available and freely accessible companies register or in a global beneficial ownership register such as Open Ownership.</p>
Evidence
<p><b>[2] The Bechtel Report 2019 (Document)</b>  Accessed 16/04/2020  <a href="https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf">https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf</a>  [p.1] Values what we believe  Building on a family and leadership heritage that spans more than a century, we are privately owned by active management and guided by our Vision, Values &amp; Covenants.</p> <p><b>[3] Code of Conduct (Document)</b>  Accessed 21/10/2019  <a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>  [p.2] Values what we believe  Building on a family and leadership heritage that spans more than a century, we are privately owned by active management and guided by our Vision, Values &amp; Covenants.</p>

Question
<b>9.4 Does the company publish a percentage breakdown of its defence sales by customer?</b>
Score
<b>0</b>
Comments
<p>The company publishes information about its defence sales by customer, to indicate that over 90% of its defence contracts for the previous year were with the United States. There is evidence that this data is correct up to the most recently reported financial year. The company includes some additional information about its major projects in its Annual Report, however there is evidence to indicate that this includes all contracts and not just defence sales.</p>
Evidence
<p><b>[44] Defense &amp; Nuclear Security (Webpage)</b>  Accessed 06/08/2020  <a href="https://www.bechtel.com/services/defense-nuclear-security/">https://www.bechtel.com/services/defense-nuclear-security/</a>  More than 50 years of experience as a major defense contractor</p> <p>A major defense contractor for the United States and allied governments, Bechtel has handled such efforts as chemical weapons demilitarization projects, missile-defense, infrastructure, base operations, procurement and project management, and restoration and recovery spanning half a century. We use our expertise to help our customers securely and effectively transform mission delivery in a time of reduced government budgets and uncertain appropriations.</p> <p>What we do</p> <ul style="list-style-type: none"> <li>• Disassemble and destroy some of the world's most dangerous chemical weapons</li> <li>• Maintain mission-critical sites for the U.S. Armed Forces</li> <li>• Safely restore and develop locations and critical infrastructure</li> <li>• Design and deliver complete operational systems and infrastructure</li> </ul> <p>Over the last year, almost all of our defense contracts (greater than 90 percent) were in the U.S., with a small percentage in allied countries with high scores on the Transparency International Corruption Perception Index.</p> <p><b>[2] The Bechtel Report 2019 (Document)</b>  Accessed 16/04/2020  <a href="https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf">https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf</a></p> <p>[p.2] By aligning everything we do to our customers' objectives, we help them achieve their goals. Highlights of our 2019 partnerships included:</p> <ul style="list-style-type: none"> <li>• Cheniere meeting the growing demand for liquefied natural gas (LNG) with two new LNG facilities in the United States.</li> <li>• The Kosovo government opening the country's Route 6 motorway, expanding trade in the Balkans.</li> <li>• Alba adding three percent to Bahrain's GDP through a new aluminum smelter.</li> <li>• The Blue Grass Chemical Agent-Destruction Pilot Plant beginning to safely dismantle the last U.S. chemical weapons stockpile.</li> </ul> <p>Customers also achieved milestones on projects that will expand air and rail transit options for millions of travelers, provide a key source of zero-carbon power, and eliminate environmental risks at some of the largest hazardous waste sites in the United States. Our work on these and other projects generated revenue of \$21.8 billion for the year. We added \$9.6 billion of revenue in new awards, and we finished the year with \$38.3 billion in revenue backlog.</p> <p>[p.3] New partnerships and milestone projects</p> <ul style="list-style-type: none"> <li>• NASA chose Bechtel National Inc., along with teaming subcontractors, to design, build, test, and commission Mobile Launcher 2, the ground structure that will be used to assemble and launch the next version of the Space Launch System rocket.</li> <li>• Cheniere achieved first cargo on Train 2 at the Corpus Christi Liquefaction export terminal. Cheniere also selected us for the Corpus Christi Stage 3 expansion project, which will increase LNG capacity by another 9.5 million metric tons per year.</li> </ul>

- The government of Serbia selected a Bechtel-ENKA joint venture to build the country's first 5G-ready motorway, a 70-mile (112-kilometer) dual-carriageway, and a key flood-defense system in the West Morava river valley.
- PTT Global Chemical (PTTGC) selected us as the EPC contractor for an ethane cracker in Ohio to further develop the Shale Crescent region.
- NextDecade has entrusted us to deliver the first phase of the Rio Grande LNG project, which will consist of three liquefaction trains, two storage tanks, and two marine berths.
- We entered a strategic partnership with the U.S. government's Millennium Challenge Corporation and the Côte d'Ivoire government to develop an infrastructure master plan that will promote sustainable economic growth and stability.
- A Bechtel-ENKA joint venture completed a 40-mile (65-kilometer) motorway in Kosovo that connects critical trade routes and facilitates economic growth.
- We passed the halfway mark in the tunneling on the Sydney Metro, Australia's biggest public transportation project. The 41-mile (66-kilometer) system will have 31 stations and revolutionize travel around Australia's largest city.
- We are supporting Teck in Chile with expansion of its Quebrada Blanca copper mine, which is the largest copper project in Latin America.
- Woodside selected us as its preferred execution contractor to develop the Pluto LNG Train 2 facility in Western Australia, pending final investment decision. We also performed the front-end engineering and design.
- Newmont Corporation chose us to expand its Yanacocha gold mine in Peru.
- We completed construction of a new water treatment facility, control room, and condensate-handling facility for BP's Galeota Expansion Project in Trinidad.
- We helped the U.S. Department of Energy open the control facility at the Hanford Tank Waste Treatment and Immobilization Plant in Washington state.
- A Bechtel-led team began destruction of the final stockpile of World War II-era chemical weapons at the Blue Grass Chemical Agent-Destruction Pilot Plant in Kentucky
- Under budget and ahead of schedule, a Bechtel-led team delivered waste retrieval modules for one of Europe's most hazardous buildings, the Pile Fuel Cladding Silo at the Sellafield Site, as part of the U.K. Nuclear Decommissioning Authority's cleanup program.
- The workforce at Plant Vogtle Units 3 and 4 made significant progress for customer Georgia Power, placing the containment dome and supporting the start of major systems testing on Unit 3.
- The Bechtel-led team at the Pueblo Chemical Agent-Destruction Pilot Plant in Colorado reached a significant milestone by safely eliminating more than 200,000 surplus chemical weapons for the U.S. Department of Defense.
- We are part of the team supporting the Santa Clara Valley Transportation Authority in delivering a 10-mile (16-kilometer) extension and two new stations for the Bay Area Rapid Transit network.

[The list continues on pages 4-5]



## 10. State-Owned Enterprises (SOEs)

Question
10.1 Does the SOE publish a breakdown of its shareholder voting rights?
Score
N/A
Comments
N/A
Evidence
N/A

Question
10.2 Are the SOE's commercial and public policy objectives publicly available?
Score
N/A
Comments
N/A
Evidence
N/A

Question
10.3 Is the SOE open and transparent about the composition of its board and its nomination and appointment process?
Score
N/A
Comments
N/A
Evidence
N/A

Question
10.4 Is the SOE's audit committee composed of a majority of independent directors?
Score
N/A
Comments
N/A
Evidence
N/A

Question
<b>10.5 Does the SOE have a system in place to assure itself that asset transactions follow a transparent process to ensure they accord to market value?</b>
Score
N/A
Comments
N/A
Evidence
N/A

## List of Evidence & Sources

No.	Type (Webpage or Document)	Name	Download Date	Link
01	Document	Anti-Corruption Compliance Guidelines	21/10/19	<a href="https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf">https://www.bechtel.com/getmedia/86ca6b1b-a8ef-4cf1-8471-b3bbe47e09ed/2019-Anti-Corruption-Handbook-Final-Updated-For-Use.pdf</a>
02	Document	The Bechtel Report 2019	16/04/20	<a href="https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf">https://www.bechtel.com/getmedia/313f50b6-6e9d-4299-b186-e028f8d99504/Bechtel-report-2020.pdf?ext=.pdf</a>
03	Document	Code of Conduct	21/10/19	<a href="https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf">https://www.bechtel.com/getmedia/41e6f0ed-13ca-4267-94de-f63e2b0f81e4/2019-Code-of-Conduct.pdf</a>
04	Webpage	Policy 102: Ethical Business Conduct Statement of policy	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/">https://www.bechtel.com/about-us/ethics-compliance/ethics-policy/ethical-business-conduct/</a>
05	Webpage	Ethics and Compliance Program	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/program/">https://www.bechtel.com/about-us/ethics-compliance/program/</a>
06	Webpage	Audit Committee Charter (Excerpt)	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/</a>
07	Webpage	Risk assessment of business commitments	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/sharedvalues/commitments/">https://www.bechtel.com/about-us/ethics-compliance/sharedvalues/commitments/</a>
08	Webpage	Corporate Compliance Committee	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/corporate-compliance/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/corporate-compliance/</a>
09	Webpage	Ethics and Compliance	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/">https://www.bechtel.com/about-us/ethics-compliance/</a>
10	Document	Sustainability Report 2017	21/10/19	<a href="https://www.bechtel.com/bechtel/media/html/2017-reports/assets/pdf/sr/The-Bechtel-Sustainability-Report-2017.pdf">https://www.bechtel.com/bechtel/media/html/2017-reports/assets/pdf/sr/The-Bechtel-Sustainability-Report-2017.pdf</a>
11	Document	Compliance Training Program	21/10/19	<a href="https://www.bechtel.com/getmedia/c4447ec1-47bf-4b4f-8a77-53f3111302a8/BECHTEL-COMPLIANCE-TRAINING-PROGRAM">https://www.bechtel.com/getmedia/c4447ec1-47bf-4b4f-8a77-53f3111302a8/BECHTEL-COMPLIANCE-TRAINING-PROGRAM</a>
12	Webpage	Anti-Retaliation Policy	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/">https://www.bechtel.com/about-us/ethics-compliance/anti-retaliation-policy/</a>
13	Webpage	Conflicts of Interest	21/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/conflicts-interest/">https://www.bechtel.com/about-us/ethics-compliance/conflicts-interest/</a>
14	Webpage	Press release 2 April 2018	22/10/19	<a href="https://www.bechtel.com/newsroom/releases/2018/03/bechtel-applauds-employee-giving-stem-efforts/">https://www.bechtel.com/newsroom/releases/2018/03/bechtel-applauds-employee-giving-stem-efforts/</a>
15	Webpage	Signature Programs	23/04/20	<a href="https://www.bechtel.com/about-us/signature-programs/">https://www.bechtel.com/about-us/signature-programs/</a>
16	Webpage	The Bechtel Group Foundation	22/10/19	<a href="https://www.bechtel.com/about-us/bechtel-group-foundation/">https://www.bechtel.com/about-us/bechtel-group-foundation/</a>
17	Webpage	Nancy Higgins	22/10/19	<a href="https://www.bechtel.com/about-us/leadership/nancy-higgins/">https://www.bechtel.com/about-us/leadership/nancy-higgins/</a>
18	Webpage	Supplier Procurement	22/10/19	<a href="https://www.bechtel.com/supplier/procurement/">https://www.bechtel.com/supplier/procurement/</a>
19	Webpage	Due diligence for business associates	22/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-associates/</a>
20	Webpage	Shared Values	22/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/</a>
21	Document	Supplier Guide: Executing Work with Bechtel 2020	23/04/20	<a href="https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf">https://www.bechtel.com/getattachment/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/Supplier-Guide-2020.pdf</a>
22	Webpage	Expectations for Suppliers, Subcontractors & Vendors	23/04/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/supplier-subcontractor-expectations/</a>
23	Webpage	Due diligence for business representatives	23/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-representatives/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/business-representatives/</a>

24	Webpage	Due diligence for joint associations (excerpt)	23/10/19	<a href="https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/">https://www.bechtel.com/about-us/ethics-compliance/shared-values/joint-associations/</a>
25	Webpage	Offices	23/10/19	<a href="https://www.bechtel.com/about-us/offices/">https://www.bechtel.com/about-us/offices/</a>
26	Webpage	Open Ownership Register	23/10/19	<a href="https://register.openownership.org/search?utf8=✓&amp;q=Bechtel+Corporation">https://register.openownership.org/search?utf8=✓&amp;q=Bechtel+Corporation</a>
27	Webpage	Ethics Helpline	23/10/19	<a href="https://secure.ethicspoint.com/domain/media/en/gui/36036/index.html">https://secure.ethicspoint.com/domain/media/en/gui/36036/index.html</a>
28	Webpage	Oversight and Assessment	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/</a>
29	Webpage	Audit Committee Charter (Excerpt)	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/audit-committee-charter/</a>
30	Webpage	Internal Audit	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/internal-audit/">https://www.bechtel.com/about-us/ethics-compliance/oversight-assessment/internal-audit/</a>
31	Webpage	Ethics HelpLine	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/">https://www.bechtel.com/about-us/ethics-compliance/ethics-helpline/</a>
32	Document	2019 Ethics HelpLine Data	29/06/20	<a href="https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf">https://www.bechtel.com/getmedia/36010c85-3c5e-4de3-87cd-0167d1c4af3c/2019-Ethics-HelpLine-PDF-Final.pdf</a>
33	Webpage	Training	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/training/">https://www.bechtel.com/about-us/ethics-compliance/training/</a>
34	Document	Bechtel Compliance Training Program 2020	29/06/20	<a href="https://www.bechtel.com/getmedia/8eff95d7-b022-4186-b816-6192f11a1fee/2020-BECHTEL-COMPLIANCE-TRAINING-PROGRAM.pdf">https://www.bechtel.com/getmedia/8eff95d7-b022-4186-b816-6192f11a1fee/2020-BECHTEL-COMPLIANCE-TRAINING-PROGRAM.pdf</a>
35	Document	World Recognition of Distinguished General Counsel	29/06/20	<a href="https://www.directorsroundtable.com/wp-content/uploads/2015/02/GC-Bechtel-Bailey.pdf">https://www.directorsroundtable.com/wp-content/uploads/2015/02/GC-Bechtel-Bailey.pdf</a>
36	Document	Anti-Corruption Guidelines 2020	29/06/20	<a href="https://www.bechtel.com/getmedia/e6364688-ffae-4b54-b7b0-3880194f7328/2020-Anti-Corruption-Guidelines.pdf">https://www.bechtel.com/getmedia/e6364688-ffae-4b54-b7b0-3880194f7328/2020-Anti-Corruption-Guidelines.pdf</a>
37	Webpage	Political Activities	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a>
38	Webpage	Bechtel Group Contributions and Lobbying spending	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a> contains link to: <a href="https://www.opensecrets.org/orgs/summary?id=D000000237">https://www.opensecrets.org/orgs/summary?id=D000000237</a>
39	Webpage	Bechtel PAC	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/">https://www.bechtel.com/about-us/ethics-compliance/governance/political-activities/</a> contains link to: <a href="https://www.fec.gov/data/committee/C00103697/#section-3">https://www.fec.gov/data/committee/C00103697/#section-3</a>
40	Webpage	Anti-Corruption	29/06/20	<a href="https://www.bechtel.com/about-us/ethics-compliance/anti-corruption-compliance-guidelines/">https://www.bechtel.com/about-us/ethics-compliance/anti-corruption-compliance-guidelines/</a>
41	Webpage	Bechtel Lobbying Disclosure	29/06/20	<a href="https://disclosurespreview.house.gov/?index=%22lobbying-disclosures%22&amp;size=10&amp;keyword=%22Bechtel%22&amp;sort=[{%22_score%22:true},{%22field%22:%22registrant.name%22,%22order%22:%22asc%22}]">https://disclosurespreview.house.gov/?index=%22lobbying-disclosures%22&amp;size=10&amp;keyword=%22Bechtel%22&amp;sort=[{%22_score%22:true},{%22field%22:%22registrant.name%22,%22order%22:%22asc%22}]</a>
42	Document	Bechtel Lobbying Disclosure US Senate	29/06/20	<a href="https://www.bechtel.com/getmedia/9f466a28-6366-447f-be91-ce188e02ac75/Senate-Lobbying-Database-June-2020.pdf">https://www.bechtel.com/getmedia/9f466a28-6366-447f-be91-ce188e02ac75/Senate-Lobbying-Database-June-2020.pdf</a>
43	Document	Bechtel's Expectations for Suppliers' and Subcontractors' Conduct	29/06/20	<a href="https://www.bechtel.com/getmedia/dd8eb965-5d40-4175-ab6b-2e46308fc050/Supplier-and-Subcontractor-Expectations-(2020-Update).pdf">https://www.bechtel.com/getmedia/dd8eb965-5d40-4175-ab6b-2e46308fc050/Supplier-and-Subcontractor-Expectations-(2020-Update).pdf</a>
44	Webpage	US House of Representatives	06/08/2020	<a href="https://disclosurespreview.house.gov/ld/ldxmlrelease/2020/Q2/301188913.xml">https://disclosurespreview.house.gov/ld/ldxmlrelease/2020/Q2/301188913.xml</a>



		Lobbying Disclosure Act – Bechtel Q2 2020		
45	Webpage	Defense & Nuclear Security	06/08/2020	<a href="https://www.bechtel.com/services/defense-nuclear-security/">https://www.bechtel.com/services/defense-nuclear-security/</a>