

ETHICS AND BUSINESS INTEGRITY POLICY

1.0 Chief Executive's Introduction:

Behaving ethically is essential to working with Carillion. Our values of We care, We achieve together, We improve and we deliver are the standards by which we are judged by all our stakeholders. As such, it is fitting that they are the cornerstone of this Ethics and Business Integrity policy.

- As individuals, collectively and as a company we will:
- Apply the principles set out in the Ethics and Business Integrity Policy in everything we do.
- Ensure that we comply with company policies and procedures.
- Comply with applicable laws, rules and regulations and where the standards of behaviour expected by Carillion are higher we will apply these higher standards.
- Seek guidance where we are unsure of the appropriate course of action.

This Ethics and Business Integrity Policy sets out the standards and behaviours that all our people are expected to meet, wherever in the world we operate. This document also provides more detailed information on the issues it covers via the links to policies and procedures. It also identifies who you can ask for help.

This Ethics and Business Integrity Policy and its attachments cannot give you the answer to every situation or event that you may face in your role. It seeks to provide the primary guidance you should follow and sets out an Ethical Decision Making Tool. This should help you consider if your course of action is appropriate or if you need to seek further advice and guidance from the sources set out in the Policy.

The Policy has my personal support and that of the entire Board. Our reputation and future success are dependent on each one of us acting in accordance with the law and the ethical standards set out in this policy.

Richard Howson

Chief Executive

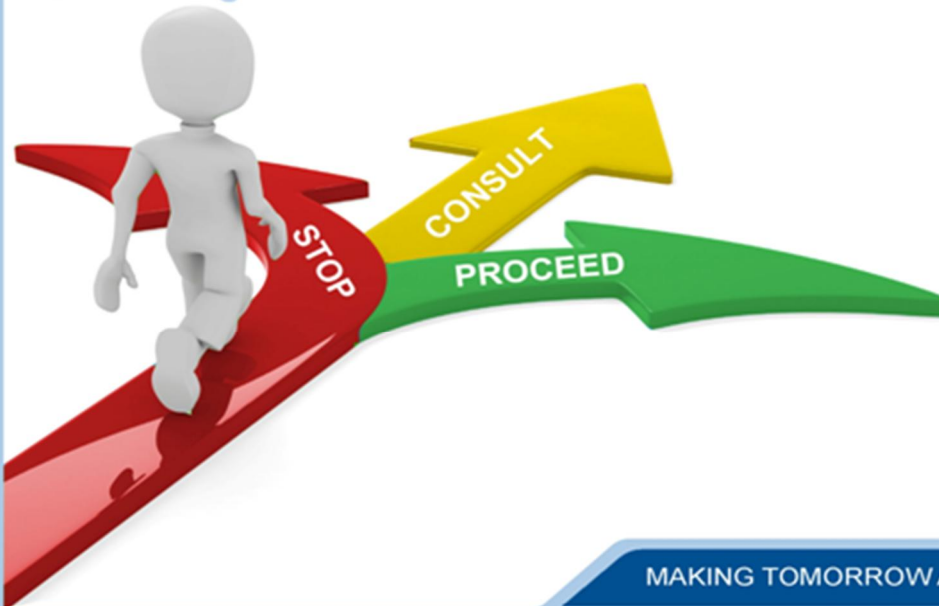


ETHICAL DECISION MAKING TOOL

Which way would you go?

When faced with a situation which you are concerned about and think may be unethical, ask yourself the following:

- Is it in accordance with Carillion values?
- Is it legal?
- What does my colleague/supervisor/HR Director/Carillion legal think?
- How would I feel about telling someone else what I had done?
- How would our customers react?
- How would I/Carillion feel if this was reported in a national newspaper?
- How would I feel explaining this to a Judge?



MAKING TOMORROW A BETTER PLACE

If you believe you have discovered decisions or actions which take the amber or red path you can...

1. Raise with your line manager.
2. Raise with your Human Resource Director.
3. If you would prefer to speak to an independent third party, in confidence, call the whistleblower hotline on 0808 100 5689, enter access code 22745# or report via the secure website at www.intouchfeedback.com/carillion and enter access code 22745.

2.0 Scope

This policy applies to all parts of Carillion

3.0 Purpose

This policy sets out the Carillion Requirements for the following

- [Fraud, bribery and corruption](#)
- [Gifts and hospitality](#)
- [Insider trading](#)
- [Conflicts of interest](#)
- [Ethical procurement](#)
- [Competition](#)
- [Money laundering](#)
- [Respect for human rights](#)
- [Law and regulation](#)
- [Reporting, disclosure and whistleblowing](#)

4.0 Associated Documents

[Whistleblowing Policy](#) ([extranet](#))

[Ethics and Business Integrity Incident Response Plan](#) ([extranet](#))

[Fraud Policy Statement](#) ([extranet](#))

[Gifts and Hospitality Policy](#) ([extranet](#))

[Conflicts of Interest Policy](#) ([extranet](#))

[Sustainable Supplier Charter](#) ([extranet](#))

[Competition Compliance Guide](#) ([extranet](#))

[Competition Compliance guide - Quick reference document](#) ([extranet](#))

[Money Laundering Policy](#) ([extranet](#))

[Insider Dealing Code](#) ([extranet](#))

[Health and Safety Policy](#) ([extranet](#))

[Equal Opport and Diversity P](#) ([extranet](#))

5.0 Policy Requirements

5.1 Fraud, Bribery and Corruption

5.1.1 Prohibition of fraud, bribery and corruption

Carillion takes extremely seriously the effective prevention and detection of fraud, bribery and corruption and any other fraudulent or corrupt activity. It will not tolerate them in any form. The Board is fully committed to promoting a zero tolerance approach across the group. As well as being illegal, fraud, bribery, corruption and any other fraudulent or corrupt activity are damaging to all parties who engage in them.

5.1.2 Definitions.

Corruption usually occurs because some individuals are willing to use illicit means to maximise personal or corporate profit. Corruption includes bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading in influence and money laundering.

A bribe is not necessarily just a gift of money. It is an action where a person promises or gives a financial or other advantage which is designed to induce any party to perform a function improperly or reward them for having performed a function improperly. The payment or monetary value need not be of large value – for example it could be an invitation to a sporting event.

Making tomorrow a better place

Fraud is an act of deception intended for personal gain or to cause a loss to another party. The general criminal offence of fraud can include deception whereby someone knowingly makes false representation, or they fail to disclose information, or they abuse a position.

5.1.3 Principles

We will not offer, give or receive bribes or improper inducements for any purpose whether directly or via a third party. This prohibition applies to employees, subsidiaries, business partners, suppliers, agents and anyone else acting for or on behalf of Carillion. Our policy applies to every part of our business and to every part of the world in which we operate. We will endeavour to adopt best practice to uphold the provisions of the Bribery Act 2010 and it will be our aim not to do business with any party who breaches the Act.

We expect all staff to act honestly and with integrity to safeguard Carillion’s and our customers’ assets, including information, goodwill, property and equipment. We each have a responsibility for fraud prevention, detection and reporting and the Board encourages anyone with reasonable suspicions of fraud or corruption to report them. All cases of attempted, suspected or proven fraud or corruption will be investigated and dealt with appropriately. No employee will suffer as a result of reporting reasonable suspicions.

5.1.4 Facilitation payments

In some countries our people may be asked for a payment to carry out or speed up a process. Such payments are known as facilitation payments. They are considered as a bribe under the Bribery Act 2010; as such they are illegal and they are prohibited by this Policy.

5.1.5 Supporting our people

Carillion will not penalise any employee by demotion, penalty or otherwise where an employee refuses to accept or pay a bribe, make a facilitation payment or engage in any form of fraudulent or corrupt activity, even if that refusal results in a loss of business to Carillion.

5.1.6 Political donations

Political donations can be perceived as unduly influencing a third party. Carillion does not support or engage in any form of political donations. No employee or Carillion group company will be permitted to make a political donation on behalf of or in Carillion’s name.

5.1.7 What should I do?

We must all be particularly vigilant concerning gifts, hospitality and the actions of third parties engaging in transactions on our behalf. These three areas can frequently involve giving or accepting a bribe in ways which are not immediately identifiable.

Anyone who is offered a bribe or asked for a bribe, or is aware of any form of fraudulent or corrupt activity should report it immediately to their Line Manager, to their Human Resources team or to our Whistleblowing Hotline.

Whistleblowing hotline - open 24hrs a day 7 days a week

Country	Freephone number
UK	0808 144 2872
Canada	1 8777 475 307
Egypt	0800 00 00111
ROI	1800 946823
UAE	8000 441 4669

* Call the freephone number, enter access code 22745 followed by the # key.

* Or report your concern via the In Touch secure website at: www.intouchfeedback.com/Carillion (and enter access code 22745)

5.1.8 Which Policies provide more information?

Fraud Policy Statement
Whistleblowing Policy
Ethics and Business Integrity Incident Response Plan

5.1.9 Who do I contact for help or advice?

Audit Service Manager
Business Unit Legal Director
Business Unit HR Director

5.2. Gifts and Hospitality

5.2.1 Gifts and hospitality

You should always consider whether the giving or receiving of a gift/hospitality is appropriate. It is prohibited to offer or receive gifts or hospitality that could influence or be perceived to be capable of influencing the outcome of transactions or decisions relating to Carillion's business.

5.2.2 Your responsibilities

We are each responsible for knowing what our business guidance allows in respect of receiving and giving gifts and hospitality. Always seek guidance and approval from your Line Manager before accepting or giving any gifts or hospitality.

5.2.3 Recording benefits

All benefits must be recorded in a register to ensure transparency and avoid accusations of misconduct. (Oracle ESS should be used where in place, or a manual record should be maintained)

5.2.4 Policy

There is a detailed Gifts and Hospitality Policy, which is reviewed from time to time. The current policy must be followed.

5.2.5 Which Policies provide more information?

Gifts and Hospitality Policy

5.2.6 Who do I contact for help or advice?

Line Manager
Business Unit Legal Director
Business Unit HR Director

5.3 Insider Trading

5.3.1 Insider Trading

There are many restrictions on dealing in Carillion shares to ensure that employees do not abuse confidential and so-called "inside information" they may have.

5.3.2 Persons Discharging Managerial Responsibilities and Insiders

There are particular requirements which apply to Carillion people who are defined as persons discharging managerial responsibilities and those who have inside information. Where possible, we will advise those people who fall within these categories. They must not abuse nor place themselves under suspicion of abusing inside information.

5.3.3 Insider Dealing Code

There is a detailed Insider Dealing Code, which must be followed.

5.3.4 Which Policies provide more information?

Insider Dealing Code

5.3.5 Who do I contact for help or advice?

Business Unit Legal Director
Deputy Company Secretary

5.4 Conflicts of Interest

5.4.1 Conflicts of Interest

All Carillion people must disclose or seek direction on any issues that could potentially conflict with their responsibilities to the company.

5.4.2 What is a conflict of interest?

Conflicts of interest may arise when two or more competing interests could impair the ability to make objective, unbiased business decisions, which are not necessarily in the best interests of Carillion. Conflicts of Interest may take the form of financial interests in a competitor, supplier or customer business, recruiting a close family member, close or longstanding friendships or relationships with competitors, suppliers or customers or engaging in employment outside Carillion.

5.4.3 Disclosure

In all cases potential conflicts of interest should be disclosed to your Line Manager, discussed openly and recorded. An annual update will be required.

5.4.4 Conflicts of Interest Policy

There is a detailed Conflicts of Interest Policy, which is reviewed from time to time. The current policy must be followed.

5.4.5 Which Policies provide more information?

Conflicts of Interest Policy

5.4.6 Who do I contact for help or advice?

Line Manager

Business Unit Legal Director

5.5 Ethical Procurement

5.5.1 Working with Others

We must ensure that we maintain our ethical standards and behave respectfully when working with others. The relationships with our suppliers and business partners are based on the principle of fair and honest dealings at all times and in all ways. We expect our suppliers and business associates and joint venture partners to extend the same high standards to all others with whom they do business, including employees, sub-contractors and other third parties.

5.5.2 Adoption of policy

We expect all of our business associates, joint venture partners and suppliers to adopt the same or equivalent standards as set out in the Ethics and Business Integrity Policy and we reserve the right not to do business with companies where it can be demonstrated that significant violations of the policy exist.

5.5.3 Code of Ethics

There is a Code of Ethics for all employees involved in purchasing and supply chain management. There is also a Supplier Charter and Sustainable Procurement Policy which all suppliers will sign up to. This code, charter and policy must be followed.

5.5.4 Which Policies provide more information?

Purchasing and Supply Chain Code of Ethics
Sustainable Supplier Charter

5.5.5 Who do I contact for help or advice?

Business Unit Supply Chain Director

5.6. Competition

5.6.1 Competition Law

Carillion plc, its subsidiaries and associated companies under Carillion control have a policy that all business activities are carried out in full compliance with competition laws – the laws which prevent anti-competitive behaviour. Competition law prevents us from carrying out any activities that restrict competition and makes illegal activities such as price fixing, unfair pricing, market sharing and refusal to supply customers.

5.6.2 Carillion's commitment

We are committed to winning and keeping customers in an open, competitive and legal manner. Any failure to comply with competition laws could have serious adverse consequences for Carillion and its employees.

5.6.3 Competition Compliance Policy

There is a detailed Competition Compliance Policy, which is reviewed from time to time. The current policy must be followed.

5.6.4 Which Policies provide more information?

Competition Compliance Guide
Competition Compliance guide - Quick reference document

5.6.5 Who do I contact for help or advice?

Business Unit Legal Director

5.7 Money Laundering

5.7.1 Money Laundering

Carillion aims to maintain our high standards of conduct by preventing criminal activity through money laundering.

5.7.2 What is money laundering?

Money laundering involves turning the proceeds of crime into apparently innocent funds with no obvious links to their criminal origins. There is no threshold for the criminal activity and it covers the proceeds of any crime, including terrorist activities, drug trafficking, criminal breach of environmental legislation and health and safety and planning legislation.

5.7.3 Money Laundering Policy

There is a detailed Money Laundering Policy, which is reviewed from time to time. The current policy must be followed.

5.7.4 Which Policies provide more information?

Money Laundering Policy

5.7.5 Who do I contact for help or advice?

Business Unit Legal Director

5.8. Respect for Human Rights

5.8.1 Universal Declaration on Human Rights

We support the belief that human rights are universal and adhere to the principles of human rights in our operations. We support the United Nations Universal Declaration on Human Rights and work hard to ensure that in all areas of interaction with our employees, clients, suppliers, third parties, interviewees and joint venture parties that everyone is protected and treated absolutely fairly.

5.8.2 Diversity

Carillion respects and embraces diversity and expects its employees, suppliers and business partners to do the same.

5.8.3 Training Programmes

As applicable, our people are required to undertake health and safety and equality and diversity training programmes. Your Line Manager will be able to give you guidance on whether you are required to take these training programmes.

5.8.4 Health and Safety and Equality and Diversity Policies

There are detailed policies, which are reviewed from time to time. The current policies must be followed.

5.8.5 Which Policies provide more information?

Health and Safety Policy
Equal Opportunities and Diversity Policy

5.8.6 Who do I contact for help or advice?

Group Health and Safety Director
Business Unit HR Director

5.9. Modern Slavery

5.9.1 Modern Slavery Act 2015

The Modern Slavery Act 2015 (the “MSA”) came into force in October 2015. It is the first of its kind in Europe and sets out to reduce the effects of slavery, human trafficking, people exploitation and forced and bonded labour. The MSA significantly enhances support and protection for victims, provides new investigatory powers, increases penalties for non-compliance and, importantly, requires businesses to ensure that their end-to-end supply chains are free from Modern Slavery.

5.9.2 What is Modern Slavery?

Modern Slavery is a complex crime that takes a number of different forms. Modern Slavery is a term used to encapsulate slavery, servitude, forced and compulsory labour and human trafficking.

Slavery is the status or condition of a person, over whom any right of ownership is exercised. Legal ‘ownership’ of a person is not possible, however the key element of slavery is the behaviour on the part of the offender as if he/she did own the person, depriving the victim of their freedom.

Servitude is the obligation to provide services that is imposed by the use of coercion, and includes the obligation for the victim to live on another person’s property and the impossibility of changing his or her condition.

Forced labour involves coercion, either direct threats of violence or more subtle forms of compulsion. The key elements are that work or service is extracted from any person under the menace of any penalty and for which the person has not offered themselves voluntarily.

The offence of human trafficking requires that a person arranges or facilitates the travel of another person with a view to that person being exploited. The offence can be committed even where the victim consents to the travel.

5.9.3 Requirements

The MSA requires any business with a turnover of over £36 million, which is almost all of Carillion’s operational subsidiaries, to publish an annual Modern Slavery statement. This statement must set out the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains, and in any part of its own business. It is important to note that although the MSA is UK legislation, it has a wide reach outside of the UK and therefore, it means that all Carillion businesses and joint ventures worldwide will be captured if they exceed the specified £36 million turnover annually. Year on year we must progress and increase in our efforts in removing Modern Slavery.

5.9.4 What Should I do?

If you find or suspect Modern Slavery, or have a concern, this should first be raised with your line manager either orally or in writing. If you feel unable to raise the matter with your manager, for whatever reason, please raise the matter with your Human Resources Director.

If you would prefer to speak to an independent third party, in confidence, please raise the matter with: Whistleblowing hotline - open 24hrs a day 7 days a week

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5.9.5 Adoption of Policy

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5.9.6 Which Policies Provide More Information?

Modern Slavery Frequently Asked Questions.

5.9.7 Who do I Contact for Help or Advice?

Business Unit Legal Director
Group Compliance Manager

5.10. Law and Regulation

5.10.1 Law and Regulation

Carillion respects the rule of law in all of our dealings and has as a minimum standard compliance with all law and regulation to which our businesses are subject. We have legal compliance programmes for:

- European Union and United Kingdom Competition Laws
- Bribery Act 2010
- Canadian Criminal Code C46
- Corruption of Foreign Public Officials Act (Canada)
- Foreign Corrupt Practices Act (United States)

5.10.2 Consequences

Failure to comply with the law and regulation will place Carillion and its people at risk and result in potentially significant legal, financial, reputational and personal consequences.

5.10.3 Training Programmes

Carillion develops training and compliance programmes for those of its people who can best ensure compliance with relevant legal issues. All employees selected for inclusion must attend a training session periodically when called upon to do so by Carillion.

5.10.4 Who do I contact for help or advice?

Business Unit Legal Director

5.11. Reporting, Disclosure and Whistleblowing

5.11.1 Responsibility

All Carillion’s people have a responsibility to protect Carillion’s assets, including information and goodwill as well as property. Carillion encourages its people to raise genuine concerns about malpractice at the earliest possible stage and in the right way.

5.11.2 Concerns

Concerns will be treated seriously and investigated appropriately; where possible you will be kept up to date with progress.

5.11.3 Reporting

If you have a concern about malpractice you should use the option below you feel most comfortable with to raise concerns:

- Your Line Manager;
- Your HR Director;
- Internal Audit (Audit Service Manager); or
- Whistleblowing hotline.

Whistleblowing hotline - open 24hrs a day 7 days a week

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UK	0808 144 2872
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Egypt	0800 00 00111
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5.11.4 Which Policies provide more information?

Whistleblowing Policy

Ethics and Business Integrity Incident Response Plan

5.11.5 Who do I contact for help or advice?

Audit Service Manager