



Ethics & Compliance Program

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The Ethics and Compliance Program is designed to promote an organizational culture that encourages ethical conduct, a commitment to the Bechtel values, and compliance with the law. Corporate Policy 100, Governance, Policy 102, Ethical Business Conduct booklet, and related policies and management instructions constitute the Bechtel standards of conduct.

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&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&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.

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.

2.2 Bechtel Code of Conduct Booklets

Bechtel Code of Conduct booklets will be approved by the Bechtel board of directors and made available to all employees, members of the Board of Directors and other interested stakeholders on Bechtel's internal and external websites. Printed copies may also be disseminated within the company and may be provided to customers, public organizations, and others upon request. Suppliers, agents, consultants, licensors, and subcontractors will receive copies of the code as directed by the CECO in consultation with (1) business-based ethics and compliance officers, and (2) GBU and corporate functional management.

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.

- 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.

3. Responsibilities

3.1 Chief Ethics and Compliance Officer

- The CECO will maintain and manage the Bechtel ethics and compliance program. The CECO:
 - Develops company-wide ethics education and awareness programs;
 - Provides functional guidance to the network of E&C Officers;
 - Establishes company compliance processes and coordinates compliance oversight activities;
 - Establishes processes to assist employees in obtaining guidance, resolving questions, expressing concerns and reporting suspected violations of the Bechtel standards of conduct or the law;
 - 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:
 - » 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);
 - » Ethics Helpline statistics and trends;
 - » Employee survey data;
 - » Corporate and GBU compliance training plans and company-wide performance with respect to such plans; and
 - » Activities in the company to assure compliance with company policies, laws, regulations, and legal obligations.
- With respect to the Bechtel Ethics HelpLine, the CECO will assure that:
 - E-mail, telephone and other contact information is publicized and maintained on Bechtel internal and external websites;
 - Measures are taken to maintain confidentiality, protect anonymity and eliminate fear of retaliation;
 - 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;
 - Appropriate management is advised of investigation findings and recommended corrective actions;
 - 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;
 - A follow-up system is maintained to ensure that appropriate, corrective actions are taken.

When possible, investigation results and corrective actions are communicated to employees who reported concerns.

3.2 Business-Based Ethics and Compliance Officers

- The E&C Officers shall implement the ethics and compliance program and related compliance activities within their business organizations. This responsibility includes:
 - Providing employees with prospective decision-making guidance and answering questions concerning the Bechtel standards of conduct;
 - Helping employees who wish to report potential violations of the Bechtel standards of conduct;
 - Providing overall oversight and hands-on management of the business organization's ethics and compliance program on behalf of the GBU presidents and business organization senior executives;
 - In coordination with the organization's principal counsel, assisting the business organization's senior management to assure that the organization's employees are aware of and appropriately educated about the legal requirements of their jobs. This responsibility includes:

- » Developing an appropriate compliance education plan for its employees;
- » Maintaining appropriate records to track compliance with the plan;
- » Providing periodic reports to the CECO on progress against the plan; and
- » Periodically reviewing its education plan to ensure compliance with this procedure.
- Business organization E&C officers may appoint Compliance Contacts to assist with the implementation of the ethics and compliance program within their organizations and under their direction.
- Ensuring employees within their oversight population are fully aware of their ethics and compliance training obligations; while reinforcing the value this training brings to their daily activities

3.3 Corporate Compliance Committee

- The Corporate Compliance Committee (“CCC”) is responsible for periodic assessment and prioritization of legal risk areas, sharing compliance program best practices and monitoring processes, and developing enterprise-wide tools to increase the efficiency and effectiveness of company-wide compliance activities.
- Members of the CCC provide periodic reports to the CECO on the compliance activities related to their areas of responsibility.

3.4 Bechtel Employees

Responsibility for the company’s commitment to ethical business conduct rests with each employee. All Bechtel employees are responsible for:

- Completing all assigned ethics and compliance training;
- Complying with the Bechtel standards of conduct; and
- Raising questions if the employee is concerned that the standards are not being met.

3.5 Managers and Supervisors

Managers and supervisors are responsible for being familiar with, supporting implementation of, and monitoring compliance with the Bechtel standards of conduct. Management responsibilities include:

- Being familiar with the company-wide standards of conduct required of all employees and others and the resources available to assist them in resolving questions or concerns;
- Promoting compliance with the Bechtel standards of conduct and applicable laws, and ensuring (1) that employees and others are aware of these standards of conduct, and (2) that employees are aware of the legal requirements relevant to their work;
- Providing sufficient funding in their training budgets to pay for the costs associated with meeting the requirements of their organization compliance training plans;
- Maintaining a work environment that encourages open communication regarding ethics, business conduct, compliance, and other concerns; and
- Promptly forwarding to the appropriate functional organization and/or to the CECO any significant, or potentially significant, ethics or compliance concerns brought to the attention of the manager.
- Supporting and encouraging employees to complete their assigned ethics and compliance training in a timely fashion.

3.6 GBU Senior Executives / Corporate Functional Managers

The senior executive of each GBU and corporate functional organization has overall responsibility to oversee compliance within the organization with the Bechtel standards of conduct and applicable laws. This responsibility includes:

- Supporting implementation of the ethics and compliance program and related activities within the organization;

- Supporting funding and providing resources for the development and implementation of an appropriate compliance education plan and monitoring compliance with the plan;
- Maintaining mechanisms for monitoring compliance with company policies, management instructions and applicable laws; and
- Taking appropriate corrective action, including discipline, when violations occur.

3.7 Legal Department

The Legal Department is responsible for the substantive legal aspects of the company compliance program designed to prevent and detect violations of law. This responsibility includes:

- Advising management on applicable laws, regulations, and legal obligations;
- Identifying subject matter experts for legal risk areas, and, in conjunction with them,
 - Developing or approving substantive content for training and education programs to address identified risks;
 - Assisting management in development of appropriate policies, instructions, processes, procedures, and monitoring mechanisms designed to ensure compliance;
 - Assisting management in the periodic review and improvement of business processes designed to ensure compliance with the laws; and
- Participating in the periodic assessment and prioritization of legal risk areas.

3.8 Internal Audit

- 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.
- 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.
- 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.

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.
- Ethics HelpLine. Provides all Bechtel employees and others with a means of seeking guidance and communicating questions and concerns regarding matters that may be in violation of the Bechtel standards of conduct.
- Business-Based Ethics and Compliance Officers (E&C officers). Implement the ethics and compliance program within the GBU or other business organization.
- Compliance Contacts. May be appointed by business-based ethics and compliance officers to assist with implementation of the ethics and compliance program within their organizations.
- Corporate Compliance Committee. Appointed by CECO, members are compliance subject matter experts and functional managers with compliance responsibility for specific risk areas. Business-based ethics and compliance officers are ex officio members.
- Ethics Awareness and Education Program. Established by the CECO to ensure that all employees have an awareness of the Bechtel values and standards of conduct.

- Compliance Training Program. Established by Bechtel to ensure employees have an awareness of legal requirements that are relevant to their work.