

CORPORATE GOVERNANCE

At the end of 2010, Transdev was a *société anonyme* (French public limited company) with a Board of Directors, owned chiefly by Caisse des Dépôts, and to a lesser extent by RATP. This dual shareholding arrangement is clearly described in the Group's annual report for the benefit of all stakeholders.

An independent director sits on the Board, thereby guaranteeing the quality and objectivity of the Board's work.

The Board's three committees (Strategy, Remuneration and Audit committees) enable it to analyse more closely certain aspects falling within its remit.

Board meetings are held on a regular basis and provide directors with clear oversight of the business and how well it is being managed. The Board met seven times in 2010, with an excellent attendance rate of over 90%.

Risk management and internal control

The Group has a Code of Ethics which is regularly updated and serves as the basis for internal rules governing individual and collective conduct.

Transdev's risk management and internal control policy is set out in a charter. The risk types identified in terms of both compliance and potential incidents or a failure to meet objectives concern:

- the environment;
- health and safety;
- fraud (including corruption);
- discrimination;
- unethical conduct, etc.

These risk types are used as the basis for risk reporting and this means that operational issues are factored into the decision-making process.

In 2010, specific measures were put in place to combat fraud and corruption (roll-out of a risk prevention tool) as well as money laundering and terrorism financing (process for handling new customer relationships).