



DERICHEBOURG

**ANTI-
CORRUPTION
CODE OF
CONDUCT**



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A message from the Chairman and CEO

The law of 9 December 2016 on transparency, the fight against corruption and modernisation, known as the 'Sapin II' law, requires companies of a certain size to integrate an anti-corruption code of conduct into their rules of procedure. These rules therefore represent an opportunity for Derichebourg to formalise rules which have been applied for many years in its business operations and have helped strengthen the Group's good reputation in all of the countries in which it operates. Derichebourg is aware of the stakes at hand and of its responsibilities. The code will therefore serve as a means for the Group to reaffirm its commitments in this area and contribute to the Group's long-term development.

Furthermore, the code will support and guide all Derichebourg employees if they have questions on ethical matters or when they come across a situation that poses a potential risk to the fight against corruption as they go about their day-to-day work. The code, which is a central part of Derichebourg's anti-corruption policy, is only one part of a larger comprehensive system that aims to prevent corruption and comprises, in particular, a risk map and a training programme that is adapted to the stakes at hand. The code has binding legal value for Derichebourg Group employees, shareholders, partners, clients and suppliers. It is not exhaustive and it does not aim to cover all of the situations that could be faced by employees. It lays down rules that must govern their decisions. Consequently, Derichebourg Group leaders must be exemplary and promote ethical business practices that comply with the provisions of the code. Derichebourg runs training courses in order to raise awareness of the fight against corruption among employees, particularly those who are most exposed to the risk of corruption. Management also makes sure that these ethical principles are applied within their teams and remains attentive to the concerns of employees. Any breach of the code could harm the image of the Derichebourg Group and have significant legal and financial consequences.

I invite you to familiarise yourself with it and I have no doubt that, thanks to the care taken and the common sense shown by each of you, Derichebourg will remain irreproachable in this matter.

Daniel Derichebourg
Chairman and CEO



INTRODUCTION

A benchmark in the recycling and service sectors for companies and local authorities, whether as a service provider or as a contractor, Derichebourg gives utmost importance to the need to respect the law and, in particular, rules that forbid corruption and influence peddling, by putting quality, the integrity of services and the probity of its employees at the heart of the Group's day-to-day actions and within the governance of its business affairs.

It now intends to formalise this policy by adopting this anti-corruption code of conduct (hereafter the 'Code'), whose purpose is to guide the decisions and conduct of leaders and employees within Derichebourg Group entities as well as those of all of the third parties with which the Derichebourg Group does business.

1. SCOPE

This Code applies to all of the leaders, company representatives and staff (hereafter the '**Employee(s)**') of Derichebourg Group companies, subsidiaries¹ or controlled companies² (hereafter collectively referred to as 'the Derichebourg Group' or 'Derichebourg Group Companies'), regardless of the location of their activities.

This Code lays down the minimum standards to be respected by all Derichebourg Group entities.

In the event there is a discrepancy between the Code and the procedures of a local entity, the standard of the procedures of the Derichebourg Group's local entities cannot be below the standard stipulated in the Code. If the standard of the procedure implemented by a local entity is higher than the standard in the Code, the higher standard shall be applied.

In the event of a discrepancy between the Code and a local law, if the standard of the local law is below the standard stipulated in the Code, the Code shall prevail.

The Code also applies to third parties that do business with the Group, as described in section 1.3.

1.1 Leaders and company representatives

When they are not employed by a Derichebourg Group Company, the leaders and company representatives of Derichebourg Group Companies shall, as part of their role as a company representative, respect the Code and ensure that it is applied within the Derichebourg Group.

1.2 Members of staff

The Code is incorporated into the rules of procedure of Derichebourg Group Companies when such rules exist. If there are no rules of procedure, the Employees shall respect the Code. It concerns all Employees, who must apply it and make sure that it is respected within the limits of their powers.

Any breach of the Code's obligations can give rise to the penalties described in section 4.3 of the Code.

¹ As defined by article L. 233-1 of the French commercial code

² As defined by article L. 233-3 of the French commercial code

1.3 Third parties

Derichebourg Group Employees make sure that the following are familiar with the principles of the anti-corruption policy adopted by the Derichebourg Group: third parties, whether physical or legal persons, their employees, their subcontractors, their suppliers, their agents, their consultants, their advisers, their sales partners and, more generally, their stakeholders, who do or wish to do business with them (the “Third parties”) or with Derichebourg Group Companies.

Contracts signed with a Third party must mention the Code and its binding nature. The Third party agrees to familiarise itself with the Code and to respect it.

A contract may only be signed with a Third party if the following terms and conditions are respected:

- assessment of the risk of corruption in the relationship with the third party; and
- acceptance by the Third party of the clause regarding the fight against corruption and influence peddling mentioned in Appendix 1 of the Code.

2. GENERAL RULES OF CONDUCT

2.1 Definitions

For the application of the Code:

- a **Public-sector employee** is any elected official, civil servant, public worker, member of a court, and more generally, any person directly or indirectly entrusted with undertaking actions on behalf of the aforementioned individuals or whose role is to fulfil public interest requirements in France or in a foreign country or within an international organisation;
- a **Private-sector employee** is anybody who is not a public-sector employee;
- an **Administration** is any entity, whether French, foreign or part of an international organisation, that exercises public powers, including legal powers, and/or a public service mission, and/or the management of public property, and/or a purchasing role on behalf of the state or its branches;
- the term, **Benefit**, refers to any favour or benefit given to a person, for him or herself or for somebody else, directly or indirectly, such as but not limited to, a sum of money, a gift in kind, a donation, an invitation, a job, a promise, a recommendation, the provision of free services or goods, the covering of expenses when the benefit constitutes a transfer of value;
- the **Compliance Officer** appointed by the Chairman and CEO of the Derichebourg Group is entrusted with, as part of the in-house reporting system described in section 5 of this Code, collecting and ensuring the admissibility of the notification messages issued by Employees or Third parties. The Compliance Officer’s appointment is published on the Group’s Internet and Intranet sites.

2.2 Prevention of corruption

2.2.1. Brief definition

Corruption is a punishable criminal offence by which a person (the bribee) requests, approves or accepts a Benefit granted by another person (the briber) to fulfil, delay or fail to fulfil an action that directly or indirectly forms part of his/her functions, in breach of his/her legal, contractual or work-related obligations.

Corruption can take many different forms: it is not limited to connections with Public-sector employees and it can also exclusively or jointly concern Private-sector employees. Similarly, it is not restricted to French territory and it can concern, in particular, Public-sector employees in a foreign country (or within an international organisation) as well as Private-sector employees.

Corruption is split into two main types of offence, both of which could concern the Derichebourg Group and its Employees: **active corruption**, an offence committed by the briber, and **passive corruption**, an offence committed by the bribee.

2.2.2. Active corruption

Definition of forbidden types of conduct

Active corruption concerns Derichebourg Group Employees and Companies insofar as they are potential bribers.

Consequently, Derichebourg Group Employees and Companies may not offer to procure any type of Benefit, regardless of its value, for:

- a Public-sector employee, in exchange for fulfilling an action or not fulfilling an action that directly or indirectly forms part of the powers of the said employee;
- a Private-sector employee, in exchange for fulfilling an action or not fulfilling an action that goes against his/her obligations and that directly or indirectly forms part of his/her activities or role.

Examples of forbidden types of conduct

As a form of active corruption, the granting of any Benefit, whether unprompted or prompted, to the following type of person is strictly forbidden:

- a Public-sector employee, in order to obtain a contract or any decision made by the Administration that employs him/her, or to encourage any type of conduct that facilitates the awarding of a contract, or to ensure an inspection is not undertaken or a breach is not reported, particularly during the fulfilment of a contract;
- a Private-sector employee, in order to obtain contracts or decisions, or to ensure that he/she does not fulfil certain actions unduly;
- a Public-sector employee, in order to obtain from him/her unpublished information on an Administration's contracting procedures (particularly public contracts, concessions, agreements or public-land occupation permits) that concern existing or planned contracts; it is also recalled that searching for inside information on such procedures is forbidden regardless of the circumstances;
- a member of a court, an expert who acts on behalf of a state court or an arbitration authority, a mediator or an ombudsman, in order to obtain a favourable decision or assessment or to have a favourable influence in the case of a court, state or arbitration procedure or a mediation procedure, or an amiable or legal expert assessment.

2.2.3. Passive corruption

Definition of forbidden types of conduct

Passive corruption concerns Derichebourg Group Employees and Companies insofar as they could enjoy any type of Benefit in exchange for carrying out or not carrying out an action; the briber may be a person within or outside the Derichebourg Group.

Consequently, Derichebourg Group Employees and Companies may not request, accept or receive any Benefit from a Public-sector employee or a Private-sector employee, regardless of its value, in exchange for carrying out or not carrying out an action that directly or indirectly forms part of their activities or functions.

Examples of forbidden types of conduct

As a form of passive corruption, an Employee must not, in exchange for any Benefit:

- give or permit access to confidential or inside information that concerns the Derichebourg Group;
- award or sign a contract on behalf of a Derichebourg Group Company or influence the awarding or signing of such a contract;
- hide or remove documents or information or alter the recording of certain operations (particularly accounting operations);
- fraudulently alter the truth contained in documents (contracts, amendments, invoices, purchase orders, etc.) whose purpose is to specify rights and, more generally, insert text that does not reflect the truth (including the backdating of documents).

2.3 Prevention of influence peddling

2.3.1. Brief definition

Influence peddling is a punishable criminal offence by which a person (the influence peddler) requests, approves or accepts any Benefit from another person (who benefits from the act of influence peddling) in exchange for his/her actual or supposed influence that seeks to obtain a favourable decision from an Administration.

The influence peddler, unlike the bribee, does not act within his/her usual role but outside of it: he/she uses or abuses the powers that he/she has in light of his/her role, friends or the work connections that he/she has created with Public-sector employees in order to exercise the aforementioned influence.

Like corruption, influence peddling is not restricted to French territory and it can concern, in particular, Public-sector employees in a foreign country (or within an international organisation) or the obtaining of decisions made by a foreign Administration.

Influence peddling is split into two main types of offence: **active** influence peddling, which concerns the beneficiary of the result expected from the act of influence peddling, and **passive** influence peddling, which concerns the influence peddler.

2.3.2. Active influence peddling

Definition of forbidden types of conduct

Active influence peddling concerns Derichebourg Group Employees and Companies insofar as they could benefit from the result expected from the act of influence peddling.

Consequently, Derichebourg Group Employees and Companies may not put forward or accept requests from Public-sector employees or Private-sector employees, regardless of their status, that aim to give them any Benefit in exchange for exercising their influence, whether real or supposed, regarding the obtaining of a decision or an opinion from an Administration or to ensure an inspection is not undertaken or a breach is not reported by an Administration.

Examples of forbidden types of conduct

Outside of the contractual framework recalled in section 3.3, it is forbidden to use intermediaries who claim to be consultants, advisers, lawyers, lobbyists, elected officials or former elected officials, civil servants or former civil servants, ministers or former ministers, consultancy firms, prime contractors, project management assistants, etc. who offer, in exchange for any type of Benefit, to allow Derichebourg Group Employees or Companies to benefit from their connections or their influence so as to obtain contracts, decisions, opinions or the non-fulfilment of actions from or by an Administration.

2.3.3. Passive influence peddling

Definition of forbidden types of conduct

Passive influence peddling concerns Derichebourg Group Employees and Companies insofar as they could receive payment or any other transfer of value for peddling their influence.

Derichebourg Group Employees and Companies may not put forward or accept offers from a Public-sector employee or a Private-sector employee of any type of Benefit in exchange for exercising their influence, whether real or supposed, in order to obtain a decision or an opinion from an Administration or to ensure an inspection is not undertaken or a breach is not reported by an Administration.

Examples of forbidden types of conduct

Derichebourg Group Employees and Companies are forbidden from exercising, or agreeing to exercise, on behalf of a Third party, any influence in exchange for a transfer of value, even supposed, on any process that leads to a decision, opinion or to the provision of inside information or to ensure the non-fulfilment of an action by an Administration.

3. SPECIFIC RULES OF CONDUCT 3.1

Gifts

Gifts that are offered or received could constitute a consideration for an act of corruption or influence peddling. To avoid any doubt, misunderstanding or legal risk, Derichebourg Employees must familiarise themselves with and apply the rules listed below.

3.1.1. General obligations

In light of the Group's business activities and, in particular, its relationship with clients, gifts may be given or received by Derichebourg Employees. This practice, taking into account the cordial and trusting relationship that Derichebourg wishes to maintain with its partners, will not under any circumstances seek to unduly influence either party in order to obtain any type of Benefit.

Any gift, whether received or given, whose purpose could reasonably be considered to be to obtain a service in return for the gift must be ruled out or turned down; the same applies to gifts that are clearly extravagant or excessive given the nature of the gift or the fact that a gift is given on multiple occasions.

Derichebourg Employees are required to take particular care when giving or receiving gifts to make sure that they form part of a legitimate business relationship and comply with both social and cultural practices that are specific to the context and also comply with the company's legal obligations.

3.1.2. Rules regarding gifts given by Derichebourg Employees

Only gifts that meet all of the following conditions may be given to a Third party by a Derichebourg Employee:

- be a promotional item connected to the Derichebourg Group's products or activities;
- respect the gift acceptance rules to which the Third party is subject when the said rules are known;
- be of low value and not appear extravagant or excessive given the nature of a normal and legitimate business relationship;
- not consist of a monetary payment of any kind (cash, cheque, bank transfer, gift certificate, voucher, etc.);
- not be motivated by a desire for anything in return and not affect the recipient's independent judgement;
- be given in connection with a special occasion or unprompted;
- be given directly to the Third party concerned;
- in all cases, even when the aforementioned conditions are met, an Employee cannot offer a Third party more than two gifts per year, per partner; the combined value of the gifts may not exceed €150.

Exceptionally, if an Employee wishes to give a gift whose value exceeds this amount or exceeds the annual limit of two gifts per year mentioned above, he/she must submit a reasoned request to his/her line manager. The latter then makes the decision to authorise or not the exemption on the basis of the compliance of the foreseen gift with the company's policy on this matter, whose principles are listed above (see 3.1.1.). The line manager will keep an up-to-date list of the exceptions made and the reasons provided and send this list to the Compliance Officer twice a year.

In order to ensure compliance with the aforementioned rule, Employees must also send the Compliance Officer, for conservation purposes, the receipts and any relevant documents that concern the gifts or benefits that they give.

3.1.3. Rules regarding gifts received by Derichebourg Employees

Any gifts or benefits (including invitations to sports or cultural events) may only be accepted by an Employee if all of the following three conditions are met:

- gifts or benefits are received unprompted and their value, in all cases, is below the combined annual amount of €150 per person, per partner; and the gifts or benefits comply with common practices and correspond to a clear business aim that is directly linked to the sales goals of Derichebourg;
- it is possible to rule out any desire to obtain something in return, even indirectly, while paying particular attention to the Employee's role;
- and due to the nature of the gift or benefit or the time at which it is received, it does not affect the independent judgement of the Employee with regards to the giver or the organisation that he/she represents.

In order to ensure compliance with the aforementioned rules, Employees must immediately inform their line manager and the Compliance Officer whenever they receive a gift or a benefit from a Third party that complies with the aforementioned rules but that they consider to be of a value that indicates that the gift or benefit cannot be seen as anecdotal or strictly symbolic.

In all cases, gifts or benefits whose value is clearly greater than €150 or whose obvious purpose is to obtain a service in return, as well as clearly extravagant or excessive gifts given the nature of the gift or the fact that a gift is given on multiple occasions, must be turned down by Employees.

If the Employee is unable to turn down the gift, invitation or benefit at the time it is received, or when there is a doubt regarding the compliance of the gift with the aforementioned conditions, the Employee shall notify his/her line manager and the Compliance Officer. The Compliance Officer then considers the action to be taken in accordance with the company's policy.

3.1.4. Gifts that warrant notification

The following cases, in particular and among others, which could reveal an act of corruption or influence peddling, may result in the informal notification of the line manager or a formal notification through the reporting system described in section 5:

- gifts that are not justified as part of a normal business relationship;
- gifts whose obvious purpose is to obtain a service in return;
- clearly extravagant or excessive gifts given the nature of the gift or the fact that a gift is given on multiple occasions;
- gifts that do not respect the aforementioned principles.

3.2 Travel – Accommodation – Meals

Bearing the cost of accommodation, travel or meals ('Acts of hospitality') could constitute a consideration for an act of corruption or influence peddling. Employees must therefore respect the following rules.

3.2.1. Derichebourg Group rules regarding Acts of hospitality

Whether received or offered by an Employee, only those Acts of hospitality that meet all of the following five conditions are permitted:

- known rules to which the Third party is subject are respected;
- form part of a legitimate and legal business relationship; be of reasonable value: the value of a meal must be less than €150 and the value of a night in a hotel must be less than €200;
- not be motivated by a desire for anything in return and not affect the recipient's independent judgement;
- be given in connection with a special occasion or unprompted;
- be given directly to the Third party concerned.

In all cases, even when the aforementioned conditions are met, an Employee cannot offer a Third party more than two Acts of hospitality per year whose combined value exceeds €500.

Exceptionally, if an Employee wishes to give an Act of hospitality to a Third party whose value exceeds the aforementioned limits or exceeds the annual limit of two Acts of hospitality per year mentioned above, he/she must submit a reasoned request to his/her line manager. The latter then makes the decision to authorise or not the exemption on the basis of the compliance of the foreseen Act of hospitality with the company's policy on this matter. The line manager will keep an up-to-date list of the exceptions made and the reasons provided and send this list to the Compliance Officer twice a year.

3.2.2. Conduct expected of Employees to ensure Acts of hospitality are compliant

In order to ensure compliance with the aforementioned rules, Employees must, in particular:

- keep the receipts and any relevant documents that concern the Acts of hospitality that they give;
- immediately inform their line manager if a Third party offers them an Act of hospitality more than twice a year; the line manager will keep an up-to-date list of the exceptions made and the reasons provided and send this list to the Compliance Officer twice a year.
- immediately inform their line manager and/or the Compliance Officer whenever they have a doubt about the compliance of an Act of hospitality to be offered or received.

No reimbursement or payment will be made without the authorisation required, in compliance with the operations' management framework, and without supporting documents and receipts.

3.2.3. Acts of hospitality that warrant notification

The following cases, in particular and among others, which could reveal an act of corruption or influence peddling, may result in the informal notification of the line manager or a formal notification through the reporting system described in section 5:

- Acts of hospitality that are not justified as part of a normal business relationship;
- Acts of hospitality whose obvious purpose is to obtain a service in return;
- clearly extravagant or excessive Acts of hospitality given their nature or the fact that an Act of hospitality is given on multiple occasions;
- Acts of hospitality that do not respect the aforementioned principles.

3.3 Contracts signed with intermediaries

3.3.1. Derichebourg Group rules regarding intermediaries

Use of service providers, regardless of the type of provider and the name of the firm, which offer to allow an Employee or the Derichebourg Group to benefit from their experience or knowledge of an Administration in general (French or foreign) in order to improve a client relationship, the negotiation of a project or the fulfilment of a business deal, must be the subject of a contract.

The contract must clearly specify the co-contracting party's tasks and remuneration, which is:

- proportional to the quantity and quality of the services provided;
- based on the fulfilment, which is duly and previously defined, traceable, checked and recorded in writing, of the advisory services requested - whose proof and content must be systematically shown and measured; the correlation of the services with the remuneration amount must also be systematically checked.

The contracts mentioned in this section will have to be:

- compliant with the template produced by the Derichebourg Group's legal department;
- authorised by the line manager beforehand;

The contracts mentioned in this section will have to include the ethics clause in Appendix 1 and explicitly exclude all measures that could be considered to contravene the legal obligations in place as well as the corruption prevention policy of the Derichebourg Group.

3.3.2. Conduct expected of Employees to ensure contracts signed with intermediaries are compliant

In order to ensure compliance with the aforementioned rules, Employees must:

- immediately inform the line manager if a service provider concerned by these terms and conditions gets in contact;
- guarantee the transparency and traceability of the negotiations and discussions with the service providers concerned by these terms and conditions;
- carry out, before the procedure described in section 3.3.1. is triggered, all of the checks that are necessary (legal existence, accounts, compliance with social and tax regulations, etc.) to confirm the probity and integrity of the service provider with which the company intends to sign a contract.

3.3.3. Intermediaries that warrant notification

The following cases, in particular and among others, which could reveal an act of corruption or influence peddling, may result in the informal notification of the line manager or a formal notification through the reporting system described in section 5:

- the invocation or the use of family connections or other special connections with the Administration;
- the intermediary's lack of qualifications to provide the services described in the planned contract;
- the demand for a level of remuneration that is disproportionate to the services;
- Third parties whose recruitment is recommended or demanded by Public-sector employees.

3.4 Facilitation payments

3.4.1. Derichebourg Group rules regarding facilitation payments

Under no circumstances must Derichebourg Group Company resources be used for purposes that undermine the lawful nature or the social interest of these Companies, or for the purpose of corruption or influence peddling, in particular.

Consequently, so-called 'facilitation' payments, namely, payments made to facilitate the undertaking of administrative formalities and procedures, or even the awarding of a contract or a permit, are forbidden.

3.4.2. Conduct expected of Employees to ensure compliance

In order to ensure compliance with the aforementioned rules, Employees must immediately inform the line manager and the Compliance Officer of any facilitation payment request or suggestion.

If a breach of this rule were to seriously harm the health or safety of a Derichebourg Group Employee and constitute a matter of urgency, the Compliance Officer shall notify the Group's senior management team, which shall decide on the action to be taken.

3.4.3. Facilitation payments that warrant notification

The following cases, in particular and among others, which could reveal an act of corruption or influence peddling, may result in the informal notification of the line manager or a formal notification through the reporting system described in section 5:

- payments to obtain permits, licences, visas;
- payments to obtain protection from the police.

3.5 Patronage – Sponsorship

3.5.1. Derichebourg Group rules regarding patronage and sponsorship

Derichebourg Group Companies may carry out patronage or sponsorship actions as long as these actions are not motivated by a desire for anything in return.

Patronage or sponsorship actions are defined as actions that consist of providing in a disinterested manner material support, without any direct consideration from the beneficiary, to a not-for-profit legal person that is not a client of a Derichebourg Group Company for the fulfilment of public-interest activities.

Political organisations cannot benefit from these actions.

Before they are undertaken, patronage or sponsorship actions are approved by the Group's senior management team and are specified in a contract, which clearly lays down the context and the aim of the operation and how the funding will be paid.

3.5.2. Conduct expected of Employees to ensure patronage or sponsorship actions are compliant

Before undertaking a patronage or sponsorship action, Employees must carry out all of the checks necessary to ensure that the actions are suitable and compliant with Derichebourg Group rules.

Employees must immediately inform their line manager whenever a Third party sends them a patronage request.

3.5.3. Patronage or sponsorship actions that warrant notification

The following cases, in particular and among others, which could reveal an act of corruption or influence peddling, may result in the informal notification of the line manager or a formal notification through the reporting system described in section 5:

- patronage requests made at the same time a contract is signed or an authorisation procedure is implemented;
- patronage requests that come from a Third party that has a business relationship with a Derichebourg Group Company and concern a body or an action with which the Third party has personal connections.

3.6 Late payment

Late client payments have a negative impact on cash flow and can place the Derichebourg Group in a vulnerable position with regards to the risk of corruption. In the event a client pays late, Derichebourg Group Employees must take particular care and, under no circumstances, either offer or respond to a request for a Benefit of any kind in order to accelerate the payment of the amount due. The Derichebourg Group senior management team is directly responsible for monitoring late payments as well as for supervising the measures implemented to resolve these matters.

3.7 Partnerships, mergers and acquisitions

In the case of a merger or an acquisition, Derichebourg may be held liable for certain actions in its position as the buyer; this also extends to acts of corruption that occurred prior to the acquisition.

Derichebourg can also be considered liable if it agrees to inappropriate arrangements that are designed to hide or disguise acts of corruption.

It is therefore essential to carry out due diligence regarding the reputation and the background of all targets as part of a merger or acquisition project and of all potential partners, and to incorporate suitable guarantees into contractual acquisition or partnership documents.

3.8 Conflict of interest

There is a conflict of interest when the personal interests of an Employee may clash with the interests of the Derichebourg Group. This may result in an ambiguous situation that can undermine the independence and objectivity of a decision.

Each Employee must identify any potential conflicts of interest that could concern him/her and notify his/her line manager and/or the Compliance Officer so that a suitable solution can be found. The Employee cannot be involved in the subsequent decision.

Employees must not obtain an equity stake, of any kind, in a company that is controlled by Derichebourg competitors, suppliers or clients, without the prior written authorisation of their line manager and/or the Compliance Officer.

3.9 Accounting entries

All accounts, invoices and other documents connected to transactions with Third parties must be prepared, maintained and checked as accurately and exhaustively as possible. Any Employee who makes accounting entries must make sure that there is documentation that corresponds to each entry. Any

transfer of funds demands utmost care, particularly with regards to the identity of the recipient and the reason for the transfer. No duplicate account must be managed to facilitate or hide inappropriate payments. The separation of functions, commitments, checks and payments must be respected.

3.10 Political donations or grants

The Derichebourg Group refuses to make any donation or grant that is political in nature and/or paid to a political party.

4. CONTROL AND IMPLEMENTATION

4.1 Responsibility of Employees

Regardless of the circumstances, Employees must:

- comply with the provisions of this Code and, more generally, regulations that govern the prohibition of corruption and influence peddling in France and abroad,
- act in a way that is consistent with the law and the interests of the Derichebourg Group,
- make sure that their decisions, actions, decisions not to act and recommendations comply with applicable laws and regulations, as well as with the rules of the Derichebourg Group, particularly those in this Code.

Any Employee who is unsure about how the Code applies to his/her situation and the type of conduct that is appropriate in the event of a problem connected to its provisions may contact the Compliance Officer. The Employee's enquiry will be answered within a maximum period of one month.

If no advice is provided within this period, no disciplinary measure will be taken against the Employee regarding the facts submitted to the Compliance Officer.

4.2 Control by line managers

Any Employee with supervisory responsibilities will make sure that applicable laws and regulations as well as the internal rules of the Derichebourg Group - particularly this Code - are respected by the departments placed under his/her authority.

He/she ensures the Code is distributed among Employees placed under his/her authority. He/she also gives help and advice to those who approach him/her or who raise concerns regarding ethical matters.

4.3 Penalties

Any breach of the provisions of the Code by a Derichebourg Group Employee may be subject to disciplinary penalties that are commensurate with the seriousness of the offence, in accordance with the company's rules of procedure and related documents and local laws.

In the event of a breach of a law or a regulation, the Employee will be held responsible for his/her actions and may face legal proceedings and civil or criminal penalties imposed by the competent authorities.

A physical person may be imprisoned or given a fine. A legal person may face commercial, financial or administrative penalties. For example, a legal person may be given a large fine, be denied access to public contracts, lose its licence, be dissolved, have its permit withdrawn, and have to reimburse any undue financial earnings, etc.

4.4. Implementation

The Code is distributed among Derichebourg Group Employees in accordance with the most suitable method defined by each entity. In the case of Companies in France and in compliance with regulations in force, the Code will be appended to the rules of procedure of each subsidiary. The Code may be modified in light of regulatory changes.

5. IN-HOUSE REPORTING SYSTEM

5.1 Purpose of the in-house reporting system

The purpose of the in-house reporting system (hereafter, the 'Reporting system') is to permit, in compliance with articles 6 to 9, on the one hand, and article 17.II.2°, on the other, of the law of 9 December 2016, and under the conditions and subject to the reservations foreseen by the system,

- on the one hand, the notification by any physical person, in a disinterested manner and in good faith, of a crime or an offence, of a serious and clear breach of an international commitment that is regularly ratified or approved in France, of a unilateral action of an international organisation taken on the basis of the aforementioned commitment, of the law or a regulation, or of a serious threat or harm to the public interest, of which the physical person personally had knowledge, under the conditions stipulated in articles 6 to 9 of the law of 9 December 2016;
- on the other hand, the gathering of notification messages issued by Derichebourg Group Employees and related to the existence of forms of behaviour or situations that go against the Code.

5.2 Whistleblowers

Any Employee who may issue a notification message under the conditions provided by the Reporting system and is directly aware of the exact facts or situations that fall within the scope of section 5.1 (hereafter the 'Whistleblower') can notify the individuals mentioned in section 5.5.

5.3 Targeted situations

The Reporting system can only be used to reveal facts of which the Whistleblower is **personally** aware and that he/she can prove through any means.

Section 5.1 outlines the situations that are targeted. These situations concern both the general system regarding whistleblowers (articles 6 to 9 of the law of 9 December 2016) and the specific corruption and influence peddling Reporting system that is described in the Code.

5.4 Confidential information

As part of a business relationship with a client, Derichebourg Group Companies may have access to facts, information and documents that are subject to medical privilege or lawyer-client privilege.

No information that is covered by either type of privilege may be divulged in a notification message that is issued through this Reporting system.

5.5 Notification recipients

Under the conditions and in accordance with the procedure stipulated by the Reporting system, the notification message is sent to:

- the Compliance Officer; and/or
- the direct or indirect line manager of the Whistleblower;

jointly referred to hereafter as the 'Notification recipients' and individually as the 'Notification recipient'.

5.6 Principles common to all types of notification message

5.6.1. Optional nature of the notification message

Use of the Reporting system by the Whistleblower is **voluntary and optional**. The Whistleblower cannot be penalised in any way for not using the Reporting system.

The Reporting system neither seeks to replace nor does it replace the usual information-sharing mechanisms used in the normal course of business of the Derichebourg Group or the prerogatives of staff representatives.

If a notification message is issued in accordance with the provisions of the Reporting system, the issuing of the notification message does not expose the Whistleblower to any penalty, particularly disciplinary.

In contrast, if the Whistleblower fails to comply with the conditions of the Reporting system, he/she could face disciplinary penalties as well as legal proceedings.

5.6.2. Identification and confidentiality of the Whistleblower

The current Reporting system shall identify the Whistleblower but guarantee that his/her identity shall remain strictly confidential.

Consequently, the identity of the Whistleblower and the elements that enable his/her identity to be determined will only be divulged to:

- those people who have to examine the admissibility and the processing of the notification message, and only for this purpose;
- and, if applicable, the judicial authority, if it submits a request.

The Whistleblower may, however, accept to have his/her identity divulged more widely. In this case, he/she must give his/her express consent.

5.6.3. Data processing

The Reporting system respects the provisions of the General Data Protection Regulation (GDPR).

Only the following categories of data are recorded in order to process the notification message:

- identity, functions and contact details of the Whistleblower;
- identity, functions and contact details of those people who are the subject of the notification message;
- identity, functions and contact details of those people involved in recording or processing the notification message;
- the facts reported;
- elements collected as part of the verification of the facts reported;
- an account of the verification operations;
- action taken in light of the notification message.

5.7 Notification procedures

5.7.1. Notification methods

Any Employee who wishes to submit a notification message regarding the existence of a form of conduct or a situation that goes against the Code through the Reporting system must contact **in writing and not anonymously** one of the Notification recipients foreseen in section 5.5. The identity of the Whistleblower is protected in accordance with the methods stipulated in the Code and section **5.6.2.**, in particular.

If the notification message is sent directly to the Compliance Officer, it takes the form of:

- a letter that is sent to the following postal address: DERICHEBOURG, Référent conformité, 119 avenue du Général Michel Bizot – 75012 PARIS;
- or an e-mail that is sent to the e-mail address specifically intended for receiving notification messages issued through the Reporting system and to which the Compliance Officer has access. This e-mail address - ethique@derichebourg.com - is disseminated through the Derichebourg Group Intranet site.

If the notification message is sent to a direct or indirect line manager of the Whistleblower or to one of the company's legal representatives, it must be sent by e-mail or by post. The aforementioned individuals must immediately forward the notification message to the Compliance Officer for processing.

In all cases, the notification message must include the following elements:

- a description of the forms of conduct or situations that go against the Code and warrant notification;
- the identity of those involved in these forms of conduct or situations including, if appropriate, Derichebourg Group Employees;
- the circumstances in which the Whistleblower became aware of these forms of conduct or situations;
- the facts, information or documents, regardless of their nature or medium, in order to substantiate the notification message, if he/she has such elements.

As soon as the notification message has been received, the Compliance Officer immediately notifies the Whistleblower by any means that it has been received and that it will take up to one month to exam the admissibility of the notification message. The Compliance Officer will specify that the Whistleblower will be informed of the outcome of the examination by any means.

He/she shall also check the Whistleblower's identity by contacting him/her discretely by telephone or during a face-to-face discussion in order to receive verbal confirmation.

The Compliance Officer and the Whistleblower shall agree on the means, necessarily written, through which they will communicate so that the notification message can be processed. Regardless of the means chosen, it must keep the Whistleblower's identity confidential.

5.7.2. Admissibility of the notification message

In order to ascertain the admissibility of the notification message, the Compliance Officer checks within a period of one month as from the moment the notification message is received that the facts mentioned:

- are strictly limited to the areas concerned by the Reporting system;
- are formulated in an objective manner and specify that they are presumed;
- are directly within the scope of the Reporting system;
- are strictly necessary for the verification of the alleged facts.

Only admissible notification messages are processed.

5.7.3. Notification of the person concerned

In principle, the alleged perpetrator identified in the notification message is contacted as soon as the notification message is received so that he/she may object to the processing of his/her data, as laid down in section 5.9.

Nevertheless, exceptionally, if during the examination of the notification message's admissibility, the Compliance Officer considers that he/she should take protective measures, particularly to prevent the

destruction of evidence or for the needs of the enquiry, the alleged perpetrator may be notified after these measures are taken, in compliance with the legal provisions in place.

In all cases, the information given to the alleged perpetrator specifies:

- the identity of the Compliance Officer;
- the alleged facts;
- the notification recipients;
- and how he/she can exercise his/her access and rectification rights, as described in section 5.9.

The alleged perpetrator must return an acknowledgement of receipt form when he/she receives the notification letter.

5.7.4. Processing of the notification message

If the Compliance Officer considers the notification message to be admissible, in accordance with the conditions described in section 5.7.2., the elements of the notification file that are required to process the notification message are immediately sent to the Compliance Officer.

The role of the Compliance Officer is to make sure that the facts reported are true and to assess their compliance with the provisions of the Code. Within the limits that are strictly necessary for the needs of the investigation process, the Compliance Officer informs the Derichebourg Group's senior management team that the notification message shall be investigated.

In order to investigate the notification message, he/she may contact the Whistleblower, in accordance with the provisions of section 5.7.1., to clarify the facts or to obtain additional information that is necessary for his/her enquiry.

The Compliance Officer investigates the notification message as quickly as possible as from the moment the admissibility decision is made. To do this, the senior management team provides the Compliance Officer with the means necessary to gather and file evidence (e-mails, meeting minutes, documents, records, etc.) and to interview Employees whom he/she considers to be important to hear. A convocation letter is sent at least seven days before the interview is held. The Compliance Officer interviews the alleged perpetrator(s), who has (or have) been previously informed of the allegations made against him/her or them. The alleged perpetrator may be accompanied by an adviser during the interview if he/she so wishes.

If the Compliance Officer considers it necessary, during the notification message's investigation phase, to travel to one of the Derichebourg Group's sites in France or abroad in order to meet Employees or to gather evidence, the senior management team will make sure that he/she has the means necessary to bear the cost of this trip.

If the Compliance Officer considers it necessary for the protection of the Derichebourg Group's interests, he/she may ask any Employees brought in to assist him/her during the investigation of the notification message, to first sign a confidentiality agreement.

After the notification message has been investigated, the Compliance Officer produces an enquiry report that puts forward his/her conclusions regarding the existence of forms of behaviour or situations that go against the Code and specifies as well as possible the responsibility of the individuals involved.

5.7.5. Closing of the processing phase

The enquiry report produced by the Compliance Officer marks the end of the notification message's processing phase. The Whistleblower is informed of the enquiry report's conclusions by the Compliance Officer.

If the enquiry report establishes the existence of forms of behaviour or situations that go against the Code, the senior management team decides on the disciplinary penalties and/or legal proceedings to be taken against the Employees involved. If the report indicates a possible corruption or influence peddling offence, the Compliance Officer brings it to the attention of the judicial authorities.

If the report establishes that the Whistleblower has contravened his/her obligation of good faith or that the notification message is slanderous, the Whistleblower will no longer be protected in his/her capacity as the person who issued the notification message. As a result, the senior management team will be notified and will then decide on the disciplinary penalties and/or legal proceedings, if any, to be taken against the Whistleblower.

5.8 Preservation of data

If the Compliance Officer decides that the notification message is not admissible, in accordance with section 5.7.2., all of the data that permits the identification of the Whistleblower and the data of the alleged perpetrator(s) shall be immediately destroyed.

If the notification message is not followed up, the elements of the notification file that permit the identification of the Whistleblower and the alleged perpetrator(s) shall be destroyed within two months as from the end of the admissibility examination period or as from the end of the processing phase.

In both of the aforementioned cases, the Compliance Officer shall destroy the information that could lead to the identification of the Whistleblower. After the information has been destroyed, the Compliance Officer must continue to keep the Whistleblower's identity secret, unless the latter expressly agrees otherwise.

The Whistleblower and the alleged perpetrator(s) shall be immediately informed, by any means, that this data has been destroyed.

5.9 Access and rectification rights

Without prejudice to the provisions of the Reporting system, anybody identified in the Reporting system may, at any time during the aforementioned notification procedure, access the data that concerns him/her and ask the Compliance Officer to rectify or delete the data if it is inaccurate, incomplete, incorrect or obsolete, or if the collection, use, communication or conservation of the data is forbidden.

The Compliance Officer acknowledges receipt of the request and makes his/her decision known within 15 working days. He/she immediately informs, by any means, the requesting party.

Under no circumstances may the access and rectification right described in this section enable the requesting party to obtain information that the Reporting system is forbidden to provide to the requesting party.

The alleged perpetrator cannot, under any circumstances, obtain information on the identity of the Whistleblower.

5.10 Dissemination of the Reporting system and provision of information to potential users

The Derichebourg Group provides clear and comprehensive information to potential users of the Reporting system through an in-house communication letter that is sent to all Employees when the Reporting system is implemented and to all new Employees when they start work. The communication letter states that the Compliance Officer is available to answer their questions on how the Reporting system works.

Furthermore, the dissemination of the Reporting system is ensured by including a presentation on the system in the Derichebourg Group Employee's training schedule.

It enters into force on December, 20th, 2018.

Signed in Paris,
On November, 20th, 2018.

APPENDIX 1: ANTI-CORRUPTION CLAUSE INTEGRATED INTO THE COMMERCIAL CONTRACTS SIGNED BY DERICHEBOURG GROUP COMPANIES

Anti-corruption clause:

The Co-contracting party undertakes, both in his/her name and for all those people under his/her responsibility or acting in his/her name or on his/her behalf, throughout the duration of the Contract, to respect all of the international and local anti-corruption laws, regulations and standards.

The Co-contracting party guarantees that neither he/she nor any person under his/her responsibility or acting in his/her name or on his/her behalf, has made or will make a remuneration or payment offer or give a benefit of any kind that constitutes or could constitute a bribe or an attempted bribe, directly or indirectly, with a view to receiving or in return for the awarding/execution of a Contract, hereafter referred to as an 'Act of Corruption'.

The Co-contracting party shall immediately inform DERICHEBOURG of any element that is brought to its attention and could affect the Group's liability under this section.

The Co-contracting party will make sure that an enquiry is carried out diligently in the event there is evidence or a suspicion that an Act of Corruption has been committed; the enquiry will be brought to the attention of DERICHEBOURG.

DERICHEBOURG reserves the right to ask the Co-contracting party to provide elements that it may consider useful to make sure that the Co-contracting party complied with anti-corruption laws throughout the entire duration of the Contract. This right shall remain in place throughout the duration of the Contract and for a period of five years after the Contract is terminated.

The Co-contracting party agrees to provide any assistance required by DERICHEBOURG to respond to a request made by a competent authority regarding the fight against corruption.

Any breach by the Co-contracting party of the provisions of this section shall be considered to be a serious breach that permits DERICHEBOURG, if it considers it to be necessary, to terminate the Contract without notice and without compensation, without affecting any damages that DERICHEBOURG could claim in light of the breach.