

## **Message from the Chairman of the Management Board**

### **Publication of the Group's Anti-corruption Code of Conduct**

Paris, July 24<sup>th</sup>, 2018

CNIM aims to be a benchmark in all its core business segments: Environment, Energy, Defence, Security and High technology; and is fully committed to its international expansion.

In its business operations, CNIM promotes:

- A culture of integrity and compliance based on adherence and adaptation to the latest ethical standards and legislation applicable in France and in all countries where its employees operate;
- A zero tolerance policy against corruption in all its forms.

It is in this spirit, and in view of the recent introduction of the French anti-corruption law known as Sapin II, that our new Anti-corruption Code of Conduct has been prepared. This one is available on the CNIM Inside Portal at the following address: <http://inside.intranet.cnim.net/ethique.aspx> and on CNIM website at the following address: <https://cnim.com/en/group/ethics-csr-commitments>.

The Anti-corruption Code of Conduct defines and illustrates the different types of behaviour considered to be characteristic of bribery or influence peddling and therefore prohibited, and provides ethical behaviour standards which should guide us in making the right decisions in business.

CNIM refers to the Middenext Anti-corruption Code of Conduct, the product of extensive consultation and experience among its member companies. It is a specific document concerning bribery and influence peddling, designed to supplement the CNIM Group Charter of Ethics and Purchasing Code of Ethics.

The Anti-corruption Code of Conduct applies to the CNIM Group, that is to CNIM and to all French and foreign Entities controlled by CNIM within the meaning of the article L233-3 of the French Commercial code. It thus serves as a common point of reference.

It is the responsibility of each individual to act in accordance with the Anti-corruption Code of Conduct and I put my trust in your commitment to implement the principles contained thereto.

The Group Legal Counsel is at your disposal to help with any questions or concerns.

Nicolas DMITRIEFF  
Chairman of the Management Board

## **Anti-Corruption Code of Conduct**

### **Preamble**

The Company adopts the Middlenext Anti-Corruption Code of Conduct (the Code) which refers to the United Nations Convention against Corruption and seeks to combat all forms of corruption.

The Code constitutes an integral part of the Company's internal policies and procedures.

A document cannot however address all the cases of corruption and influence peddling that may arise in the course of daily activities; everyone must accordingly exercise his own judgment and discernment. In case of doubt about the appropriate conduct, each Company relies on the support and advisory tools it has put in place and on an in-house warning system.

This Code may be revised at any moment.

### **1-Framework and Scope**

The Code applies:

- To the CNIM Group, that is CNIM Company and all the French and foreign entities controlled by CNIM within the meaning of the article L233-3 of the French Commercial code (hereafter referred to as "the Company");
- To the Company's employees, "Employee" meaning any Manager, Company's employee, including seconded employees, temporary employees, and any other employee category according to local regulation.

Each Employee must behave in an exemplary manner within each Company and must not do anything which is at odds with the behavioural rules set out in this Code.

Any questions from an Employee regarding the application or interpretation of the Code must be referred to the Employee's supervisor or to the contact person appointed by the Company.

### **2-Basic rules and their variant forms**

#### **Definitions**

##### **Corruption**

Corruption is any behaviour whereby a person (whether a public official or a private individual) proposes, requests or accepts, directly or through an intermediary, any donation, offer or promise, gift or benefit in return for performing, delaying or failing to perform an act which directly or indirectly falls within his/her duties, in order to obtain or maintain a commercial or financial advantage or to influence a decision.

There are two types of corruption:

- **Active** corruption occurs when the act of corruption is initiated by the person on the giving end.
- **Passive** corruption occurs when the act of corruption is initiated by the person on the receiving end, i.e. the person who performs or does not perform an act in exchange for some reward.

Corruption may take many forms under the guise of common business or social practices; it may for example involve such things as invitations, gifts, sponsorships, donations etc.

### **Influence-peddling**

Influence-peddling refers to a person monetizing his/her position or influence, whether real or supposed, in order to influence a decision which is to be made by a third party.

It involves three participants:

- The beneficiary (the one who provides benefits or gifts);
- The intermediary (the one who uses the influence it enjoys by virtue of his/her position);
- The target person who has the decision-making power (a government authority or agency, a judge or prosecutor, an expert etc.).

### **Principle and rules**

Employees must not engage in bribery and must not use intermediaries such as agents, consultants, advisers, distributors or any other trading partners for the purpose of committing such acts.

#### **Individuals faced with a proposal must consider the following:**

- Does the proposal comply with laws and regulations?
- Is it consistent with the Code and the interests of the Company?
- Is it devoid of personal interest?
- Would I be embarrassed if my decision were made known to others?

Each Company that uses the Code as a reference has **developed a procedure** that enables Employees faced with a choice involving ethical or business-related considerations to discuss any concerns they may have in a totally confidential setting.

## **2-1 Rules applying specifically to public officials**

### **Definition**

The term "public official" denotes a person who holds a position of public authority, is entrusted with public service responsibilities or occupies an elected public office, for him/herself or on behalf of others.

### **Principle and rules**

Corruption of a public official is punishable by more severe penalties<sup>1</sup>.

<sup>1</sup> Under the French Penal Code, individuals who are guilty of public corruption face severe penalties - up to 10 years' imprisonment and a fine of €1 million. Merely attempting to commit an act of corruption, e.g. by offering or seeking a bribe, is punished in the same way as the act itself.

Any relationship with a public official must comply with the regulations governing that relationship (i.e. the regulations that apply in the specific country of the public official or which are imposed on them by their employer). While it is not prohibited by law, any benefit granted to a public official must be totally transparent vis-à-vis the Company and subject to prior authorization by senior management.

## 2-2 Gifts and invitations

### **Definitions**

Gifts are benefits of any kind given by someone as a token of gratitude or friendship, without any expectation of receiving something in return.

Offering or being offered meals, accommodation and entertainment (shows, concerts, sporting events, etc.) is considered to be an invitation.

### **Principle and Rules**

Gifts and invitations may be related to or be perceived as acts of active or passive corruption, so care must be exercised with regard to gifts, gestures of courtesy and hospitality (received or given) and invitations to entertainment that contribute to good relationships but can be seen as a means of influencing a decision or favouring a business or a person.

## 2-3 Gifts to charitable or political organizations

### **Definition**

Grants and donations are benefits given in the form of money and/or contributions in kind; they are granted for a specific purpose: research, training, the environment (sustainable development), for charitable or humanitarian purposes etc.

Political contributions - whether monetary or otherwise - are intended to support political parties, political associations, political leaders, politicians, political actions. They are forbidden.

### **Principle and Rules**

Requests for grants, donations or contributions must be carefully considered, particularly requests from those who are in a position to influence the Company's activities or who could, if the grant were agreed to, derive personal benefit therefrom.

Requests for donations must be approved by a supervisor.

## 2-4 Patronage, sponsorship

### **Definition**

For the implementation of the Code:

- Patronage refers to a logistic support or a monetary contribution, brought by the Company, without seeking any direct counterpart from the beneficiary of the support or the contribution, to a person or an organization, whose activity is of general interest.
- Sponsorship refers to a logistic support or a monetary contribution, brought by the Company, « the Sponsor », to an event, a physical person, a product or an organization, as a means of promoting the image of the Company.

### **Principles and rules**

Patronage or sponsorship activities must be carried out without any seeking specific benefits from the beneficiary other than the promotion of the corporate image, in the frame of sponsorships.

## 2-5 Facilitation payments

### **Definition**

Facilitation payments are unofficial payments (as opposed to legitimate and official fees and taxes) that are paid to facilitate or expedite any administrative formalities such as applications for permits, visas or customs clearances.

### **Principle and rules**

The Company does not accept to make "facilitation payments" unless there are compelling reasons (the health or safety of an Employee, etc.).

## 2-6 Monitoring of third parties (suppliers, service providers, clients)

### **Definition**

Monitoring concerns third parties, natural or legal persons with whom the Company interacts and who may, in certain cases, present a particular level of risk in terms of corruption.

The following are considered third parties: business partners, suppliers, service providers, agents, clients, intermediaries etc.

### **Principle and rules**

Each Company shall endeavour to ensure that third parties comply with its principles and values and shall, where appropriate, carry out due diligence.

## 2-7 Conflicts of interests

### **Definition**

Conflicts of interests arise from any situation in which Employees' personal interests conflict with his duties or responsibilities.

### **Principle and rules**

If circumstances give rise to a potential or actual conflict of interests, the Employees concerned must report this.

## 2-8 Accounting records/Internal controls

### **Definition**

The Company must ensure that its accounting departments and/or its internal and/or external auditors are vigilant in checking for concealment of corruption in books, records and accounts.

### **Principle and rules**

Persons undertaking audit assignments (audits, certification of accounts) must be particularly vigilant with regard to the accuracy and veracity of the accounts.

## 3- Applying the Code

### 3-1 Training

Employees are required to acquaint themselves with this Code and to participate in the sensitization or training sessions organized by the Company to raise awareness of the fight against corruption. New Employees are made aware of the Code and its provisions immediately upon assuming their duties within the Company.

### 3-2 Reporting practices that are in breach of the Code and protection of whistle-blowers

**Employees, while observing the procedure laid down by the Company, can express their concerns and/or ask questions** of their supervisor and/or the designated contact person:

- If they find themselves faced with a risk of corruption;
- If they genuinely believe that a violation of the Code has been, is being, or may be committed;
- If they discover that someone is experiencing reprisals after having lodged a report in good faith.

Any Employee who, in good faith and without being influenced by personal interest or advantage, that is to say, being sincerely persuaded that his/her statement is accurate, reports a violation or a risk of a violation of the Code to his/her supervisors or the designated contact person, will be protected from all forms of reprisal. The identity of any such Employee and the facts of the matter will be treated confidentially, in accordance with the relevant regulations.

Furthermore, while a bona fide error will not result in any disciplinary action, allegations that are deliberately vexatious or made with malicious intent will be penalized.

### 3-3 Whistle-blowing schemes and protection of personal information

Employees must be informed of the existence of the scheme.

In accordance with the rules applying to the protection of personal information in force in most of the countries in which the Company operates and, in particular, within the European Union, any persons identified in connection with a whistle-blowing report, whether as the author or the subject of a such a report, may exercise his right to access the data relating to them.

Likewise, anyone may also request the correction or deletion of personal information if it is inaccurate, incomplete, ambiguous or out-of-date.

### 3-4 Penalties for violations of this Code

Non-compliance with the rules triggers the personal liability of the Employee and exposes him/her to penalties, in particular penal sanctions<sup>2</sup>, according to the applicable legislation.

The Company undertakes to:

- Take all statements into account;
- Diligently investigate whistle-blowing reports;
- Assess the facts objectively and impartially;
- Take appropriate corrective and disciplinary measures.

### 3-5 Implementation: accountability and oversight

It is incumbent upon each Employee to implement the Code as part of the responsibilities attached to his/her position.

The Company carries out periodic checks to confirm that work practices comply with the Code.

The Company and/or group governance bodies provide regular updates on the monitoring of the Code and on any follow-up arising from whistle-blowing reports.

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<sup>2</sup>French law provides the same penalties for active corruption (the corruptor) and passive corruption (the "corruptee"). For a natural person, the maximum penalty is 5 years' imprisonment and a fine of €500,000 (with provision for the amount of the fine to be increased to double the proceeds of the offense).