

**SOCOMORE  
CODE OF ETHICS AND CONDUCT**

**FOR MANAGERS  
AND EMPLOYEES OF COMPANIES IN  
GROUPE SOCOMORE SA, SOCOMORE SASU AND BABB CO SAS**

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### **Message from the Chief Executive Officer**

**Below you will find Socomore's ethical principles, formalised so that they comply with the Sapin II Law.**

**These apply to all of our French companies by law and define the benchmark for the attitude and stances to adopt for all of the Group.**

**In particular, we have made provision for a corruption whistleblowing arrangement which seems to me to be particularly important for ensuring everyone has a work environment that provides peace of mind.**

**Frédéric Lescure**

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### PREAMBLE

In a complex environment, Socomore takes care to ensure respect for principles intended to govern its activities and is committed to complying with the legal and regulatory provisions specific to the countries where the Group has a presence.

### **The Code of Ethics and Conduct**

This Code of Ethics and Conduct (the “Code”) presents our values and affirms our commitment to ethics and following laws. It defines our expectations of our employees in their everyday decision-making and in terms of their relations with other stakeholders. It enables each employee to ask himself or herself what attitude they should adopt in the tricky situations that they may encounter as part of their relations both within and outside the company.

### **Who is it aimed at?**

The Code is aimed at all Employees of Groupe Socomore, Socomore SASU and Babb Co SAS (referred to hereinbelow as “Socomore”). The word “Employees” includes employees, managerial staff, managers and administrators. Each Socomore Employee must personally respect the Code and behave in a fully ethical way.

The Code will be communicated to all the structures that Socomore has holdings or shareholdings in, such as subsidiaries, joint companies, and consortiums.

### **How the Code of Ethics is to be applied**

The Code presents the standards that all of the Group’s personnel are required to respect as part of their everyday activities and their relations with other people. The Code cannot foresee all of the situations that we may be confronted with. Its role consists more of proposing guidelines which will help you make decisions that are in line with Socomore’s values and reputation. It is your responsibility to read and take on board this Code, and then to show good judgement and common sense when faced with the various situations you may face.

Should this Code turn out to be incomplete or imprecise in certain situations, or if an employee feels uncertain or has doubts about what conduct to adopt when faced with particular situations, he or she is invited to consult their line management and/or the legal or human resources departments.

### **Notification of any breaches of the Code of Ethics**

All personnel are required to report any breach (whether known or presumed) of the company’s policy or the legal provisions relating to the activity, including breaches of civil and criminal law as well as national laws and decrees, as well as of this Code. A dedicated e-mail address will be made available to the employees in order to report any breaches of the Code of Ethics observed. No one will be authorised to take reprisal measures against an employee acting in good faith who may have used the ethical guidelines for reporting a breach of the law and of this Code.

### **Disciplinary measures**

This Code of Conduct is appended to the company’s internal regulations and forms an integral part of it. Any failure to observe it, depending on its level of seriousness, is likely to lead to disciplinary sanctions being imposed on the employee, without this ruling out any criminal or civil actions that may be taken against him or her.

### **Part I: THE SOCOMORE GROUP’S PRINCIPLE**

## 1. Compliance with laws and regulations

Socomore undertakes to fully comply with the laws and regulations applicable to its activities. It is the responsibility of each Employee to follow the letter and the spirit of the laws and regulations applicable.

Although not everyone can be asked to be a specialist in the legislation applying to their professional activity, each employee acquires sufficient knowledge of the rules of law applicable to his or her activities, whether they occur in France or in a foreign country.

This minimum knowledge enables the employee to determine the moment when it becomes necessary for him or her to obtain advice from line management, the legal or human resources departments as well as, possibly, from the Group's boards.

Compliance with the rules relating to work and employment, hygiene and safety, as well as environmental protection, requires particular vigilance.

Internal fraud places both Socomore's lines of business at risk as well as its external image. Fraud, dishonesty, and criminally reprehensible behaviour are strictly banned within Socomore; they may invoke the Employee's civil or criminal liability.

## 2. Respect for people

Management of human resources and, generally speaking, relations between employees, are based on principles of mutual trust and respect, with a care taken to treat everyone with dignity. Thus, Socomore:

- Is devoted to promoting diversity within its organisation and considers differences between its employees and commercial partners to be a key asset for the success of a company that operates on an international scale;
- Favours equal opportunity for each employee or applicant in terms of recruiting, training access, pay, social security protection, internal mobility, and professional development. It is only based on merit that qualifications, skills, experience and personal abilities are taken into account, without consideration being given to origins, nationality, gender, age, handicaps or any other distinctive trait.
- Undertakes to favour a climate of well-being in the workplace, to ensure compliance with international labour standards, and to prevent psychosocial risks.
- Prohibits any behaviour that might adversely affect individual dignity and particularly any acts of harassment no matter what their form may be. Socomore undertakes to promote a healthy work environment favourable to the development of each of its employees.

Socomore asks its suppliers and sub-contractors to comply with the following:

- International texts, and particularly the United Nations Universal Declaration of Human Rights, and the United Nations Global Compact;
- The legal and regulatory provisions regarding labour law in force within the country (level of pay, working hours, freedom of association, etc.);
- The fundamental conventions of the International Labour Organisation (ILO) and particularly the conventions regarding child labour, forced or compulsive labour, respect for freedom of association and the right to collective negotiations, and non-discrimination;
- Personal dignity through acceptable work conditions;
- Safety, health and hygiene rules, in order to limit the effects of their activity on the health and safety of their personnel and the communities living in the vicinity of their establishments.

## 3. Protecting Employees' private lives

Socomore enables its employees to have access to personal data relating to them, in accordance with the applicable laws and regulations, so that they can make sure that this information is true and accurate. Socomore does not divulge personal data to third parties, unless it proves to be mandatory to do so and if the laws and regulations in force authorise doing so.

#### **4. Health and safety**

Socomore undertakes to guarantee a safe and healthy work environment at all of its sites, with the same level of requirements wherever they are established worldwide.

Especially, Socomore strives to reduce the number of accidents to zero by redoubling attention paid to high-risk activities.

Socomore does the utmost to ensure the protection of its employees, regardless of their workplace. Socomore disseminates regular instructions in order to inform them of the risks and in order to define the procedures to be complied with.

#### **5. Campaigning against violence and sexual and psychological harassment in the workplace**

Socomore is committed to opposing any form of harassment in the workplace and is devoted to ensuring that no one is subject to actions leading to the infringement of their rights and dignity. Socomore will take all the measures required to prevent or sanction any form of sexual or psychological harassment.

Harassment is defined as occurring “when one or more employees are subjected to abuse, threats and/or humiliations repeatedly and deliberately under circumstances related to work, either in workplaces, or in work-related situations”.

Workplace violence is defined as occurring “when one or more employees suffer hostility or abuse under circumstances related to work. This ranges from lack of respect to showing a willingness to harm, or destroy, from rudeness through to physical aggression. Workplace violence can take the form of verbal aggression, aggressive behaviour (particularly sexist behaviour), physical aggression, etc.”. There are forms of violence that are in-house (between employees for example) and external (within the context of work carried out when in contact with the public, and rudeness, for example).

#### **6. Sales and international trade**

Obstacles to international trade and boycotts may limit our capacity to sell our products and our services in certain countries. Socomore intends to respect all bans or restrictions applicable to international trade.

In certain countries, the sale of products or technologies may be subject to special regulations for exports or imports.

In particular, it may be necessary in certain countries to obtain an export licence before shipping products or technologies that have military applications.

Moreover, embargo measures may place a ban on selling a given technology or products to an entity in a country it is prohibited to export to, even if this entity is domiciled outside of the aforementioned country.

It is incumbent upon you to find out information about the countries for which international trade operations are subject to controls or embargoes and, where applicable, to request any authorisation or licence required.

#### **7. Complying with competition law**

Socomore practices fair, honest competition with its competitors. Socomore's competitive advantages must be the outcome of the superior performance of its products and not of unfair business practices.

Competition law, or "antitrust" law in the United States, guarantees fair competition between companies in the marketplace. It is in Socomore's interest to develop on markets where competition is open and to comply with all the laws relating to competition. In the event of a breach of competition law, Socomore would be subject to major fines and the individuals involved would incur civil and penal sanctions, including prison sentences, while others fall under labour law.

Strict compliance with competition law favours and encourages innovation, the manufacturing of high-quality products, and protecting customers, as well as reinforcing Socomore's reputation in terms of integrity.

Socomore employees are required to comply with and apply competition law. Although the laws relating to competition are often complex and govern a wide variety of subjects, the general principle is that these laws prohibit agreements with competitors or customers which have the purpose or the effect of restricting or limiting competition on the market. These rules are intended to protect customers against selling prices or terms of sale for products or services which are not the outcome of fair competition.

In numerous countries, it is illegal to:

- Fix prices with competitors;
- Divvy up markets or customers with competitors; or
- Share information with competitors concerning profit margins, costs, terms of sale, terms of credit, customers, prices, discounts, or other sensitive information that has an impact on the competition.

## **8. Preventing corruption**

Corruption is defined as being an action via which a person who holds a given public or private position either solicits/proposes or grants/transfers a donation, an offer or a promise, with a view to carrying out, delaying or neglecting to carry out an act which, directly or indirectly, falls under the framework of his or her duties. The crime of corruption is set out in Articles 433-1 and 433-2 of the Criminal Code.

Socomore has adopted a policy of zero tolerance towards corruption.

Socomore undertakes to comply with the rules of the OECD Convention, the French Criminal Code, the US Foreign Corrupt Practices Act (FCPA), and the UK Bribery Act 2010, as well as all the laws and regulations in force in the countries where it has a presence.

Contravening these laws constitutes a serious breach which may lead to major fines for companies and prison sentences for individuals. A suspected breach of these laws may harm Socomore's reputation and entail a risk for employees.

Socomore is opposed to any payment of bribes or any other illegal payment either directly or indirectly via a middleman, to civil servants, members of governments, or any other public official, as well as to any entity governed by private law, whatever it may be.

Socomore prohibits its employees, for example, from paying commission, granting a discount or a reduction in consultation fees or remuneration for services rendered, in the form of providing money or financial perks, whenever such payments may be aimed at paying a member of government, a civil servant, or a public or private sector official with a view to encouraging a favourable decision on their part or for obtaining any improper or other advantage whatsoever for Socomore. Such payments must also be considered to be

prohibited when they are made by an intermediary or an external consultant on behalf of Socomore and at its request.

In order to guarantee full compliance with the laws applicable in this area, more specifically, Socomore employees must observe the following rules:

- A ban on giving or receiving bribes and on making or receiving illegal payments.
- Any request or offer of a bribe or illegal payment must be expressly rejected and reported immediately to the line manager of the employee and to the HR Department.
- Assuming that you call on the services of agents, intermediaries or external consultants, the remuneration for their services must match reasonable amounts and be in proportion to the task assigned. This remuneration must be identifiable, match market standards, be properly accounted for, and have services carried out in exchange for it that are actually rendered, in accordance with Socomore's practices in the area of authorised expenditures, and in accordance with its accounting rules.
- Anti-corruption clauses must be inserted into contracts concluded with third parties (whether, for example, what is involved are contracts with agents, external consultants, or other third parties that have contacts with administrative or governmental bodies).

## **9. Gifts and invitations**

The gifts and invitations which are sometimes offered to employees may adversely affect their independent judgement when it comes to their relations with trading partners. Thus, the general principle is that any gift offered to an employee or a member of their family must be turned over to Socomore. Under no circumstances may the employee accept gifts or invitations (including favours granted to family members) that may adversely affect his or her independent judgement when it comes to carrying out their missions, or which would place them in a tricky situation. However, it is permitted to accept corporate gifts to a value that does not exceed one hundred (100) Euros such as, for example, an occasional meal, an invitation to a social, sporting or cultural event, etc., or participation in an event sponsored by the company or which is the result of sponsorship, subject to the proviso of informing their line manager.

Under no circumstances may an employee either give gifts or invitations to civil servants or to trading partners that may adversely affect carrying out his or her missions as a Socomore brand ambassador or that would place him or her in a tricky situation should it be revealed or come to the knowledge of his or her line manager. It is however permitted to give corporate gifts of a reasonable value, in compliance with your laws and local customs.

## **10. Political donations and contributions**

No employee or representative of Socomore is authorised to directly or indirectly commit the Company to an activity that would involve any form of support whatsoever for a political party or take advantage of his or her belonging to Socomore as part of political activities.

Using Socomore's resources or giving donations or financial contributions in order to support in any way whatsoever, either directly or indirectly, political activities or parties, or candidates for political appointments, at local, national or international level is prohibited unless the Group's General Management has given its prior approval.

## 11. Donations to charity organisations and sponsoring

Donations to charity organisations made in Socomore's name or using its financial resources must comply with the laws and regulations in force and are subject to prior written approval in addition to which they must be duly recorded.

Sponsoring forms part of the marketing and communication strategy. It is authorised provided that the laws and regulations in force are complied with and solely under the framework of Socomore policy.

## 12. Conflicts of interests

A conflict of interests exists when the personal interest of an employee comes into conflict with Socomore's interests. These interests may be of various kinds (economic, financial, political, professional, etc.).

Any employee may be faced with situations where his or her personal interests risk contradicting those of Socomore. And yet, anything which may appear to be a conflict of interest may cause problems and harm Socomore's reputation.

In light of the employee's duty to be loyal to Socomore, he or she shall take care not to either directly or indirectly carry out activities or make statements which would place him or her in a situation where there is a conflict of interests with the company.

An employee may find himself or herself in a situation involving a conflict of interests if, for example, they:

- Negotiate a contract on Socomore's behalf from which they derive current or future personal benefit;
- Acquire tangible or intangible assets in order to sell them or rent them to Socomore;
- Hold a financial interest in any form whatsoever in a company controlled by competitors, suppliers or customers of Socomore's;
- Compete directly or indirectly with Socomore;
- Accept a corporate gift or a favour that is disproportionate or inappropriate (typically with a value exceeding € 100) either for themselves or for a family member. These corporate gifts must be returned to Socomore;
- Take advantage of a business opportunity open to Socomore and exploit it for personal purposes;
- Use Socomore's confidential information obtained within the context of their employment in order to derive benefit or advantage from it either for themselves or other parties.

Any investment in a competitor, a supplier or a customer, whether it involves taking up an interest (unless what is involved is purchasing listed company shares) or a professional activity, must form the subject of a prior declaration made to the employee's line management. Indeed, this type of situation may impair the objectivity incumbent on any employee when it entails a commitment for Socomore.

Any employee may come to have someone in their circle of family and friends whose private interests may be linked to Socomore's business. In situations where this link is identified and where the objectivity of Socomore's decision may be disputed, the employee must inform his or her line management of the existence of this link before any decision is made, and refrain from any interference in the decision-making process.

### **13. Asset protection**

As part of his or her duties, each employee is responsible for the proper use and protection of Socomore's tangible and intangible assets and resources. In particular, what is involved are Socomore's industrial installations, equipment, and financial resources and intellectual property, trade secrets, patents and brands.

These assets and resources must be used in accordance with the company's needs or under the framework set by the Group's various entities. They may not be used for needs other than the company's apart from cases where their use has been formally authorised by virtue of Socomore's internal procedures. Lastly, each employee must protect Socomore's assets from any deterioration, impairment, fraud, loss or theft.

The company's assets are not to be used for personal purposes. No employee shall appropriate any of Socomore's assets whatsoever for his or her personal use, nor shall they make them available to third parties for use that benefits parties other than the Group.

### **14. Protecting confidential information**

Any information which is not public must be protected, even in the absence of a formal confidentiality obligation, whether what is involved is information concerning the Company, its employees, or third parties.

This information may, for example, relate to Socomore's products, studies, technical know-how, industrial or commercial projects, financial data, or to future plans of a strategic, tactical, budgetary or some other nature which is not in the public domain.

Each employee must make sure that such information is not disseminated either directly or indirectly outside of the company, or divulged to people within Socomore who may not be authorised to receive it.

You may also receive sensitive information from customers, suppliers or other partners of Socomore's. It is your responsibility to maintain the confidentiality of such information in order to be worthy of their trust and to insert clauses into your contracts with these partners that work to guarantee the adequate protection of the confidential data exchanged as well as non-disclosure of it unless authorisation is granted.

Therefore all the measures required must be taken to ensure the protection of sensitive information, regardless of its support, as well as keeping it in a safe place. Furthermore, the dissemination of such information may constitute a breach of a confidentiality commitment made by Socomore to third parties.

Report any anomaly to your line management that may indicate that the protection or confidentiality of sensitive information may have been adversely affected (disappearance of documents, an abnormal request for information, indicators making it possible to assume that information systems have been manipulated, etc.).

### **15. Communication with the media**

Relations with the media fall under the responsibility of General Management and the Marketing Department. Any declarations or answers to media questions absolutely must go through General Management or be co-ordinated by it.

## Part II: Whistleblowing procedure – employees’ rights and duties

### 1. Definition of whistleblowers

According to the terms of Article 6 of the Law of 9 December 2016, “*a whistleblower is a natural person who reveals or reports, disinterestedly and in good faith, a crime or offence, or a serious, manifest breach of an international commitment duly ratified or approved by France, a unilateral act by an international organisation taken based on such a commitment, the law or regulations, or a serious threat or prejudice to the general interest, of which he or she personally has knowledge.*”

### 2. Initiating whistleblowing

If a Socomore employee considers that a law, a regulation or principles set out in this Code of Ethics have been breached or are about to be, he or she may, in observance of the rules applicable in the country where they reside and conduct their business, act as follows:

- Freely inform their direct or indirect line manager about their concerns about any practices that are illegal or unethical. The employee must inform his or her line management within a timeframe enabling the latter to give relevant advice or make an appropriate decision.
- Should the possible breach not have been dealt with after it is reported to the employee’s superior, bring the issue to the attention of the Compliance Committee by sending an e-mail to the following address: [ethique-alerte@socomore.com](mailto:ethique-alerte@socomore.com).

The Compliance Committee consists of two people:

- Mr Laurent Sanchez, the Deputy General Manager and the Financial Director of the Group.
- The Chairman of the Appointments and Pay Committee (CNR) forming part of the Socomore Group’s Board of Directors.

The members of the Compliance Committee are appointed for an indeterminate period. However, Socomore reserves the right to replace them or to appoint other members without having to update this section.

Socomore shall use any means to communicate any change in the composition of the Compliance Committee to all the employees.

- If this report is not duly acted on by the person receiving it within a reasonable timeframe, the employee will be able to take the matter to the legal authorities, the administrative authority, or professional associations. In this respect, reports relating to failures to fulfil Article 17 of the Law of 9 December 2016 or cases of corruption may be brought directly to the attention of the French Anti-Corruption Agency (AFA); where applicable, the Agency will forward the details to the Public Prosecutor who has jurisdiction, pursuant to Article 40 of the Criminal Procedure Code.
- Lastly, in the event of failure by one of the bodies referred to to deal with the matter within three months, the report may be made public.

### 3. The contents of the whistleblowing

Only authorised people will have access to the contents of the whistleblowing and the identity of the employee who availed themselves of the whistleblowing procedure.

Every measure shall be taken to maintain the security and confidentiality of the information contained in the whistleblowing done by the employee. The employee who is the source of the whistleblowing enjoys the benefit of absolute confidentiality.

### 4. The rights of people targeted by whistleblowing

The people targeted by whistleblowing are informed of it as soon as proof has been protected, subject to the proviso of applying any prior examination measures that may be necessary. They have a right to rectify and/or delete data concerning them and which appear to be inaccurate, incomplete, ambiguous or out of date.

Any whistleblowing which brings to light fraudulent behaviour, a significant shortcoming, or notable inadequacies in internal control will give rise to corrective actions and/or disciplinary sanctions and/or legal proceedings.

Moreover, the information gathered through the whistleblowing procedure may only be used by the HR Department and General Management with a view to conducting investigations relating to ethical issues. Under no circumstances may this information be used for other purposes; nor may it be used by other management divisions of Socomore.

## **5. Protecting whistleblowers**

The whistleblower is not criminally liable whenever the definition criteria set by Law No. 2016-1691 of 9 December 2016 are fulfilled; when divulging the information *“is necessary and proportional to safeguarding the interests in question”* and it occurs in accordance with the whistleblowing procedures (Article 122-9 of the Criminal Code).

The whistleblower cannot be dismissed, sanctioned or discriminated against in any way whatsoever for having reported facts in accordance with the whistleblowing procedure (Article L 1132-3-3 of the Labour Code; Article 6 *ter* A section 2 of Law No. 83-634 of 13 July 1983; Article L. 4122-4 section 2 of the Defence Code).

On the other hand, improper use of the whistleblowing procedure may make the person responsible subject to disciplinary sanctions as well as legal proceedings.

Anonymous denunciations are not taken into account. They do not form the subject of any investigation and will be destroyed immediately.

## **6. The identity of the whistleblower**

Socomore undertakes to take all the measures required to protect the identity of employees who are whistleblowing as well as of the people targeted by the whistleblowing and the nature of the facts as set by Decree No. 2017-564 of 19 April 2017.

In all cases, their identity may not be divulged to the person brought into question by the whistleblowing, in accordance with Article 39 of the Information Technology and Civil Liberties Law, unless the whistleblower agrees to it.

Whistleblowing shall be handled subject to full confidentiality, as shall the subsequent inquiries and reports, subject to the proviso of the obligations stemming from the law or the legal procedures that are applicable.

## **7. Follow-up to whistleblowing**

The facts reported shall be handled with the greatest possible rigorousness and shall form the subject of an inquiry that is duly carried out. Should this inquiry establish there were illegal acts, practices prohibited by the Charter, or a risky situation, the Compliance Committee shall be in charge of informing the Chief Executive Officer about it, who will take appropriate measures.