



CODE OF CONDUCT FIGHTING CORRUPTION AND INFLUENCE PEDDLING	
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Introductory remarks

Message from Paolo Barbieri, President of KEM ONE :

"Integrity and transparency are two fundamental values of the KEM ONE Group.

The Kem One Group is firmly committed to the fight against corruption and influence peddling, and has adopted a zero-tolerance policy.

The potential consequences for the company and those involved in corrupt practices are extremely serious, exposing us in particular to legal and judicial risks, but also to financial, commercial and reputational risks.

As a benchmark player in its sector, KEM ONE has a duty to set an example in this area.

At KEM ONE, we have a strong ambition: to build an international player recognized for its values and driven by the desire to behave and act consistently in line with the highest applicable standards of integrity and ethics.

The KEM ONE Group expects its employees and collaborators to get involved in bringing these values to life within the company.

Each and every one of the Group's employees and collaborators must therefore ensure that their day-to-day behavior embodies their commitment to scrupulously comply with the rules governing the fight against corruption and influence peddling.

With the aim of guiding its employees and collaborators in their day-to-day activities, the present code of conduct :

- presents and illustrates prohibited behaviors (Title I)*
- sets out the rules to be observed in the course of professional activity (Title II)*
- presents the internal whistleblowing system and sets out the disciplinary system for sanctioning company employees in the event of a breach of this Code of Conduct (Section III).*

We are convinced that strict adherence to these principles is essential to the success of Groupe KEM ONE."

Paolo Barbieri
President of Kem One

Scope of application

The present code of conduct applies to all companies in the KEM ONE group, comprising KEM ONE and its current and future subsidiaries (hereinafter referred to as "**KEM ONE**").

Each company in the KEM ONE Group must ensure that the principles and rules set out in this Code are applied within its own organization, after adapting them where necessary to comply with local regulations applicable in each country concerned.

All persons working in any way for the KEM ONE Group are required to comply with the requirements set out in this code, whether they are :

- KEM ONE Group employees (the "**Employee(s)**");
- members of its administrative, management or supervisory bodies, in particular members of KEM ONE's Executive Committee (COMEX);
- its external and occasional collaborators, such as temporary workers or people made available by a service provider;
- its commercial intermediaries, such as business introducers and sales agents acting in its name and on its behalf.

To facilitate the reading of this document, all the person listed above other than the Employees will hereafter be referred to as "**Collaborator(s)**".

Taking effect

The present code of conduct takes effect on May 1, 2025, following completion of the formalities required by the applicable legal provisions.

It can be accessed at any time on KEM ONE's Intranet site¹ and Internet site², and may be updated regularly.

¹ intranet.kemone.com/fr/Responsabilite/Ethique/Code-de-conduite

² <https://www.kemone.com/en/Sustainability/Collaborating-with-our-stakeholders>

A. Prohibition of all acts of corruption

➤ The notion of corruption

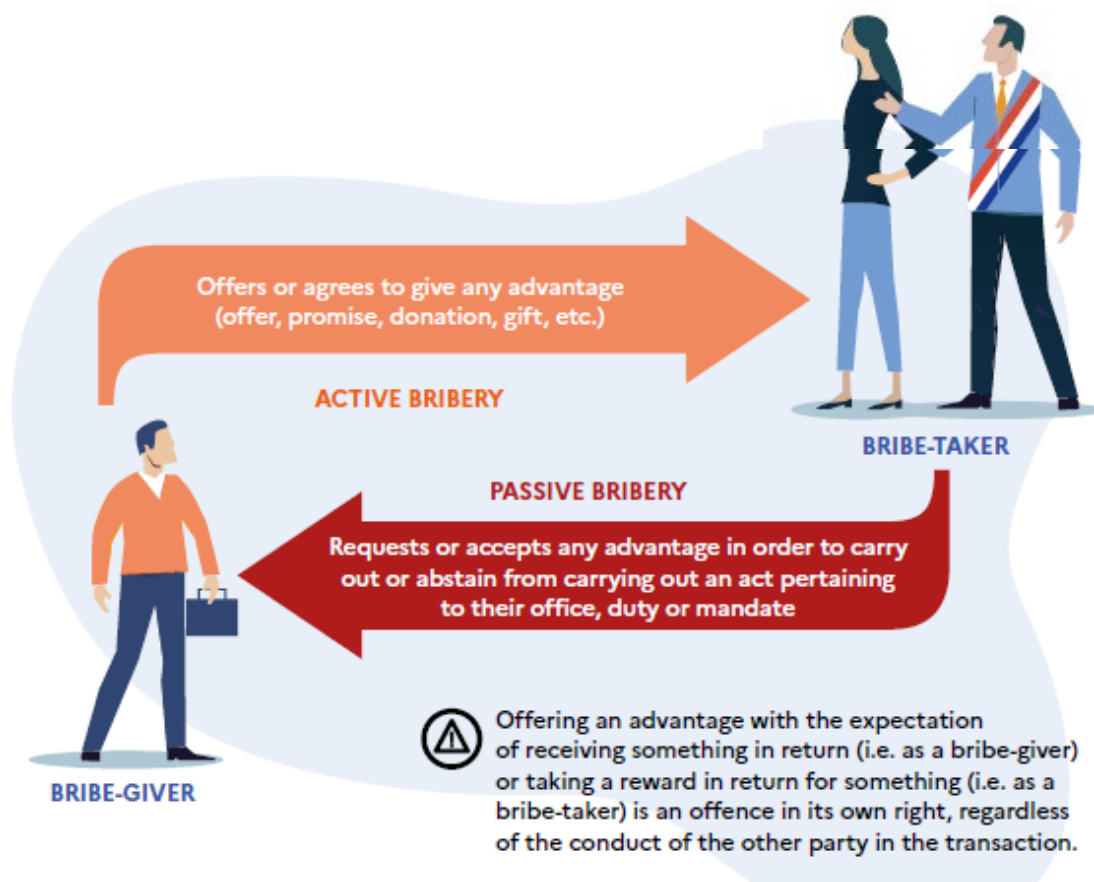
Corruption is defined as the act by a person, in a public or private position, of :

- demanding, receiving or accepting
- any advantage in kind or in money,
- whether directly or indirectly,
- for him(her)self or for a third party (parent, relative....),
- with a view to performing, delaying or failing to perform any act within the scope of his(her) duties.

In practical terms, the bribe-taker "monetizes" an act of his(her) office.

The same penalties shall apply to :

- **the bribe-giver:** the person who offers, promises or gives, whether on his or her own initiative or on that of the bribe-giver (active corruption)
- **and the bribe-taker:** the person who asks, receives or accepts (passive corruption).



® Diagram taken from the Anti-corruption guide for SMes and smaller intermediate-sized enterprises, published by the AFA in December 2021.

Corruption exists even if the corrupting process is short-lived or does not have the desired effect; this is the case, for example, if the bribe-taker's demands or the bribe-giver's offers are not accepted.

♦ Public and private corruption

Corruption can occur in relations with both private and public sector players.

As far as the public sector is concerned, this includes not only the state and state departments (e.g. town halls), but also state-owned or state-controlled commercial bodies (e.g. GPMM), state-controlled or state-directed organizations or agencies (e.g. URSAFF, DREAL, DIRECCTE), public international organizations and political parties.

♦ Direct and indirect bribery

Bribery is punishable whether it is carried out directly or indirectly through a third party.

➤ **Types of behavior constituting an act of corruption**

Corruption can take many different forms.

Gifts likely to be offered or received as part of an act of corruption may take various forms, such as:

- ♦ payment of sums of money;
- ♦ supply of goods in kind (wine, watch, Smartphone);
- ♦ the supply of services (work on a private home);
- ♦ invitations to entertainment (invitations to restaurants or sporting events) or offers to stay at a vacation resort at a ridiculously low price;
- ♦ promises of employment from relatives;
- ♦ commission payments.

The consideration expected in exchange for such gifts may also be of a very varied nature and content, such as :

- ♦ awarding or renewing a contract;
- ♦ obtaining advantageous commercial conditions (selling products at a price well below the market price, obtaining excessive discounts or rebates, commission rates well above the market rate);
- ♦ obtaining strategic commercial or technical information from a company;
- ♦ more favourable or faster treatment by an administration of any request ;
- ♦ obtaining an out-of-court settlement from an authority for a breach of the law.

Examples of behavior prohibited as constituting an act of corruption:

Acts of active corruption :

- ♦ *Offering a public official a sum of money or a benefit in kind in order to obtain a building permit, an application for authorization to operate an ICPE or more favorable construction or operating conditions.*
- ♦ *Offering money to a local authority official to speed up some administrative procedure.*
- ♦ *Paying a bribe to members of a foreign administration to obtain a contract in that country.*
- ♦ *For the head of a subcontracting company, offer the purchasing manager of the ordering company free equipment for his main residence, to build loyalty among subcontractors and guarantee future sales.*

- ♦ *Offering a sum of money to customs officers to avoid a statement of offences.*
- ♦ *Paying a civil servant to refrain from issuing a penalty notice for an offence.*

Acts of passive corruption :

- ♦ *Accepting a sum of money or requesting the assumption of certain personal expenses from one of the candidates in a call for tenders in return for the award of the contract.*
- ♦ *Offer to sign a contract with a supplier in return for hiring someone close to them.*
- ♦ *Agreeing to sell products to a customer company at prices that are clearly below those prevailing on the market in question, in return for a vacation paid by the customer company.*
- ♦ *Granting a business introducer a commission at a rate that is clearly higher than the market in question in exchange for an invitation for the whole family to a holiday in an exotic country.*
- ♦ *Allocate product volumes to a sales agent in exchange for bottles of wine.*
- ♦ *Granting a corporate customer a credit limit or payment terms far in excess of those normally attributed to the category to which the company belongs, in exchange for an invitation to a renowned sporting event.*
- ♦ *Agreeing to enter into a contract with a carrier at prices well above the market in exchange for invitations to a Michelin-starred restaurant.*

In all these cases, **the person who allows him(her)self to be corrupted is just as liable to punishment as the person who corrupts.**

B. Prohibition of influence peddling

➤ **The notion of influence peddling**

Influence peddling is defined as the act by a person of :

- **demanding, receiving or accepting**
- **any advantage in kind or in money,**
- **whether directly or indirectly,**
- **for him(her)self or for a third party (parent, relative, etc.),**
- **in return for his (her) intervention with a public authority or administration with a view to obtaining distinctions, employment, contracts or any other favorable decision.**

In concrete terms, the trafficker monetizes his(her) influence, whether real or not, in order to get a public authority to carry out an act or take a decision, or conversely, to refrain from carrying out an act or taking a decision.

The act of influence peddling requires:

- **the presence of an intermediary** (the "influence peddler"): the person who requests, receives or accepts the advantage in order to use his(her) influence (guilty of the offence of "passive" influence peddling);

between :

- **the potential beneficiary**: the person who proposes, promises or gives, whether on his(her) own initiative or as a result of the influence peddler's solicitation (guilty of the offence of "active" influence peddling)

- and the public authority or administration that has the power to award distinctions, jobs, contracts or any other favourable decision.

Influence peddling occurs even if the intermediary's intervention does not ultimately influence the decision taken by the public authority.

The potential beneficiary is just as punishable as the "influence peddler".



® Diagram taken from the Anti-corruption guide for SMEs and smaller intermediate-sized enterprises, published by the AFA in December 2021.

➤ Types of behaviour constituting an act of influence peddling

Influence peddling can take many forms.

The types of gifts likely to be offered or received as part of an act of influence peddling are the same as those offered or received as part of an act of corruption.

The nature and content of the objectives can also vary widely.

This may involve seeking to :

- ♦ be favoured in a public procurement procedure;
- ♦ to obtain more favourable or more rapid treatment of a case by an administration or public authority;
- ♦ avoid the imposition of a sanction by an administration or public authority.

Examples of prohibited behaviours constituting influence peddling:

- ♦ Offering a person money, or any other advantage, to encourage the issuing of a building permit by the municipality whose mayor is a close relative.

♦ *Granting a customer prices well below those of the market in question in exchange for his intervention with a public official to help obtain a change in the operating conditions of an Classified Installation for the Protection of the Environment.*

♦ *Granting commissions to a business introducer to intervene in the context of a public order so that the contract is awarded to KEM ONE.*

♦ *Offering a tax official sums of money in return for his supposed influence in reducing a tax reassessment.*

♦ *Offering a sum of money to a local elected official in exchange for his(her) intervention with a public authority to prevent it from issuing a parking ticket.*

C. Penalties

Any act of corruption or influence peddling is punishable by criminal and financial penalties. In French law, criminal penalties are doubled when a public-sector actor is involved in the act of corruption, or when the intermediary involved in the act of influence peddling holds a public office. These sanctions can be applied not only to the company, but also to individuals.

♦ Corporate sanctions

The company in question may be **fined** up to :

- For acts of bribery involving a person holding public office, and for acts of influence peddling where the intermediary holds public office: **up to 5 million euros**, which may be increased to ten times the proceeds of the offence.
- For acts of bribery not involving a public official and acts of influence peddling where the intermediary is not a public official: **up to 2.5 million euros**, which may be increased to ten times the proceeds of the offence.

Other penalties :

- Disqualification from engaging directly or indirectly in one or more professional or social activities;
- Placement, for a maximum period of five years, under judicial supervision ;
- Closure of one or more of the company's establishments used to commit the incriminating acts;
- Exclusion from public contracts;
- Prohibition on making a public offering of financial securities or admitting financial securities to trading on a regulated market;
- Ban on issuing cheques or using payment cards;
- Confiscation of the thing that was used or intended to be used to commit the offence or the thing that is the product of the offence;
- Publication of the conviction, at the offender's expense.

♦ Penalties for individuals

- For acts of bribery involving a public official and acts of influence peddling where the intermediary is a public official: any natural person involved is liable to **up to 10 years' imprisonment, as well as a fine of one million euros**, which may be increased to double the proceeds of the offence.
- For acts of bribery not involving a public official, and for acts of influence peddling where the intermediary is not a public official, any natural person involved is liable to **up to 5 years'**

imprisonment and a fine of 500,000 euros, which may be increased to double the proceeds of the offence.

Other penalties :

- Disqualification from civic, civil and family rights;
- Disqualification from holding a public office or the professional or social activity in the exercise of which the offence was committed, from exercising a commercial or industrial profession, from directing, administering, managing or controlling in any capacity whatsoever a commercial or industrial enterprise or a commercial company;
- Confiscation of the thing that was used or intended to be used to commit the offence or the thing that is the product of the offence;
- Posting or broadcasting the decision.

Title II. Rules to be observed

A. Behaviors to avoid

General principle: In the course of his(her) professional activities, no Employee/Collaborator may, directly or indirectly, ask for, receive, accept or propose, offer or give a sum of money or any other advantage, with the aim of granting or obtaining in return an unjustified favour or service (undue advantage).

⇒ *Examples of benefits: an upgrade to a 1^{ère} class air ticket, the hiring of a family member, an invitation to a restaurant or soccer match, an invitation to a show.*

⇒ *Examples of unjustified favors or services: awarding a contract through a bidding procedure not based on objective criteria, granting prices lower than those usually charged, awarding commissions well above those customary in the market in question.*

Behaviours to avoid:

- **Do not offer any gift(s) or other benefit(s) in order to obtain a contract.**
- **Do not make payments without supporting documents** (contracts, invoices, etc.).
- **Do not make payments or pay commissions to an offshore bank account or to a person other than the one identified in the document entitling payment** (contract, invoice, etc.).

B. How to behave

KEM ONE expects each of its Employees/Collaborators to participate actively in the fight against corruption and influence peddling. To this end, all Employees/Collaborators must strictly comply with the procedures in force within KEM ONE, as well as with the rules defined in this section.

1. Procedures for negotiating and concluding contracts

➤ The contract negotiation framework procedure :
<http://intranet.kemone.com/fr/Responsabilite/Ethique/Negociation-des-contrats>

➤ The procedure for evaluating KEM ONE's partners with regard to the risk of committing acts of corruption and/or influence peddling:

<http://intranet.kemone.com/fr/Responsabilite/Ethique/Evaluation-de-nos-partenaires>

➤ The inclusion of a Compliance-Ethics clause in all contracts with third parties:
<http://intranet.kemone.com/fr/Directions-supports/Juridique-et-assurances/Contrats/Clause-Conformite>

2. Rules for using commercial intermediaries

The term "commercial intermediary" refers to any natural or legal person involved in a business relationship between KEM ONE and a third party.

In practice, corruption frequently involves the use of third parties as intermediaries to obtain a contract or influence the actions of a public or private player.

It is important to work exclusively with intermediaries who apply the same principles of conduct as KEM ONE in the conduct of their business.

Particular attention must be paid when an intermediary acts "on behalf of" a KEM ONE Group entity (sales agents, for example), especially when an intermediary :

- acts on behalf of KEM ONE to secure contracts;
- has the right to enter into agreements on behalf of KEM ONE and/or
- is paid on a percentage or commission basis.

Indeed, a KEM ONE Group entity could be held responsible for the conduct of such an intermediary.

The use of sales agents is therefore subject to a strict framework, detailed in a procedure available on the Intranet site: <http://intranet.kemone.com/fr/Directions-supports/Juridique-et-assurances/Contrats/Contrat-d-agent-commercial>.

3. Training

Specific training is compulsory for those identified as being most exposed to the risk of corruption/influence peddling (mandatory training).

4. Gift policy

➤ **Principle of prohibition: the offering or acceptance of any gift, to or from a third party to the company, is purely and simply prohibited.**

The term "gift" refers to any good, service, invitation to entertainment or anything else of value. As such, it is forbidden to accept any invitations to leisure activities (sporting events, concerts, exhibition openings....).

The payment or acceptance of monetary benefits is strictly forbidden.

➤ Three exceptions to the general principle of prohibition:

■ Low-value gift

An Employee/Collaborator may accept a non-monetary gift provided :

- **its value is low enough** not to be perceived as an attempt at bribery (flowers, chocolates, small office items, etc.). A value of €50 or less is considered sufficiently low;

and

- that the gift is **made available to the department to which the Employee/Collaborator belongs.**

All other gifts must be refused and returned to the sender.
A sample refusal letter is available on the KEM ONE intranet site.

In addition, an Employee/Collaborator may offer a non-monetary gift provided :

- it is an object made available by KEM ONE as part of the KEM ONE advertising objects offer/shop, or it is **of sufficiently low value** so as not to be perceived as an attempt at bribery (flowers, chocolates, small office items, etc.). A sufficiently low value is considered to be less than or equal to €50;
- have obtained prior authorization from the director of the functional division or site concerned;
- this is not contrary to the partner company's internal rules.

■ **Invitation to an event sponsored by KEM ONE**

An Employee/Collaborator may offer tickets to an event sponsored by KEM ONE under the conditions defined in paragraph 5 below.

■ **Invitation to a professional meal**

A meal may be received from/offered to a third party if all of the following conditions are met:

- The meal is organized as part of the professional activity: the meal takes place during a day of meetings and is intended to enable participants to discuss professional matters.
- Its value is that of an ordinary business meal by local standards.
- Spouses or any other third party not involved in the professional activity for which the meal is being held are not invited.

It is strictly forbidden to offer/receive a gift, regardless of its value, if the recipient has direct or indirect decision-making power with regard to a current decision affecting the interests of KEM ONE (e.g.: calls for tender, changes to legislation or regulations, obtaining commercial contracts, granting authorizations).

If an Employee/Collaborator considers it to be in the interest of KEM ONE to deviate, on a one-off and exceptional basis, from the rules of the Gift Policy as defined above, he or she may submit a request for such deviation to the Ethics Officer.³

Requests for derogation must be made in writing and must be accompanied by all the background information required to assess the request⁴. The Ethics Officer is entitled to request any additional information.

The Ethics Officer will analyze the merits of the request in the light of the information provided to him/her, and will forward his/her opinion to KEM ONE's General Management, which alone has the right to authorize, or not, the requested derogation.

5. Donations, sponsorship and patronage

➤ **A donation** is any payment made to support charitable causes without expecting any commercial advantage or other compensation in return.

Donations can be made in money or in kind, in goods or services.

Warning: even legitimate donations may be interpreted as acts of corruption when they are made to charitable organizations that may benefit, in one way or another, a third party directly or indirectly

³ The Ethics Officer is designated as part of the alert system set up within KEM ONE. This system is presented on the KEM ONE site:

⁴ A model form is available on the intranet: intranet.kemone.com/fr/Responsabilite/Ethique/Code-de-conduite

linked to KEM ONE. It is therefore necessary to verify that no link can be established with a person (public or private agent) who would have decision-making power or influence that could favour KEM ONE.

Donations do not include contributions to industry associations, membership fees paid to professional organizations or sponsorships in which KEM ONE benefits from a certain amount of publicity.

Rules to follow :

- Obtain the authorization of the functional or site manager concerned, as well as the relevant financial control, before making any pledge or donation.
- Do not donate if there is a potential conflict of interest. Do not donate to organizations designated by customers, suppliers or public officials.
- Donations made in cash or paid into accounts belonging to individuals are strictly prohibited.
- All sites and functional departments must declare all donations to the KEM ONE financial control Department.

➤ **Patronage and sponsorship operations**

Patronage consists in providing material support, without any direct counterpart on the part of the beneficiary, to a charity or individual for the pursuit of activities of general interest.

Sponsorship involves providing financial or material support for an event, person, product or organization with a view to deriving a direct benefit.

Unlike donations or sponsorship, the aim of a sponsorship operation is to obtain a specific benefit: the visibility and publicity generated by the event help to reinforce the image of the sponsor (the person providing the support) among specific target groups.

Rules to follow :

- All sponsorship operations must be approved in advance by KEM ONE's Human Resources and Communications Department.
- All sites and functional departments are required to declare all sponsorship transactions to the KEM ONE Financial Control Department.

NB: When a sponsorship operation involves the provision of complimentary ticket(s) to an event, the use of such ticket(s) is subject to the rules defined in the Gift Policy.

In practice: use the donation, sponsorship or sponsorship application form available on the intranet: intranet.kemone.com/fr/Responsabilite/Ethique/Code-de-conduite

6. Lobbying activities

Lobbying refers to any activity designed to influence the decisions or directives of a government or authority in favour of a particular cause or interest.

While lobbying activities are not in themselves illegal, care must be taken to ensure that they are not misused for corrupt purposes or to unduly influence any decision.

Example: it is an act of corruption, rather than lobbying, when a lobbyist pays a public official or offers him privileges in order to induce him to support legislation or activities favourable to his business.

Rule to follow:

No gift may be offered, promised or given with the aim of influencing a decision or directive by an authority in favour, directly or indirectly, of KEM ONE or its activities.

7. Relations with public bodies

➤ We need to be particularly vigilant in our **dealings with public bodies** (to obtain the completion of an administrative formality, for example).

Rules to follow :

- Any payment of remuneration or benefits of any kind whatsoever to a public player may only be made after obtaining the prior agreement of the site manager or functional director concerned and must, in any event, be provided for/authorized by law.
- Any contract concluded with a public player must be reported as such to the buyer concerned.

➤ The term "**facilitation payment**" refers to the payment of sums of money to accelerate or facilitate the performance of routine, non-discretionary administrative acts (such as clearing customs or issuing a visa).

Rule to follow:

Whether local laws allow it or not, KEM ONE simply prohibits such facilitation payments.

➤ **Political contribution**" refers to any direct or indirect contribution to support a political party, candidate or elected official, in the form of money or any other benefit (services, advertising, etc.).

Rule to follow:

Any political contribution made by or on behalf of the company is strictly forbidden.

8. Conflict of interests

➤ **A conflict of interests** situation arises when a KEM ONE Employee/Collaborator has personal interests, direct or indirect, that could be in competition with his(her) position within the company. Such a conflict of interest could potentially call into question the neutrality and impartiality with which the person must carry out their duties: their personal interests could influence the way in which they carry out their duties.

The interests at stake can take many forms (financial advantages, employment, etc.). They may concern both the accused and those close to him or her.

Rules to follow :

When such a situation arises, any Employee/Collaborator must act in such a way as to avoid any conflict of interest, in particular by :

(i) by informing his(her) superior as soon as he(she) is aware of it ;

(ii) and, unless otherwise instructed by his(her) superiors, by not taking part in KEM ONE's decision-making on the matter in question (negotiation or award of a contract, hiring decision, authorization of a donation, patronage or sponsorship operation, etc.).

9. Compliance with accounting control procedures

All transactions must be recorded, documented exhaustively and transparently, and allocated to accounts that accurately reflect their nature.

Attempting to conceal a payment may constitute a more serious offence than the payment itself.

Rules to follow :

- All accounting control procedures in force within the company must be strictly adhered to (Expense Claim, Small Expenses, Travel Policy, etc.).

- All transactions must be fully documented, properly approved and allocated to the correct expense item.

If in doubt about the rules to follow: consult the Legal Department.

Title III- Internal whistleblowing and disciplinary procedures

A. Internal warning system

Any Employee/Collaborator noticing conduct or situations contrary to the present Code of Conduct may activate the internal alert system set up within KEM ONE to report them.

Details of how to use this internal warning system are available on the KEM ONE intranet⁵ and on the Internet.⁶

B. Disciplinary system

Failure to comply with the provisions of this code of conduct may give rise to penalty(s), in accordance with the internal regulations in force at the establishment of the Employee(s) or member(s) of the COMEX of KEM ONE concerned.

KEM ONE's Ethics Officers⁷ and/or members of KEM ONE's Legal Department are available to all Employees/Collaborators to provide any clarification they may require on the content of the present code of conduct.

⁵ <http://intranet.kemone.com/fr/Responsabilite/Le-dispositif-d-alerte>

⁶ <http://www.kemone.com/en/Sustainability/The-whistleblowing-system>

⁷ To contact the Ethics Officer, send an e-mail to referent.ethique@kemone.com