



Ethic & Compliance

Code of ethic

CONTENTS

Our Commitment	4
Our core principles	5
Respecting our Ethic Code	6
Who does the Code of Ethics apply to?	7
An employee at Scalian	7
A Manager at Scalian	7
Prohibited behaviour	8
Corruption	8
Corruption of public official	9
Influence peddling	9
Extortion (illegal solicitation)	10
Facilitation payments	10
Conflict of interest	11
Fraudulent book & record keeping	11
Policy against anti-competitive practices	12
Business relationships	13
General principles	13
Risks of offering or receiving	14
Proper conduct	14
Recommendations	15
Non-tolerated behaviours	15
Gifts and invitations	16
Gifts	16
Entertainments	17
Meals	17
Travels	18
Donations and sponsorships	19
Donations	19
Sponsorship	20
Political contributions	21

Preventive measures.....	22
Raising awareness and training.....	22
Advice and information	22
Incident reporting system	23
Whistle-blower protection.....	23
How to report a breach internally?	24
How to report a breach externally?.....	24
Public alerts.....	24
Procedures	25
Risk mapping	25
Procedure for assessing third parties	25
Monitoring	25
Recommendations	26
Conflicts of interest	26
Influence peddling, Corruption	27
Early warning signals of corruption	28
Intermediaries	28
Sales	28
Payment of agents.....	29
Purchasing.....	29
Conflict of interest.....	30

Our commitment

Founded over 30 years ago on a core set of values, we must be able to recognise and manage potential risk situations. Scalian has zero tolerance for corruption and is committed to complying with all applicable anti-corruption laws including the French "**Sapin 2**" law (*no. 2016-1691 on transparency, fighting corruption and modernizing economic life*), the US "**FPCA**" (*Foreign Corrupt Practices Act*) and the UK "**UKBA**" (*UK Bribery Act 2010*). The Sapin 2 law applies to all our group subsidiaries. The FCPA and UKBA also have extraterritorial effects.



As President, it is my responsibility and commitment to prevent, prohibit and punish behaviour that is contrary to Scalian's values and ethics.

The Code of Ethics must be a reference to guide us in our daily practices. It must serve as a guide. I invite you to read it, to adopt it and to seek advice.

If you have any questions or if you witness any inappropriate behaviour, I would encourage you to use the Incident-reporting Procedure in order to inform the "Ethics and Compliance" committee. As Chairman, I shall ensure no employee is subject to any form of reprisal for reporting an incident.

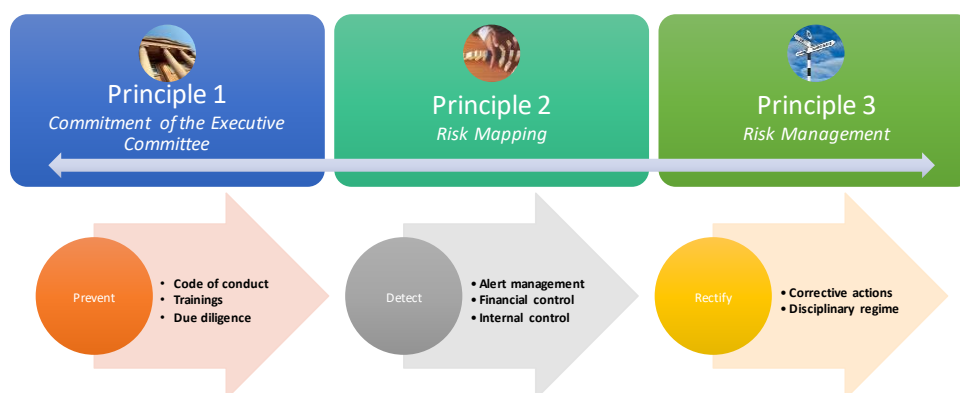
Our Code of Ethics can only exist through the active involvement of everyone. Scalian's credibility depends on this, as does yours.

Yvan Chabanne - President of the Scalian Group

Our core principles

Our anti-corruption policy is built on three essential foundations:

- ✕ **First principle:** the Executive Committee's commitment to ensuring that Scalian's missions, skills and activities are not compromised, which requires :
 - To be exemplary in personal behaviour, both in speech and in action, in terms of integrity and probity;
 - Promote the anti-corruption system through personal communication;
 - Implementing sufficient resources to ensure the effectiveness and efficiency of the system;
 - To be responsible for the effective management of the system;
 - To comply with it when taking its own decisions;
 - Ensuring that adequate and proportionate punishment is applied in the event of behaviour that is contrary to the code of conduct or that could be considered as a breach of probity.
- ✕ **Second principle:** the understanding of the risks to which the organisation is exposed, through the development of a risk map;
- ✕ **Third principle:** the management of those risks, through the implementation of effective actions and procedures aimed at their prevention, the detection of possible behaviours or situations contrary to the code of conduct or likely to constitute breaches of probity and the sanctioning of such breaches. This management also includes the monitoring and evaluation of the effectiveness of these actions and procedures.



Respecting our ethic code

This publication supersedes previous versions of our Code of Ethics in each country where the Group operates, after translation and integration into our internal rules in accordance with local law. Our Anti-Bribery Policy should be considered as an addition to the internal rules for Scalian Group companies.

It is communicated to all employees via the SMG Intranet and available on Scalian's public websites. All employees must read, understand and comply with it. Compliance is a condition of employment. Violation of the Anti-Bribery Policy by an employee may result in disciplinary action, up to and including dismissal, without prejudice to possible civil, penal and/or administrative proceedings and sanctions, regardless of the company or jurisdiction involved.

Our Anti-Bribery Policy will be reviewed and updated to take account of legislative and regulatory changes and, at a minimum, every three years.

The term "member of the Scalian Group" refers to any person acting in the name of or on behalf of Scalian in his or her capacity as an employee (full-time employee, temporary worker, and trainee), partner and/or external service provider, as well as any associates, legal representatives and members of the Supervisory Board.

Any violation of this Code of Ethics may lead to disciplinary actions as provided for in the internal regulations.

Who does the code of ethics apply to?

All Scalian employees.

All entities created with one or more partners and controlled by Scalian. The non-exhaustive list of these entities includes the subsidiaries, majority-owned companies and joint ventures.

What are your responsibilities as:

An employee at Scalian

As a Scalian employee, you must set an example in terms of ethical conduct and compliance with rules by:

- ✕ Taking on board all the points addressed in the Code of Ethics;
- ✕ Keeping informed of updates to the Code of Ethics;
- ✕ Understanding Scalian's procedures and instructions relating to your position;
- ✕ Contacting your manager or the Scalian "Ethics and Compliance" committee if you have any questions or doubts;
- ✕ Understanding how to use Scalian's "incident reporting platform" and any other reporting method, in accordance with the laws and regulations in force in your country.

A Manager at Scalian

You set the tone in terms of ethical conduct and compliance with rules. As a manager, your responsibilities go beyond those of an employee. You must define strict requirements in the area of ethics and respect your commitments. Your role covers several aspects:

- ✕ Having a thorough understanding of all the points addressed in the Code of Ethics;
- ✕ Giving information about the Code of Ethics to employees;
- ✕ Ensuring your teams receive training concerning the Code of Ethics and policies;
- ✕ Identifying and reducing the risks linked to your activity;
- ✕ Promoting the incident-reporting platform;
- ✕ Immediately informing the Scalian "Ethics and Compliance" committee about any incident reported;
- ✕ Establishing and implementing any corrective measures to solve the problems, in collaboration with the competent person.

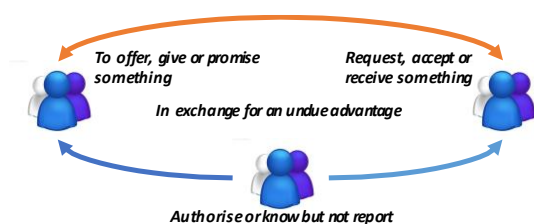
Prohibited behaviour

This chapter presents the key prohibited behaviours of bribery, influence peddling, extortion, facilitation payments and fraudulent accounting entries.

Corruption

Corruption encompasses a wide range of practices and is not addressed in the same way in all legal texts, or perceived in the same way in different cultures. It is defined as follows in the Council of Europe Civil Law Convention on Corruption:

For the purpose of this Convention, "corruption" means requesting, offering, giving or accepting, directly or indirectly, a bribe or any other undue advantage or prospect thereof, which distorts the proper performance of any duty or behaviour required of the recipient of the bribe, the undue advantage or the prospect thereof



This can be translated into daily life as:

Offering or giving anything in order to obtain an undue advantage / Requesting, accepting or receiving anything in exchange for an undue advantage.

The offering of **anything** can be money (cash, wire transfer or otherwise) or **benefits in-kind** (entertainment, travel, tickets, side trips to holiday resorts, sponsorship, charitable donations and employment of relatives or friends).

The **undue advantage** can take many forms such as a preferential treatment, the conclusion of a contract, the disclosure of confidential information, a duties or punishment exemptions, and in a general manner everything that influences a person.

It is important to understand that the following are corrupt practices condemned by law:

- ✘ Offering and giving anything, on the one hand, in order to obtain an undue advantage, and
- ✘ Requesting, accepting or receiving anything, on the other, in order to confer an undue advantage.

Authorizing or being aware of such action and falling to report them is a corrupt practice.

The offence is constituted even if the undue advantage is not achieved.

Corruption of public official

Promising, offering or giving, to a public official, directly or indirectly, an undue advantage, for the official himself or herself or another person or entity, in order that he or she perform or refrain from performing an act in the exercise of his or her official duties, is considered an aggravating act of bribery of public officials.

The concept of “public official” is to be understood very widely. It encompasses any person, including but not limited to:

- ✖ Holding a legislative, executive, judicial or administrative position;
- ✖ Elected or appointed to provide a public service and/or perform any public function, including for a public organisation or public sector company;
- ✖ Employee of a private company under a contract financed by public funds or with a company owned or controlled by a public authority;
- ✖ Who is a royal family member;
- ✖ Who is a public servant of an international governmental organization, or who is a candidate for a political office or who is a person having a significant position, with decision-making power, in a political party.

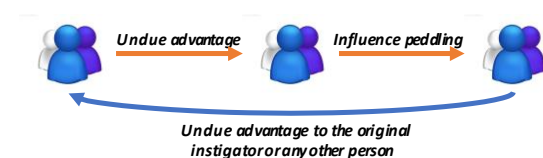
By enlargement, and in order to respond to the latest jurisprudence, close relatives of public officials, even if they are not a public official themselves, should be treated as if they were.

Indeed, the law makes no distinction between the public official and his or her family in the scale of sanctions.

Influence peddling

Influence peddling is a criminal offence and can be defined as:

A criminal offence that involves offering, (active influence peddling), soliciting or accepting (passive influence peddling), directly or indirectly and at any time, gifts, promises or any undue advantage in order to ensure that the recipient abuse, or in exchange for their having abused, his or her real or supposed influence with a view to obtaining distinctions, employment, contracts or any other undue advantage.



Influence peddling is a form of corruption.

Some legislations, in particular France, legally distinguish the offence of corruption from that of influence peddling. Other countries such as the United States do not make any difference.

Practical application

- ✖ **Active influence peddling** : You give money to someone to influence the decision-maker of a market to your benefit
- ✖ **Passive influence peddling**: A client asks for a job in return for a positive feedback.

Extortion (illegal solicitation)

Extortion is the fact that a person who has been entrusted with public authority or a public service mission, in the exercise of his or her functions, collects an undue sum or grants a third party an exemption from a sum due to the community or public authority.

Extortion may be defined as seeking an undue advantage through use of violence, threat of violence or coercion. Blackmail is a perfect example of extortion.

Bribery or illegal solicitation is a form of corruption.

Practical application

Two months before you expect to receive an important call for tender, you are asked to sponsor one of their clubs.

This request is considered as bribery and cannot be accepted. By agreeing to finance this club, the manager is in fact paying a bribe and is personally exposed to criminal prosecution and imprisonment. Scalian, as a legal person, can also be penalised.

You must report this breach.

Facilitation payments

Facilitation payments can be defined as:

A small bribe paid to secure a routine act or service which the payer is already entitled to receive (by law or otherwise) will be affectively or more quickly accomplished.

Facilitation payments are illegal in most countries and are a violation of our Code of Ethics, even if the payment is legal under local law.

Practical application

You need a visa for your next business trip, but you are late. An embassy official offers, for a small cash fee, to get you the visa within 24 hours.

This case is interesting because there is a "fast track" service with an official and transparent price to obtain the same visa.

In conclusion, you can go through the "fast track". It is not a prohibited facilitation payment, unlike the solicitation of the official.

You must report this breach.

Conflict of interest

The expression means:

A proven or apparent situation in which an individual or organisation has several interests due to their position or responsibilities in a public institution, a company, an association, a foundation, etc. These different interests can be in conflict with each other and affect decisions or actions.

All managers and employees have, in the context of their lives, established relationships with associations, relatives or other activities that may conflict with their professional duties. When it comes to choosing suppliers, employees or experts, many situations in life present a risk of conflict of interest and are not always easy to identify.

If, in the course of your duties, you become aware of the existence of a conflict of interest or the existence of a situation that might suggest a conflict of interest, you must report it immediately to your hierarchical superior or via the alert platform.

Put it in writing, it will clarify things.

Practical application

Scalian's recruitment process requires two interviews, one with a technical person. A recruitment manager has been given a mandate to look for a consultant and selects three, which he forwards to his agency manager.

However, he learns that the manager has received five candidates. After enquiries, it turns out that one of the two candidates is a family member of one of his clients and that he intends to make him the successful candidate.

You must report this breach.

Fraudulent book & record keeping

No manipulation or falsification of accounting record concealing any form of corruption or influence peddling will be tolerated, whatever the country and activity concerned.

Practical application

You work in the accounting department, a friend of yours working in Sales, is negotiating a deal.

Since his client is a football fan, he would like to offer him a VIP evening of €1,500 for the final. He knows that this expense is beyond Scalian's gift policy. He asks you, in the name of your 30-year friendship, to book this expense to a miscellaneous account.

Can you?

You should never agree to misclassify a gift or hide an expense.

Policy against anti-competitive practices

Scalian wishes to work with its partners and clients in a spirit of ethical collaboration. As such, they must share Scalian's values and conduct themselves in a consistent manner with Scalian's principles, including:

- ✖ Transparency obligation for all relationships with business partners;
- ✖ Written notice of any business relationship or referral fee arrangement relating to the products and services that Scalian offers. They may constitute a general notice of the terms of the client's contract.
- ✖ Partners' obligation to comply with the law, including laws prohibiting corruption and unfair competition.

Business relationships

General principles

Small-scale business gifts and hospitality are common practice. They show goodwill and strengthen relationships between partners.

Offering or accepting occasional business travels or meals, small items or tickets to sporting or cultural events may be considered appropriate in certain circumstances.

However, before giving or accepting a gift or invitation, you must meet all the following basic principles:

- ✖ It must comply with applicable laws and our Group Policies as well as the rules of the recipient's employer;
- ✖ It must occur in connection with a verifiable legitimate business purpose and must neither be made to gain an undue advantage nor unduly influence an action;
- ✖ It must be appropriate considering the recipient's position, the circumstances and have a reasonable value;
- ✖ It must not create a sense of bribery, obligation or an appearance of impropriety;
- ✖ It must not be given frequently to or received from the same person or company;
- ✖ It must be recorded fairly and accurately in the Scalian's books and records.

Any expense claim above the thresholds defined per country in the Travel and expenses policy may be rejected by your Manager

Risks of offering or receiving

Gifts and invitations can be considered as prohibited acts of corruption. This may result in civil or criminal legal proceedings against Scalian and/or the Group's members.

Consequently, members of the Scalian Group may not directly or indirectly give or accept any illegitimate benefits in money or in kind to or from a public official, a customer, a supplier, a company, a subcontractor or any other third party.

The risks are more severe in the case of public officials. Note that in some countries, business gifts and entertainment are prohibited by law.

Proper conduct

The following questions will help you to decide if you can accept a gift or invitation or if it is contrary to the policy:

- ✖ Does law prohibit the gifts or invitations?
- ✖ Is the value in line with the local standard of living? If it is higher, the gift/invitation must be refused and you should explain the Group's principles on this issue.
- ✖ Can there be reciprocation? You or the person concerned must be able to give or receive the same type of invitation or gift.
- ✖ Are the gifts or invitations offered or requested too often by the same person?
- ✖ In the event the invitation concerns several employees, prior authorisation must be given by the Department Manager.
- ✖ Would I be embarrassed if people knew about the gift or invitation?
- ✖ Does the fact that I accept or offer a gift mean I have some kind of obligation towards another person? Does it create some kind of obligation in terms of the business relationship?
- ✖ Is the gift/invitation made within a particular context (calls for tender, entering a market, etc.)?

Recommendations

If you have any doubts, please do not hesitate to refer to your manager, the legal department, or the "Ethics and Compliance" committee. You must:

- ✖ Inform your manager about any gift or invitation proposed or accepted, whatever its value;
- ✖ Inform your business partner of Scalian's policy on gifts and hospitality at the start of any new business relationship;
- ✖ Speak to your manager when a supplier or subcontractor offers you valuable gifts or invitations;
- ✖ Obtain your manager's approval before offering of gifts or hospitality to representatives of a public office;
- ✖ Treat any gift, invitation or proposal made by an intermediary in the same way as a direct proposal;
- ✖ Only accept an invitation to a restaurant if it is linked to a particular event;
- ✖ Find out about the local regulations and customs before offering any gifts, hospitality or other benefits;
- ✖ Take account of the policy of the company in which the person receiving the gift or invitation works.

Non-tolerated behaviours

Scalian formally prohibits:

- ✖ Les Cash gifts;
- ✖ Invitations or gifts during calls for tender or any other negotiations;
- ✖ Gifts and invitations that are illegal or contrary to the laws and customs of the country;
- ✖ Gifts and invitations aimed at obtaining a favour in return;
- ✖ Personal services;
- ✖ Loans;
- ✖ Improper gifts and incitements, or gifts/invitations in improper places;
- ✖ Events or meals in which the business partner does not actually participate;
- ✖ You should never agree to misclassify a gift or hide an expense.

Gifts & invitations

Gifts

Gifts are defined as follows:

A material benefit offered in the context of a social relationship, where the value can be highly dependent on the circumstances (level of life, context...) and the people.

A Scalian employee is not allowed to request or demand a gift.

While strongly discouraged, a gift is authorised, if all the following conditions are met:

- ✖ The basic principles are met;
- ✖ The following additional conditions are met:
 - It has a nominal value. The thresholds defined in our travel and expense policy should be used as a reference;
 - It should only be given to the business contact and not to their relatives;
 - It should not be given in cash or cash equivalent.

Other than for unsolicited advertising media¹ or honorary² gifts, assuming they have only a symbolic value, must be approved in advance by your manager.

If, on an exceptional basis, the gift is bought directly by an employee, manager approval may be evidenced through approval of the expense claim.

Practical application

We offer you a pen with the logo of his or her company. Can you accept it?

If it is a modest-value advertising pen, it can be accepted. However, if the pen is branded and of higher value than local practice, you should discuss this with the “Ethics and Compliance” Committee before accepting it.

¹ Calendar, Agenda

² Medals

Entertainments

Invitations to entertainment, whether cultural, festive, social or professional, are legitimate opportunities to build relationships with partners. However, like gifts, they can be risky and should meet the following conditions:

- ✕ The basic principles are met;
- ✕ The following additional conditions are met:
 - It has a nominal value. The thresholds defined in our travel and expense policy should be used as a reference;
 - A member of the Scalian group must be present at the event;
 - Entertainment is legal and socially acceptable.

Entertainment invitations above the thresholds must be approved by your Manager in advance of extending such invitation. When you pay for an invitation expense and then request reimbursement, Manager approval may be evidenced through approval of your expense reimbursement claim.

Practical application

You are in a tender process that requires the use of suppliers and you receive an invitation to an event. What should you do?

You have to decline this invitation. You may find yourself in a conflict of interest situation, which can be seen as an attempt at bribery if the supplier expects compensation from you.

You must report this breach.

Meals

Doing business over a meal is common practice in the business world, but it is sometimes a mistake to do so. A meal may be accepted, if all the following conditions are met:

- ✕ The basic principles are met;
- ✕ The following additional conditions are met:
 - The meal takes place in the course of a business meeting;
 - The purpose of meal is to have business discussions;
 - The cost is the value of a working meal according to local standards and conventions, in relation to the recipient's duties, circumstances, and opportunities. The thresholds defined in our travel and expense policy should be used as a reference.

All invitations to meals exceeding the thresholds must be previously approved by your manager. Approval can be evidenced by a purchase requisition or by an expense claim.

Practical application

You wish to invite a guest, you have ensured that all the principles of our policy are met, but the value of the meal exceeds the thresholds. What should you do?

The thresholds set out in our travel and expense policy are a benchmark for assessing your compliance. If you have exceptional circumstances, it is important to review the situation and explain why the meal is justified.

Travels

In certain limited circumstances, it may be necessary to pay the travel and lodging expenses of third parties (clients, suppliers, auditors, etc.) under the following conditions:

- ✖ The basic principles are met;
- ✖ The following additional conditions are met:
 - The invitation is professional and does not include or cover any side trip;
 - The duration of the trip is strictly limited to business requirements (no weekends);
 - It complies with our travel and expense policy (no upgrades);
 - Payments to cover expenses are on a real cost basis and made directly to the providers;
 - It is only provided to business contacts and not to family members or friends.

Travel and lodging expenses extended to third parties must be approved in advance by your Manager.

Practical application

You want to organise a visit to the head office for a foreign client.

After agreement from your manager, you can organise the trip, but you must be careful about travel and lodging arrangements:

- ✖ You need to check if your client has any restrictions under its own anti-corruption or other applicable company policies. If so, you must comply with them.
- ✖ If you pay for your client, you must meet the basic principles and additional conditions mentioned above.

Your client is completely unfamiliar with the city and you want to organise a visit for him.

Always with the agreement of your manager, any on-site entertainment organised for your client or any local tour must not include any additional travel or lodging costs and must comply with the rules on entertainment.

Donations & sponsorships

Donations

Donations are defined as follow:

Advantages given in the form of money and/or contributions in kind; they are allocated for a specific purpose: research, training, environment (sustainable development), charitable or other humanitarian purposes.

Donations to charitable organisations made on behalf of Scalian or using its financial resources must comply with applicable laws and regulations are subject to prior written approval by the Communications Department and must be duly registered. Any decision or action taken must be recorded in writing.

As a responsible company, Scalian donates money or products to education and science, art and culture, humanitarian and social projects.

All the charitable donations can be done whether the following conditions are met:

- ✗ The basic principles are met;
- ✗ The following additional conditions are met:
 - There is enough information regarding the purpose of the donation, to determine it is compatible with our CSR policy;
 - Any potential conflict of interest situation associated with this donation has been disclosed and cleared;
 - Payments are never made in cash or to an individual's private account.

All donations must be transparent. This means that the identity of the recipient and the intended use of the donation must be justified and documented. Fictitious donations (which resemble compensation for a service provided but whose value far exceeds the value of the service in question) are prohibited.

Scalian does not allow donation:

- ✗ To individuals or profit-making organisations;
- ✗ Paid to private accounts;
- ✗ To organisations, whose objectives are incompatible with the business principles that Scalian stands for or which could damage Scalian's reputation.

Practical application

You are asked to donate to a local charity.

There are two possible cases:

- ✗ You are free to donate to a charity in your own name if you wish to;
- ✗ You wish to donate on behalf of the Group company, in which you work, contact the communication department with all the information required by the special conditions.

Sponsorship

Sponsorship means:

Any contribution in cash or any other form that Scalian provides to an event organised by a third party, in exchange for the company's ability to advertise, for example by displaying its logo, mentioning the company in opening and closing speeches, inviting a speaker to participate in a panel discussion, or offering tickets to the event in question.

Sponsorship is a part of the marketing and communication strategy. Sponsorship is authorised as long as the operations comply with the laws and regulations in force and are entirely in line with Scalian's policy.

All decisions to involve Scalian in a sponsorship operation are subject to prior approval from the Communications Department. Any decision or measure taken must be recorded in writing. All contributions made as part of a sponsorship operation must be transparent and in accordance with the written agreement. They must have a legitimate commercial objective and be in line with the publicity provided by the event.

Contributions may not be promised, offered or made in order to ensure that Scalian obtains an unfair competitive advantage or for other inappropriate purposes. Moreover, contributions cannot be made to events organised by persons or organisations whose objectives are incompatible with the corporate principles defended by Scalian.

All the sponsorship can be done whether the following conditions are met:

- ✗ The basic principles are met;
- ✗ The following additional conditions are met:
 - There is enough information regarding the purpose of the donation, to determine it is compatible with our CSR policy;

- The benefit for the third parties must follow the basic rules and additional conditions relating to gifts and invitations.

Practical application

Increased vigilance should be observed in some circumstances:

There are two possible cases:

- ✗ Sponsorship of an event involving relatives or business partners;
- ✗ Sponsorship of an event that has been the subject of a negative communication regarding its integrity;
- ✗ Sponsorship of an event that is not linked to our commitments and values;
- ✗ You are directly solicited before a call for tenders, a referencing, ...

Political contributions

Funding political parties is subject to the legislation in the country concerned. Even if this is legal in certain countries, contributions to political parties can encourage corruption or be considered a somewhat dubious practice. Scalian does not allow any contributions, in money or in kind, to political organisations, parties or to political figures to be made on behalf of Scalian.

The company respects your right, as a member of the Scalian Group, to be involved in local civil political life on a personal level. Your participation must remain personal. Your actions must be carried out in your name, on your own time and at your own expense, in accordance with the laws and regulations in force. Scalian's letter headed paper, funds and other assets may not be used for personal political activities. You must clearly separate your personal political activities from your mission within the company, in order to avoid any conflict of interest or apparent conflict of interest or illegal behaviour.

Preventive measures

Raising awareness and training

Scalian publishes its anti-corruption policy internally and externally.

Scalian deploys a training and awareness-raising program for its employees. People in the Group who are most exposed to the risk of corruption are required to follow a specific training course.

In the appendix to the Code, Scalian has published a list of "Do's and Don'ts" as regards behaviour, in order to help employees avoid and prevent the risk of corruption in professional situations.

Advice and information

If any member of the Scalian Group needs advice and information or has a question concerning corruption and influence peddling, he/she should turn to their manager, the legal department or the "Ethics and Compliance" committee.

Incident reporting system

Scalian has set up a platform for reporting any acts of corruption.

The report system covers corruption, influence peddling, criminal offences or fraud, notably as regards accounting, trade, management control,

and auditing. The platform can be accessed via Scalian's Internet and Intranet sites.

In accordance with the legislation in force, the incident-reporting platform guarantees total confidentiality as regards the identity of the person or persons who report an incident, as well as the identity of the persons targeted by the report and the data concerned.

Whistle-blower protection

No member of the Scalian Group shall be sanctioned or discriminated against for having reported an incident in good faith and not motivated by self-interest via the Scalian Group's reporting system or any other reporting platform.

Also protected are facilitators (associations; trade unions), individuals connected with the whistle-blower (colleagues, relatives) and legal entities controlled by the whistle-blower, in accordance with the local regulations applicable

Anyone who misuses the reporting systems may be subject to disciplinary sanctions and/or legal proceedings.

How to report a breach internally?

Any member of Scalian may use the Scalian incident reporting platform, in compliance with the laws and regulations in force in the country in which he/she resides or works, if he/she suspects someone of failing to comply with Scalian's Code of Ethics or rules and policies.

If a member of the Scalian Group believes that it may be difficult to report an incident to their direct supervisor or that the incident reported may not be followed up in the appropriate manner, the incident-reporting procedure is an alternative means of reporting potential non-compliances. The incident-reporting procedure may be used by customers, suppliers or third parties.

***Reporting can be done using the independent, anonymous and secure website
<https://scalian.integrityline.app> or by
<mailto:ethic.compliance@scalian.com>***

How to report a breach externally?

The whistle-blower either can also, after having made an internal alert or directly, send an external alert to:

- ✖ The competent local or French authority for the group's headquarter;
- ✖ The local or group's headquarter rights defender, if any, who will direct him/her to

the authority or authorities best placed to deal with it;

- ✖ The local or French judicial authority;
- ✖ An institution, body or agency of the European Union competent to collect information on violations falling within the scope of the Directive of 23 October 2019.

Public alerts

An alert can be made public immediately in the following cases:

- ✖ In case of serious and immediate danger ;
- ✖ In the case of information obtained within the professional context, in cases of imminent or manifest danger to the public interest, in particular where there is an emergency situation or a risk of irreversible harm;
- ✖ Where referral to the competent authority would expose the whistle-blower to a risk of retaliation or would not allow the whistle-blower to be effectively dealt with because of particular circumstances (suspected conflict of interest, risk of concealment or destruction of evidence, collusion, etc.).

However, there is a notable exception in some local laws: a threat cannot be immediately made public if it affects the interests of defence and national security

Our procedures

Risk mapping

Scalian has mapped out the potential risks of corruption and updates this information regularly.

Procedure for assessing third parties

Scalian deploys and maintains Due Diligence Compliance procedures for its corporate customers, tier-one suppliers, intermediaries and partners.

Monitoring

It is Scalian's responsibility to ensure its policies and procedures are applied and complied with according to international laws and conventions.

To this end, Scalian has put in place an internal system for monitoring and assessing its

compliance with anti-corruption laws and ensures that its accounts are not used to conceal acts of corruption or influence peddling.

Particular focus is placed on all accounts, invoices, and other documents and records related to transactions with third parties, such as customers, suppliers and other business contacts. These accounts shall be prepared, maintained and audited exhaustively, and with the greatest accuracy.

No accounts shall be managed "in parallel" to facilitate or conceal inappropriate payments.

When members of the Scalian Group find themselves in a situation where they must make a payment on behalf of the company, they must always bear in mind the purpose of the payment and assess whether it is proportionate to the product(s)/service(s) provided. Members of the Scalian Group must always request a receipt or invoice specifying the reasons for the payment.

Should they have any doubts or questions about a payment, they should discuss the issues with their manager.

Our recommendations

Conflicts of interest

You must:

- ✖ Be professional, impartial and competitive in your relationships with third parties;
- ✖ Carefully apply the processes of the GMS;
- ✖ Ask for your manager's prior written agreement before carrying out work for a company that employs a family member in a decision-making position;
- ✖ Ask for your manager's agreement before hiring a family member or personal acquaintance. The recruitment of such a person must be based on objective criteria;
- ✖ Inform your manager promptly about any situation in which you or a friend/relative has a personal interest, which may be in conflict with Scalian's interests;
- ✖ Inform your manager or the "Ethics and compliance" committee of any professional assignments or work carried out outside Scalian.

You do not have to:

- ✖ Have unfair competition practices with your partners;
- ✖ Allow your relations with subcontractors or suppliers to influence the decisions that you take for Scalian;
- ✖ Use your position at Scalian or any confidential information to obtain an indirect benefit or to serve your personal interest;
- ✖ Be involved in the recruitment of a family member, whatever the position concerned;
- ✖ Accept personal gifts that can make you feel indebted;
- ✖ Accept remuneration from an organisation or person that has business relations with Scalian or that is in conflict with Scalian;
- ✖ Use the name or the image of Scalian to further your personal interests.

Influence peddling, Corruption

You must:

- ✗ Check that any payments we make in cash, by cheque or bank transfer comply with the Code of Ethics and the established financial procedures;
- ✗ Accurately and promptly record information concerning each payment made or received by Scalian, notably specifying the amount, beneficiary, reason and authorisations;
- ✗ Immediately report any incorrect or misleading data entries, any unrecorded payments or payments proposed in exchange for an improper act.

You do not have to:

- ✗ Pay, offer or agree to pay, give or offer to give anything of value, directly or indirectly, to a public official, intermediary or employee of another company in order to influence them or obtain an advantage;
- ✗ Make or authorise any payment to a third party when knowing or having reason to suspect that the third party is acting or is likely to act in a manner contrary to this Anti-Corruption Policy or any other anti-corruption laws or regulations in force;
- ✗ Rely solely on the third party's assertions concerning the legitimacy of a payment;
- ✗ Take or agree to take anything of value in exchange for an act of misconduct on your part;
- ✗ Set up a "slush fund" for any purpose whatsoever, or make or contribute to the false entries in Scalian's accounts;
- ✗ Keep quiet about actual or potential infringements of this Anti-Corruption Policy or any anti-corruption laws or regulations in force;
- ✗ Encourage a third party to disregard this Anti-Corruption Policy, or any anti-corruption law or regulation in force, including by remaining silent about a third party's infringements...

Early warning signals of corruption

Intermediaries

Some signals:

- ✗ There is no objective reason for calling on the services of an intermediary;
- ✗ The intermediary has been the subject of accusations, investigations or legal proceedings for his/her involvement in cases of corruption;
- ✗ The intermediary has close relations with government officials or has been recommended by the latter;
- ✗ The intermediary employs employees or advisers who have no apparent qualifications;
- ✗ The intermediary is reluctant to sign formal agreements;
- ✗ The intermediary refuses to give the customer access to his/her accounts and archives;
- ✗ The intermediary seems to be able to circumvent legal or bureaucratic obstacles more easily than other people;
- ✗ The intermediary is actively involved in a market or market segment in which corruption is common;
- ✗ The intermediary has won contracts despite proposing products/services that are not competitive.

Sales

Some signals:

- ✗ Exceptional sales performance in a market in which the competitors have a reputation for corruption;
- ✗ The forms for calls for tenders contain specifications that favour products marketed by a given company;
- ✗ Frequent gifts and trips offered to purchasing managers;
- ✗ There are requests for special favours such as donations or sponsorships

Payment of agents

Some signals:

- ✗ The fees are paid in a different country to the one in which the service is provided, notably in an off-shore financial centre which is known to be used for money laundering;
- ✗ Frequent use of consulting services without receiving any apparent benefits;
- ✗ Pressure is exerted to ensure that the payments are made urgently or before the scheduled date;
- ✗ Payments are made by passing through a third country: goods or services are delivered in country A, but the payments are made to a shell company in country B;
- ✗ Commissions payable to the same intermediary are paid into several different accounts, often in different countries.

Purchasing

Some signals:

- ✗ Private meetings with companies bidding on the contracts;
- ✗ Generous gifts and favours are received
- ✗ Close relations with suppliers, for example holidays spent with them;
- ✗ A particular individual never takes any holidays or leave, even when he/she is ill or is entitled to holidays; the person is extremely eager to be personally in contact with the negotiator;
- ✗ Unexpected or illogical decisions are taken in relation to accepting projects or contracts;
- ✗ The decision-making process, verifications and power of attorney are not respected in the contracts;
- ✗ The contracts are awarded by managers based on conditions that are unfavourable for their own company;
- ✗ Certain entrepreneurs are preferred for no logical reason;
- ✗ The processes governing the calls for tenders and contracts do not include any verifications carried out by independent agencies;
- ✗ Obstacles are put in the way of certain functions or key departments during the call for tender or contract-allocation process;
- ✗ There is an excessive amount of urgent orders or modifications in the contracts signed;
- ✗ There are surprisingly few written traces concerning important meetings and decisions.

Conflict of interest

Some signals:

- ✖ Related party transactions (decisions affecting one's own financial interests or those of one's own family members);
- ✖ Initiate trading (an employee of a company who may trade on the stock market to the detriment of shareholders);
- ✖ Nepotism and political favouritism (awarding contracts or nominations to positions of responsibility);
- ✖ Acceptance by a decision-maker of gifts that do not fall within Scalian's "gift policy" or of bribes from persons who may be affected by a decision or judgment;
- ✖ Mission conflict, when two responsibilities are carried out simultaneously and may conflict.

END MODE INFORMATION

The United Nations Global Compact

The OECD Anti-Bribery Convention

French Penal Code

The United States' Foreign Corrupt Practices Act

The United Kingdom's Bribery Act 2010

The Corruption Perception Index

Canadian Corruption of Foreign Public Officials Act (CFPOA)

The French Law on the Prevention of Corruption

The German Criminal Code

Spanish Data Protection Agency