

Anticorruption - Code of Conduct - Claranova Group



1 Introduction

1.1 Word from the CEO

Dear employee,

As you know, we are operating in a complex and fast-changing environment, in which business and societal issues are connected and constantly evolving. It is our responsibility, as a global Group, to ensure that our activities are always in line with the highest ethical standards in every country in which we do business.

This responsibility is ours as a Group, but also and more importantly as individuals, since our actions resonate throughout the company and its employees worldwide. It is essential that we continue to generate and guarantee trust among our customers and all our stakeholders worldwide. Maintaining high ethical standards positively impacts our reputation as responsible companies and therefore contributes to the Group's business success.

Our ethical approach starts with our teams constantly upholding the Group's standards of respect, loyalty, integrity, and transparency. With this Code of Conduct, we want to promote principles of responsibility in the way we work, but above all, we want every one of you to make these principles your own.

A whistle-blowing procedure has also been implemented to ensure that any employee or stakeholder working with Claranova, PlanetArt, Avanquest or myDevices knows how to flag a serious or unacceptable ethical breach and contribute to defending the Group's standards and principles at his or her level.

I cannot stress enough the importance of this Code of Conduct. It is critical for our business as a socially responsible Group that you take the time to read it carefully and follow its principles.

Ethical and compliance issues are not simple: speak up and ask for advice.

Eric Gareau
Claranova CEO

1.2 What is the Code of Conduct

1.2.1 Code of Conduct

The Code of Conduct sets out the Group's policy for preventing and fighting corruption and influence-peddling.

It strives to ensure that all employees, but also different stakeholders, adopt an ethical conduct and behave responsibly during business.

The Code of Conduct is not intended to provide an answer to every ethical question that may arise. It should serve as a reference document providing guidance in case there is a particular question or concern.

Additional information may sometimes be needed to gain a better understanding of a particular subject.

The rules set out in this Code do not replace the national and international legislation and regulations that apply in each country. In case of difference between any local legislation and this Code, the higher standard should apply.

If need be, the principles of this Code can be adapted, clarified, or supplemented in consideration of local legislation and regulations, or where there are other codes or charters that apply locally at PlanetArt, Avanquest or myDevices level.

1.2.2 Intended Users

The Code of Conduct applies to all Claranova, PlanetArt, Avanquest and myDevices employees, including directors, managers, staff, and company officers, in all the countries in which it operates.

This Code is disseminated across the entire Group. All employees must understand and abide by the principles laid out in this Code.

Managers have the specific responsibility to the Group's business principles are implemented and respected among their teams. They must exemplify its values, promote awareness, follow the rules, and ensure that others understand and follow the rules.

Customers, suppliers and contractors and business partners are also expected to adopt an ethical behavior that is in keeping with the spirit of this Code.

It is for each of us to give utmost consideration to this Code and to appropriate its principles, so that the values underpinning the establishment of our Group continue to contribute to its long-term development and its outreach.

2 Principal rules and their various forms

2.1 Corruption

Corruption is commonly defined as the misuse of a position of power for a private gain. It is an act by which a person offers or accepts an undue advantage/consideration to carry out (or lead another person to carry out) an act that goes against his or her duties or depends on his or her discretionary powers.

Corruption can occur through taking improper actions or refraining to take any actions. Additionally, corruption can be carried out by a person as part of a private or public role.

Both active and passive corruption are prohibited. Active corruption is the fact for a person to solicit an undue advantage, whereas passive corruption could be defined as the mere acceptance of such advantage.

Be aware that simply promising or conceding to an offer for something of value could constitute an act of corruption. A mere attempt also counts as corruption.

Illustration

- *Invitation of a top manager at a distributor to an important football game, with VIP treatment, to make him or her convince his or her corporation to buy more products.*
- *An employee offers an above-the-market discount to a distributor who pays a kickback to the employee.*

2.2 Influence-peddling

Influence peddling is defined as illegally making, at any moment, directly or indirectly, offers, promises, donations, gifts, or advantages to abuse one's real or alleged influence with a view to obtaining a distinction, employment, contract or any other favorable decision from an authority or public service. The law distinguishes between active and passive influence-peddling.

Active influence-peddling could be defined as the fact for somebody to suggest to a third party holding an influence to make use of it. It also includes the fact that somebody accepts an offer from a third party holding an influence to make use of that influence.

Passive influence-peddling on the other end is the fact for a third party to offer/agree to make use of his/her influence.

Illustration

- *Your company makes a donation or sponsorship to a sham charity owned by a government official in view to obtain from that government official that he or she influence a decision in favor of the company by the administration he or she works in.*

2.3 Government Official

The term *Public Official* or *Government Official* is broadly interpreted and includes any person working at a governmental body as well as any political party candidate and any business known to be owned or operated by a Public Official. Public officials may include:

- Any elected or appointed government official (e.g., a member of a ministry);
- Any employee, official, consultant or representative of a government, department or agency;
- All employees of an instrumentality of a government, department or agency (e.g., parastatal or state-owned enterprises);
- Any employee or person acting for or on behalf of a government official, agency or enterprise performing a governmental function (e.g., a licensing official or a tax agent);
- Any political party, officer, employee or person acting for or on behalf of a political party or candidate for public office;
- A person in the service of a government, including members of the military, police or civil service;
- An employee or person acting for or on behalf of a public international organization (e.g., the United Nations, International Monetary Fund, World Bank, etc.);
- Employees of established international non-governmental organizations ("NGOs") that

operate as public international bodies, such as Transparency International, FIFA, and the International Olympic Committee (“IOC”); or

- Family members and relatives of any of the above (e.g., a parent, spouse, child or sibling).

If you have questions or concerns as to whether a person is a Public Official, assume that the person is a Public Official and contact your compliance officer. Do not proceed with the transaction until you have obtained clarity on the matter.

2.4 Gifts and Invitation

Gifts and invitation are items or advantages whether free or discounted that are given or received, directly or indirectly, to or from a third party. It includes tangible items, but also other benefits such as meals, entertainment, and travel.

The gift or invitation could be of high value such as artwork, jewelry, invitations to expensive restaurants or resorts, but items of low value (e.g., software) and consumables (e.g., box of chocolates, bottle of wine) must also be considered.

Without imposing a strict ban on gifts and invitations, this Code poses the principle that they should follow a legitimate business purpose, to ensure that it does not compromise employees’ impartiality.

The following principles provide guidance on how to deal with gifts, benefits, or other invitations to/from third parties in the course of employment:

- It is strictly prohibited to solicit a gift or any other kind of benefit (including hospitality and travel).
- All gifts and invitations must be of a reasonable/modest value.
- They must comply with the Group’s applicable rules and principles and all relevant applicable laws.
- They must follow a legitimate business purpose. They must be directly linked to the promotion of the company’s goods or services.
- They must not be in the form of cash, or items easily converted into money.
- They must never place you in a position of indebtedness or seek to place the recipient in a position of indebtedness, particularly during critical periods of decision-making or bidding procedures or the awarding/negotiating of contracts.
- They must be given or received in full transparency to the company. Consequently, all gifts/invitations should be duly recorded (e.g., invoice or receipts).
- It is permitted to give or receive promotional items of token or modest value, such as products featuring the Group’s logo or the logo of a supplier or provider.
- Invitations to cultural or sporting events may be acceptable, provided they are on a one-off basis and of reasonable value, are not liable to influence decision-making, take place in the presence of the client or supplier, and are not extended to the family members of the persons concerned.
- It is strictly prohibited to give or receive gifts to or from national and/or foreign public sector officials, or international government officials, irrespective of the significance of the gifts and/or the circumstances.

As a guide to help you decide whether to give or receive a gift, an invitation, or any other kind of advantage, ask yourself the following questions:

- Is it for a legitimate purpose?
- Does it comply with the laws and regulations?
- Does it comply with the Code of Conduct and is it in the Group’s interests?
- Am I in any doubt concerning the decision I have made or will make?
- Would I feel uncomfortable if my manager or my family and friends were informed of my

decision, or if it became public knowledge?

If you are in any doubt, you can seek advice from your manager and compliance manager, who will investigate aspects such as the specific circumstances of the gift.

Illustration

Q: Following the signature of an important contract with one of our clients, I have been invited to a celebration dinner. Am I authorized to attend?

A: Yes, as long as the value of the invitation is appropriate and reasonable.

Q: I would like to invite a sales manager at a well-renowned distributor to a five-star ski-resort in an attempt to convince him/her corporation to buy more products. Is this allowed?

A: No. Gifts and invitations should be of a reasonable value and follow a legitimate business purpose. The offering of a gift/invitation in order to convince Sales Manager in favor of your company would qualify as active corruption and is strictly forbidden under applicable anticorruption laws and regulations.

2.5 Donation and Sponsoring

Donation should be defined as any contribution (in money or in kind) freely given to a third party irrespective of the purpose and without any consideration. Donations are generally made to non-for-profit organizations to support their activities.

A sponsorship means the supporting or funding of an activity strictly for advertising and promotional purposes.

Donations and sponsorships are authorized under the following principles:

- They must comply with all relevant applicable laws regulations.
- They must be in line with our company's core values and comply with the Group's policies.
- They must not be used to exert undue influence on decision-making, whether public or private, in the company's favour.
- The expenses incurred in relation to sponsorship campaigns should only be for the purpose of promoting the company's brand image. They should not be paid to an individual for his personal benefit.
- All donations and sponsoring expenses should be duly recorded (e.g., request for sponsorship, proof of payment, etc.)
- It is advisable to verify the reputation of the beneficiary and the absence of conflict of interest.
- These campaigns should be arranged with full transparency and recorded for accounting purposes according to the internal rules, indicating the beneficiaries.
- It is not permitted to use company's resources, or financial donations or contributions, to support political activities or parties, candidates, or political roles of local, national or international scope, in any way whatsoever.
- You should never use company premises or equipment for political activities.

Illustration

Q: As part of the acquisition of new office furniture, we would like to donate old computers to a Tech university to provide the students with the necessary means to study. Is it possible?

A: Yes. Donations in kind are authorized so as long as they comply with applicable laws and are

in line with your company's business principles.

Q: We intend to sponsor an event organized by an entity that is ultimately owned by a key decision-maker at one of our wholesale customers. The end goal is to convince him/her to make a decision that would benefit my company. Would that be acceptable?

A: No. Sponsorship must only be used to promote the company's brand. It shall, in no circumstances, serve as a mean to exert undue influence on a decision making.

2.6 Monitoring of third parties (suppliers, service providers, clients)

During normal business, you may deal with different commercial third parties such as suppliers, distributors, and customers.

In line with the Group's values, relationship with third parties should be based on trust, transparency, respect, long-term commercial ties, and business ethics.

We also expect its suppliers and distributors to comply with all international treaties, laws and regulations that apply in each of the countries in which they operate, with particular emphasis on anti-corruption laws and regulations.

- Appropriate due diligence must be performed before entering a business relationship with a third-party. The review should focus on various criteria including, but not limited to, the third-party's reputation, third-party's skills in the required area, current or past legal proceedings in relation with corruption matters.
- Should a cause of concern exist, the team should look for remedial actions prior to the engagement of the third party.
- All business relationships must be recorded in a valid signed contract. The contract should include specific clauses to ensure that the third-party will comply with anticorruption laws and regulations.
- All payments to a commercial third-party should always be made in exchange of proper consideration.

Illustration

Q: We are trying to promote our brand in Asia where we are currently underrepresented. We are considering the hiring of a local commercial agent to boost our sales in the region. The agent is requesting to be paid on a high success fee to convince his network to enter a contractual relationship with us. Should we agree on that?

A: No. Although the promotion of the brand in Asia may seem like a legitimate business purpose, you are not authorized to offer a high success fee to a commercial agent in exchange for an access to his network. Commercial third parties should be appropriate and reasonable in relation to the service provided.

2.7 Hiring Process

During the hiring process, employees should comply with their company's rules and principles, as well as applicable laws and regulations.

The hiring of a new employee should not be used as a mean to commit an act of corruption or influence-peddling.

- The recruitment process should strictly respect the company's rules (posting, employee selection, and interview).

- It should comply with the company's principles and rules, as well as with all applicable laws and regulations.
- A candidate should not be offered a position in exchange for an unfair advantage from a third party.

Illustration

Q: The daughter of the CEO of one of our client/distributors is currently looking for a job in an accounting department. We would like to offer her a position at the local company as we think it will strengthen our business relation with her parent and trigger additional sales on our end. Is it allowed?

A: No, this would be seen as corruption and influence-peddling. You are not authorized to use the hiring process to commit a prohibited action.

2.8 Conflict of Interest

A conflict of interest can arise when a member of staff carries out an activity or holds a financial, commercial, or personal interest, whether direct or indirect, that may interfere with your company's interests.

Personal interest may concern the actual member of staff or their close family or friends, their business partners, or an organisation in which they occupy a position (voluntary or paid). Personal interest may consequently affect their judgement and/or decisions.

A conflict of interest can contribute towards corruption, influence-peddling, and/or other types of violations, if not handled correctly.

- Employees should not allow personal interest to prevent them from acting in the Group's best interest.
- In case of a potential (or actual) conflict of interest, you must immediately inform your manager.
- Managers and employees occupying a position of responsibility are held to a higher scrutiny. They should provide a declaration of absence of conflict of interest upon request.
- Employees must be particularly alert of situation of conflict of interest that may arise during the recruiting process.
- If taking up a managerial role or position of responsibility at a company that is a competitor, partner (supplier or distributor), client or potential client of your company, you should first inform your manager.
- It is not permitted to support or place an order with suppliers or subcontractors where there is an existing or unmanaged conflict of interest (family relationship, share ownership, etc.).

Illustration

Q: I have found out that a friend of mine is working with a service provider. I do not see any conflict of interest because we never discuss our professional activities. Should I do something?

A: You must report this to your manager. Regarding conflict of interest, even if apparent or potential the golden rule is to unveil it and reveal the situation in detail. This situation should have no impact on the choice of the provider, if it turns out that this is the one that best serves the interests of your company, nevertheless you may be asked not to participate in the choice of this supplier.

2.9 Accurate Books and Records

All transactions must be transparent, fully evidenced and properly recorded.

Although Finance and Accounting are the departments most closely concerned, all staff should remain mindful and comply with the principles set forth in this Code.

All finance-related items (*i.e.*, Purchase orders, expense claims, contract registrations, invoices, etc.) should be duly recorded and documented.

General accounting principles

- All actions should be duly authorized under the rules that apply within the entity concerned.
- Accounting books should not be filled with incorrect or falsified entries.
- You must follow Group rules and decision-making levels as applicable within your entity.
- If you are in any doubt regarding entering an action or declaring a transaction, speak to your manager.
- If you do not understand any action recorded, request an explanation along with all associated documentation.
- Inform your manager if you believe that an entry or a declaration does not accurately reflect the corresponding transaction, or if you notice an error.
- Report any irregularities to your manager, compliance manager and Finance department.

Cash payments

- Cash payments must be strictly regulated.
- If available at your entity, the use of petty cash must be duly recorded.
- A business justification must always be provided.

Facilitation of payment

- Facilitation payment can be defined as an amount paid to a government entity or officer to speed up or guarantee the success of administrative formalities.
- It is strictly forbidden under Claranova's rules and principles even when permitted under local applicable laws.

Illustration

Q: A client would like to pay for their order from different accounts, using bank transfer, cheques, and cash. Is this acceptable?

A: Special attention should be paid to such requests and transactions. These requests could conceal money laundering activity. These payments can only be accepted on an exceptional basis and with the approval of your manager. Special attention should be paid to proposals for cash payments, and those made by a person not appearing on the contract or from accounts that are not customary in the established business relationship or where the bank account is in a different country from the contracting company. Where the bank account is not in the name of the contracting company, the payment must be refused.

3 Implementation

3.1 Implementation of the Code of Conduct

All employees must read, understand, and comply with the Code of Conduct. Managers are responsible for the implementation of the Code of Conduct.

This Code may be adapted to meet the needs of an entity or region, provided such adaptation does not conflict with or reduce the effectiveness of the rules described in this Code.

All employees must receive a training on the rules contained in this Code and to raise awareness

regarding anti-corruption topics.

Should any questions arise regarding the interpretation of this Code, they should seek advice from their manager, legal department, or contact Claranova's compliance officer.

3.2 Reporting violations

Employees are encouraged to report any situation or practice that they suspect to be unethical, or in violation of this Code and applicable laws. In such circumstances, you should immediately make an alert, by reporting the situation to:

- your immediate superior or manager,
- your Staff representative,
- your general counsel or chief executive officer,

The Group has also put in place a Whistleblowing Procedure to provide the employees with an additional mean of expression to report any situation or practice that may be in violation of this Code or of applicable anti-corruption laws. If an employee feels uncomfortable speaking directly with his management, he/she may also report the situation by creating a written or oral report using the External and Independent Whistleblower Platform available via the Claranova website (<https://www.claranova.com>)

3.3 Sanctions for violating the Code of conduct or applicable laws

Any violation of the Code of Conduct may result in disciplinary action, depending on the degree of severity, including dismissal.

In most countries, any act of corruption and/or influence-peddling, whether active or passive, even if simply an attempted act, is liable to result in legal sanctions, for example criminal sanctions, both for the perpetrator and for the company. By way of example, the sanctions for corruption and influence-peddling under French law are as follows:

- A fine of up to 1 million euros for individuals or 5 million euros for legal persons or the equivalent of twice the amount earned through the unlawful acts.
- Prison sentences of up to 10 years for natural persons.

Other sanctions may be incurred, such as exclusion from public contracts, revocation of civil liberties, prohibition from standing for election, prohibition from engaging in a commercial or industrial profession or public function, confiscation of assets, and publication of the sanction.

The party responsible may also face civil liability action to obtain compensation for the damage caused.

Other sanctions can apply under the corresponding legislations and regulations.