

# **Code of Ethics**

**April 2024**



**SUMITOMO CHEMICAL**

Creative Hybrid Chemistry  
For a Better Tomorrow





## Top Management Statement



Dear colleagues,

In July 2003, Sumitomo Chemical Company Ltd (“SCC”) decided to introduce in its Japanese Headquarters and in all its affiliates around the world a “Code of Corporate Conduct” that contains specific guidelines for all board members, officers and employees designed to guarantee lawful and ethical behavior in the course of our business life. We have adapted this code to our European and French legislation and practice, and the result is this “Code of Ethics” (“Code”).

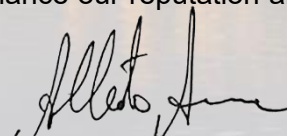
The importance of compliance and strong ethics cannot be overstated. These principles are not only fundamental to legal and regulatory requirements but serve as the bedrock for sustainable success and positive social impact.

A strong ethics becomes even more important in an era where businesses are interconnected, and information flows swiftly. Instances of misconducts or non-compliance can have immediate and far-reaching consequences. We must therefore have zero tolerance for such behaviors.

To the contrary, an unconditional commitment to compliance and ethics can become a competitive advantage, distinguishing us as a reliable organization in the eyes of stakeholders.

At Sumitomo Chemical Agro Europe, we recognize that our success is inseparable from the trust placed in us by our clients, partners and the community. Therefore, we are committed to maintain the highest standards of compliance and ethics in all our actions. This commitment is embedded in our policies, training programs and day-to-day operations.

As part of our ongoing efforts to strengthen our compliance and ethical practice, we encourage open communication, continuous education, and a proactive approach to identify and address potential risks. By doing so, we aim to fortify our organizational resilience, enhance our reputation and contribute positively to the communities in which we operate.

  
**Alberto ANCORA**  
General Manager



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# INTRODUCTION

## **A. Purpose**

This Code has been prepared to acquaint you with the policies, rules and regulations (“Policies”) of the Company. These Policies reflect laws and business practice of France and of other countries with which the Company deals and the policies of the group of companies to which the Company belongs. They apply to all officers and employees, including any of those temporarily employed at the Company (“Employee” or “Employees”) as well as all the members of the Internal Board and the Management Committee. The Employee is invited to read this Code carefully and keep it for your reference.

The purpose of this Code is to aid you in conducting yourself in a legally and ethically appropriate manner and to more clearly define the scope of your responsibilities during your employment by the Company. Our business at the Company is predicated on the good reputation of our staff for their integrity and high moral standards. It is the policy of the Company to prevent the occurrence of unethical or unlawful behaviour, to halt any unethical or unlawful behaviour that may occur as soon as reasonably possible after its discovery and to discipline, in accordance with the laws and procedures prescribed by law. Those rules apply also to those who violate applicable laws and regulations or the Policies contained in the Code and in the Company’s related rules and the Company’s “Règlement intérieur”, including individuals responsible for the failure to exercise proper supervision and oversight to detect a violation by their subordinates.

You are responsible for reading and understanding the contents of this Code as well as fully understanding and complying with all the laws and regulations applicable to you, according to your position in the Company. Your performance appraisals will in part reflect your adherence to the laws and regulations, or violation of the said laws and regulations and it may result in disciplinary action in accordance with the laws and procedures prescribed by law. You must also realize that violation of certain laws and regulations may result in criminal and civil sanctions being applied to the Company and/or to yourself. Violation of a number of criminal offences treated herein may subject the responsible individuals to fines and/or imprisonment.

## **B. Change in Policies and Rules**

The Policies are subject to change as national laws change or, to the extent permitted by law, at any time at the sole discretion of the Company as are all other Company policies, rules, regulations, procedures, benefits and other programs after consultation with the personnel representative bodies.

Changes of the Policies will be effective on dates designated by the Company. To the extent permitted by law, the Policies as changed supersede all pre-existing policies, rules, regulations procedures, benefits and other programs of the Company, insofar as they conflict with the changed Policies. You may not rely on policies, rules, regulations, procedures, benefits and other programs that have been

superseded. Although supervisors and managers may assist you in understanding and interpreting the Policies, they do not have any authority to alter the Policies.

### **C. Questions Regarding the Code**

The Code cannot encompass all the possible situations you may encounter during the course of your employment. The Code is based upon laws and practices applicable in France, which may change from time to time, and different laws and practices may apply in other countries with which you may have occasion to deal. The Company therefore must rely on Employees' good sense of what is right and prudent. If you have any questions concerning the contents or the application of this Code or the Policies, either at the time of reading or when concrete situations arise, please review and clarify them with your supervisor, or with the Ethics Compliance Officer

### **D. Open Door Policy**

Misunderstandings or conflicts can arise in any organization. To ensure effective relations, between you and the Company, an open and free discussion with your immediate supervisor, department head, a member of the Human Resources Department or with the Ethics Compliance Officer is encouraged. These individuals will endeavour to work out a satisfactory solution to any misunderstanding or conflict.

Apart from the specific procedure of the whistleblower, which is described in the following Section F, if you feel that you know about behaviours or facts which could adversely affect the Company's vital interests or could directly or indirectly adversely affect the Company's employees, we invite you to report such behaviour or facts to your supervisor, a member of the Management Committee, or with the Ethics Compliance Officer so that an investigation can be conducted and, if appropriate, corrective action can be taken.

Such behaviour or facts may involve any of the matters addressed in this Code, most particularly any behaviour or facts that might engage the Company's or its Management's civil or criminal liability; any behaviour or conditions that might adversely affect the health and safety of the Company's employees or visitors in its premises, or any behaviour or conditions that might seriously undermine the Company's reputation vis-à-vis governmental authorities, our industry, our customers or potential customers, or the public in general.

### **E. Particular status of the whistleblower**

A three-step procedure for reporting an incident is specified by law and decree:

1./ A disclosure must be reported to a direct or indirect supervisor, the employer or to the Ethics Compliance Officer. The procedure for receiving such reports is set forth in an Internal Note regarding whistleblowers that is displayed in the Company's premises and published on its intranet website ("Internal Note").

2./ If the whistleblower does not receive any response within a time that is reasonable for verification of his report, he may refer the matter to a judicial or administrative authority (Financial Market Authority, French Anticorruption Agency, etc.) or a professional body.

3./ As a last resort, if none of the aforesaid bodies deal with the incident within three months of the report thereto, the whistleblower may expose the events to public opinion.

However, in the event of a serious and imminent danger, or a risk of irreversible injury, the whistleblower may contact the judicial or administrative authorities or professional bodies (without taking the first procedural step). He may also make his report public.

Every employee may transmit his report to the Advocate for human rights (“Défenseur des droits” in France) for advice as to the appropriate agency to which he should send his report.

**It is imperative that whistleblowers follow the procedure described in the Internal Note, so that they can get the protection specified by law.**

If you think that behaviour or facts of which you are aware might undermine the Company’s vital interests or directly or indirectly harm its employees, we recommend that you follow the procedure described in the **Internal Note**.

You are not obligated to report any such behaviour or facts, and you will not be penalized in any way if you decided not to do so.

# 1. Employment

## A. Equal Employment Opportunity

The Company provides equal employment opportunities to all Employees and applicants for employment without regard to race, colour, religion, sex, national origin, age, military or veteran status, disability, sexual orientation, gender identity, family situation, pregnancy, genetic information, political opinion or status in any group protected by laws and regulations or holding a local elective mandate, in accordance with applicable laws and regulations ("Discrimination").

In addition, the Company complies with all applicable laws and regulations providing for non-discrimination in employment in every location in which the Company has facilities, which applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, sick leave, remuneration, and training.

## B. Non-discrimination Against and Accommodation of Individuals with Disabilities

The Company complies with all applicable laws and regulations providing for employment of individuals with disabilities and the use of sub-contractors employing such individuals, as well as those relating to non-discrimination against individuals with disabilities both in the hiring process and in the course of employment. The Company also provides reasonable accommodation for such individuals in accordance with the Construction Code (Code de la construction) and the Labour Code (Code du travail) and will examine in a positive spirit reasonable requests for accommodations made to the Head of the Human Resources Department by Employees suffering from a disability, provided that such requested accommodations do not impose undue hardship upon the Company or upon other Employees.

The Company requires its Employees not to engage in any discriminatory conduct against fellow-employees afflicted with disabilities and will take appropriate measures in case any such discrimination is brought to its attention.

## C. Policy against Harassment and sexist behaviour

It is the policy of the Company to provide a work environment free from all forms of Discrimination, including sexual harassment, moral harassment and harassment based on any protected status. The Company is committed to the elimination of all harassment and Discrimination in the workplace and will not tolerate such behaviour, whether by supervisors or by non-supervisory personnel.

French law deems sexual harassment and mental harassment as an offence and breaches may lead to fines and/or prison sentences.

No Employee should be subjected to sexual harassment :



1° Either sexual harassment, consisting of repeated comments or behaviour with sexual or sexist connotations which either undermine her dignity because of their degrading or humiliating nature, or create an intimidating, hostile or offensive situation for her;

Sexual harassment is also constituted :

a) When the same employee is subjected to such comments or behaviour by several persons, in a concerted manner or at the instigation of one of them, even though each of these persons has not acted repeatedly;

b) When the same employee is subjected to such comments or behaviour, successively, by several persons who, even in the absence of concerted action, know that these comments or behaviour constitute repetition;

2° Be considered as sexual harassment, consisting of any form of serious pressure, even if not repeated, exercised with the real or apparent aim of obtaining an act of a sexual nature, whether this is sought for the benefit of the perpetrator or for a third party.

The penalties are increased when the facts are committed:

1) By a person abusing the authority of their position;

2) On a child under fifteen years old;

3) On a person whose particular vulnerability, owing to age, disease, disability, physical or psychological deficiency or to pregnancy, is apparent or known to their author;

4) On a person whose particular vulnerability or dependence resulting from their precarious economic or social situation is apparent or known to their author;

5) By several persons acting as author or accomplice.

No Employee should be subjected to repeated mental harassment whose purpose or effect is to deteriorate his working conditions in a manner likely to affect his rights or dignity, alter his physical or mental health or threaten his professional future.

For mental harassment the repeated nature, and for sexual and mental harassment, the persisting or cumulative nature of that type of conduct increases their seriousness.

Finally, no employee should be subjected to sexist behaviour, which is defined as any behaviour related to an individual's gender, the purpose and effect of which is to undermine his/her dignity or create an intimidating, hostile, degrading, humiliating or offensive environment.

The Company rigorously carries out its duties, pursuant to the applicable laws and regulations, with respect to sexual and psychological harassment and sexist behaviour.

The role of the members of the CSE is defined in laws and regulations.

Any violation of the Company's policy against harassment and sexist behaviour shall be reported in accordance with the following complaint procedure.

#### **D. Management Information Procedure**

Each member of Management is responsible for creating an atmosphere free of Discrimination and harassment, whether sexual, psychological or otherwise, or any sexist behaviour, as described in this chapter, "1. Employment". Further, every Employee is responsible for respecting the rights of his or her co-workers.

If you experience any harassment or discrimination related to your sex, race, national origin, disability, physical aspect or another factor protected by applicable laws and regulations, or believe that you have been treated in an unlawful, discriminatory manner, or have been subjected to sexist behaviour, we encourage you to promptly report the incident to your supervisor who shall be responsible for reporting the incident to the Head of the Human Resources Department. If you believe it would be inappropriate to discuss such incident with your supervisor, you may bypass your supervisor and report it directly to the head of your department, the Head of the Human Resources Department, the Ethics Compliance Officer or any member of the Management Committee. Your supervisor and the head of your department are also responsible for reporting any such incident to the Head of the Human Resources Department and/or to the Ethics Compliance Officer who is responsible for investigating such incidents reported by you, your supervisor, and /or the head of your department and taking appropriate action.

You also have the opportunity to report any incident relating to sexist behaviour, Discrimination, or alleged harassment to a member of the CSE. Members of the CSE may exercise their whistleblowing right when they witness harassment facts.

Your action with the Management will be kept confidential subject to the disclosure necessary for properly handling the said complaint or otherwise as required by law or court order.

All Employees have a duty to cooperate fully with the Head of the Human Resources Department and/or with the Ethics Compliance Officer in connection with such investigation. This duty applies to all incidents of alleged Discrimination or harassment, including those which occur off-premises or off-hours, where the alleged offender is a supervisor, co-worker, or a non-Employee with whom the Employee is involved, directly or indirectly, in a business or potential business relationship.

If the Company determines that an Employee has harassed another Employee or has afflicted him/her with sexist behaviour, appropriate disciplinary action will be taken against the offending Employee, in accordance with the laws and procedures prescribed by law.

The victim of harassment may also file a criminal complaint against the offending individual.

The Company prohibits any form of retaliation against any Employee for filing a bona fide complaint or alert or for assisting in a complaint or alert investigation. However, if, after investigating any complaint or alert of harassment or unlawful discrimination, the Company determines that the complaint or the alert is not bona fide and was not made in good faith or that an Employee has provided false information

regarding the complaint or the alert, disciplinary action in accordance with the laws and procedures prescribed by law may be taken against the individual who filed the complaint or made the alert and who gave the false information.



## 2. Standard of Conduct

### A. Guidelines for Appropriate Conduct

As an integral member of the Company, you are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct, and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others but also demands that you refrain from any behaviour that might be harmful to you, your co-workers, or the Company, or that might be viewed unfavourably by current or potential customers or by the public at large. The Company's hard-earned reputation for the highest standards of business conduct rests on the high measure of mutual trust and responsibility that exists between Employees and the Company. It is based on you as an individual acting in accordance with the Code of Ethics.

The Company's basic belief in respect for the individual has led to a strict regard for the privacy and dignity of each Employee. However, when Management determines that your personal conduct adversely affects your performance, that of other Employees or the legitimate interest of the Company, such conduct will become of concern to the Company. Behaviour and conduct that are harmful to the Company, prejudice its image or disturb its business may lead to disciplinary action under currently applicable laws and regulations.

If your performance, work habits, overall attitude, conduct or demeanour becomes unsatisfactory in the judgment of the Company, based on violations of any Policies, or any other Company rules, regulations, procedures, applicable, you may be subject, to the extent permitted by law, to disciplinary action.

### B. Workplace Searches

For collective safety reasons (in the event of hazardous products) and in the event of stolen item searches in case of repeated and close disappearance of items or equipment belonging to the Company, the Company may ask the Employees to show the contents of their personal belongings, after having been formally advised of their right to object to such a check and to require the presence of a witness. In the event of any refusal, the Company can only alert the relevant police department. The Company may, in emergencies and subject to applicable legal requirements (such as for instance, the presence of a member of the CSE and/or of police officers) question Employees and any other person entering or leaving the premises of the Company. On that matter, it should be noted that the offices, office furniture, files, lockers and others belong to the Company and are provided to the Employee only for the duration of his employment contract with the Company. The above-mentioned inspections can be conducted by the Company whenever it deems necessary, provided such searches are justified for reasons pertaining to health or safety or in the event of repeated thefts and provided the Employee's privacy is protected.

Persons entering the premises who refuse to cooperate in an inspection conducted pursuant to the Policies shall not be permitted to enter the premises. Employees working on or entering or leaving the premises who refuse to cooperate in an inspection, as well as Employees who, after the inspection, are believed to be in possession of stolen property or illegal drugs, will be sent immediately to the Head of the Human Resources Department. Such Employees shall be subject to disciplinary action in accordance with the laws and procedures prescribed by law if on investigation they are found to be in violation of the Company's security procedures, any other Company rules and regulations procedures applicable.

### **C. Alcohol and Drug Policy**

The Company seeks to provide Employees with a working environment that is free of problems associated with the use and abuse of Drugs and alcohol. "Drugs" for the purpose of those Policies will be defined as all substances listed in Articles L.5132-1 and following of the French Public Health Code (Code de la santé publique), and include, but are not limited to, marijuana, cocaine (and all cocaine derivatives), morphine, heroin, amphetamines, and barbiturates and any other forms of narcotics, hallucinogens, depressants and stimulants without any medical prescription.

The use of Drugs subjects the Company to unacceptable risks as well as undermines the efficiency of expected performance. Any measurable amount of Drugs in your body can inhibit and adversely affect your performance and can subject your co-workers and the Company to unnecessary risks associated with drug use and abuse.

All Employees are expected to report to work, whether on Company property or on Company business, free of the influence of Drugs.

Being under the influence of Drugs or consumption of Drugs while on Company property or on Company business is prohibited, and will result in disciplinary action in accordance with the laws and procedures prescribed by law, and, when appropriate, may result in referral to law enforcement authorities.

The consumption of alcohol is strictly regulated by French Law. It is completely prohibited for the situations presenting a danger for the security or the health of Employees or third parties, in particular for Employees handling dangerous products, conducting dangerous machinery or motor vehicles. Moderate alcohol consumption of wine, beer or cider may be authorized at business meals or at business-related receptions. Each Employee shall limit its alcohol consumption in order to respect the authorised limit for driving.

Furthermore, any Employee, while on Company business or on Company property, who possesses, sells, distributes or receives any Drugs will be subject to disciplinary action in accordance with the laws and procedures prescribed by law, and when appropriate, will be referred to law enforcement authorities. Any Drugs confiscated will be turned over to law enforcement authorities. Employees may be required, to the extent permitted by law, to cooperate in searches of Company and personal property when the presence of Drugs or alcohol is indicated. Refusal to cooperate with this procedure may result in disciplinary action under currently applicable laws and regulations.

The Company's Management may impose an alcohol test and/or a salivary test to screen drug abuse for Employees handling dangerous products, conducting dangerous machinery or motor vehicles, if its state of health presents a danger for its proper security or a third party in order to cease immediately this situation. The salivary test will be conducted by the Management or one of its representatives in compliance with the obligation of professional confidentiality with respect to the results of that test. The Employee may ask to be assisted by a third party and to benefit a second assessment.

At its discretion, the Company may require Employees who violate provisions in this Section C to successfully complete a drug abuse or alcohol dependency assistance to treat alcohol addiction or rehabilitation program. Participation in such a program does not excuse Employees from complying with the Policies or from meeting normal job requirements during or after receiving assistance. Nor will participation prevent the Company from taking disciplinary action in accordance with the laws and procedures prescribed by law for improper conduct or poor performance that occurs before or after the Employee's seeking assistance through the program.

#### **D. Attendance and Timeliness Standards**

##### **1) General**

Attendance and punctuality are essential to the proper operation of any business and are important aspects of job performance.

##### **2) Reporting**

If you are unable to work for any reason, if you will arrive late, or must leave early, you have to notify your supervisor as soon as reasonably possible or, in your supervisor's absence, another manager who is available, before you are scheduled to begin work or before leaving the job before you are scheduled to leave work as the case may be.

##### **3) “No Fault” Absence System**

Absenteeism or tardiness that is unexcused or excessive in the judgment of the Company is subject to disciplinary action under currently applicable laws and regulations.

##### **4) Absence Due to Illness or Injury**

In case of an absence due to illness or injury, you will have to inform the Company as soon as possible. You will also have to send within 48 hours to the Human Resources Department a notice of absence and the notices of possible extensions thereof.

##### **5) Absence without Notice**

For the Company to operate its business effectively, you are obligated to inform your supervisor of your status when you are off work for any reason. If you fail to notify your supervisor, the Company will take appropriate disciplinary action. If you do not keep your supervisor informed of the reason why you are off work, the Company may, after a reasonable period deemed appropriate by the Company, proceed to take disciplinary action in accordance with the laws and procedures prescribed by law.



### **E. Dress and Personal Appearance**

The restriction to the individual clothing freedom is subject to the task to be carried out and proportionate to the purpose researched.

The Company may require that Employees wear certain clothes for image, health or safety reasons.

### **F. Smoking Policy**

The Company complies with laws and regulations governing smoke-free work environments. This has been reinforced by the decision taken by the sCSE (ex-CHSCT) on February 5th, 2003. Employees smoking within the Company premises may be punished by a warning letter. Repeated violations may be subject to disciplinary action in accordance with the laws and procedures prescribed by law. Employees are also responsible for ensuring that visitors whom they receive or accompany respect the Company's policy concerning smoking. Complaints about violations of the Company's smoking policy may be filed with the Head of the Human Resources Department or with the CSE.

Pursuant to the law, vaping in enclosed indoor workplaces intended for collective use is prohibited.

### **G. Use of Communication devices**

1) In order to avoid illegal uses and to prevent abuses detrimental to the Company, Company communication and document management devices, such as telephones, facsimiles, word processing and/or Internet and e-mail devices (collectively, "Devices") are intended to be used exclusively for business purposes. The Company must ensure that these Devices are not illegally or improperly used.

All communications on the Devices, like all other forms of communications, are to be free from inappropriate messages such as messages that are discriminatory, harassing (including any messages that violate the Company's Policies against harassment stated in Chapter "1. Employment"), defamatory, sexually explicit, racist, pornographic or obscene. All use of the Devices must comply with applicable laws, including copyright, trademark and any applicable software licenses.

To the extent permitted by laws and regulations concerning the protection of Employees' privacy, all communications on Devices are considered to be the property of the Company and authorized Employees (Network administrators) may access and disclose to the authorized recipients (General Director and/or Head of the Legal Department) the contents of your communication, made through Devices, provided they are not personal,.

The Company may preserve the contents of all such communications made through these Devices for several days from the date such communication is made. Periodically, the Company may delete all of such contents and permanently purge them from record.

If the Company becomes involved in an investigation, litigation or other proceeding, which may necessitate the subpoena, review or production of Company records, the Company may suspend the regular deletion of all or part of such contents of communications made through Devices for an indefinite period without prior notice.

Personal use of Devices is in principle prohibited; however, the Company recognizes that there may be occasions in which such use is necessary or may facilitate the Employee's efficient performance of job functions. Excessive or inappropriate use of Devices may, however, be subject to sanction.

#### **H. Solicitation**

In the interest of maintaining a proper business environment and preventing interference with work and inconvenience to others, and unless they have obtained a prior approval from the Head of the Human Resources Department, Employees may not and, in the case of supervisory personnel, may not permit others to distribute literature or printed materials of any kind (except for distribution and posting of printed materials of the CSE members or trade unions within the limits permitted by law), sell merchandise, solicit financial contributions, or solicit for any other cause on Company premises or during working time. Employees who are not on working time (for example, those on lunch break) may not solicit Employees who are on working time for any cause or distribute literature of any kind to them. Furthermore, Employees may not distribute literature or printed material of any kind in working areas at any time.

## 3. Conflict of Interest

### A. General

You are supposed to devote your best efforts to the interest of the Company and the conduct of its affairs. The Company recognizes the right of Employees to engage in activities outside of their employment which are of a private nature and unrelated to the Company's business. You are to contact your supervisor, the Head of the Human Resources Department or the Head of the Legal Department if you have questions regarding a possible conflict of interest or outside activity that might interfere with your job responsibilities with the Company. Also, you may at times be asked to complete a questionnaire dealing with possible conflicts of interest.

You should recognize that conflicts of interest generally arise in four situations.

- 1) When an Employee or a member of the Employee's family has significant direct or indirect financial interest in, or obligation to, an actual or potential competitor, supplier or customer of the Company, or any entity in which the Company has an ownership interest;
- 2) When an Employee conducts business on behalf of the Company with a supplier or customer of which a relative of the Employee is a principal, an officer or a representative;
- 3) When an Employee or any other person performing functions on behalf of the company accepts benefits (gifts, entertainment or promotional activities) with an aggregate value of more than one hundred euros (€100) from a supplier, customer, potential customer, competitor, regulatory organization, charity or any other person designated by the Employee without first following the company's "Gifts, Entertainment and Promotional Policy";
- 4) When an Employee has access to confidential information obtained in the course of his or her employment.
- 5) When an employee has a private interest likely to influence the performance of his or her duties to the detriment of the Company.

The Company's policy with respect to the treatment of confidential information is set forth in Section 4. Employees should inform the Head of the Human Resources Department or the Head of the Legal Department if one or more of the other three situations exist or arise.

The Company defines a supplier as including a provider of not only goods, but also services. A supplier could be a consultant, a transportation company, financial institution, equipment-leasing firm, realtor, or technology licensor.

Customers include those who buy our products or services or licensees of our technology. Customers also include, for this purpose, those who can exercise major influence on our customers.



## **B. Examples of Conflicts of Interest**

1) An Employee who owns directly or beneficially, a significant financial interest in an actual or potential supplier or customer or in a company in which the Company has an ownership interest, may not, without full disclosure and specific written clearance by the Head of the Human Resources Department, the Head of the Legal Department and the General Manager, be assigned to a position in which the Employee can influence decisions with respect to business with that supplier, or customer or company.

Employees who especially need to be aware of conflicts of interest include those who draw specifications for supplier's products or services, recommend, evaluate, test or approve such things; or participate in the selection of, or arrangement with, suppliers.

2) You may not accept invitations valued at more than one hundred euros (€100) from suppliers, existing or potential customers or any other person unless specifically approved in advance by the Ethics Manager and, if applicable, your supervisor. Allowing a supplier's representative to pick up the tab at the end of a meal is not improper as long as the company's Gift and Entertainment Policy is followed, the business has been discussed ethically and there is no intent to influence the employee's loyalty to the company.

You must comply with the Company's **"Gift and Entertainment and Promotional Policy"**.

Given the above, you must use your best efforts to decline or return benefits worth more than €100 from a supplier or customer.

If you are satisfied that you are not violating any of the restrictions in the above procedure that require additional approval from your direct manager, you may complete the self-certification form provided in the above procedure and submit it to the Ethics Officer for prior approval.

3) An Employee may not use information obtained as a result of his or her employment for personal profit or as the basis for a "tip" to others unless the Company or the customer or supplier which is at the origin of the information has made that information generally available to the public.

This applies whether or not direct injury to the Company appears to be involved. This requirement, as it relates to securities transactions, is described below in chapter 4, section D "Insider Information".

The requirement, however, is not limited to transactions relating to securities and includes any situation in which undisclosed information may be used as the basis for inequitable bargaining with an outsider.

For example, the purchase, or communication of information that could lead to a purchase, of real estate near property that an Employee knows is being considered for purchase or development by the Company would be a conflict.

4) Family, friendly or personal relationship between employees of the company must not lead to the misuse of the internal rules of process such as recruitment conditions evaluation rules or expenses payment rules.

## 4. Protection of Information

### A. Confidential Information

During the course of your employment, you may find yourself working on customer's lists, business systems, future plans, R&D data, personnel information, medical information, security codes, passwords and other information that the Company considers confidential to the Company ("Confidential Information").

Unauthorized release or discussion of the Confidential Information is prohibited, and also communication of the Confidential Information is limited to those persons who have a need to know. Maintaining confidentiality is extremely important to the Company's competitive position and, ultimately, to the Company's ability to achieve financial success and provide employment stability. Employees must protect the Confidential Information by safeguarding it when in use, filing it properly when not in use, and discussing it only with those who have a legitimate business need to know. Employees are also responsible for the internal security of the Confidential Information.

Further, the Company does not expect you to disclose to or within the Company any confidential you acquired through your former employment; and you are to consult with the Ethics Compliance Officer if your supervisor or any other member of the Company attempts to force you to disclose any of such information that you believe is confidential and belongs to your former employer or its business partners.

### B. Privacy of Individuals

How information about individuals is collected, maintained and disclosed affects virtually every individual with whom the Company deals, including Employees.

The Company respects the confidentiality of such information as part of Confidential Information, including personnel information and other information relating to individuals. To this end the Company will guard against unauthorized or improper disclosure of such Confidential Information.

The Company's policy is to comply with all laws, regulations and rules that aim to protect the privacy of the individual by subjecting the disclosure of personal data to a procedure that regulates their collection, archiving and communication, in accordance with Law No. 2018-493 of 20 June 2018 and Decree No. 2019-536 of 29 May 2019 on the protection of personal data

In this respect, the data controller shall make the following information available to the person concerned by the processing of personal data:

The identity and contact details of the data controller and, where applicable, those of its representative;

Where appropriate, the contact details of the data protection officer;

The purposes of the processing operation for which the data are intended;

The right to lodge a complaint with the National Commission on Data Processing and Liberties (CNIL) and the commission's contact details;

The existence of the right to request access to, rectification of or erasure of personal data from the controller and the existence of the right to request a restriction of the processing of personal data relating to a data subject.

Employees also are required to comply with these laws, rules and regulations.

Thereby, you may not establish a list or data base containing information concerning identifiable individuals, nor include therein or communicate to third persons any such information obtained from identifiable individuals without having previously advised such individuals of the proposed utilization of the information, of their right to refuse, for good cause, that information concerning them appear in the Company's data base and of their right to consult and correct the information concerning them. In addition, any list setting forth information concerning racial origin, union membership, criminal record or political, philosophic or religious opinions is prohibited unless explicitly authorized by the interested individuals, as is any information procured illicitly. There also exist rules concerning the period of time during which such information may be kept. Employees who violate these laws and regulations will be subject to disciplinary action in accordance with the laws and procedures prescribed by law and violation of the laws or regulations may result in criminal or civil sanctions upon the Company and/or the responsible Employees.

Because of the complexity of these regulations and the severity of the sanctions for their violation, no Employee of the Company should create a new data base designed to include information concerning identifiable individuals without first obtaining the approval of his or her GDPR Referent.

### **C. Preserving Confidential Information**

To ensure the confidentiality of Confidential Information as stated in this Chapter 4 Sections A and B, each Employee is obliged to protect the Confidential Information acquired during the course of employment and not to disclose the same to unauthorized personnel within the Company or to persons not employed by the Company. To do so, it is important that every Employee make a conscientious effort to protect Confidential Information. The unintentional disclosure of Confidential Information can be just as harmful as intentional disclosure. Also, all Employees are obligated to exercise diligence in ensuring that temporary personnel retained by the Company are advised of their obligation to maintain the confidentiality of any Confidential Information learned about or from the Company, its Employees, its suppliers or its customers.

In addition, all Employees who have managerial responsibility shall take reasonable steps to ensure that Employees are familiar and in compliance with these Policies. Upon and after leaving employment with the Company, no Employee or former Employee shall retain documents, including electronic documents, containing Confidential Information, or use or disclose Confidential Information. The following list of

DO'S and DON'TS is intended to provide guidance to enable each Employee to comply with the Policies stated in this Chapter.

- 1) **DO** handle all documents containing Confidential Information carefully and **DO NOT** leave such documents in open areas or in plain sight such as on desks or photocopiers.
- 2) **DO** escort visitors directly to their destination and **DO NOT** permit access to Employees' offices or conference rooms where documents are displayed or otherwise available.
- 3) **DO NOT** discuss matters that may include Confidential Information in hallways, elevators, or away from the Company's premises, particularly in circumstances where they could be overheard (ex.: limousines, trains, airplanes or restaurants).
- 4) **DO** take extreme care whenever sensitive materials, which may include Confidential Information, are transmitted to persons outside of the Company and **DO** personally double-check the address to which such materials are sent and utilize appropriate legends identifying such material as confidential on the materials themselves, on any covering letter and, if appropriate, on the envelope or package.
- 5) **DO** take particular care of documents created by the Company for its customers or Employees, which are stored on computer disks or hard-drives.
- 6) **DO** keep all computer disks in a secure location to reduce the risk of improper copying. **DO NOT** leave sensitive data that may include Confidential Information on a hard-drive unless access to it can be blocked.
- 7) **DO** be sensitive to possible access by unauthorized persons to information conveyed by e-mail, voice message services or via cellular phones.

#### **D. Insider Information**

It is a serious crime to engage in securities trading, directly or indirectly, while in possession of material non-public information, or from communicating material non-public information to others ("Inside Information" or "Délit d'Initié"), whether that Inside Information relates to any Sumitomo company or a third party. At times, an Employee's knowledge about a client's affairs may adversely affect his/her freedom to buy or sell a particular security, until the Inside Information becomes public. If you have any questions concerning information that you possess which may possibly be Inside Information, or with respect to the restrictions that apply to insider dealing, please review and clarify them with the Ethics and Compliance Officer.

## 5. Intellectual Property Rights

Patents, copyrights and other valid intellectual property rights are protected under applicable laws giving their owner the right to enjoin infringement and recover damages. You must not use valid intellectual property of any other party, including that of the Company or that used by the Company under license, without authorization by its owner, the Company or those with the authority to grant such an authorization.

Any work created, invention conceived or reduced to practice, software program or other such intellectual property developed by an Employee in the course of the Employee's performance of his or her job responsibilities, during the Employee's work hours, on the Company's premises, with any of the Company's resources or that is in any way related to the business of the Company shall be promptly disclosed to the General Manager of the Company who will take appropriate measures with the Intellectual Property Department of SCC. Software programs so developed are the property of the Company. In the case of inventions developed within the scope of your employment functions, they are the property of the Company, although you may be entitled to supplementary remuneration by reason of the inventions. The Company also has the right to acquire from you, at a fair price, any other inventions which are related to the Company's activities, equipment or confidential information, and the Head of the Legal Department of the Company will inform you of the procedures set forth in the Intellectual Property Code under which such right is exercised or waived. All relevant Employees shall execute such written instruments and do other such acts as may be necessary in the opinion of the Company or its counsel to secure the Company's and the Employee's rights in such intellectual property. The Company may, at its sole discretion, waive the Policies stated in this Paragraph upon the written request by the Employee.

Computer Software is protected by copyright and may not be used or copied without a license from the publisher or otherwise than in accord with the terms of the license. Licenses customarily authorize the use of a software program on a designated computer or on a specific number of computers. Employees may not, therefore, copy or install a program on a computer unless such installation is authorized by a license held by the Company. This prohibition includes copying or installing on a laptop computer, whether Company-owned or personal, or on a personal computer at your home, a program installed on the Company's network or on the computer which you use at the Company. Nor may you copy or install on the computer that you use at the Company software programs given to you by a friend or which you utilize on your personal computer, even if you have a license for such program (unless such license authorizes use on more than one computer). If you have any questions as to what is permitted or if you believe that the Company's interest will be served by the acquisition of a software program or by you being able to utilize a program on a laptop or home computer, you should contact and obtain the consent



of your supervisor or the Information Technology Manager . It is also in most cases illegal to decompile or modify software programs. The Company may periodically audit the software installed on the Company's computers to ensure that no unauthorized programs have been installed. Software publishers have formed an association for the purpose of protecting their intellectual property rights against infringement and enforcing those rights, and it is the Company's policy to cooperate voluntarily with publishers and their representatives. The unauthorized installation, copying or use of software is an infringement of the publishers' intellectual property rights and may subject the Company and responsible employees to severe criminal and civil sanctions.

## 6. Environment, Health and Safety

### A. Environment, Health and Safety Policy

The Company is committed to environmental, health and safety protection for its Employees, customers, neighbours and others who may be affected by its products or activities. This policy also applies to our factories, research laboratories and every other facility within the control of the Company. Our commitment not only complies with legal requirements, it is intended to surpass them. It is consulted on the environmental consequences of the various measures on which it is informed and consulted.

The CSE is the official body put in place to define between Employees and Management improvements action plans in the areas of environment, health and safety.

The laws mentioned in this Chapter are only for examples and do not constitute an exclusive list of applicable environmental, health and safety laws. Employees are required to review and clarify their understanding of all applicable laws and regulations with the Head of the Human Resources Department to ensure their understanding and compliance.

### B. Environmental laws

Environmental laws, which may be implemented by prefectural orders, regulate the emission of pollutants into the atmosphere, the discharge of pollutants into surface and underground waters and the handling and disposal of wastes.

Laws concerning these matters are codified in the Environment Code (Code de l'environnement), the Public Health Code (Code de la santé publique) and the Labour Code (Code du travail). These codes provide rules for management of hazardous wastes from their creation to their disposal and contain regulations for the protection of air and water resources. The Company's policy is to ensure that the Company and Employees follow these laws and regulations and comply with all aspects involved.

### C. Safety and Health Laws

These codes also safeguard health, safety and the environment and regulate both physical safety and exposure to conditions in the workplace that could harm Employees. They establish specific industrial hygiene procedures, standards for communication of precautions and hazards associated with substances that the Company uses or produces, and permissible exposure limits for certain substances.

The handling of many of the Company's products, raw materials and intermediates is subject to the provisions of these codes. Unless specifically exempted, every chemical the Company uses or sells is

listed on the European Inventory of Existing Commercial Chemical Substances "EINECS" to which reference is made in the codes and the Company is required to file declarations concerning chemical substances handled with the competent authorities.

#### **D. Penalties**

The laws and regulations in this area are complex, and violation can result in severe criminal and civil penalties for the Company and also for Employees. Criminal penalties including imprisonment can be imposed for knowingly or, in some cases even negligently, violating standards or making false statements.

If you learn from any source that material manufactured, processed or distributed by the Company presents potential risks of injury to health or the environment or if you are faced with an environmental, health or safety issue, you shall contact the Head of the Human Resources Department and/or the CSE.

#### **E. Guiding Principles**

In fulfilling the Policies and complying with the laws mentioned in this Chapter, the Company will be committed to continuous improvement of its facilities toward the ultimate goal of zero accidents, illnesses, harmful waste and environmental incidents. The Company will develop and implement environment, health and safety plans for facilities under its control using good management practices consistent with the following principles:

- 1) Provide all Employees with a safe and healthful workplace;
- 2) Provide all Employees with safety and health instructions relating to their duties as well as with appropriate protective clothing and equipment;
- 3) Establish and maintain available the legally required mandatory risk evaluation document ("Document unique");
- 4) Operate facilities so as to prevent harm to public health and the environment, to conserve energy, water and raw materials, and to make a positive contribution to the surrounding community;
- 5) Obtain all required authorizations and assure that products can be produced, distributed, used and disposed of safely, and advise customers on their safe use and handling;
- 6) Engage all key interested parties, including supervisory authorities and local associations for protection of the environment in a dialogue with respect to facility activities, and appropriately respond to any concerns;
- 7) Promptly alert potentially affected persons to the known or reasonably foreseeable hazards of raw materials, products, by-products and activities, and inform them about proper protective measures;
- 8) Work with others to resolve problems created by handling or disposal of hazardous substances;
- 9) Contribute to the public's understanding and management of any significant risks arising from products or activities originating in Company facilities;

10) Train, equip and support all Employees in the management and implementation of environmental, health and safety activities;

11) Contribute to development of responsible and cost-effective governmental standards, laws and regulations concerning the environment, health and safety and cooperate in such matters with all levels of government.

## **F. Implementing the Policies**

In order to effectively initiate, improve and sustain growing environment, health and safety performance expectations, a management system that defines requirements and strives for 100% conformance to those requirements will be implemented at each Company facility. This management system includes the elements of:

### **1) Management commitment/leadership**

The Company's concern and responsibility for environment, health and safety begin with the internal board. Each and every level of management must be actively involved and committed to the letter and spirit of this policy.

### **2) Planning**

The Company is responsible for planning and implementing its activities in a manner consistent with the Policies and its guiding principles.

### **3) Objectives**

Specific objectives and targets will be established and measured for key environment, health and safety areas, including pollution prevention, regulatory compliance, safety and health performance, and other activities addressed in Section E "Guiding Principles" of this Chapter.

### **4) Monitor and assess**

The Company is responsible for monitoring and assessing its operations to ensure that Policies, objectives and targets are met. The Company's Management will utilize formal audits to periodically assess and verify compliance with requirements. Relevant information will be shared with the CSE.

### **5) External affairs and accountability**

The Company accepts its responsibility to cooperate with all levels of government. In this regard, the Company will make special efforts to be aware of legislative proposals and to make the Company's position on relevant environmental, health and safety matters known to legislators and other public officials. Further, as a responsible corporate citizen, the Company will contribute to the development of effective regulations in the environmental, health and safety areas, especially with the support of the Interprofessional Union for Plant Protection ("Phythéis").

## 7. Improper Payments

It is the policy of the Company that all Employees comply with the Compliance Manual for Bribery Prevention and execute it. The Company specifically prohibits offering, giving, soliciting, or receiving any form of bribe or kickback, whether to public officials or to employees of other companies. These are criminal acts and can result in criminal prosecution of both the individual involved and of the Company. Personal funds or resources may not be used to do anything that is otherwise prohibited.

As a general rule, the exchange of any benefits with local or national government officials or other employees of public bodies is prohibited, as are benefits exchanged with agents or employees of the Company's customers and suppliers. In those rare instances where it is customary or legal to offer a benefit to the aforementioned persons, the appropriateness of doing so should be discussed with the Ethics Officer and, if applicable, your supervisor. Any benefits exchanged must comply with the terms and conditions set forth in the Company's "Gifts, Entertainment and Promotional Policy".

French law also prohibits the bribery of European Union and foreign government officials and the Company complies with all applicable laws and regulations concerning bribery to foreign individual and entities, including those of foreign countries in which it operates or with which it deals.

France has incorporated in its Penal Code the provisions of the international Convention for the prevention of corruption of foreign public officials in international commercial transactions. Any promise, payment, gift or advantage offered or made to a foreign official for the purpose of influencing that individual to act or refrain from acting, or assist in obtaining or retaining Company business or any unjustified advantage in international trade is prohibited. The Company strictly prohibits any Employee from making any payment on the Company's behalf that would violate those laws and regulations. Employees who violate this policy are subject to disciplinary action in accordance with the laws and procedures prescribed by law.

Donation or contribution to Political Party Official by or on behalf of the Company is fully prohibited (Section 8 of the Code of Ethics "Political Contribution"), you must transfer the request to the Ethics Compliance Officer for it to handle the request. As relevant countries set various legal restrictions on donations or contributions to Political Party Officials, the Ethics Compliance Officer will look into the legality of the requested donations or contributions in light of such legal requirements, and will execute the donation or contribution within the regulatory limit.



## 8. Political Contributions

It is the policy of the Company that all Employees comply with all finance and ethics law. The French Law relating to the financial transparency of political activity and Company Policies prohibit the use of Company funds, assets, services or use of facilities, on behalf of a political party, candidate, or committee.

The Company is prohibited from compensating or reimbursing any Employees or individuals associated with the Company, in any form, for a political contribution that these persons intend to make or have made.

The Company's policy is not intended to discourage or prohibit any Employee or individual associated with the Company from voluntarily making legally authorized personal political contributions; from participating in the political process on their own time and their own expense; from expressing their own personal views on legislative or political matters; or from otherwise engaging in political activities.

## 9. Record Keeping

Company business records must always be prepared accurately and reliably and stored properly. The law also requires that the Company keep books, records and accounts which accurately and fairly reflect all transactions and disposition of assets of the Company. All transactions must be executed only in accordance with management's general or specific authorization. The Company's books, records, and accounts must reflect, accurately and fairly and within the Company's normal system of accountability, all transactions of the Company and all other events that are the subject of specific regulatory record keeping requirements.

All transactions must be recorded as necessary or appropriate to permit the preparation of financial statements in conformity with generally accepted accounting principles and other applicable rules, regulations, and criteria and to ensure full accountability for all assets and activities of the Company. All of the Company's assets and liabilities must be recorded in the regular books of the Company. Under no circumstances may there be any unrecorded fund or asset of the Company regardless of the purpose for which the fund or asset may have been intended, or any improper or inaccurate entry knowingly made on the books and records of the Company.

No payment on behalf of the Company may be approved or made with the intention, understanding or awareness that any part of the payment is to be used for any purpose other than that described by the documents supporting the payments. All receipts and disbursements must be fully and accurately described on the books of the Company and must be supported by appropriate documentation properly describing the purposes thereof.

If you have reason to believe that the Company's books and records are not in accord with the foregoing requirements, you are urged to immediately report the matter to your supervisor or the Ethics Compliance Officer.

There is no obligation on your part to report such matter and no sanction of any kind will be imposed by reason of your decision not to do so. If you do elect to report such matter, your identity will be treated as confidential unless its disclosure is required in the course of legal proceedings, and any information received that contains personal data will be treated in accordance with the laws designed to protect such data.

## 10. Legal controls on international commerce

### A. General

The Company's policy is to strictly comply with applicable Export Regulations. In its foreign licensing of technology, its documentation on exports, its informational memoranda to its representatives on foreign boards and its disclosures to its foreign subsidiaries and controlled affiliates, the Company informs the other parties involved in these transactions of the requirements of these regulations.

In the case of acquisition of products or technologies from foreign exporters or licensors, the Company may also contractually accept to respect the relevant laws and regulations of the country of origin of the products or technology or may, as a subsidiary of a foreign company, be obliged to respect certain regulations.

### B. Product and Technical Data Controls – Embargo Controls

Export restrictions exist upon so-called "dual use" goods, software and technology that can be used for both civilian and military use. These restrictions are imposed by European Regulations and are implemented by the governments of the member states.

The European regulations list dual use products and final destinations as to which export of products, software or technology (including through electronic transmission) is prohibited or subject to prior authorization.

More general embargos or sanctions may be imposed upon transactions with specific countries by reason of war, insurrection or human rights violations.

Employees responsible for exports should confirm that the Company has the required licenses for the export of the products in question to the consignees and end users.

Violations of these regulations can result in the imposition of severe sanctions.

These regulations are complicated and may periodically change as a result of legislative or executive action. If you have any questions on specific transactions, you should review and clarify them with the Head of the Legal Department.

### C. Chemical Weapons Control

France is a party to the Convention for the prohibition of the development, production, storage and use of chemical weapons. The development, manufacture or dealing in chemicals and technical data that

have chemical-weapons applications, as listed in schedules to the Convention, are prohibited except as such activities may specifically be authorized by the French government for permitted purposes. It is the Company's policy not to sell, domestically or export, any chemicals or other merchandise or data in a manner that supports any possible chemical-weapons use.

# 11. Restraints on Competition – Unfair Competition

## A. General

**This Chapter requires a standard of conduct that is consistent with the Company's policy to uphold and comply with the European and French competition laws as well as with those applicable in countries in which the Company does business or to which the Company exports its products.**

Strict adherence to these standards will help Employees and the Company avoid criminal and civil penalties. Such adherence also will ensure that the Company will continue to act as a vigorous but fair competitor within the marketplace. Employees who violate this policy may be subject to disciplinary action in accordance with the laws and procedures prescribed by law.

## B. Competition Laws

Export restrictions exist upon so-called "dual use" goods. The competition laws of the European Union have evolved over a period of many years in response to a need to eliminate historical restraints and barriers to free flow of goods and services within the European Union and to promote vigorous competition at all levels of commerce.

There are two principal sources of competition laws that affect your business discussions and dealings:

1. Articles 101 and 102 of the Treaty on the Functioning of the European Union ("TFEU");
2. Book IV of the French Business Code.

### 1) The Treaty on the Functioning of the European Union

Article 102 of the TFEU prohibits abuse by a company or group of a dominant position in a market, while Article 101 prohibits agreements or concerted action among enterprises which have the intent or effect of restraining competition and which affect trade among member states of the European Union and declares such agreements to be void and unenforceable. These rules extend also to member states of the European Economic Area. As a general rule, agreements between companies under common control are not subject to these rules unless the companies in question are managed autonomously. A number of regulations serve to exempt from the Article 101 prohibition specified types of both horizontal (between competitors) and vertical (with suppliers and customers) agreements meeting certain tests or provide quantitative criteria in terms of the market share of the parties which serve to exempt certain agreements. It is important to remember that an "agreement" need not be in writing to be subject to



Article 101 and that certain terms of an agreement will never benefit from exemption. Such terms include the fixing of minimum resale prices, margins or other conditions of resale and terms designed or serving to completely protect from competition territorial markets or customers.

Violation of these provisions may result in the Company being subject to fines and to civil suits from competitors or other parties who have been prejudiced by the Company's conduct.

## **2) Book IV of the French Business Code**

The provisions of titles II, III, and IV of Book IV of the French Business Code are applicable

to the domestic French market, in cases where trade among the member states of the European Union is not affected, rules similar to those applied at the European level by the TFEU. It also prohibits a number of forms of anti-competitive and discriminatory conduct. Subject to penal sanctions are such practices as abnormally low (so-called "predatory") pricing designed to exclude present or potential competitors from the market, the imposing of minimum resale price or margins, resale at a loss of products (which have not been manufactured or transformed by the Company), attempts to artificially increase or decrease market prices through falsehood or calumny, unjustified refusal to sell to consumers, refusal to sell on discriminatory grounds or participation in international boycotts.

Other practices are subject to administrative or civil sanctions. These include unjustified refusal to deal with enterprises that are bona fide would-be customers, resellers or suppliers (such refusal is permitted where there is an exclusive distributor in the territory in question), discriminations among customers that are not justified by objective differences (such as quantities ordered, or other conditions justifying a difference in price or treatment). In the absence of an exclusive distributorship in the territory in question, the Company must furnish its price list (for the relevant distribution level) and general conditions of sale to potential customers upon request, and any sales other than at the prices or on the terms set forth therein should be approved in advance by your supervisor. Commercial cooperation agreements under which a customer provides certain services of value to the Company, such as promotion and advertising of the Company's Products, may justify the invoicing of such services by the customer to the Company; however, all such agreements must be approved in advance by your supervisor. Also forbidden are the obtaining or attempting to obtain an advantage in the absence of any counterpart, abusively taking advantage of a customer or supplier's dependence on the Company or of the Company's selling or purchasing power, abusive payment terms, the application of abusive terms as a condition of entering into economic relations, the abusive threat to terminate commercial relations or the termination with insufficient advance notice of established commercial relations.

## **3) Penalties**

Every Employee must remain aware that strict compliance with the competition laws is indispensable since governmental sanctions for violations of the competition laws can be severe. A violation of the competition laws may constitute a felony, subjecting individuals to fines and possible jail sentence. Enterprises harmed by violations may claim damages from the Company. Competition law violations are also frequently publicized, and may adversely affect the image and reputation of the Company within

the industry and with government officials, suppliers, customers and the public in general. Employees who violate applicable competition laws may be subject to disciplinary action in accordance with the laws and procedures prescribed by law.

### **C. Guidelines**

It is obvious that ignoring the competition laws can have serious consequences. The following list of DO'S and DON'TS is intended to provide guidance to enable each Employee to comply with the competition laws. Not every possible circumstance that may be encountered can be included in this list. Therefore, if you have any questions review and clarify them with the Head of the Legal Department.

#### **1) Relations with Competitors**

- a. **DON'T** discuss or share our price information with a competitor or discuss or share any business information which might affect prices such as marketing programs, costs, discounts, terms of sale or profit margins.
- b. **DON'T** discuss with competitors "uniform" terms of sale, delivery, warranties or contract provisions.
- c. **DON'T** discuss with competitors to divide or allocate customers or territories.
- d. **DON'T** act jointly with one or more competitors to put another competitor or a distributor at a disadvantage.
- e. **DON'T** have any discussions with competitors about bidding or not bidding on any business.
- f. **DON'T** discuss our future pricing, marketing or sales plans with competitors without the approval of the Head of the Legal Department.
- g. **DON'T** share information about our customers with our competitors.
- h. **DON'T** make any statements regarding prices or matters affecting prices at trade association meetings and do not participate in discussions where other trade association members do.
- i. **DO** leave any conversation, meeting, or informal gathering where any of the foregoing topics are being discussed - and state why you are leaving.
- j. **DO** notify the Head of the Legal Department immediately of any communication involving the above topics.
- k. **DO** be conservative. If you feel an activity might be improper, do not do it before obtaining the approval of your supervisor or the Head of the Legal Department.
- l. **DO** act with caution when discussing business matters with any group of competitors (including trade associations, consortiums, standard setting groups, joint ventures, or buying cooperatives).

#### **2) Relations with Customers**

- a. **DON'T** grant discounts, reduction or other price adjustments nor different price terms to competing distributors for the same service and the same products without first checking with the Head of the Legal Department whether such discounts, reductions and other adjustments are allowed.
- b. **DON'T** use non ethical or misleading marketing or advertising programs. There are rules that govern comparative advertising and any advertising identifying a competitor or its products (even when its name is not mentioned) should be submitted to your immediate superior for his opinion.
- c. **ASK** for the Head of the Legal Department or Commercial Director agreement before making a proposal relating to client prices, to sale terms, to special marketing programs or to promotional assistance that is not offered to all the competitors of the said client.

### **3) Relationship with suppliers or distributors**

- a. **DON'T** attempt to require distributors or dealers to purchase one product as a condition to your selling another product to them.
- b. **DON'T** enter into any agreement, understanding or discussion with any distributor or dealer that would require them to use our goods or services exclusively without the approval of the Head of the Legal Department.
- c. **DON'T** enter into any agreement or understanding with any distributor or dealer concerning resale prices, other terms and conditions of resale. If the Company issues a recommended resale price list for the convenience of its distributors or dealers, you may give a copy to distributors or dealers and explain to them its function and the basis for the prices indicated; however, it must always be made clear that distributors or dealers are not obliged to apply the Company's recommended prices and that there will be no pressure or sanctions of any kind upon a distributor or dealer that elects not to apply such prices.
- d. **DON'T** threaten or discuss termination of an agreement with a distributor or supplier to seek to obtain advantages for the Company as a condition of continuing the relationship. Termination of a distribution agreement is a matter within the authority of the Commercial Director in consultation with the Head of the Legal Department and/or SCC or VBC Global Marketing Team.
- e. **DO** get the approval of the Head of the Legal Department before entering into any agreement with any distributor or dealer restricting their customers or the areas in which the distributor/dealer will sell the Company's products.
- f. When you are aware that termination of a distribution agreement is being considered, **DON'T** urge them to make new investments (in personnel, advertising, etc.) or otherwise give the impression that the relationship will continue.

### **4) Unfair Competition**

Unfair competition consists of deliberately or negligently causing harm to a competitor's business through the use of unfair business practices which are not the subject of a specific legal prohibition.

These may consist of (i) denigrating a competitor or its employees or products, (ii) using information improperly obtained from a competitor's employees or business partners (concerning, for example, new products, intended pricing changes, elements of an advertising campaign, etc.), (iii) creating confusion as to the origin of products other than through the use of registered trademarks (such as packaging, unregistered product names or slogans, etc.), (iv) slavishly copying a competitor's products or advertising materials (in effect obtaining the benefit of the competitor's investments).

## 12. Violation of the Code

If you have any questions as to proper interpretation of the Code of Ethics, please review and clarify them with the Ethics and Compliance Officer.

Employees who violate the Code of Ethics will be subject to disciplinary action in accordance with the laws and procedures prescribed by law. In some cases, former Employees also may be subject to severe criminal penalties and to civil penalties.



## 13. French Language

French law requires that certain documents or electronic texts be in the French language. Included, for example, are product warranties, instruction manuals, advertising, labels on product packaging, employment contracts, contracts with any public law entity or private entity exercising a public interest function.

The Company is subject to fines in case of each violation of legal obligations relating to use of the French language.

More serious consequences may also ensue if, for example, damage results from misuse of one of the Company's products because the end user or a member of the end user's staff was unable to understand the labels or instructions.

More generally, always bear in mind that the individual with whom you are dealing, even if he speaks the language you are using well, may not perfectly master technical terminology, and that the documents or materials furnished to him may be used by others within his organization or by his customers who may not have the same level of language skills.

In case of export sales to a country in which another language is spoken, determine whether translations of certain materials should be furnished.

# ANNEX. Certificate of Understanding and Compliance

I certify that:

1. I have read the booklet entitled "Code of Ethics" that contain the Company's Policies as defined therein, and I fully understand that I should comply with the terms thereof and as needed, seek clarification, as part of my duties. Further, I understand that it is my responsibility to understand and strictly comply with every applicable laws and regulations, according to my position in the Company. I am aware that during my course of employment my failure to comply with the Policies or failure to comply with such laws and regulations could be detrimental to the Company and will, to the extent permitted by law and in accordance with legally required procedures, be cause for appropriate disciplinary action.

2. I have no interest that might reasonably be deemed to be a conflict of interest under the Policies that has not been disclosed in writing to my supervisor, to the Ethics Compliance Officer.

First Name and SURNAME: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

