

Anti-corruption code of conduct & whistleblowing.

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Introduction

Since its entry into force on December 09, 2016, the so-called "Sapin II" law on the fight against corruption and influence peddling, requires companies of a certain size to adopt an anti-corruption code of conduct, which will moreover be integrated into the group's Internal Regulations.

It is important that all employees are aware of this code, as the General Management of Les Salins du Midi wants the company to be irreproachable from the point of view of the risks of corruption and/or influence peddling, in order to ensure the company's competitiveness and durability, which are the fruit of our performance. All employees must be aware of their own practices, as well as those of others.

In this respect, the present code provides information on the general conduct to be adopted in order to comply with the law, as well as on the measures to be taken when an employee witnesses a situation of corruption and/or attempted corruption. If an employee has any doubts, he or she should contact his or her superiors, who will advise him or her on the appropriate course of action.

In the event of non-compliance with this Code in the performance of his or her duties, the employee is liable to disciplinary sanctions as provided for in the Internal Regulations, and exposes the Group to financial and legal penalties.

This Code explains what the criminal offences of "corruption" and "influence peddling" are, as well as their possible manifestations in the form of high-risk situations, and the sanctions available.

I- Field of application

This Code applies to all directors, officers and employees of the Salins du Midi¹ Group. It may also be invoked against third parties who have dealings with the Group.

A-Directors and officers

When they are not employees of one of the Group's companies, the directors and officers of the Group's companies undertake, as part of their corporate mandate, to comply with this Code and to ensure that it is applied within the Group.

B-Employees

As the present Code is integrated into the Internal Regulations, all Group employees are subject to it. It is also binding on all employees, who are required to apply it and, within the scope of their responsibilities, to ensure that it is respected. Should they fail to do so, the employer may impose disciplinary sanctions in accordance with the Internal Regulations.

C-Third parties

Third parties, whether natural or legal persons, and their stakeholders (employees, subcontractors, suppliers, agents, consultants, advisors, business partners, etc.) who maintain or wish to maintain relations with Group employees or companies must be informed of the principles of the anti-corruption policy adopted by the Group.

II- Corruption and influence peddling

A-Private corruption

¹ This applies to all Group companies. If there is a difference between the Code and the procedures of a local entity, the latter cannot have a lower standard than the Code. If, on the other hand, the standard is higher, the higher standard will apply. Where there is a difference between this Code and a local law, the higher standard will apply.

Definition

Bribery is criminally punishable behavior whereby a person (the bribe-taker) solicits, agrees to or accepts any advantage granted by another person (the briber), with a view to performing, delaying or omitting to perform an act falling, directly or indirectly, within the scope of his duties in breach of his legal, contractual or professional obligations.

There are two types of private bribery:

- Active bribery (briber), which consists in being the perpetrator of the offence.
- Passive bribery (bribe-taker), which consists in accepting the consideration offered.

Bribery therefore consists in granting or accepting, by virtue of an agreement, an advantage to a person so that he or she performs or fails to perform an act in his or her official capacity.

Legal rule

This offence is governed by article 433-1, 1° of the French Penal Code:

"(...) The act, by any person, of offering without right, at any time, directly or indirectly, offers, promises, gifts, presents or advantages of any kind to a person holding public authority, entrusted with a public service mission or invested with a public elective mandate, for himself or for others:

1° Either so that he/she performs or refrains from performing, or because he/she has performed or refrained from performing, an act related to his/her function, mission or mandate, or facilitated by his/her function, mission or mandate; (...)

The same penalties apply to giving in to a person in a position of public authority, entrusted with a public service mission or invested with a public elective mandate who solicits without right, at any time, directly or indirectly, offers, promises, gifts, presents or advantages of any kind, for himself or herself or for another person, to perform or to have performed, to refrain from performing or to have refrained from performing an act mentioned in 1° (...).

Examples

Benefits can be :

- The payment of a sum of money, in cash or in any other form; in discounts or reimbursements ;
- Payment of business travel expenses;
- Provision of services or work free of charge;
- Communication of confidential or privileged information;
- A meal or hospitality;
- A gift;
- Hiring a relative for a job or internship;
- payment of school fees.

Case studies:

You respond to a call for tenders issued by a public authority for the supply of road salt. The

public official in charge of the file guarantees that the contract will be awarded to your company if, in return, you get his son hired in the company.

All solicitations must be unequivocally refused. You must therefore refuse the request and immediately report the incident to your superiors.

B-Influence peddling

Definition

- Influence peddling is behavior whereby one person (the influence peddler) solicits, agrees to or accepts an advantage of any kind from another person (the beneficiary of influence peddling), in return for the exercise of his real or supposed influence with a view to obtaining a favorable decision from an Administration.
- The influence peddler, unlike the bribe-taker, does not act in the normal exercise of his or her function, but outside it: he or she uses or abuses the credit he or she possesses by virtue of his or her functions, friendships or collaborative ties he or she may have forged with public officials, in order to exert the aforementioned influence.
- There are two types of influence peddling:
 - Active influence peddling, which targets the beneficiary of the hoped-for result of influence peddling.
 - Passive influence peddling, which targets the influence peddler.

Legal rule

This offence is governed by article 433-1, 2° of the French Penal Code:

«(...) The act, by anyone, of proposing without right, at any time, directly or indirectly, offers, promises, gifts, presents or advantages of any kind to a person holding public authority, entrusted with a public service mission or invested with a public elective mandate, for himself or for others: (...)

2° Either to abuse, or because they have abused, their real or supposed influence with a view to obtaining distinctions, employment, contracts or any other favourable decision from a public authority or administration.

The same penalties apply to giving in to a person holding public authority, entrusted with a public service mission or invested with a public elective mandate who solicits without right, at any time, directly or indirectly, offers, promises, gifts, presents or advantages of any kind, for himself or herself or for another person, (...) to abuse or have abused his or her influence under the conditions mentioned in 2°.»

Example

You have been put in touch with or contacted a person presenting themselves as a consultant, advisor, lawyer, lobbyist, current or former elected official, civil servant or former civil servant, engineering and design firm, project manager, project management assistant, etc., who proposes, in return for an advantage of any kind, to enable you to benefit from their relations or influence in order to obtain contracts, agreements, decisions, opinions or

abstentions from a public authority.

They propose, in return for an advantage of any kind, to give you the benefit of their relations or influence in obtaining contracts, tenders, decisions, opinions or abstentions from an Administration. Conversely, you may be asked by an outside partner to exert, or agree to exert, influence in exchange for the transfer of value, even supposed, on any process leading to a decision, an opinion, the provision of insider information or an abstention by an Administration.

Such practices must be unequivocally rejected. You must neither initiate nor respond to such requests, and must immediately report the incident to your superiors.

III- Specific situations

Corruption and influence peddling can take many forms. We have already identified some of these forms, but they are by no means exhaustive. This is why, in addition to complying with the general and specific rules set out in this Guide, employees must remain vigilant and report any suspicious situation to their superiors.

A- Facilitation payments

Definition

A facilitation payment is the direct or indirect undue remuneration of a public official for carrying out administrative formalities that should be obtained through normal legal channels. Its purpose is to encourage public officials to perform their duties more efficiently and diligently.

Legal rule

Facilitation payments, regardless of their frequency or amount, in France or abroad, are liable to criminal prosecution for corruption. They are therefore strictly prohibited within the company.

Concrete case

You need to register new trucks that will be used for deliveries and supplying salt to the company's customers. The registration officer tells you that registration takes a very long time. He explains that if you agree to an unofficial payment, he may be able to speed up the registration process. Otherwise, the process will take a long time.

Even if the amounts involved are small, this is corruption. Such payments are illegal and prohibited.

Firmly refuse the request, explaining that Salins and the regulations prohibit such practices. Report the incident internally as soon as possible.

B- Keeping fraudulent accounts and records

Definition

Companies are required by law to keep books and records, and to implement internal controls. Consequently, all payments made by the company or by a third party and reimbursed by the company must be recorded in the accounts.

Legal rule

The misleading characterization of an illegal payment as a legal payment is never permitted.

People working on accounting control missions (audits, certification of accounts), must be particularly vigilant as to the faithfulness and sincerity of the accounts. It is imperative to respect the separation of commitment, control and payment functions.

Concrete case

An employee asks you to set up a supplier account outside company procedures, in order to facilitate the payment of his invoices. It is imperative that you refuse this request and report it to your superiors.

C-Gifts

Definition

"Gift" refers to any object, service or benefit given free of charge and which has value. This practice is strictly regulated to avoid any risk of corruption. It can be included in the company's net income, and VAT can be deducted up to a certain amount.

In certain circumstances, however, this practice may be the quid pro quo for an act of corruption, in which case it constitutes a risk. The policy on gifts and entertainment is designed primarily to reduce this risk. While not all gifts and invitations constitute acts of corruption, they may do so if they are intended to obtain an undue favor from the recipient in return for the benefit received.

Legal rule

Gifts must comply with the following conditions:

- They are authorized by the applicable legislation,
- They are not solicited by the recipient,

- They are not intended to obtain undue consideration or advantage.
- They are not intended to influence a decision and are therefore not made at a strategic moment,
- They are occasional in relation to professional activity,
- They are of low value, non-monetary and made sporadically in a strictly professional context.

The presentation of a gift must be a gesture of pure courtesy in the context of normal professional relations, having regard to the customs of the country in which it takes place; the gift has a nominal value appropriate to the situation.

Except for small standard gifts bearing the company logo, any gift offered or proposed must be approved in advance by your manager.

Concrete case

You are currently negotiating the renewal of a cosmetics distribution contract with a network of perfumeries.

Your contact would like to offer you a gift set from a leading perfumer, including perfume, deodorant, branded cream, and a leather toiletry bag. The set is sold in stores for €350.

Apart from the fact that this proposal comes at a suspicious time, when it could be interpreted as being intended to influence you in ongoing negotiations, the value of the gift is too high. It should be refused with courtesy and firmness.

D- Meals

Definition

It's quite common that after a morning meeting with a business partner, you have the opportunity to share a meal with him or her. It's easy to see the difference between this situation, where a meal is usually taken in working circumstances, and a festive meal disconnected from working hours, such as would be taken with family or friends.

Legal rule

The invitation to a meal must meet the following conditions:

- The meal is sporadic and directly related to a professional reason;
- The value is that of a working meal according to local or other applicable standards, or as the case may be, taking into account the recipient's duties, the circumstances and the occasion. Invitations to meals exceeding the usual thresholds must be approved in advance by your line manager.
- The employee is present at the event;
- It must not be offered in order to obtain an undue advantage;

- It must not be accepted by a supplier in the course of a selection procedure, if the supplier is a bidder;
- It is not permitted to invite a customer or beneficiary when a bidding procedure is in progress;
- Not create a feeling of obligation or an appearance of impropriety,
- Not be reasonably interpretable by the recipient or others as a bribe,
- Not be frequently offered to or received from the same person.

In addition, any invitation is subject to the instructions of the Human Resources Department regarding authorized amounts.

Concrete case

You have been invited by a service provider with whom the company works. The invitation is for an evening meal in a well-known and expensive restaurant, to be shared with your guest. This invitation is also extended to your private partner (spouse or other).

Since this is a professional relationship, but a meal offered outside a professional context, of an unusual standing and benefiting one of your close relations, and without being able to prejudge the intentions of the service provider, you must refuse this invitation and inform your superiors.

E-Travel and accommodation

Definition

"Hospitality" and the maintenance of good business relations are acceptable as long as they are related to the company's activity and respect certain common-sense limits.

Legal rule

The invitation to travel must meet the following criteria:

- The distance of the trip and the duration of the stay are reasonable, appropriate, and justified by legitimate business reasons.
- The invitation is intended only for the business contact and not for family members.
- Travel and accommodation expenses offered to third parties must be approved in advance by your line manager.

If you have any doubts about compliance, you should consult your line manager. Furthermore, all invitations are subject to the instructions of the Human Resources Department regarding authorized amounts.

Concrete case

You have just launched a tender for the purchase of a large volume of industrial supply equipment. One of the competing suppliers offers you and your family two-day tickets to a well-known amusement park, including hotel accommodation. It appears that this offer is intended to influence your final choice in favor of the third party. What's more, the value of the gift seems high and its purpose unrelated to your business. You must therefore refuse this offer and inform your superiors.

F- Lobbying

Definition

Lobbying is the act of entering into direct or indirect contact with a public official with a view to influencing a political decision to defend particular values and interests. When its use is made clear and transparent, lobbying can help provide public decision-makers with information and understanding on increasingly complex issues.

On the other hand, unregulated lobbying can lead to abuses and constitute reprehensible acts of corruption and, in particular, influence peddling.

Legal rule

All employees and managers must obtain the approval of General Management before engaging in any lobbying activity. Lobbying activities must comply with current regulations, in particular the guide to good lobbying practice produced and distributed by the European Union.

Lobbyists must communicate transparently with the interlocutor they have contacted: clearly identify themselves as representatives of the company, be very clear about the purpose of the meeting, and keep a record of the meeting by sending a message to their superiors and the interlocutor.

Concrete case

A trade association active in a field that is closely related to your company's activities offers you the chance to take part in a delegation to meet with a certain member of parliament, who is a member of a parliamentary committee, in order to put forward the interests of the profession represented. You need to inform your superiors so that your participation in this union can be accepted, under the direction of the company, which will ensure that it complies with regulations.

G-Conflicts of interest

Definition

Article 2 of the law of October 11, 2013 defines the notion of "conflict of interest" as "any situation of interference between a public interest and public or private interests which is such as to influence or appear to influence the independent, impartial and objective exercise of a function".

Conflicts of interest are situations in which an employee's personal or private interests are such as to influence the independent, impartial and objective exercise of his or her duties, and thus conflict with those of the company.

Legal rule

In the event of an apparent or proven conflict of interest, inform your superiors and draw up a declaration of conflict of interest in order to keep a record of it, and follow the measures prescribed by your superiors.

Concrete case

You have the opportunity to take part in the governance of any organization, commercial or otherwise, whose activity is in competition or contradiction with that of the company. This situation could potentially give rise to suspicions of a loss of independence and objectivity in your decision-making within the company. It is therefore essential that you inform your superiors so that measures can be taken to avoid any suspicion or risk of conflict of interest.

H- Patronage and sponsorship

Definition

These are actions that involve providing material support without direct compensation to a non-profit legal entity that is not a customer of the company, and whose activity is of general and disinterested interest.

Rule

No donation or sponsorship may be offered, promised or made if its purpose is to influence official action or secure an undue advantage. The destination of sums or donations must therefore be the subject of specific vigilance. Moreover, the company's image and reputation are at stake.

No sponsorship or patronage should be accepted or granted without the prior agreement of management.

Concrete case

An association approaches you for funding. It introduces itself: it was created recently, and its aim is to help a youth sports club. In this case, the association seems to be a local one, focusing on local activities. At first glance, it would appear that a donation could be made.

Before any decision is taken on a grant, donation or sponsorship, please consult the hierarchy. Any proposal to sponsor or donate to a charitable organization must be submitted to management in advance, be subject to due diligence in accordance with the third-party assessment procedure and be formalized in writing, clearly detailing the beneficiary entity, the entity behind the donation or sponsorship and the purpose of the donation or sponsorship.

IV- Sanctions

Any employee who fails to comply with the conduct set out in this Code, and who does not take the necessary steps to avoid any situation of corruption, is liable to disciplinary action as provided for in the Internal Regulations, and exposes the Group to financial and legal penalties.

The article mentioned in II.A and II.B, relating to corruption and influence peddling, stipulates that:

"Is punishable by ten years' imprisonment and a fine of €1,000,000, which may be increased to double the proceeds of the offence (...) The fine is increased to €2,000,000 or, if this amount is exceeded, to double the proceeds of the offence, when the offences provided for in this article are committed in an organized gang.»

V- Whistleblowing system

A whistleblowing system is open to all company employees who have personal knowledge of suspicious or proven situations likely to infringe the legal prohibitions on corruption and/or influence peddling and the present Guide.

A-General presentation

The first way to activate the alert system is simply to inform your line manager and/or the Compliance Officer. This allows for immediate and open dialogue and consultation, enabling an initial analysis of the situation.

This approach is not exclusive of the next. It is also possible to make a report using the following dedicated internet link:

[\[Déclencher un signalement.url\]](#)

A whistleblower may be any employee, external collaborator or occasional employee, provided the relevant conditions are met:

- The whistle-blowing procedure may only concern the disclosure of facts,
- The Author of the alert has personal knowledge of these facts,
- The Author of the alert is able to demonstrate the reality of these facts by any means.

However, no information covered by medical secrecy or attorney-client privilege may be divulged in a report filed under this alert system.

The implementation of the Alert System is voluntary, and no sanction may be taken by the employer against the Author of the alert.

The Internet alert system guarantees the anonymity of the author of the alert. Information that could identify the whistle-blower will only be disclosed with his or her formal authorization, except to the judicial authorities following a request from the whistle-blower. Alerts on this link are launched anonymously. The system must enable further exchanges with the author of the alert, while preserving his or her anonymity. The system complies with the provisions of the French General Data Protection Regulation (RGPD).

B- Online whistleblowing process

1. Internet channel available for alerting :

[Déclencher un signalement.url](#)

2. The identity of the person in charge of receiving reports within the company is indicated here:

<https://groupesalins.sharepoint.com/sites/Controleinterne/Signalement>

3. Steps to follow for reporting :

The whistle-blowing service offers the possibility of alerting the company to any suspicion of unacceptable conduct on a confidential basis. Whistle-blowing can be confidential or anonymous.

Problems reported include crimes, irregularities and violations or other actions contrary to European or national laws, in a work-related context concerning corruption and financial irregularities; for example, bribery, unfair competition, money laundering, fraud, conflict of

interest.

A whistleblower does not need to have irrefutable proof to express a suspicion. However, deliberate reporting of false or defamatory information is penalized. Any abuse of the whistleblowing service is an offence punishable by disciplinary action.

Whistleblowers must restrict their information to that which is useful and necessary to the investigation and must avoid disclosing personal data unrelated to the investigation.

You can make a report by logging on to the dedicated website. The report must be as complete as possible to enable it to be processed, and must include, as far as possible:

- Description of the facts justifying the report,
- The identity of the persons involved,
- The circumstances in which the person making the report became aware of the facts,
- Information or documents to support the report.

4. Details of how the sender of the alert will be informed of its receipt and of the time required to assess its admissibility:

Access to messages received via the alert channel is restricted to designated individuals responsible for managing alert cases. Processing is confidential. On receipt of a message, the alert management team decides whether to accept or reject the message. If the message is accepted, appropriate investigative measures are implemented.

The whistle-blower receives an acknowledgement of receipt of his or her report within 7 days.

The investigation team may refuse to accept a message if :

- the behavior in question does not constitute a whistleblowing case under these reporting guidelines ;
- the message has not been written in good faith, or is malicious;
- there is insufficient information to conduct an investigation;
- the subject of the message has already been dealt with.

5. How the sender of the alert will be informed of the closure of the alert:

The investigation team returns to the author with a response within 3 to a maximum of 6

months from the date of receipt of the report.

6. Provisions to guarantee the confidentiality of the alert :

In order to guarantee confidentiality, the solution implemented is not an internally developed solution but a solution carried out by an approved "Trusted Third Party" that meets the standards of the RGPD and iso 27001.

The alert, if made anonymously, is encrypted from end to end and Salins is not able to know who made the alert.

The people who analyze the alert must maintain the confidentiality of the information issued by the sender, and as such occupy professions whose role it already is.

7. Protective status for the whistleblower:

A person who reports a genuine suspicion or concern cannot face the risks of losing his or her job or suffering any form of repression or personal disadvantage.

It doesn't matter if the whistle-blower makes a mistake, provided he or she does so in good faith.

Article L 1132_3_3 of the French Labor Code prohibits any sanction, dismissal or discriminatory measure against an employee solely on the grounds of his or her status as a whistle-blower.

8. Measures taken to protect personal data:

With regard to the protection of personal data, the chosen solution meets RGPD constraints and data storage is in Europe.

All data is encrypted and protected.

The reporting system is recorded in the processing register held by the Personal Data Protection Officer, Eugène Botella.

Personal data will be kept for the duration of the investigation and must be destroyed one year after the end of the investigation..

Access and rectification rights

Any person identified in this Warning System may, at any time during the above-mentioned reporting procedure, access data concerning him or her and ask the Compliance Officer to rectify or delete it if it is inaccurate, incomplete, ambiguous or out-of-date, or if its collection,

use, communication or storage is prohibited.

Where appropriate, the Compliance Officer acknowledges receipt of the request and makes a decision within 15 working days. He informs the person who made the request without delay and by any means necessary. Under no circumstances may the right of access and rectification defined in the present article lead the person making the request to obtain information to which the present Alert System prohibits him/her from having access. In particular, the person who is the subject of the alert may under no circumstances obtain communication of the identity of the Author of the alert.

Contact

Bruno MARET – Jurist
bmaret@salins.com