

# ANTI CORRUPTION CODE

APRIL 2018



**Apave is committed to preventing and detecting corruption, influence peddling, extortion by public officials, unlawful taking of interest, misappropriation of public funds and favouritism, offences henceforth referred to under the generic term of corruption and defined in law as follows:**

## **CORRUPTION**

**Active corruption** is defined as the proffering without right (or yielding to the solicitations of a public official), at any time, directly or indirectly, of offers, promises, donations, gifts or benefits of any kind to a person holding public authority, discharging a public service function or holding elected office, for the benefit of that person or of any another, to carry out or refrain from carrying out or because they have carried out or refrained from carrying out an act pertaining to their position, assignment or office, or facilitated by virtue of their position, function or office.

**Passive corruption** is defined as the soliciting or accepting without right by a person holding public authority, discharging a public service function or holding elected office, at any time, directly or indirectly, of offers, promises, donations, gifts or benefits of any kind, for the benefit of that person or of any other, to carry out or refrain from carrying out or because they have carried out or refrained from carrying out an act pertaining to their position, assignment or office, or facilitated by virtue of their position, function or office. The offences of active and passive corruption are established by Articles 433-1-1° and 432-11-1° of the French Criminal Code.

The offences of active and passive corruption of a foreign public official are established by Articles 435-1 and 435-3 of the French

Criminal Code. The offences of active and passive corruption of persons not discharging a public function are established by Articles 445-1 and 445-2 of the French Criminal Code.

## **EXTORTION BY PUBLIC OFFICIALS**

Defined as any acceptance of, request for or order to pay as public duties, contributions, taxes or impositions any sum known not to be due, or known to exceed what is due, committed by a person holding public authority or discharging a public service mission.

The offence of extortion by public officials is established by Article 432-10 of the French Criminal Code.

## **UNLAWFUL TAKING OF INTEREST**

Defined as the taking, receiving or keeping of any interest in a business or business operation, either directly or indirectly, by a person holding public authority, discharging a public service mission or holding elected office who, at the time in question, has the duty of ensuring, in whole or in part, its supervision, management, liquidation or payment.

The offence of unlawful taking of interest is established by Article 432-12 and Article 432-13 of the French Criminal Code.

## **INFLUENCE PEDDLING**

**Active influence peddling** is defined as the proffering without right (or yielding to the solicitations of a public official or private agent), at any time, directly or indirectly, of offers, promises, donations, gifts or benefits of any kind to a person holding public authority, discharging a public service function or holding elected office or to any private person, for the benefit of that person or of any another, to abuse or because they have abused their real or alleged influence with a view to obtaining from any public body or administration any distinction, employment, contract or any other favourable decision.

**Passive influence peddling** is defined as the soliciting or accepting without right by a person holding public authority, discharging a public service function or holding elected office, at any time, directly or indirectly, of offers, promises, donations, gifts or benefits of any kind, for the benefit of that person or of any other, to abuse or because they have abused their real or alleged influence with a view to obtaining from any public body or administration any distinction, employment, contract or any other favourable decision.

The offences of active and passive influence peddling are established by Articles 433-1-2°, 433-2 and 432-11-2° of the French Criminal Code. The offences of active and passive influence peddling involving a foreign public official are established by Articles 435-2 and 435-4 of the French Criminal Code.

## **FAVOURITISM**

Defined as an offence committed by a person holding public authority or discharging a public service mission, holding elected office or acting as a representative, administrator or agent of central government, local government, public establishments, national semi-public companies discharging public service missions and local semi-public companies, or any person acting on behalf of any of the above-mentioned persons, who obtains or attempts to obtain for others an unjustified advantage by an act breaching the statutory or regulatory provisions designed to ensure freedom of access and equal treatment for bidders in tenders for public contracts and delegated public services.

The offence of favouritism is established by Article 432-14 of the French Criminal Code.

## **MISAPPROPRIATION OF PUBLIC FUNDS**

Defined as the destruction, misappropriation or purloining of a document or security, of private or public funds, papers, documents or securities representing such funds, or of any object entrusted to them as part of their function or tasks, committed by a person holding public authority or discharging a public service mission, a public accountant, a public depository or any of their subordinates.

The offence of misappropriation of public funds is established by Article 432-15 of the French Criminal Code.

# HIGH RISK SITUATIONS AND PROHIBITED BEHAVIOUR LIKELY TO CONSTITUTE CORRUPTION

**Group employees must be particularly vigilant as regards the following types of behaviour that may constitute corruption, and should adopt the following practices, on pain of disciplinary sanctions.**

## GIFTS AND INVITATIONS

May compromise the independence necessary when making decisions.

Gifts and invitations must be offered or received with the strictest of precautions, and only when the independence of the person(s) concerned, the company or the Group cannot be called into question, and subject to their being of a reasonable value:

- Do not offer any gift, invitation, trip or gratuity of a nature to procure an unfair advantage for you or for the company, such as a contract or an authorisation.
- Decline any gratuity or benefit, gift, invitation, trip, either for you or for someone close to you, from a customer, supplier or third party, of a nature to influence the company's purchasing, integrity and/or its findings and reports.

## RELATIONS WITH THIRD PARTIES

(Service providers, suppliers, co-contractors and sub-contractors) may present risks of corruption or conflict of interests.

Corruption most commonly occurs through the agency of a third party. Great vigilance is required in their selection.

Conflicts of interest emerge when an employee's personal interests are or could be in conflict with the assignment entrusted to them by the company. The conflict of interest may be direct (affecting the employee in person) or indirect (affecting, for example, a close family member of the employee). The interest concerned may be economic, financial, political, professional or private.

## Some basic principles to apply:

- Follow established Group procedures for selecting third parties (competitive bidding, listing).
- Wherever possible, use standardised Group legal instruments (standard contracts, general terms & conditions).
- Verify third parties' independence of the other parties.
- Wherever possible, incorporate Group ethical obligations into contracts with service providers to compel their compliance.
- Verify that services have been effectively delivered before paying service providers.
- Avoid calling on the services of a service provider, supplier or subcontractor in which a Group employee or close family member holds shares or material interests.

## PATRONAGE, SPONSORSHIP AND DONATIONS

May constitute circuitous means of corruption. They must comply with the Group's requirements and values.

- Patronage, sponsorship and donations must follow the Group procedure, which sets out the criteria for choosing beneficiaries, oversight, forms of allocation and overall budget.
- All such initiatives must systematically be reported to the Ethics Audit Committee.

## FACILITATION PAYMENTS

Are unofficial and illegal payments destined to expedite or secure the smooth completion of certain administrative procedures, in either the public or private sector.

- Facilitation payments are strictly forbidden, except in extraordinary circumstances where there is a direct and immediate threat to the health or safety of Apave employees or service providers.
- Any request for a facilitation payment from a person external to the Group must be reported immediately to the management of the company concerned and to the Ethics Audit Committee.

## THIRD-PARTY INTERMEDIARIES AND COMMERCIAL REPRESENTATIVES

Must meet Group due diligence requirements:

- Follow established Group procedures for selecting third parties (competitive bidding, listing).
- Clearly define the role of the intermediary in accordance with the legislation applicable.
- Verify the intermediary's independence of the other parties.
- Wherever possible, incorporate Group ethical obligations into contracts with service providers to compel their compliance.

# IMPLEMENTATION AND DISCLOSURE MEASURES

Group senior management has set up an Ethics Audit Committee chaired by an independent figure chosen by the Group Chairman. The role of the committee is to oversee the proper implementation of the Code of Ethics throughout the Group by means of evaluations and audits, relying on an internal network of ethics correspondents.

The Chief Executive Officer is responsible for the effectiveness of the committee's work.

***Apave has also put in place a system for receipt of disclosures of breaches of the Anti-Corruption Code (whistleblowing).***

Any such disclosures will be handled by the Ethics Audit Committee using the methods set out in a Group-wide procedure for disclosing breaches of the Code of Ethics and of the Anti-Corruption Code.

The principles of conduct set out in this code are binding upon all Group employees. Failure to comply with the rules of the code will be considered as a breach exposing its author (as far as the regulations of each country permit) to the following sanctions:

- verbal or written warning,
- reprimand,
- dismissal,
- transfer,
- demotion,
- termination for cause,
- termination for serious professional misconduct.

The reputation and image of the Group and all its components, including its employees, is at stake. Group entities risk the imposition of heavy fines by the appropriate authorities, or being subject to prohibitions and a requirement to render their practices compliant.

Certain principles set out in this code are subject to special procedures with which employees must familiarise themselves when their duties are concerned.

In the event of any doubt or uncertainty as to the application of the principles set out above, the employee should refer to their line manager, who may inform the Ethics Audit Committee; where referral to the line manager might prove a sensitive issue, the employee should bring the matter directly to the attention of the Ethics Audit Committee.

## YOUR PERSONAL CONTACT

**Apave Group Ethics Audit Committee**

✉ compliance.1-apave@ethicattitude.com - *and/or*

✉ compliance.2-apave@ethicattitude.com



