
CODE OF CONDUCT ANTI-CORRUPTION

GROUP

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CONTENTS:

- I. Preamble
- II. Background information
- III. To whom does the Code of Conduct apply?
- IV. Principle of prohibiting all corruption
- V. What is corruption?
- VI. Rules of the SIFCOR group's anti-corruption policy
- VII. How should we deal with third parties working for the SIFCOR group?
- VIII. Conflict of interest
- IX. Compliance with the SIFCOR group's anti-corruption policy: Let's talk about it together

PREAMBLE:

The SIFCOR group has a performance culture based on values and solid principles that govern its ethics, management and operational excellence.

To this end, from 2020 onwards, it will set up an anti-corruption programme in accordance with the SAPIN II law, which will cover all its employees, customers, suppliers and partners.

By promoting exemplary behaviour within our companies, we mobilise the energy and passion of our employees to achieve ambitious objectives and develop innovative solutions for the Forge of tomorrow.

I. BACKGROUND INFORMATION

- Corruption is a major obstacle to the proper functioning of the company. It generates costs by reducing economic efficiency and damaging the company's image and reputation, and the dignity and integrity of those who suffer its consequences.
- The SIFCOR group applies a principle of **zero tolerance** towards any form of corruption.
- The SIFCOR group is committed to an approach aimed at ensuring the irreproachable conduct and ethics of its employees.
- The SIFCOR group has decided to set up a corruption prevention programme in accordance with article 17 of the “Sapin 2” law of 9 December 2016.
- This code of conduct is one of the tools of this anti-corruption policy.
- It lays down the mandatory rules that will enable every employee of the SIFCOR group to understand the prohibited practices in the fight against corruption and influence peddling and to carry out their daily activities with peace of mind.
- The SIFCOR Group expects its employees not to be governed by their personal interests or private relationships when doing business.
- This code of conduct is an integral part of the internal regulations of each of the SIFCOR group companies.

II. TO WHOM DOES THE CODE OF CONDUCT APPLY?

- The code of conduct applies to all SIFCOR Group employees, regardless of their hierarchical level, role or geographical location.
- All employees of the SIFCOR group, as well as external and occasional employees (temporary staff, interns, service providers seconded for more than three months), directors and officers, members of all administrative, supervisory and management committees of the SIFCOR group and its direct and indirect subsidiaries in France and worldwide, are considered as employees.

III. PRINCIPLE OF PROHIBITING ALL CORRUPTION

- SIFCOR does not tolerate any form of corruption or influence peddling.
- This prohibition must be respected in France and abroad.
- It is the responsibility of each employee to ensure that their conduct and that of their subordinates complies with the code of conduct.

PENALTIES:

When circumstances warrant, SIFCOR may, as provided for in the internal regulations, initiate civil, criminal and/or disciplinary proceedings against the employees concerned, whether they are the author, accomplice or beneficiary of the act of corruption.

IV. WHAT IS CORRUPTION?

1. DEFINITION OF CORRUPTION AND INFLUENCE PEDDLING:

Corrupt practices consist, with regard to private persons (customers, suppliers, etc.) or persons holding public office, in proposing, paying, requesting, soliciting or accepting offers, promises, donations, gifts or benefits of any kind for the employees themselves or for others, directly or indirectly,

- For one of these persons to perform or refrain from performing, or because he has performed or refrained from performing:
 - an act of his office, mission or mandate, or facilitated by his office, mission or mandate, in the case of a public official;
 - an act of his activity or position or facilitated by his activity or position, in violation of his legal, contractual or professional obligations, if he is a private person;
- Or for one of these persons to abuse, or because he has abused, his real or supposed influence in order to obtain distinctions, jobs, contracts or any other favourable decision from a public authority or administration (influence peddling).

Influence peddling involves a tripartite relationship:

A person has influence (real or perceived) over certain persons and uses this influence in exchange for a benefit provided by a third party (who wishes to benefit from it).

Committing the offence of influence peddling gives rise to the same penalties as those provided for in the event of committing the offence of corruption.

Corrupt practices can take **many forms**.

Corruption can be:

- **active**: it is then characterised by offering, promising, paying or granting an undue advantage to a third party;
- **passive**: in this case, it consists in requesting, soliciting, accepting or receiving an undue advantage from a third party.

The objective being that one of these persons performs or refrains from performing, facilitating or delaying an act that is directly or indirectly within the scope of his or her duties.

Corruption is **private** when it occurs in the context of relationships between natural or legal persons in the private sector such as suppliers, service providers, private clients, donors, etc.

Corruption is **public** when it occurs in the context of relations with persons exercising a public function such as public officials.

Corruption can be **direct** or **indirect** (via third parties, typically “intermediaries”).

The notion of public official must be interpreted broadly and refers to any person holding public office, entrusted with a public service mission or invested with a public elective mandate.

Any other person considered as such under the national legislation of a country is also to be considered as a Public Official.

2. THE MOST COMMON ACTS OF CORRUPTION:

- Payment of **sums of money** (cash, bank transfer or other) whose means of payment can be concealed (false invoices, consultant fees, donations, sponsorship),
- **Gifts,**
- **Invitations** (entertainment, business meals, trips, travel expenses, etc.),

- **Facilitation payments** (bribes - especially within non-OECD countries),
- **Unjustified trade discounts,**
- **Donations,**
- **Or any other form of favour or benefit,** granted or promised: preferential treatment, signature of a contract, disclosure of confidential information, "guilty" inaction in a situation where people close their eyes when they should intervene.

3. EXCEPTION:

Exceptionally, a payment may be made if the life, health or safety of a person is threatened, if the danger is present or imminent, and subject to the condition of proportionality required by Article 122-7 of the French Criminal Code. The employee must obtain prior authorisation from his or her supervisor or, if this is not possible, must inform him or her of the payment without delay.

4. PENALTIES

- ***Public corruption***

Natural person (Article 433-1 of the French Criminal Code): up to 10 years' imprisonment and a fine of €1,000,000, the amount of which may be increased to twice the proceeds of the offence, plus additional penalties.

Legal entity (Article 131-8 of the French Criminal Code): up to €5,000,000, the amount of which may be increased to twice the proceeds of the offence, plus additional penalties.

- ***Private corruption***

Natural person (Article 445-1 of the French Criminal Code): up to 5 years' imprisonment and a fine of €500,000, the amount of which may be increased to twice the proceeds of the offence, plus additional penalties.

Legal entity (Article 131-8 of the French Criminal Code): up to €2,500,000 fine, the amount of which may be increased to twice the proceeds of the offence, plus additional penalties.

V. SIFCOR'S ANTI-CORRUPTION POLICY RULES

1. GIFTS AND INVITATIONS

- Employees are sometimes called upon to receive or occasionally offer gifts or invitations in order to strengthen professional relations.
- While these practices may appear appropriate in certain circumstances, it is essential that they do not affect the independence, good professional judgment and integrity of employees in order not to represent an act of corruption.
- Anti-corruption rules prohibit the offer of gifts, invitations and other valuable items to a third party in order to obtain an undue advantage or to exercise any unjustified influence on any official action.
- All employees must therefore carefully check all gifts and other benefits on the basis of the following rules.
- The following rules also apply to direct or indirect gifts to spouses or family members if they are provided as part of a business relationship.

Gifts and invitations must meet the following conditions:

➤ **A legitimate professional reason**

To this end, they must not be offered or received in exchange for an inappropriate benefit. An advantage is inappropriate if:

- It is given with the intention of receiving consideration in return;
- It is likely to influence the objectivity of the recipient;
- It is offered with the knowledge that the recipient will breach his or her professional obligations by accepting it;
- Its disclosure to the public is embarrassing for the Employee or the group.

➤ **Reasonableness and appropriateness**

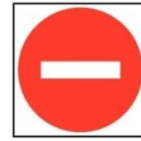
The nature and value of such gifts and entertainment must be reasonable and appropriate to the circumstances and status of the recipient (see below for permitted and prohibited gifts).

➤ **Transparency and traceability**

Gifts and entertainment must be offered or received in a transparent, i.e. visible and traceable manner.

Gifts and invitations must always be offered in the name of the SIFCOR group companies. Authorisations, when required, must be requested from the supervisor.

Local customs: Any gift that it would be culturally inappropriate to refuse may be accepted by the Employee provided that the value is reasonable and that the Employee informs his/her line manager.



Gifts and invitations: prohibited practices

In general, employees of SIFCOR group companies are not authorised to solicit, request or demand gifts.

The following gifts and invitations, **offered or received**, are **prohibited without exception**:

- Any gift given or received in the form of **cash or equivalent payments (bribes)**,
- Any **gift or invitation to public officials in France or abroad, to elected officials or political leaders** in order to facilitate and accelerate administrative procedures, (e.g. granting approvals or authorisations, release of products to be declared for customs purposes) and/or to encourage the official to perform illegal official acts,
- Any gift **received at his or her private address** or addressed to a business partner **from his or her private address**,
- Any gift or invitation accepted or given before, during or after an important decision as a **competitive procedure** (calls for tenders, over-the-counter contracts, etc.),
- Any gift or invitation that is in violation of French law,
- Any gift or invitation of unreasonable value (see below - 3.3)
- Any gift or invitation that concerns persons other than the employee or business partner. The employee can only accept or propose an invitation to an event if the inviting business partner is **present or represented at the event**.



Authorised gifts and practices

- **Gifts received or offered that do not require prior authorisation as long as they respect the following principles:**
 - Any gift of **modest or symbolic value**. Similarly, **promotional gifts** (calendars, pens, diaries, etc., marked with the company's identity) that are usually given as part of a commercial promotion operation or on the occasion of the end of the year celebrations.
 - **Professional invitations** (meals, shows, sporting events) as long as the following conditions are met:
 - The invitation is for a verifiable legitimate business purpose (for a meal, for example, if it is taken during or just after a meeting or if it is to discuss business relations, etc.) and is appropriate to the situation and,
 - The invitation is not made to obtain an undue advantage or unduly influence anyone's action.
- **Gifts received or offered that require PRE-AUTHORISATION from the supervisor:**
 - Any **gift or invitation** whose unit value exceeds 50 euros excluding VAT and a cumulative amount for the same person of 300 euros excluding VAT per year.
 - Any **travel** and accommodation **expense**, even if they meet a legitimate and verifiable business objective or correspond to an expression of courtesy or local hospitality.

Where prior authorisation is not physically possible, they shall be subject to subsequent validation under the conditions defined below.

Subsequent validation: Employees will have travel, accommodation, entertainment and gifts validated *a posteriori* by their supervisor when:

- It was not physically possible to request prior authorisation (e.g., an unannounced invitation).
 - For reasons of propriety, it was impossible to refuse the gift or invitation.
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- **General rules for Gifts and invitations offered by the company**
 - Travel, accommodation, entertainment and gifts must be provided on behalf of the SIFCOR group.
 - They are included in the company's budget.
 - The list of beneficiaries must be approved by the supervisor or the SIFCOR Group management.

Concrete examples:

A supplier invites me to lunch in a brewery to discuss the services he can offer to the company. Can I accept his invitation?

Yes: Lunch is held with a legitimate professional objective and in a suitable setting. It is quite normal to have a working discussion at lunch; it is just necessary to ensure that the price of lunch per person is reasonable and in accordance with the SIFCOR group's policy. A lunch in a gourmet restaurant or a tasting of prestigious wines would obviously not be considered reasonable and appropriate.

One of our suppliers invites me to attend the French Open Tournament for 2 days with my wife. Our contract with this supplier is not being renewed, so I can accept his invitation.

No: it may be thought that the supplier is either trying to thank you for the contract obtained in the past or to influence you unduly for the renewal of this contract. Relations with suppliers must always be done in a professional context, which is not the case here. This does not, of course, prevent us from maintaining courteous and friendly human relations with our suppliers. In this case, it is advisable to refuse politely, mentioning the SIFCOR group's policy on invitations.

2. SPONSORSHIP

- The SIFCOR group can sponsor cultural, sporting or social events. Sponsorship enables the SIFCOR group to strengthen its reputation and image by associating itself with events that are in line with its values.
- However, sponsorship can be used to conceal an undue advantage. It may be diverted from its original purpose and used for personal gain.
- Sponsorship is also authorised exclusively within the framework of the SIFCOR group's communication policy.
- Decisions to engage the group in a sponsorship operation must be part of a specific procedure, including in particular **obtaining prior written approval from management (e.g. for a local sports team, a cultural event, etc.)**.

3. FINANCING OF POLITICAL ACTIVITIES

- In accordance with the legislation in force in France, SIFCOR does not make any contribution, financial or in kind, to political organisations or parties, trade unions or political figures. SIFCOR also applies a strict lobbying policy.

More specifically, **SIFCOR does not make direct or indirect donations** to politicians, election candidates, political parties or organisations, or trade unions.

- On the other hand, the SIFCOR group respects the right of its employees to invest individually in political and civic life.
- However, their participation must remain personal, on their own time and at their own expense.
- In addition, all Group employees must:
 - Separate their personal political activities from their job within the SIFCOR group, in order to avoid any situation that could generate a conflict of interest;
 - Not involve the SIFCOR group in their activities, either financially or ethically;
 - Avoid taking part in the preparation, formulation, adoption or execution of a decision of a public authority that would affect a company of the SIFCOR group in business relations with that authority;
 - Not use the assets and resources of the SIFCOR group for personal political purposes (use of a room, means of transport, office equipment, etc.).

4. DONATIONS TO CHARITIES & SPONSORSHIP

- In some cases, the SIFCOR group may decide to promote community interests. Donations to charitable organisations are valuable ways to participate in environmental, cultural, educational, philanthropic and other activities.
- However, these donations can be used to conceal an undue advantage. They may be diverted from the purpose for which they were intended and used for personal gain. For example, a company contributes to the construction of a hospital, an action that is hailed as a charitable act, but part of the funds is diverted by the decision-maker.
- Any type of donation made by and on behalf of SIFCOR, regardless of the amount, **must always be approved by management.**

5. FACILITATION PAYMENTS

Facilitation payments are small amounts of money paid under the table to obtain or expedite a normally routine act from a civil servant or public agent.

As a matter of principle, **“bribes” or facilitation payments are prohibited, even if local laws allow them.**

In which situations can an employee be confronted with a request for facilitation payment?

- ✓ Issuance of a building permit, an operating licence, a store opening permit or an immigration visa,
- ✓ Customs clearance of goods, (in some countries in order to facilitate or accelerate the availability of goods)

VI. HOW SHOULD WE DEAL WITH THIRD-PARTIES WORKING ON BEHALF OF A SIFCOR GROUP COMPANY?

- In certain circumstances, a company may be held legally liable for acts of corruption committed by third parties working on its behalf. In the event of illegal activity on their part, they may represent a significant legal risk for the Group.

- Third parties are understood to include:
 - commercial agents,
 - partners,
 - intermediaries,
 - consultants,
 - subcontractors,
 - suppliers,
 - suppliers of goods of the SIFCOR group.

- Consequently, the situation of each of these third parties, with the SIFCOR group, must be assessed with due diligence and adapted to the level of corruption risk they represent.

- Consequently, all SIFCOR Group employees must ensure that each of the third parties with whom they work acts with integrity and complies with the applicable standards and rules in the fight against corruption.

INTERMEDIARIES: AGENTS, PARTNERS AND SUBCONTRACTORS:

SOME EXAMPLES OF WARNING SIGNALS:

- The partner is located in a country on an EU/US black list (sanctions - embargoes)
 - The partner requires cash payment, large down payments
 - The partner requests that the payment be made to a third party
 - The partner requests that a payment be made in a country other than the one in which it resides or operates
 - The partner refuses to cooperate in the procedure for verifying its good repute
 - The partner refuses to write down the terms of payment of a commission or insists on doing so in a separate document
 - The intermediary is “recommended” by a public official
 - The partner is the subject of past or current investigations, indictments or convictions for regulatory breaches
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- **In case of doubt, the employee must contact the HR of the site/company and who will refer him/her to his/her hierarchy and/or to the person who seems most appropriate in the field concerned.**

VII. CONFLICT OF INTERESTS

A “conflict of interest” exists when an employee has a personal relationship, or a financial interest that may conflict with his or her obligation to act exclusively in the interest of the SIFCOR group, or when an employee uses his or her position within the SIFCOR group to obtain a personal benefit.

All employees must be aware of any situation that may create a conflict of interest, actual or potential.

Some common examples:

- A “close relative”, for example a member of the household, immediate family, friend or partner, is a supplier, customer, or competitor of the SIFCOR group or an employee of such a company.
- An employee or a close relative has a significant or financial interest in a company that works or wishes to work with or competes with the SIFCOR group¹.
- An employee receives a personal benefit from a commercial or investment opportunity presented to one of the companies of the SIFCOR group. This includes situations in which you hold real estate, real estate leases, patents or other rights in which the SIFCOR group has or may have an interest.

If a SIFCOR group employee is in one of these situations or knows that other people may have a conflict of interest, **the employee may disclose it to his or her supervisor**, who may review the situation with management, if necessary, in order to find a suitable solution.

¹ Conversely, a conflict of interest is not considered to exist when the financial interest takes the form of securities listed on a regulated market or traded over the counter, which represent less than 1% of the total number of securities in their category.

VIII. COMPLIANCE WITH SIFCOR'S ANTI-CORRUPTION MEASURES: LET'S TALK ABOUT IT

- The SIFCOR group has taken the necessary decisions and measures to ensure compliance with the anti-corruption policy at all levels of the hierarchy. However, it should be kept in mind that it is impossible to anticipate all situations and write all the necessary procedures.
- Indeed, in everyday life, there are very many cases where everyone must first and foremost use their common sense, discernment and sense of responsibility to adopt the appropriate behaviour. Everyone is thus responsible for his or her own professional conduct.
- Therefore, beyond the rules applicable to a given situation, it is the ethically responsible mindset that everyone must bear in mind, knowing that they will always find the SIFCOR group at their side to help them resolve a matter of conscience, and that all they need to do is to communicate their uncertainty or concern to the persons designated below to do so.
- If, in a particular situation or in the day-to-day performance of your duties, you have questions or uncertainties about the interpretation or application of the principles described above, or if one of you is concerned about the possibility of a breach of any of these principles, it is important to share your uncertainties or concerns.

For any questions, please consult as soon as possible with the person with whom you are most comfortable in the contact list below:

- Your human resources manager
 - Your ... for Forges de Courcelles employees
 - Your ... for AMIS employees

- These people are at your side to resolve any anti-corruption issues and your relations or questions will be treated with the utmost confidentiality.
- All staff must report any incident that may represent a breach of the Code of Conduct. Employees can also ask questions anonymously.

Proposal for the presentation of the system:

The group has set up a **single whistleblowing system** to improve the ability of all Employees to express themselves so that they can report the existence of conduct or situations contrary to this Code, insofar as the conduct or situation may be considered corruption or influence peddling.

While it is still possible to use the reporting chain, the whistleblowing system offers Employees enhanced guarantees of protection in the event of an alert being issued.

However, its use is **optional**.

In practice, any employee can send his or her report via the following email address.

The rules relating to the operation of the whistleblowing system and the guarantees offered to Employees in the context of its use are detailed in a specific procedure communicated to all group employees.

- **Compliance with the law in force and the code of conduct prevails over any contradictory instructions issued by a line superior.**
- If you notice a breach of the code of conduct, you must report your concerns in good faith, honestly and with respect for others.
- The SIFCOR group undertakes that no employee will suffer any change in status, or harassment or other form of discrimination as a result of such warning or the provision of information in good faith.