

# CODE OF ETHICS



# SUPPLIER ETHICS CHARTER

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## 1. INTRODUCTION

At Sodern we conduct our business with integrity and pursue the highest standards of Ethics and Corporate Social Responsibility.

As a state partner company, strategically located in the National Defence structure, Sodern is fully aware of the duty of discretion and the imperative of reliability that weigh on it.

Respect for our customers and the chain of subcontractors, transparency and the desire to be a loyal competitor vis-à-vis our competitors guide our daily action.

The culture of Sodern, shaped by its history and the passion that characterises its teams, is accompanied by these principles that form the ethical foundation of our company. Respect for these principles, which are inseparable from our corporate culture, is a priority throughout our operations, including our supply chain and cannot be compromised.

We are thus determined to work with suppliers and subcontractors (hereafter designated by “the Supplier”) who share our ethical values and our ways of working. To ensure the highest standards of responsibility and integrity throughout our supply chain, it is expected that any supplier or Sodern personnel behave accordingly to the principles describe below for any type of procurement

We are confident that the Supplier is committed to respecting these ethical and corporate social responsibility standards. Therefore, we request that the Supplier commits to the Sodern Ethics Charter.

### **General Disclaimer**

This Supplier Ethics Charter is in no way intended to conflict with or modify the terms and conditions of any existing contract. Unless otherwise stated in such contract, in the event of a conflict, suppliers shall adhere to the contract terms.

## 2. DESCRIPTION

### 2.1. FOCUSING ON PEOPLE

People are our most precious asset. The Supplier fosters the continued engagement of employees at all levels and promotes an environment of trust and collaboration in order to achieve best-in-class collective results.

#### 2.1.1. Recognising Human Rights

The Supplier, internally in its own company and throughout its supply chain, respects universal and inalienable human rights and fundamental employment rights as set out in the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the International Labor Organization (ILO) Declaration on Fundamental Principles

and Rights at Work. The Supplier respects personal dignity and privacy, and the rights of the individual. The Supplier does not tolerate any form of child labor, forced labor, modern slavery, and human trafficking. The Supplier complies with all labor legislation applicable in the countries where it does business, along with the ILO Conventions standards. It ensures that all agreements on working hours are respected, with employees receiving an appropriate salary and benefits for their work. Supplier is expected to ensure the workplace is free from any form of harassment, whether moral, physical, visual or verbal.

### **2.1.2. Ensuring workplace health and safety**

The Supplier provides a safe and healthy working environment for all employees. It maintains the highest standards of physical, mental and social well-being for its workers through relevant prevention measures, training and communication, and fosters improvements through workers' health and safety committees. The Supplier respects applicable health and safety laws and implements an occupational health, safety, and risk prevention policy in the workplace.

### **2.1.3. Encouraging open dialogue and speak up**

The Supplier develops continuous, open and transparent social dialogue with employees and employees' representatives, in particular through appropriate collective bargaining structures.

The Supplier promotes a speak-up culture where employees can express themselves freely and report any situation or behavior in breach of the law or general human rights or ethics principles as described in this charter. The Supplier provides its employees with avenues for raising legal or ethical issues or concerns without fear of retaliation, in line with the laws and regulations in force about the protection of whistleblowers. The Supplier takes action to prevent, detect, and correct any retaliatory actions.

### **2.1.4. Offering equal opportunities and supporting personal development and training**

The Supplier supports diversity, provides equal opportunities for all employees and does not engage in any form of discrimination. The Supplier develops the skills and know-how of their employees, both for their individual benefit and for collective success.

### **2.1.5. Protecting privacy and personal data**

The Supplier always respects and protects the privacy of its employees, customers, suppliers and third parties. The Supplier complies with any applicable laws and regulations concerning how individual personal data is collected, processed and used, including where necessary the European Union (EU) General Data Protection Regulation 2016/679 (GDPR). When handling Sodern employees' personal data, the Supplier takes all precautions, technical and organizational measures to preserve their confidentiality and security and in particular to prevent them from being distorted, damaged, communicated to unauthorized third parties or unduly transferred outside the EU. The Group's Data Protection Officers should be contacted for any query.

## **2.2. ASSETS AND INFORMATION**

### **2.2.1. Protecting assets and information**

Protecting our property, our information, our competencies and our know-how, as well as any assets entrusted to us, is key to build trust and maintain our competitiveness. The Supplier exercises care and diligence to ensure that all applicable security and information systems security requirements are met and that assets, whether tangible or intangible, are protected against theft, damage, misuse or improper disposal. In particular, information and information systems are managed and hosted with the appropriate level of security. The supplier ensures adequate protection against cyber attacks and collaborates with Sodern to prevent and address cyber threats. Confidential and Proprietary Information must not be used for any purpose other than the business purpose for which it was provided and should be handled in accordance with the terms of its disclosure.

### **2.2.2. Respecting property rights**

The Supplier promotes respect of both physical and intellectual property rights. The Supplier does not infringe the intellectual property rights of third parties, such as patents, trade secrets, trademarks, copyrights and other proprietary information.

### **2.2.3. Complying with defense regulations**

The Supplier ensures compliance with all applicable national security regulations. Any exchange or transmission of nationally restricted, classified information or material strictly complies with the relevant regulations and security process.

### **2.2.4. Maintaining accurate records**

The Supplier creates accurate records and does not alter any record entry to conceal or misrepresent an underlying transaction. All records, regardless of format, made or received as evidence of a business transaction, fully and accurately represent the transaction or event being documented. Records are retained based on the applicable retention requirements.

### **2.2.5. Trading securities in good faith**

The Supplier and its staff never use non-publicly disclosed information obtained in the course of their business relationship with Sodern as the basis for trading or for enabling others to trade in the securities of any company.

## **2.3. RESPONSIBLE BUSINESS PRACTICES**

Upholding values of integrity, honesty and transparency, the Supplier aims at being a trustworthy partner for all its customers and stakeholders. The Supplier is committed to conducting its business in a highly responsible way, in compliance with applicable laws and regulations in all countries where it does business as well as applicable rules and procedures.

### **2.3.1. Respecting customers**

The Supplier is committed to dealing honestly and fairly with all customers, whatever the size of their business, and to honor its contractual commitments.

### **2.3.2. Committing to quality and safety**

The Supplier complies with all applicable quality-control standards and procedures and delivers products and services that meet customer requirements for safety, high quality, cost and time effectiveness, and innovative technology with a continuous improvement mindset. The Supplier develops, implements and maintains methods and processes appropriate to its products to eliminate the risk of the introduction of counterfeit parts and materials into deliverable products. Effective processes are also in place to detect counterfeit parts and materials, to provide notification to recipients of counterfeit products, and to exclude them from the deliverable products.

### **2.3.3. Zero tolerance for corruption**

The Supplier must comply with applicable anti-bribery and corruption laws and regulations, and is committed to respect values of honesty and integrity. Any form of corruption, bribery, influence peddling, extortion, or embezzlement is strictly prohibited: I The supplier must never offer, attempt to offer, authorize or promise any payment or anything of value to a public official or other persons for the purpose of obtaining or retaining business or gaining an improper advantage. Likewise, the Supplier must never solicit or accept a bribe or kickback from a public official or another person.

I The prohibition includes offering or paying of facilitation payments to Public Officials to speed up or obtain routine governmental actions. The Supplier exerts reasonable due diligence to prevent and detect corruption in all business arrangements, including partnerships, joint ventures, offset agreements, and the hiring of intermediaries such as agents or consultants.

#### **2.3.4. Gifts and business courtesies**

The Supplier strictly refrains from offering, promising or granting as well as receiving any gift (including nonmonetary gifts, invitations, services, employment or any other advantage) either with the intent to influence a business relation or which could be interpreted as an attempt to exert such influence. Suppliers must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation, and that these exchanges do not violate the rules and standards of the recipient's organisation, and are consistent with reasonable marketplace customs and practices. Granting any gift of money or equivalent (voucher, gift-card), any trip or all inclusive package to an Sodern employee is prohibited.

#### **2.3.5. Managing conflicts of interest**

The Supplier avoids all conflicts of interest or situations giving the appearance of a potential conflict of interest, including in its dealings with Sodern. The Supplier shall provide notification to all affected parties in the event that an actual or potential conflict of interest arises. This includes a conflict between the interests of Sodern and personal interests or those of close relatives, friends or associates.

#### **2.3.6. Competing and operating fairly**

The Supplier adheres to applicable laws that regulate competition, in particular to anti-trust laws. It does not fix prices or rig bids with competitors. The Supplier does not knowingly seek to gain any advantage of any kind by acting fraudulently, deceiving people or making false claims, nor allows anyone else to do so.

#### **2.3.7. Complying with import and export laws**

The Supplier ensures compliance with all applicable laws, directives and regulations governing the import and export of parts, components and technical data that may limit business with certain countries, corporations or persons. The Supplier provides truthful and accurate information and obtains export licenses where necessary.

### **2.4. SUSTAINABILITY**

#### **2.4.1. Establishing responsible business standards at every level**

The Supplier is committed to integrating the Ethics and Corporate Social Responsibility principles in its strategy in order to foster sustainable growth and be a trusted partner for all stakeholders. The Supplier commits to developing processes and policies that foster Ethics and Corporate Social Responsibility in its corporate business practices and in its relations with all stakeholders.

#### **2.4.2. Conducting responsible sourcing of minerals**

The Supplier commits to implementing all appropriate measures in its supply chain in order to guarantee that tin, tantalum, tungsten and gold do not originate from conflict-affected and high-risk areas (as defined by the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Areas).

#### **2.4.3. Supporting community development**

In so far as its means and capabilities allow, the Supplier promotes local initiatives for fair development of communities and territories, to benefit the areas in physical proximity to its sites or areas of impact. Where possible, it also contributes to the economic, social and educational well-being of local communities.

#### **2.4.4. Respecting the environment and striving for eco-efficiency**

In addition to complying with environmental laws and regulations, the Supplier manages environmental risks and minimizes the environmental impact of its activities, products and services. This includes the prevention of pollution and the efficient use of resources. To continuously improve environmental protection, the Supplier applies international standards and the associated relevant methodologies.

The Supplier strives for eco-efficiency which aims at maximizing the benefits of the products and services provided to customers and other stakeholders while minimizing the environmental impact of these products throughout their lifecycle.

## **2.5. IMPLEMENTATION AND CONSEQUENCES OF VIOLATION**

### **2.5.1. Commitment and accountability**

The Supplier is committed to conducting its business in a highly responsible way, in compliance with applicable international, national and local laws and regulations, contractual agreement and internationally recognized standards. Additionally, the Supplier recognizes its responsibility to abide by the principles set out in the Supplier Ethics Charter and to comply with all its provisions. Sodern relies on the Supplier to ensure that the provisions defined in this Charter are also observed by its own suppliers and subcontractors and further down its supply chain. To this end, Sodern encourages the Supplier to implement its own written policies.

The Supplier commits to exercising due diligence on its supply chain, in line with applicable laws and international guidelines.

### **2.5.2. Management System and Continuous Improvement**

The Supplier acknowledges that reaching the standards established in this Charter is a dynamic process and commits to continuously improving its operations. Commensurate with the size and nature of its business, the Supplier has management systems in place to maintain effective governance and support compliance with laws, regulations, and the expectations directly expressed or inherent within this Supplier Ethics Charter. The Supplier maintains effective programs, to encourage its employees to make ethical, values-driven choices in their business dealings.

Suppliers shall maintain documentation necessary to demonstrate conformance with or improvement plans towards the principles outlined in this Charter. This documentation may be reviewed by Sodern upon mutual agreement.

### **2.5.3. Compliance with the Charter**

Compliance with this Supplier Ethics Charter is a determining condition for Sodern to contract with the Supplier. In the event that the expectations of this Supplier Ethics Charter are not met, the business relationship may be reviewed and corrective action pursued subject to the terms of the related procurement contract(s). Should the Supplier notice or suspect any breach of regulations, laws or the Supplier Ethics Charter, the Supplier must immediately notify Sodern contact person as well as the dedicated email address : **alert-ethicscompliance@sodern.fr**