



Ethical Principles and Code of Conduct



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Foreword from the CEO

This new version of the Ethical Principles and Code of Conduct takes into account the latest legal evolutions and is part of our Corporate Social Responsibility (CSR) initiative; it is naturally based on our values of boldness, progress, perseverance and cooperation. This is a guide for maintaining our vigilance, a framework that defines common ground, a tool to develop the proper responses, as well as a source of solutions.

No employee, whatever his company or his country of activity, can claim that he is acting in the interest of Limagrain, if he acts against Limagrain's values or the rules and principles listed in this document.

These Ethical Principles and this Code of Conduct mark our collective commitment to the responsible and sustainable development of our activities throughout the world. I thus expect that all of us will know them and refer to them throughout our career at Limagrain.

In 2015, Limagrain adopted a first Code of Conduct to meet a challenge in terms of general policy: to assert its business ethics principles in compliance with current regulations, and thus align its activities with sustainable and responsible momentum for progress.

Indeed, our activities, whether concerning research or the production or marketing of seeds and agri-food products, are at the center of social, societal and environmental challenges that are increasingly complex and regulated. Our customers, whether industries or consumers, also have increasing requirements as to our ability to incorporate all these challenges.

Limagrain intervenes in national and international markets that change quickly. These are markets where there are legal rules and, increasingly so, provisions stemming from fundamental principles, charters or standards.

Sébastien
Chauffaut



These Ethical Principles and this Code of Conduct are part of the scope of several international texts of which Limagrain shares the principles:

- the Universal Declaration of Human Rights;
- the core conventions of the International Labor Organization, in particular conventions 29, 105, 138 and 182 (child labor and forced labor), 155 (health and safety of workers), 111 (combating discrimination), 100 (remuneration), 87 and 98 (freedom of association, right to organize and the right to collective bargaining);
- United Nations Convention on the Rights of the Child;
- the OECD guidelines intended for multinational companies;
- the Principles of the United Nations Global Compact, signed by Limagrain in December 2013;
- the French law called "Sapin II" applicable as of June 1, 2017;
- the transposition into French law of the European directive of October 22, 2014, called "CSR".



Limagrain's ethical principles and commitments

Limagrain is keen to formalize the ethical principles and commitments that it will be applying to its main stakeholders: farmer members, shareholders, employees, suppliers, partners and representatives in the countries where it is located. Limagrain's commitments are embodied by its collaborators, who are its daily ambassadors.



A. Respecting its farmer members and its shareholders

Limagrain is an international cooperative group, and is made up of farmers who are members of the Coopérative Limagrain. External minority shareholders strengthen the solidity of this organization and contribute to the Group's long-term development. Limagrain ensures that the expectations of all of its shareholders are complied with and taken into account, that stock market regulations defined by the Financial Markets Authority (AMF) are applied and that corporate governance rules are also applied.

Along these lines, Limagrain follows the recommendations published by MiddleNext, an index of stock market values for midcaps, which defines the appropriate practices for this type of company.

Limagrain provides its shareholders with exact and precise information, in accordance with the rules that apply on a regular basis or whenever warranted.

B. Respecting its employees

Workplace health and safety guarantee

Limagrain considers that its main social responsibility is to provide its employees and all non-Limagrain staff working at one of the Group's sites with an environment that protects their health and their safety as well as a high-quality working environment.

For this purpose, Limagrain is committed to complying with the laws in force in each country as well as internal regulations and standards that apply in terms of hygiene, health and safety. Limagrain is committed to setting up a reference framework standard in terms of health and safety.

Respecting persons and their private life

Limagrain is committed to treating its employees fairly and with an open mind, respecting their dignity and their physical and moral integrity.

Limagrain's employees are therefore recruited and treated throughout their professional career without discrimination in terms of gender, age, nationality, religion, sexual orientation, physical appearance, health condition, handicap, trade union membership or political opinions. Similarly, Limagrain expects all its employees to be inclusive and non-discriminatory. Any behavior that does not comply with these ethical principles, and in particular any conduct that is sexist in nature, will not be tolerated.

Limagrain respects the private life of its employees and does not interfere in their activities outside of work. It maintains a neutral stance regarding political opinions and philosophical or religious beliefs, and prohibits all indoctrination in the workplace.

Beyond this, Limagrain seeks the professional development of its employees.

Limagrain strives to provide equal access to ongoing professional training and internal mobility for all so that all employees can maintain and develop their skills.

More generally, Limagrain seeks to encourage diversity and inclusion as sources of progress and enrichment. This commitment is detailed in the Diversity & Inclusion Charter, presented on pages 6 and 7.

Furthermore, Limagrain is committed to social dialogue and conducts it with sincerity and loyalty.

Protecting personal data

Protecting personal data is an area of particular focus. Personal data belonging to our customers, commercial partners and employees must not be collected, recorded, processed or transmitted, except within the scope of a country's specific laws.

Limagrain is committed to collecting and processing personal data of its farmer members, employees and third parties, only for the specific and legitimate use related to the purpose of data processing operations.

Only the relative and necessary information will be recorded in terms of the goals pursued.

For example, the data used for digital processing of payroll are related to the identity, family status, professional life and elements of employee remuneration. Such data may not be used for any other purposes.

Furthermore, Limagrain is committed to complying with the laws of the countries in which it operates, such as the principle of a time limit for storing data and the right of access, consultation, consent, correction, information, portability, deletion, or opposition.

Limagrain guarantees the safety, confidentiality and integrity of personal data of its employees and third parties.





Diversity & Inclusion



Limagrain Diversity & Inclusion charter

Our definition of diversity and inclusion

Diversity represents the variety of profiles of the people in a company. It refers to both visible and invisible characteristics that describe a person: gender, age, cultural and social origin, physical appearance, health, sexual orientation, disability, religion, etc. **Diversity is a fact.**

Inclusion involves ensuring that all people feel respected, heard, and valued for their individuality, without bias. It allows all the benefits of diversity to emerge in a company.

Inclusion is a choice.

Our convictions

We are convinced that encouraging diversity and inclusion is essential to developing a more responsible, innovative, and high-performance Group.

As an international company, diversity is already **our reality** at Limagrain, with more than 9,300 people from over 86 different nationalities in 49 countries. We firmly believe that it will make us stronger as a business.

All the Business Units as well as the Group's corporate and business lines organizations are deploying actions to strengthen it over the long term.

At Limagrain, developing diversity and promoting inclusion are an integral part of **our corporate responsibility**. They are also a key to **our performance**:

- Because diversity and inclusion contribute to the well-being and pride of employees and encourage their engagement.
- Because they attract different personalities and perspectives.
- Because they help to better understand the markets and expectations of our customers, who themselves are diverse.
- Because they develop creativity and the ability to innovate, by bringing different points of view into contact.

Diversity and inclusion create value.

Our ambition

Limagrain is striving to encourage diversity and inclusion, as sources of progress and richness.

The goal is to be a company recognized for the diversity and inclusion of all its talent and where everyone can develop their potential while also valuing their uniqueness, thus creating added value for the Group.

Our program

Our commitments

Our Diversity & Inclusion program is based on three pillars of commitment:

- 1. To ensure non-discrimination.**
- 2. To commit to professional equality between women and men.**
 - To increase the feminization of the company, with particular attention on management positions.
 - To ensure professional equality between women and men throughout their professional career.
- 3. To promote all types of diversity and especially cultural and generational diversity.**

Our actions

We commit to implementing the following actions:

> Raise everyone's awareness about diversity

Raise the awareness of our Top Executives, Executive Managers, and all our managers, then gradually all our employees about the issues of non-discrimination, diversity, and inclusion.

> **Ensure non-discrimination** throughout the professional career of employees, encourage the representation of diversity within the workforce and at all levels of responsibility, and promote inclusion in all of Limagrain's management and decision actions.

> Measure to advance

Regularly assess the implementation of these commitments and progress achieved, and inform people internally about the results of the deployment of action plans.

Our approach

Limagrain's Diversity & Inclusion program concerns all Limagrain's employees throughout the world, regardless of the Business Unit, the Group's corporate or business line organization.

Driven by the Group Executive Committee and led by the Corporate Human Resources Department, this approach is supported by a **Diversity & Inclusion network** made up of representatives from each Business Unit and of the Group's corporate and business lines organizations. This network focuses on deploying the program in the Business Units and in the Group's corporate and business lines organizations, launching initiatives, and sharing best practices.

Our performance indicators

We commit to the following performance indicators:

- Satisfaction of the employees with the Diversity & Inclusion culture at Limagrain
- Percentage of employees from the underrepresented gender among Top Executives, Executive Managers, and "Leadership Teams"
- Percentage of women promoted compared to the total number of promotions
- Percentage of women hired compared to the total number of hires
- Number of nationalities represented among Top Executives, Executive Managers, and "Leadership Teams"
- Percentage of completion of succession plans for Top Executives, Executive Managers, and "Leadership Teams".

Objective

Achieve a share of at least 30% of employees from the underrepresented gender among Top Executives, Executive Managers, as well as among the "Leadership Teams" for all Business Units by 2026 and reach 35% by 2030.

The Limagrain Executive Committee

C. Preserving the environment

Limagrain is also committed to making a significant contribution to respecting the environment through the conservative use of resources coupled with the optimization of its production processes in its facilities throughout the world.

Limagrain has begun to deploy a strategy to implement an Environmental Management System (EMS) and improve its practices to preserve natural resources, protect the environment and adapt to climate change.

In the seed market, Limagrain strives to create varieties adapted to the diversity of environments and to disseminate sound and responsible agricultural practices to its farmer members and partners. In the agri-food market, Limagrain is working to promote and implement high quality standards and industrial norms that comply with European and international laws.



D. Complying with the rules of competition law

Limagrain is committed to complying with national and international regulations related to the rules of competition law. The purpose of these rules is to guarantee a free competitive market.

In compliance with these principles, the policy of Limagrain is to prohibit any form of discussion or communication with competitors on prices or the attributions and distributions of markets and customers.

Limagrain also prohibits abusive conduct when the company is in a dominant position in a given market. Likewise, Limagrain is committed to obtaining approval from relevant authorities during concentration or cooperation transactions that have an impact on the market, within the framework of applicable legislation. Limagrain ensures that all employees are informed that any contravention of these measures may involve Limagrain's liability as well as their own personal liability.

E. Striving to satisfy its customers and consumers

Recognized across all of its markets for the quality of its products, Limagrain is sensitive to the needs and expectations of its users and consumers. Limagrain controls, evaluates and improves its products and services so as to ensure quality and safety at each step in its creation, production and distribution.

Limagrain is committed to applying the highest standards of communication, respecting applicable local regulations, in terms of media used to inform customers and consumers.

Limagrain ensures that all information provided is up-to-date, exact, objective and reliable, and that it is complete enough to understand the quality of the product and how it should be used.





G. Adopting responsible conduct with regard to the countries and territories where it is located

In its geographic development, Limagrain strives to adopt responsible conduct with regard to all the countries where the Group operates.

Limagrain ensures that its subsidiaries comply with the laws and regulations that apply in each of the countries where they are located.

In particular, Limagrain ensures that its development respects the natural environments and cultures of the regions where it has locations.

Through its activities, Limagrain participates in the economic and social development of the communities where it is located, with particular concern for long-term development.

Limagrain refrains from making any commitments or lending support of any nature whatsoever to any political party or religious group.

F. Establishing balanced and fair relations with its suppliers

Limagrain chooses its suppliers and subcontractors based on objective criteria and ensures that its commercial and contractual relations are balanced over time.

Suppliers and subcontractors are required to comply with legal provisions and their performance must be objectively measurable.

Limagrain is particularly vigilant not to contract with suppliers that use child or forced labor. Limagrain is careful to ensure its partners respect the core conventions of the International Labor Organization on fundamental social rights.

The Code of Conduct and the ethical behavior of the men and women at Limagrain

The question does not entail trying to plan for everything or to code everything. However, a few clear and precise principles, combined with the sense of responsibility of each person and the good sense of all, form useful day-to-day references.



1. Preserving Limagrain's image and good reputation

Limagrain's image and reputation are essential elements in its ability to develop and attract future employees. In this respect, each employee preserves, within the scope of his or her functions, Limagrain's image and good reputation.

Everyone must be aware that publishing content that denigrates Limagrain, defamatory comments about colleagues, competitors, or partners and unauthorized sharing of confidential information concerning Limagrain are prohibited.

The plethora of digital tools, social networks, information-sharing websites, forums and blogs makes it easy for everyone to express themselves, so we all have to act with discernment.

To help in formalizing the boundaries that need to be respected, Guidelines for using social media are available to all employees on the Limagrain Intranet.

2. Respecting and protecting assets

Limagrain's assets comprise material goods such as equipment, vehicles, computers, facilities, as well as intangible property such as brands, patents, plant variety protection certificates, genetic resources, know-how and confidential information.

Material goods

Each employee ensures that Limagrain's assets are used suitably and in a measured manner, preserving their integrity and ensuring that they are used only in the framework of the company's professional activities and not for unauthorized personal use.

Intangible property including sensitive and confidential information

Any non-public information produced within Limagrain, including that relating to genetic resources, research and development, production data, costs, prices, sales, profits, markets, customers, partners and commercial practices constitutes essential assets in the strategy of Limagrain and cannot be disclosed by an employee without prior authorization.

Every employee shall ensure that confidentiality is maintained and that any confidential information that belongs to the company or to third parties is protected and that it is not used without authorization.

Expected behaviors

Every employee must remember that:

- any information put on the Internet can be accessed by anyone, anywhere and with no limit in terms of time;
- information resources are to be used in compliance with the rules that apply (laws, regulations, codes of ethics, contracts), the obligation in terms of loyalty and rules for caution, safety and good conduct;
- employees can be held liable for the content they publish on the Internet.

Expected behaviors

All employees must ensure the confidentiality of the information that they are aware of within the scope of their functions.

All employees that intervene in any project whatsoever, must make sure that they:

- know and comply with confidentiality obligations;
- always strive to be vigilant during conversations in public places (trains, planes, restaurants, seminars, etc.);
- comply with the obligation not to disclose confidential information by word of mouth, in writing or electronically.

Any employee that leaves the Group must comply with the same confidentiality requirements.

3. Acting with integrity and avoiding conflicts of interest

All employees must adopt conduct with integrity in all of their professional relations.

Limagrain strives to enforce legal provisions for fighting corruption and money laundering (see page 10 "Our commitment to fight against corruption"), and, in the conduct of its commercial and financial relations, to take account of the recommendations of national and international organizations, such as OFAC, concerning economic sanctions.

In this framework, Limagrain acts to prevent any form of corruption or money laundering. This rule is especially important in the framework of negotiations with representatives of government bodies and public institutions.

Employees must not be complacent with regards to active corruption (offering bribes) or passive corruption (accepting bribes).

Limagrain authorizes only gifts and hospitality that are suitable and legal, offered within the framework of its commercial relations.

Any offering made by an employee on behalf of Limagrain, of gifts, entertainment or free services can be made only if it complies with current practices and does not infringe any applicable laws. The same holds true for gifts or hospitality received by Limagrain employees.

When employees' personal, social, financial or political activities influence or are liable to influence their objectivity and their loyalty towards Limagrain, a conflict of interest may appear and has to be resolved appropriately.

Expected behaviors

Every employee agrees not to accept any gift*, entertainment or personal favor of an amount that is unreasonable with regards to customs and anti-corruption laws, which are liable to influence their decisions.

All employees must at all times avoid any conflict* between their private interests and those of Limagrain; such conflicts may arise during the course of negotiations with a commercial partner, a colleague or a third party.

(*) refer to the internal practical factsheets



Limagrain's Executive Committee is committed to fighting corruption

Why must fighting corruption be a priority?

"It's not that bad!", "We've always done it like this!", "It's the only way to move a file forward!", "Here, there's no other way!". These are some of the usual responses we have all heard when the subject of corruption is brought up along with the intention to fight against such practices.

So why try to change them?

Because of a desire to comply with anti-corruption laws?

Absolutely. Most governments have specific laws in place. Some⁽¹⁾ include an extraterritorial dimension. The most coercive and repressive laws are in the United Kingdom, the United States, Canada, and France. They can not only apply to acts committed outside original national borders, but they also carry prison sentences and fines that can reach tens or hundreds of millions of euros. These laws apply to all of us in all places. We must respect them and act in compliance with them.

Because it is consistent with our commitments and our values?

Certainly. As a responsible company that seeks to develop and maintain healthy business relations with our partners based on mutual trust, corruption is not acceptable. Corruption is also incompatible with Limagrain's values of boldness, progress, perseverance and cooperation.

First and foremost, corruption is the main obstacle to economic and social development throughout the world!

Each year, more than 1,000 billion USD is paid in bribes and 2,600 billion USD is embezzled, that is, 5% of global GDP, close to twice that of France. But corruption, a value loss in a country's tax revenue, cannot only be thought of in monetary terms. Companies that pay bribes are undermining the integrity of the countries in which they are operating, thereby worsening the problems of poverty and governance. Corruption reduces the effectiveness of public services and their quality.

Corruption keeps the most vulnerable populations in the downward spiral of poverty, increases inequality and accentuates fragile situations. These problems impact all of society, given that economic growth is made possible through developed human capital, that is, educated people in good health.

However, the development of this human capital is negated by corruption and its dramatic effects can be measured: illiteracy and infant mortality correlate to the level of corruption in a country.

As António Guterres, UN General Secretary, expressed it in his opening message to the United Nations Convention against Corruption in December 2021: *"Tackling corruption is essential to protect human rights and promote democratic accountability. It is an important step towards inclusive, sustainable development."*

Fighting against corruption is thus a necessity, regardless of the proportion or scale! No compensation is worth it. It requires a commitment and reveals the role the company seeks to adopt in society as well as the values it aims to apply and promote.

Limagrain intends to contribute by not tolerating any act of corruption within the company wherever it may occur throughout the world, and Limagrain's Executive Committee will monitor this with the greatest determination.

⁽¹⁾ Exhaustive list of countries with, as of March 2022, extraterritorial anti-corruption laws: Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, India, Mexico, Nicaragua, Russia, South Africa, United Arab Emirates, United Kingdom, United States

4. Preventing the distribution of non-public financial information and insider dealing

Each employee must retain as confidential any internal and non-public information concerning Limagrain which is able to influence the stock market price of its listed companies.

The use of such information, for the purposes of personal profit or that of third parties, is prohibited.

In accordance with insider trading laws, it is prohibited to purchase, sell or exchange securities of a listed company of Limagrain, either directly or indirectly, based on information that is not in the public domain.

The Insider Trading Charter can be consulted on the Limagrain Intranet.

More generally, Limagrain condemns any actions that are contrary to market transparency and to stock market regulations, especially through the dissemination of rumors or the use of confidential information.

Expected behaviors

All employees must make sure they limit the dissemination, internally as well as externally, of any confidential information, solely to those who need to know it and apply measures to guarantee the confidentiality of the information and nondisclosure to third parties.

All employees must remember that they can be held personally liable.

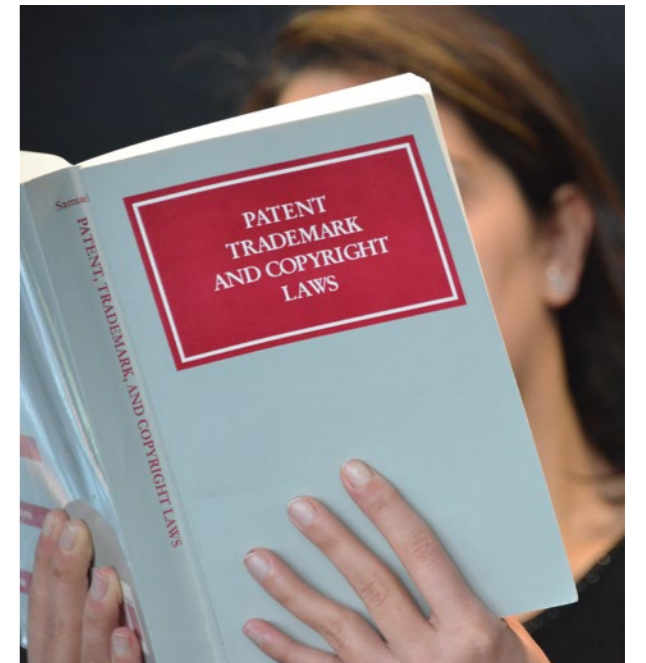


5. Ensuring the protection of intellectual property rights

Limagrain considers that protecting its intellectual property rights (patents, plant variety protection certificates, trade secrets, drawings and models, trademarks, copyrights, software, databases or other) is essential for its development and its sustainability.

As a result, every employee must protect the Group's intellectual property by respecting confidentiality.

Furthermore, Limagrain respects the intellectual property rights of both its partners and competitors.



Expected behaviors

Each Limagrain employee must take all measures to ensure that Limagrain's creations benefit from suitable protection in terms of intellectual property, while respecting any confidentiality related to these rights.

Each employee must comply with the obligations contracted by Limagrain as well as the intellectual property rights of third parties that are in effect and valid in each territory.

Any employee that leaves the Group must comply with the same confidentiality requirements and respect intellectual property rights.

Questionning as a driving force behind our ethics

For any questions regarding the interpretation of this document, employees may, within their company and confidentially, contact their manager, the Human Resource manager or the legal affairs department, and these individuals may in turn contact their General Management.

Who to contact for any question or concern ?

It may seem easier to remain silent or close one's eyes, but the Group's commitment means that Limagrain should never ignore a problem related to this Code. Employees should never hesitate to suspend an activity or practice that seems not to conform to the principles of the Code and ask for advice if necessary from the different contact people available to discuss it.

Question ?

code-of-conduct@limagrain.com

? Doubts concerning a situation ?
Ask yourself a few simple questions:

- Is the situation you are concerned about legal?
- Does it conform to Limagrain's Ethical Principles and Code of Conduct?
- Does it expose Limagrain to unacceptable risks or does it damage Limagrain's interests in the short, medium or long term?
- Does it correspond with Limagrain's commitments and with the guarantees Limagrain has given internally or externally?
- How would this situation be viewed by other people: your manager, your colleagues or your family?
- Can I speak freely about this issue or do I have a crisis of conscience when I think about it?
- What would happen if this situation were reported in the media or on social networks?

Whistleblowing system

A whistleblowing system is available to all colleagues so that they can report any actions that go against the "Ethical Principles and Code of Conduct."

Generally, all Limagrain employees, as well as any temporary or external workers, or any third parties connected with Limagrain, may, within the framework of their professional activities, witness events, actions, or behaviors contrary to the provisions in the Ethical Principles and Code of Conduct, or have knowledge of them.

All employees have the duty to report such events as quickly as possible, or if a crime or offense has been committed.

For all reporting, Limagrain has implemented a single technical provision for collecting these reports. However, depending on applicable regulations, particularly in France and the European Union, several channels for reporting are available.

In each of the Group's companies, information about the channels for reporting available to whistleblowers can be found on the website with the applicable procedure, in accordance with locally applicable regulations.

They may also contact the Limagrain Disclosure Management Committee directly at: alert@limagrain.com.

Receiving and addressing a disclosure shall be done in total confidentiality in compliance with applicable legal provisions, particularly regarding the whistleblower's status and protection, personal data, and the procedure in effect at Limagrain or the subsidiary concerned.



The implementation of the whistleblowing system is the application of the French law No. 2016-1691 of December 9, 2016, called "Sapin II," related to transparency, anti-corruption, and modernization of economic life. It also supplements the whistleblowing system by defining a general regime for the protection of whistleblowers. The "whistleblowing system" and the "protection of the whistleblower" are two mechanisms defined by law. Compliance with its terms will determine its validity. Other countries where Limagrain operates have comparable legislation.

The consequences of not complying with Code of Conduct rules

The rules of business ethics aim to bring the company into compliance with various international and national laws that often extend beyond their territory. Violating these rules can have major consequences for employees, the company and the Group.

The rules of business ethics also take into account internationally-recognized documents, such as those written by the United Nations. Limagrain must comply with these laws, and the signing of the Global Compact indicates it is determined to be a strong force and exemplary in this area.

Limagrain's actions are the sum total of the individual actions undertaken by its employees, regardless of their position or country in which they operate. For their actions to conform with the Ethical Principles and the Code of Conduct, Limagrain's internal practical factsheets describe the behaviors Limagrain expects of its employees and what it prohibits from being done on its behalf.

The liability of Limagrain and its Top Executives, its good reputation and image are all at stake, but also what Top Executives believe the social role of the company is.

As a result, it goes without saying that everyone needs to comply with the Ethical Principles and Code of Conduct and the rules described in the internal practical factsheets!

What are the consequences for employees in their company?

Violating the Ethical Principles and the Code of Conduct exposes employees to disciplinary sanctions set forth in the documents regulating each company in the Group (often internal regulations) and could ultimately result in the employee being discharged.

What are the legal consequences in the matter of corruption?

More specifically, concerning corruption, non-compliance with legislation related to corruption may lead to legal sanctions, in addition to those that may be imposed by the company. Indeed, anti-corruption legislation, such as the Sapin II law in France, as well as other regulations with an extraterritorial scope (United Kingdom, United States, etc.), provide for civil and criminal penalties for employees as well as their employers. These penalties apply to perpetrators and their accomplices, regardless of whether they are legal persons or entities. The employee is liable even if they are engaged in an act of corruption on behalf of and for the benefit of their company. Finally, it does not matter if the corruption was successful; just the attempt represents an infringement that can be penalized.

- **For the employee**, as an individual, they can be held criminally liable and penalties may result in many years of imprisonment, the loss of civic rights, and the prohibition to conduct the business at issue, and may include very significant fines.

- **Limagrain or one of its subsidiaries**, may also be held liable. Even though the recommended sentences vary from one country to the next, almost all legal systems provide for sentences of imprisonment for top executives and criminal or administrative fines for companies. These fines can reach 30% of a company's sales or more. The company's civil responsibility may also be implicated and result in significant sums to pay to third parties recognized as victims of an act of corruption.



Other possible penalties:

- **Prohibition from conducting certain activities**

Prohibition from holding public office or the professional activity concerned by the act of corruption can be imposed. A company found guilty of corruption may be prohibited from participating in public sector projects. In the European Union, companies found guilty of corruption are automatically excluded from public sector contracts. Banks have compiled black lists of companies involved in corruption cases.

- **Exclusion from some calls for tender and private sector projects**

Private sector companies often refuse to do business with companies accused of corruption or that have been found guilty of corruption.

- **Termination of existing contracts**

Contracts obtained through corruption are often declared null because they are fraudulent.

- **Damaged reputation**

Companies known for having engaged in corruption are increasingly excluded from important financial markets and international transactions.

Glossary

Bribes:*

Bribes are no doubt the most familiar form of corruption. They are also the main target of most anti-corruption laws. As a general rule, a bribe is an amount of money or gift offered to obtain an unfair, unmerited or improper advantage.

A bribe can encompass many parties in a transaction, but it always involves at least two main parties: the person paying the bribe (the payer) and the person receiving it (the requester).

A bribe is not necessarily a sum of money; it can take the form of a financial incentive, a service provided or a favor; for example, an offer to employ a relative of the person who receives the bribe.

Even the simple promise of offering something in the future in exchange for a commercial advantage represents a bribe.

Bribes cover several situations and sub-categories such as:

- Kickbacks: a form of bribe, but which is paid after a contract is awarded, not before. For example, a private operator who wishes to receive a contract promises the government official to pay the “kickback” once he has been awarded the contract.
- Facilitation payment: a facilitation payment, also called facilitation, greasing one’s palm, extortion or paying under the table, is a small sum paid directly or indirectly “under cover” to an official representative of the government, in order to guarantee or to speed up the performance of up routine and non-discretionary actions, such as obtaining a visa, an order or connection to a network (digital, electrical, water), or faster customs clearance of goods.
- Illicit levy: this refers to a tax or service fee that is illegally levied by an official who does not have the legal authority to do so.

Child labor:

This refers to any type of economic activity carried out by children that affects their normal, physical and psychological development.

Collusion:

Collusion is an illegal agreement, usually secret, between two or more people to harm a third party by defrauding them of their rights or to misappropriate a procedure. This may include, for example, the dissemination of confidential information on a market by a person who wants to give priority to an operator to enable him to obtain that market, or the transfer of employees to disguise a plan for dismissals.

Concealed labor:

This involves not officially declaring to the competent authorities a person who works for a company.

Conflicts of interest:*

For a person conducting a professional activity (public or private), holding elected office or exercising a public service, conflicts of interest are defined as putting oneself in a situation that may raise doubts concerning the true motivations of one’s decisions. These interests may be associative, charitable, cultural, financial, political, religious, sporting or result from family or sentimental ties.

In a company, it is the risk that an employee’s personal or private interest interferes with the interest of their company; in such cases, the employee may no longer be complying with their obligation of loyalty to the company.

Conflicts of interest may also include:

- a privileged relationship (family or financial) with a customer, co-contractor or subcontractor,
- exercising a political or professional office,
- accumulating professional activities,
- a relative or close relation applying for a company job offer,
- using or sharing confidential information for personal interest.

Corruption:

Corruption involves:

- the offer, promise or gift of an unfair advantage to a public or private person (active corruption), or
- the soliciting, request or receipt of an unfair advantage from a public or private person (passive corruption), in order to fulfill or not to fulfill an action as part of his/her professional functions.

This definition implies that:

- the offer or the promise may be made directly or indirectly, for example, through an intermediary;
- what is offered may be in cash or in kind, for example, a gift, invitation or some service;
- what is expected in return may be an action or inaction.

Discrimination:

This concerns the inequality of a person’s treatment based on at least one of the protected criteria such as origin, gender, disability, color of skin, religion, etc.

Embargo:

An embargo is a measure that prohibits either transactions with a given country or transactions involving targeted goods with a given country; this implies knowing the economic reason for the transaction (e.g. a prohibition on the sale of arms to country X). Embargo measures are based on United Nations decisions or European Union or national regulations.

Extortion:

Extortion involves obtaining money, property or services from a person by deception or threat. Very often it involves making a threat to incite or force another person to carry out or do something against their will, and usually results in the victim losing money or having to concede some benefit.

In the context of corruption, it may involve a public official demanding to receive an amount of money, with the threat that otherwise he will use his influence to damage a company or an individual. An example is a customs or security agent who offers not to conduct a long and expensive “inspection” of some merchandise or a bag in exchange for a bribe.

Family members:

This includes a relative, by blood or marriage (or a similar informal relationship), including a spouse, partner, parents or children. It includes a child of the same parents, by marriage or adoption, step-parents, grandparents, uncles, aunts and cousins, grandchildren or any relative who lives in your household

Financial interest:

The term “financial interest” includes, but is not limited to, any share or equity interest, investment, loan given or received or any other financial arrangement entered into with a third party.

Forced labor:

This is work performed under duress or threat.

Fraud:

Fraud involves deliberately deceiving another person to obtain an illegal or illegitimate benefit or to avoid a legal or contractual obligation.

Fraudulent behavior implies the action was intentional (not an error or carelessness) accompanied by a process to conceal the unauthorized action.

Motives for fraud can be very diverse, and may be committed for financial, moral or material reasons. The company may be the victim or beneficiary of fraud.

Fraud can take the form of:

- the misappropriation of money, equipment or confidential information or even dishonesty on the quality of products or services. Examples include falsely claiming to have a certain label or to have complied with a certain standard,
- destroying supporting documentation,
- falsifying accounting entries,
- affixing a scanned signature without the interested party’s consent,
- failing to notify a public or private person or an erroneous declaration,
- misrepresenting the truth in a contractual, accounting or administrative document such as non-compliance with a standard or constraint required by law.

Fraudulent declarations:

Fraudulent declarations encompass deliberate inaccuracies or omissions in financial statements, as well as the distribution of financial statements intended to take advantage of their recipients, in particular investors and creditors. This may, for example, refer to the falsification or modification of accounting and financial files, deliberate non-compliance with accounting principles, the false presentation of transactions, intentional omissions or disclosures of information, etc. Beyond the realm of finance, fraudulent declarations refer to any voluntary inaccuracy or omission of information (HR, commercial, etc.) in public documents, with the intention of deceiving the recipient.

Freezing of assets:

Blocking of a person's assets decided by a governmental authority (OFAC, Ministry for Economic Affairs, etc.), pursuant to national, extraterritorial or otherwise or international (UN) or European Union regulations. This decision concerns any bank holding assets in the name of this person and covers all or part of the assets as the case may be.

Gifts:*

Gifts or hospitality can take several forms such as goods, meals, trips, hotel stays, invitations to professional, cultural or sporting events or other entertainment.

Illegal gratuity:

A gratuity is unlawful if it is wrongfully given in recognition of a service rendered (decision or omission). It can take the form of a discount of a sum of money or a gift of a certain value. It is a form of corruption. It is not a discount in order to influence a decision or omission before they are made, but a discount granted directly because of a decision or omission after they are made.

Insider trading:

This involves disclosing or using on the stock market (in particular for buying, selling, exchanging or subscribing securities or exercising options) "privileged" information, (i.e. specific and confidential information which, if made public, might have an influence on the stock price). Such conduct constitutes an offence exposing its perpetrator(s) to criminal prosecution. This violation is also regulated and sanctioned by the regulatory authorities of the stock exchange on which the company's shares are listed.

Lobbying or interest representation:

This is a lawful and transparent contribution by a company to the development of regulations or public policies on its subjects of interest. This contribution is intended to inform the considerations of public decision-makers.

Misappropriation of property or funds:

This term refers to the theft or fraudulent use of company property by an employee. This misappropriation may involve any kind of property, including financial resources, products or any other type of property (receivables, computer equipment or data related to the company's organization or commercial partners, such as client references, technical information on products or services or any other confidential information).

Misuse of company assets:

This involves the deliberate and personal use of the company's assets or credit or the powers held by corporate officers.

Money or capital laundering:

Money or capital laundering consists in giving a legitimate appearance to goods or money which, in reality, have been obtained through illegal activities (terrorism, drug trafficking, counterfeiting, hacking, corruption, tax evasion, etc.) by concealing their origins. It also involves the illegal transfer of funds to avoid exchange control and/or detection by tax authorities.

It may adopt the following forms:

- a transaction for which the names and details of the parties are unknown;
- a transaction conducted by unknown or unnecessary intermediaries;
- an unexplained transaction;
- the use of unusual payment methods;
- a transaction to a country different from the one where the service was provided or different from where the head office is located.

Nepotism or favoritism:

This involves granting unfair advantages to members of one's family, friends or relations.

Personal data:

This refers to data that directly or indirectly identifies a private individual such as surname, first name, telephone number, e-mail address, etc.

Personal/private interest:

The term "personal/private interest" is to be understood in a broad sense, that is, involving both the interests of the person concerned (employee, staff member, public official, member of an administration, public service or the government) and of those of their family or close relations (natural or legal entities).

Politically exposed persons (PEP):

These are persons that occupy, or have occupied, positions of trust and authority at a high level of public service or political, legal or administrative functions, or functions within an international organization, as well as members of their immediate family or close relations. In particular, these persons are holders of high political office, such as government leaders, high-ranking politicians or officials, magistrates or high-ranking military officers, as well as top executives of public companies or important political parties.

Public official or government representative:

A public official or government representative refers to:

- any public official that has been elected or appointed as member of a ministry or as a legislator,
- any employee or individual acting for, or on behalf of, a public official, government agency or company working for or owned or controlled by a government agency, such as a researcher employed by a public university,
- any official of a political party, candidate with a formal mandate, official or employee or individual acting for, or on behalf of, a political party or a candidate with a formal mandate,
- any employee or individual acting for, or on behalf of, an international public organization,
- any member of a royal family or the military,
- any member of a "Government", a term that refers to all levels and sub-divisions of governments (local, regional or national, and administrative, judicial, legislative or executive).

Close relatives of all of these persons are also considered to be public officials.

Stakeholders:

A stakeholder is any legal or natural person, or group of persons or organization that may be involved, directly or indirectly, with the activity of a firm, company or group of companies.

This covers many protagonists such as: investors, shareholders, employees, suppliers, subcontractors, customers, public authorities, professional organizations, as well as international organizations, NGOs, local communities, journalists and media.

State-owned companies (public companies):

Public companies are legal entities that belong to the government in whole or in part or that are under government control. Employees and representatives of state-owned companies are considered to be government representatives or public officials according to most anti-corruption laws.

Unfair or unjust advantage:

An unfair advantage is defined as any object or service of value provided to a beneficiary with the purpose of obtaining a decision or abstention, or to influence a decision. The beneficiary may be a public official, employee from the private sector, a relative of that person (such as a member of their family) or a related entity (foundation, shell companies, etc.).

This unfair advantage may be:

- direct (for example, under-the-table payments, improper fees or retroactive commissions, facilitation payments or cash, services, discounts, lavish gifts or excessive advantages, over-billing for a service, loans, credit),
- or indirect (for example, payment to a political party, charity or sponsorship, the offer of a position or an internship, etc.).



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