

## **Message from the Chairman and Chief Executive Officer**

Dear colleagues,

*Arkema's policy is to conduct its business with integrity.*

*Arkema complies with all international conventions and applicable laws relating to the fight against corruption and influence peddling in the countries where the Group operates. Beyond these conventions and laws, Arkema condemns and sets out to prevent and detect corruption and influence peddling in all their forms, particularly in commercial transactions with its partners. In addition, since August 2014, Arkema has been a signatory of the Global Compact, a voluntary initiative set up by the United Nations through which businesses, associations and non-governmental organisations are invited to adhere to ten universally accepted principles and namely the fight against corruption.*

*Compliance with these values is essential to guarantee the reputation and long-term future of our Group.*

*Arkema has taken several measures designed to prevent and detect the commission of acts of corruption and influence peddling. One of these measures is this anti-corruption policy (the "Policy") whose purpose is to define and give examples of different types of behaviour proscribed as being likely to characterise acts of corruption or influence peddling.*

*The Policy, which should be read in conjunction with the Business Conduct and Ethics Code of Arkema, aims to ensure the good conduct of our day-to-day business and sets out the rules we should abide by – regardless of the position we hold and the country in which we work. It also sets out our commitment towards the partners we work with on a daily basis.*

*Arkema's Executive Committee will ensure that these rules are complied with in all our business activities. Compliance with these rules is essential, not only for the efficiency and long-term future of our Group's activities, but also to further our industrial and commercial projects. All our partners and contact persons must have confidence in our commitment to these rules and, more generally, to our values and business ethics.*

*Compliance with the Policy is everyone's business. Every Arkema employee should be familiar with the principles it sets out and apply them scrupulously. It should help you make decisions in the performance of your duties. You must refer to it frequently to make sure that what you are doing complies with the letter and spirit of the Policy.*

*The Policy is not exhaustive and does not provide an answer to every situation you may encounter or to every issue you are concerned about. If you have any questions, it is important to ask your line manager or the Legal Department.*

*I hope everyone finds that the Policy reflects his or her own commitment, and that everyone refers to it for guidance at all time to act and contribute effectively to achieving Arkema's goals.*

*Thierry Le Hénaff,  
Chairman and Chief Executive Officer*

## 1. THE FIGHT AGAINST CORRUPTION AND INFLUENCE PEDDLING WITHIN ARKEMA

### Definitions

#### ○ Corruption

Corruption can be defined as the fact of offering, promising, authorising or granting, directly or indirectly, an undue advantage (to be understood in its broadest sense) to a person holding a public office or a private person, in view of the performance or non-performance of an act falling directly or indirectly within the scope of his or her duties. Corruption is also the act by which a person holding a public office or a private person, requests or accepts such an undue advantage in view of the performance or non-performance of an act falling directly or indirectly within the scope of his or her duties.

Corruption is punished both in the public and private sectors.

Corruption is said to be:

- active when considered from the point of view of the briber: it consists in the offering of an advantage to a person holding a public office or a private person, for him / her to perform or not to perform an act falling within his / her duties;
- passive when considered from the point of view of the bribee: this is when a person holding a public office or a private person, requests or accepts an advantage for performing or not performing an act falling within his / her duties.

Corruption can be direct or indirect (i.e. via third parties, such as agents, consultants, business finders, commercial intermediaries, etc.).

Bribery is committed by the mere fact of offering or asking for an advantage, regardless of whether this advantage has actually been granted or accepted, and irrespective of whether or not the expected act has been performed.

#### ○ Influence peddling

Influence peddling is an offending behaviour close to that of corruption. However, the aim is not the performance or non-performance of an act, but the abuse of a real or supposed influence, to obtain distinctions, jobs, contracts or any other favourable decision / situation / action from a public authority or administration.

In the same way as for corruption, influence peddling is said to be:

- active when committed by a person who offers an advantage of any kind to a person holding a public office or a private person, who avails himself / herself of an actual or alleged influence on public authorities, in view of obtaining from such authorities advantages or favours of any kind;

- passive when committed by a person holding a public office or a private person, who avails himself / herself of an actual or alleged influence, and who solicits or accepts an advantage from a person, for the purpose of obtaining for such person advantages or favours of any kind, of which public authorities are allegedly the providers.

- Gift

"Gift" means any type of favour, tangible or intangible, such as discounts, gift cards, gifts in cash or equivalent, subsidies, loans, services, of any kind.

- Invitation

"Invitation" means any form of social leisure or entertainment such as meals, trips, travels, accommodations, sporting, cultural or other social events.

### **Basic principle**

Arkema applies a zero-tolerance policy when it comes to corruption and influence peddling.

We undertake to carry out all our activities in full compliance with legal and ethical standards in this area and to adopt a professional, fair and honest behaviour in all our activities. We expect all those involved in our business activities (employees and assimilated, subcontractors, intermediaries, suppliers, customers, etc.), to adhere to these commitments. Any breach of these commitments may seriously jeopardise our reputation and success in the conduct of our business and may expose Arkema and the individual(s) concerned to significant civil and criminal penalties.

Arkema prohibits all forms of corruption or influence peddling, and in particular the payment of bribes, regardless of their form. A bribe consists, in particular, in:

- offering, promising, authorising or granting any advantage to a person, directly or indirectly, for the purpose of influencing him or her to commit a dishonest, illegal or inappropriate act or to violate his or her obligations (for example, with respect to his or her employer) in order to obtain or retain an advantage of any kind or a business.
- soliciting or accepting to receive an advantage for having acted or for acting improperly for the purpose of obtaining or retaining an advantage of any kind or a business.

Bribes may, for example, take the form of sums of money, gifts, hospitality, reciprocal favours, political or charitable donations, jobs or any other direct or indirect benefit or advantage.

Bribes include facilitation payments. These are generally unofficial payments of small amounts to secure or accelerate a routine action (for example, the completion of administrative formalities by a public official) to which a company

or an individual is legitimately entitled. This includes, for example, a payment made for a service performed by a public official for an amount above the published or officially documented fee schedule, or a payment made to have equipment or goods pass through customs more quickly.

It is strictly forbidden to pay, receive, offer, promise, authorise or request bribes.

## 2. PROHIBITED BEHAVIOURS

### Regarding gifts and invitations received or offered

In general, in order not to be assimilated to bribes or undue advantages, gifts and invitations offered or received must be reasonable in value, remain occasional (i.e. offered / received at special occasions such as national, traditional or religious festivals or celebrations, promotional campaigns, etc.), and not have the capacity of affecting the sound judgement and impartiality of the person who receives them.

Therefore, ask yourself whether the gift / invitation you receive will influence you, or if the gift / invitation you offer will influence the person you are considering offering it to.

Before accepting a gift or an invitation, also ask yourself if you would feel free to talk to others about it or if you would feel uncomfortable, in which case you should refuse this gift / invitation.

Finally, before accepting a gift or an invitation, ask yourself if you could have offered such a gift / invitation in a business context (i.e. gifts / invitations for which my manager would have validated the expense report). If this is not the case, you should refuse this gift / invitation.

In any case, Arkema forbids any employee (as well as his / her family members or relatives) to personally benefit from gifts received from third parties. These gifts will be given to a charity or shared among the teams.

Invitations that directly or indirectly benefit relatives or family members of a third party, as well as invitations that benefit a relative or family member of an Arkema employee, must be examined on a case by case basis and be authorised by the direct manager (N+1) of the employee concerned<sup>1</sup> prior to their offering or acceptance.

In addition to the foregoing provisions, the following gifts and/or invitations are strictly prohibited, whether offered or received:

- gifts / invitations contrary to the laws and regulations applicable to Arkema, its employees or the beneficiary of the gift or invitation;
- cash, regardless of the amount;

<sup>1</sup> Or by the Group General Counsel for the members of the Executive Committee

- gifts considered as luxury items;
- gifts in the form of services or other types of benefits in kind (for example, a promise of employment, or works carried out at the home of an Arkema employee or at the home of the beneficiary of the gift);
- gifts / invitations offered or received during a call for tenders or contractual negotiations, or outside a tendering or negotiation period if it can reasonably be expected that a call for tenders or contractual negotiations with the third party will take place shortly, or if a call for tenders or a contract has recently been awarded / concluded;
- gifts / invitations not authorised by the internal rules applicable within the beneficiary's organisation;
- gifts / invitations offered or received in a non-transparent manner (for example, without supporting documents, or sent to the home address of the person concerned, etc.);
- gifts / invitations that are not appropriate or that are contrary to the human dignity.

Additional rules concerning gifts and invitations (procedure, thresholds, formalities, etc.) applicable to Group employees are set out in an Appendix to this Policy.

### **Regarding donations, sponsoring and political contributions**

It is prohibited to:

- make donations which could be deemed consideration to obtain or secure advantages or contracts;
- finance political parties, elected officials or candidates to an election, in the professional framework;
- finance individuals or organisations whose reputation may prejudice the interests or image of Arkema, or whose directors and/or management are not known;
- finance organisations that directly or indirectly benefit public officials or their relatives, especially when they are linked to Arkema's business activities;
- solicit or accept any kind of advantage from a person carrying out an associative project in return for Arkema's financial support for this project;
- make charitable contributions to private companies or legal entities at the request of a public official, for example a local elected representative.

### **Other examples of reprehensible behaviours**

It is also prohibited to:

- use the services of an agent, consultant, business contributor, commercial intermediary who is not reliable or who has not been monitored within the framework of Arkema's procedure relating to commercial intermediaries;
- do business with a partner who refuses to commit to respecting Arkema's values and principles in the fight against corruption and influence peddling;
- communicate confidential information (for example, technical or commercial data) to a bidder during a tender to allow its bid to benefit from an advantage over other bidders;
- solicit or accept any advantage from a supplier in exchange for the diversion of procurement procedures, which may consist, for example, in the splitting of supply contracts;
- respond favourably to a request for employment from a third party (for example, solicitation by a public official for a job for a member of his or her family) in exchange for an advantage;
- solicit or accept a bribe from a supplier within the framework of a procurement process (which can take the form of an overbilling of the purchased service, a non-application of contractual penalties, fictitious services, etc.);
- solicit or accept an advantage to waive claims or classify claims as bad debts;
- solicit or accept an advantage from a third party in dispute with Arkema in exchange for the "cancellation" of the dispute.

### 3. WHISTLEBLOWING PROCEDURE

If you encounter any of the above situations or a similar situation, it is important to notify us immediately.

Arkema has set up a whistleblowing mechanism to gather concerns raised by employees and third parties, relating in particular to the existence of conducts or situations contrary to this Policy.

You can disclose a concern by sending an email to the following address:

**[alert@arkema.com](mailto:alert@arkema.com)**