

## Business Ethics Policy



Dear Colleagues,

In order to earn and retain the trust and respect of each other within Exosens as well as external stakeholders – including customers, suppliers, shareholders and the general public – principles of honesty, integrity, fair dealing, and the highest ethical standards must underlie everything we do and every decision we make.

Moreover, in acting as a contractor or subcontractor for governmental entities in many countries where we conduct business, Exosens shares a special trust with the governmental authorities for the public at large.

That trust is to ensure that we perform contracts and provide services in a manner that fully satisfies both our legal obligations under local and foreign applicable laws as well as our own high ethical standards of integrity and quality. This is also more generally a key concern to our clients, many of whom expect us to comply with internationally accepted standards of behaviour through the terms of their engagement with Exosens.

The Business Ethics Policy has been developed in this state of mind. It defines the rules of good conduct within the framework of the values which inspire us and which we strive to embody.

This Policy should be a guide for all our actions and decisions. I trust each one of you to respect it and make sure it is respected around you.

Ethical issues may not always be easy to raise and we cannot foresee specific rules for each situation but please take the time to get familiar with this code of conduct. If any question or doubt remains, I expect you to speak up and ask for advice. I will ensure you that you will always be supported in this process.

The good application of the principles underlined by our Business Ethics Policy directly contributes to our credibility and in turn, to the sustainability of our activities.

Sincerely yours,

**Jérôme CERISIER**

<b>1</b>	<b>Introduction</b>	<b>3</b>
1.1	What is the Business Ethics Policy?	3
1.2	Who does this policy apply to?	3
1.3	Where is this policy available?	3
1.4	How to use this policy?	3
1.5	What are the consequences of not complying with this policy?	4
1.6	Operating Guidelines	4
1.7	Training	5
<b>2</b>	<b>Good Business Practices</b>	<b>6</b>
2.1	Anti-Corruption and Bribery	6
2.2	Gifts, Hospitality & Entertainment	8
2.3	Conflict of interests	9
2.4	Export and Internal Trade control	9
2.5	Fair Competition	9
2.5.1	Prices and conditions of supply	10
2.5.2	Market Allocation	10
2.6	Data protection, confidentiality and retention of documents	11
<b>3</b>	<b>Retention of Documents and Protection of Property</b>	<b>12</b>
<b>4</b>	<b>Personal Data Protection</b>	<b>12</b>
4.1	Money Laundering	13
4.2	Political and associative contribution	13
<b>5</b>	<b>Managing relations with Third-parties</b>	<b>13</b>
5.1	Third-party Due Diligence Process	13
5.2	Contractual commitments	14
5.3	Customer and suppliers	14
5.4	Intermediaries	15
<b>6</b>	<b>Signature and acknowledgement</b>	<b>16</b>
<b>7</b>	<b>Validity and document management</b>	<b>17</b>

# 1 Introduction

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## 1.1 What is the Business Ethics Policy?

Exosens is committed to operating in accordance with the highest standards of social responsibility and ethical behavior and to that extent, we engage in addressing major business ethics risks through this Business Ethics Policy.

This policy is our central policy document, outlining Exosens' standards of business conduct and setting guidelines to choose the right behavior in any situation we may face in our everyday activities.

It is also designed to help us understand our legal obligations and ensure that we operate, at all times, both ethically and within the law.

## 1.2 Who does this policy apply to?

This Policy applies to all Exosens' Group Companies employees.

Managers having a strong responsibility for business ethics. It is their role to ensure that this Business Ethics Policy is understood and applied by their teams. They should be role models for doing what is right and hold their team members accountable for complying with this code of conduct.

## 1.3 Where is this policy available?

This Policy is publicly available at all time on our corporate website. It is also available on the intranet and is given to every new employee during onboarding process.

## 1.4 How to use this policy?

The first step is to read this Business Ethics Policy and get familiar with the Exosens' ethical standards and expectations.

Its requirements are obviously in line with international laws and regulations of the countries in which Exosens operates but it also tries to give guidelines to its users, when facing a situation of conflict in principles, requiring arbitration that are not always obvious.

Of course, this code does not pretend to anticipate and solve each and every situation that may arise, but it aims to help us ask ourselves the right questions, find the appropriate people to talk to and make the right decisions. The Compliance Department is in charge of compliance with this policy.

At any time, an alert can be launched following the Whistleblowing procedure if any of the situations presented in this policy occurs. The Whistleblowing procedure is available on the intranet and via the Human Resources department of your site.

## 1.5 What are the consequences of not complying with this policy?

Exosens will investigate any incident which may arise in relation with the topics covered by this code of conduct and take corrective actions. Any failure of an employee to comply with this Business Ethics Policy would be a disciplinary offence.

## 1.6 Operating Guidelines

We expect all employees to be:

- Honest and trustworthy in all their business relationships
- Reliable in performing their responsibilities
- Truthful in written or verbal statements
- Law-abiding in all their business activities
- Economical in utilizing company resources
- Speak up if you feel a working practice is not ethical, safe or if it breaches this Code

The employee responsibilities are the following:

- Comply, at any time, with the principles set out in this code as well as any law or regulation applicable on this topic
- Refer to this policy and/or any applicable Exosens' internal procedures to avoid, in all circumstances, situations and behaviours in breach of this policy

- Identify and analyse, in good faith and with no intention to harm, situations and behaviours which seem to be in breach of this policy
- Keep records of any situation and behaviours which seem to be in breach of this policy
- In case of doubts or questions, contact your manager or the Compliance Department on the dedicated email: [compliance@exosens.com](mailto:compliance@exosens.com)
- When necessary, launch the alert using the platform following the Whistleblowing Policy which grant protection to the whistleblower

We have included practical cases within this code of conduct.

Any time you are faced with questions or concerns about a decision you have to make, ask yourself the following 4 questions:

**Question 1: Is this legal and ethical?**

**Question 2: Is my decision in line with Exosens' Business Ethics Policy?**

**Question 3: Can I justify my decision internally?**

**Question 4: Would I be comfortable if my decision became public?**

If the answer to one of the questions is NO or unsure, you MUST inform the appropriate person (management, legal, compliance or internal expert) and discuss the matter.

## 1.7 Training

Exosens is committed to making all employees aware of ethics within the Group. All employees must receive the Business Ethics Policy as a hard copy or digitally via email annually. Human Resources department keep a record of signature.

In addition, Exosens has set up tailored e-learning modules to annually train its most exposed employees on corruption, bribery and fair competition.

## 2 Good Business Practices

### 2.1 Anti-Corruption and Bribery

At Exosens, we hold the highest standards of ethical conduct as the foundation of our business operations. This Business Ethics Policy articulates our unwavering commitment to zero tolerance for corruption in any form. Our principles of fair trading, strict compliance with applicable laws, and dedication to good practices underscore our devotion to fostering an environment of integrity within our organization.

#### **KEY NOTIONS**

**Corruption** refers to any type of unethical behavior or abuse of power. Corruption encompasses many forms of misconducts such as bribery, fraud, embezzlement or nepotism.

**Bribery** is a specific form of Corruption, referring to the act whereby a person holding a specific function (whether in the public or the private sector) solicits, proffers, accepts, gives money, gift of value or any other advantage or benefit such as, an offer or promise to do or not do something pertaining directly or indirectly to his function, usually resulting in an unfair personal gain. Nothing of value needs to change hands, just the offer or promise is enough to break the law.

**Facilitation payments** are small sums of money or other benefits given to expedite routine actions or secure services that a public person or entity is already entitled to, typically in business or government transactions.

**Trading in influence**, also known as influence peddling, occurs when an undue payment or benefit in kind is promised or given to a person who has real or apparent influence over the decision taken by a public officer with the intention that that person would persuade the decision-maker to act in the manner desired. The emphasis here is on “undue” to distinguish it from legitimate influence seeking such as lobbying or advocacy.

Exosens expressly prohibits all forms of Corruption, including but not limited to Bribery, fraud, Facilitation Payments, and Trading Influence. Our commitment extends to both public and private spheres, encompassing both active and passive Corruption. Every employee is expected to contribute to the maintenance of this commitment, thereby ensuring that Exosens remains an example of ethical business practices.

Pursuant to the French anti-corruption law applicable to the Group, we regularly assess our Corruption – and Bribery – risks by updating our corruption risk mapping for the Group. This matrix was last updated in 2023 and constitutes a road map for an anti-corruption program.

Managers bear a significant responsibility in preventing Corruption and Bribery. It is their role to ensure the absence of any corrupt practices, including Bribery, within their teams. They should set a positive example of ethical behavior, and enforce accountability among their team members.

The following is a list of possible red flags that may arise during the course of your activities and which may raise concerns under various anti-corruption and influence peddling laws. The list is not intended to be comprehensive and is for illustrative purposes only.

**If you encounter any of these red flags while working for Exosens, you must report them promptly to your manager or the Compliance Department. You may also refer to the Whistleblowing procedure available on the intranet or via your Human Resources department.**

- You become aware that a third party engages in, or has been accused of engaging in, improper business practices.
- You receive a non-standard or customized invoice from a third party.
- A third party insists on using side letters or refuses to put terms in writing.
- You notice an invoice for a large commission or fee payment that seems disproportionate to the service provided.
- A third party requests the use of an unfamiliar agent, intermediary, consultant, distributor, or supplier.
- You feel pressure from a third party for urgent or ahead-of-schedule payments ("additional tax").
- Third party requests payments to individuals without an apparent connection to the business.
- Use of shell companies and operations in connection with offshore markets.
- Third party requests excessive commissions, unreasonably large discounts, consulting agreements with vaguely described services.
- Threats of premature termination of a contract with no plausible justification and no concern for penalties.
- You learn that a third party has a reputation for paying bribes, requiring bribes, or has a "special relationship" with foreign government officials.
- A third party insists on receiving a commission or fee payment before committing to signing up for a contract or carrying out a government function.
- A third party requests payment in cash, refuses to sign a formal agreement, or provide an invoice or receipt.
- A third party requests payment to a different country or location than where they reside or conduct business.
- A third party requests an unexpected additional fee to "facilitate" a service.
- A third party demands lavish entertainment or gifts before negotiations or provision of services.
- A third party requests payment to "overlook" potential legal violations.
- A third party requests employment or advantage for a friend or relative.
- You are offered an unusually generous gift or lavish hospitality by a third party.

## 2.2 Gifts, Hospitality & Entertainment

In our approach to fostering business relationships at Exosens, we acknowledge the pivotal role of authentic networking and social interactions as essential mechanisms for cultivating and strengthening connections with our esteemed partners. However, it is imperative to exercise prudence in the exchange of gifts and hospitality, recognizing that certain circumstances may perceive such gestures as potential sources of corruption.

Guided by overarching principles pertaining to corporate gifts and invitations, we delineate the appropriate conduct in situations where such exchanges arise. Gifts and invitations may be accepted under the following condition that they are offered without any intent to gain undue advantage or reciprocity, unsolicited by the recipient, devoid of creating obligations on the part of the recipient. The recipient might be comfortable if such gift or invitation were to become public. These gestures should not take the form of cash or equivalents, must be related to professional activities, exclude close relatives of the invitee, and adhere to the applicable legislation of the country in which they occur. They should not coincide with tender periods or contract renewals and should not be overly frequent. The value of the gift or invitation should be reasonable or symbolic, proportionate to the recipient's position, the significance of the engagement, and the prevailing practices within the respective industry or country.

**Any gift, invitation, hospitality gesture, or meal, received or offered, exceeding €150 or the equivalent in USD, must be declared to the immediate supervisor (n+1) and validated by the Compliance Department.**

Employees should also consider gifts, hospitality and entertainment directed or given to their relatives by a partner. No gifts, favors or things of value should be given to others by Exosens or its employees unless they are of such nominal value that they could not be construed as a bribe or payoff, and are of such a nature that public disclosure would not cause embarrassment either to the recipient or to Exosens. Any gift offered by Exosens shall follow the Group Delegation of Authority Procedure.

In any case, Exosens must comply with policies and laws that apply in each country where it operates. In some countries, business entertainments are prohibited by law under certain circumstances. Prudence and vigilance should always guide us in these situations and if any doubt occurs, contact the Compliance Department.

Each site has internal procedures specifying the terms relating to business travel and any other sensitive transactions.



## 2.3 Conflict of interests

Exosens must avoid situations where a conflict of interest may arise and may potentially be viewed as Corruption. Conflict of interest refers to any situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organization, is confronted with choosing between the duties and demands of their position and their own private interests.

The following situations may create a conflict of interest that may be viewed as a Corruption practice in certain cases:

- When a person working for Exosens holds a position, involvement or financial stake in an organization considered to be a competitor, customer or supplier or any other business partner of Exosens and has a position within Exosens that could influence the business relationship.
- When a personal interest (for example a family member is employed by a supplier) may influence or appear to influence the judgments and actions taken.
- When a job applicant or one of its relatives may have a potential influence on Exosens' business (e.g. government/military official, customer or supplier).

As part of Exosens' commitment to minimize situations where conflict of interest may arise, all employees must diligently avoid both actual and apparent conflicts of interest. In instances where conflicts cannot be avoided or in case of any doubt, immediate disclosure to supervisors is imperative.

## 2.4 Export and Internal Trade control

Being present in different countries, Exosens companies have different suppliers and customers operating all over the world. For this reason, it must be careful with international regulations and laws governing our import and export activities, in order to be fully compliant and avoid economic sanctions and restrictions.

To better understand the issues and importance of export and trade control, employees can consult the Internal Export Control Compliance Program or ask their local Export Control managers.

## 2.5 Fair Competition

Exosens undertakes to respect the principles of fair competition and adheres strictly to the competition laws applicable in all regions it operates. These laws explicitly prohibit any agreement or conduct likely to impede or alter competition and business dynamics in order to

preserve the principles of free enterprise and fair competition. Exosens employees are expected to actively contribute to preventing illegal practices, such as price fixing, market sharing, production limitation, bid rigging, abuse of market power and other anti-competitive or monopolistic behaviour.

In order not to distort competition, Exosens undertakes to refrain from engaging in practices such as loyalty discounts and predatory pricing. For this reason, Exosens recalls the importance of being vigilant and avoiding any inappropriate discussion or agreement with competitors, which could harm fair competition.

## 2.5.1 Prices and conditions of supply

**Horizontal Agreements:** As a general principle, every manufacturer shall be free, in the absence of any coordination with competitors, to fix and change its own prices. It is clearly forbidden to agree with competitors and to fix prices coordinately. Employees shall not discuss or attempt to discuss any price related topic with competitors. Every time Exosens employees are facing an attempt by a competitor to engage in this kind of discussion or when wondering whether a behaviour can constitute a violation of competition law,, Exosens employees should take advice from the Compliance Department

**Vertical Agreements:** As a general principal, the manufacturer must not set the resale prices charged by the distributor or the Original Equipment Manufacturer. A discussion around resale prices is however possible. What is not allowed is to impose any resale prices.

Employees must not:

- Fix resale prices to direct customers
- Terminate a distribution agreement/supply agreement because the Partner would not observe the recommended resale prices
- Fix the profit margin with distributors/ OEM
- Impose minimum resale prices

They may:

- Provide non-binding price recommendations
- Set maximum resale prices
- Consult legal department prior to discuss resale prices with distributors/ OEM

## 2.5.2 Market Allocation

**Horizontal Agreements:** As a general principal, it is forbidden to form an agreement with competitors in order to share or allocate specific markets or customers. Employees shall not discuss or attempt to engage in discussions with competitors about sharing or allocating markets in respect to territories, customers or products. The Agreement between competitors aiming at boycotting a potential Partner in order to hinder that Partners ability to conduct business in a specific market is also prohibited. Every time Exosens employees are facing

an attempt by a competitor to engage in this kind of discussion or when wondering whether a behaviour can constitute a violation of competition law, Exosens employees should take advice from the Compliance Department.

**Vertical Agreements:** Entering into an exclusive agreement, whether an exclusive distribution agreement, an exclusive purchase agreement or an exclusive license agreement, may have consequences regarding competition law. Employees shall consult and obtain the approval of Compliance department prior to concluding such agreements.

## 2.6 Data protection, confidentiality and retention of documents

Confidentiality is a matter of law, business secret and reputation.

Confidential information is all non-public information pertaining to Exosens, its employees or its customers. It includes material confidential information and data generated by Exosens that contains or is derived from such confidential information.

Similarly, company officers and employees must protect Exosens' non-public proprietary information. Employees must follow all applicable laws, rules, regulations and Group policies and standards that govern the handling of confidential information.

As a general principal, any information whether business related, technical or strategic which is not made public is to be considered as confidential.

All necessary measures shall be taken to ensure its protection. The disclosure of such information could be a breach of an existing engagement of confidentiality or a violation of the legal protection of business secret.

### Employees shall:

- Observe the internal rules and restriction of disclosure, reproduction, storage and destruction of information and especially those set out in executed NDAs.
- Observe strictly the Group Security Plan available internally.
- Be particularly vigilant while discussing in public places such as transports, restaurants, hotels, airports etc...

### Employees shall not:

- Disclose any confidential information to a third-party unless there is an executed NDA in force, covering the relevant subject matter.
- Leave their paperwork, laptop or cellphone accessible to any third-party.

- Refer to managers to coordinate responses in case of inquiries, requests or demands for information made by external investigators, regulators and auditors.
- Report any press release or media article concerning Exosens to its manager.
- Share any corporate information on social medias (as LinkedIn, Facebook, Twitter etc...) unless it is posted by internal webmaster.
  - Exosens reminds that any information posted on the internet once is considered as being public information: it is no longer confidential and could be used for any purpose by anyone.

### 3 Retention of Documents and Protection of Property

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Employees must comply with the relevant Group policies relating to the creation, retention and maintenance of the accuracy of documents, including books and records. Appropriate retention periods are dependent on the nature and business applicability of the information, and employees should be aware of their banking unit's policies relative to document retention.

### 4 Personal Data Protection

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Privacy is a fundamental right belonging to each individual. Exosens is committed to respect this personal right. Personal information will be acquired and retained by Exosens only when necessary. employees collecting personal data belonging to other employees or any third parties shall comply with the internal rules on the subject and especially:

- Inform the concerned individuals about the planned collection of their data, the type of data which is to be collected, the reason why it is being collected, how it will be used and how they can be reached for any question/requirement concerning their own personal data
- Get their consent for such collection and processing
- Collect such data only on a "need-to-know" basis
- Ensure security of these data

## 4.1 Money Laundering

Money laundering involves concealing the proceeds of criminal activities within legitimate business transactions or using lawful funds to support illicit endeavors like terrorism, drug trafficking, corruption, and tax evasion. Exosens, like all companies, faces the risk of being exposed to this scenario. It is crucial that we comply with all applicable legal obligations and remain vigilant to protect our reputation.

## 4.2 Political and associative contribution

Employees remain free to participate in political and associative activities on their own behalf. No employees should feel obligated in any way to contribute by giving any personal time, money or other resources to any political campaign or political activity unless he/she chooses to do so. Furthermore, Exosens Group must not be involved in any manner (name, time, funds, property, resources or lists of employees) and prohibits political involvement of any kind on the company's behalf.

The use of the group's resources or the granting of donations or financial contributions to support, in any way whatsoever, directly or indirectly, associative activities or political parties, at the local, national or international level is strictly prohibited except with prior approval of the Group's General Management. There are no political contributions or political spending in the last three years. If the situation were to occur, Exosens commits to disclose any political donations and/or lobbying expenditure.

In some countries, it is customary for major political parties to put out a call for funds from companies at election time. Even if the legislation of the country allows it, it is not possible for employees to contribute on behalf of Exosens without the prior approval of the Group's General Management.

# 5 Managing relations with Third-parties

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## 5.1 Third-party Due Diligence Process

Committed to ethical business practices and following the anti-corruption and compliance laws of every country in which we do business, it is essential that we only engage with those entities and individuals who are vetted from an anti-corruption perspective.

To that extent, Exosens has to conduct reasonable due diligence for existing or new Third-Party which meet certain requirements and therefore developed a Third-Party evaluation, that should be done as soon as possible in the relationship with the Third-Party and in any event before an order is placed or a contract is signed.

Intended for the evaluation of new customers, suppliers, representatives (Agents and distributors), consultants, potential acquisition targets, Joint Venture Partners, companies and individuals, and those already existing, the assessment is conducted by the person directly in contact with the third-party. This can be a Sales Manager, Commercial Director, Buyer, somebody at the Front Office, Back Office, Finance Manager, working in any of our business units (NV, AI, MA, UD), the purchasing teams and any relevant person working with third parties at Exosens.

## 5.2 Contractual commitments

All commitments undertaken with any third parties must be set in written agreement, in which, when relevant, the parties will commit to respect the Partners Code of Conduct, as well as all applicable anti-corruption laws and regulations or they must have a similar policy in place, before starting work or representing Exosens.

## 5.3 Customer and suppliers

Corrupt practices must not be tolerated from any customer nor supplier, in any form.

Practical example:

- In the course of a negotiation, a customer proposes to hire an employee's relative in exchange for cheaper prices.
- A supplier submits a quote and promises to offer a luxurious trip in exchange for the acceptance of the quote

### Employees should:

- Politely refuses such arrangement explaining the Group's policy in this area
- Inform his/her manager.

### Employees should not:

- Accept such arrangement
- Keep this proposal to yourself, even if he/her refused it

Payments made by clients must be accepted only if they are legal, in accordance with the terms of the relevant commercial contract and carried out against a proper invoice. No payment shall be accepted in cash or without the appropriate documentation. Internal process and authorization shall be strictly observed by all employees.

Vigilance should be given to public officials, whether they are customers or partners such as universities or research centers.

## 5.4 Intermediaries

The use of intermediaries may be necessary in the context of the Group's activities when these intermediaries provide a service based on professional expertise. It could be:

- A consultant, who may analyse a market and/or give business advice.
  - o The choice of consultant must be explained by the expertise of the consultant on a specific topic.
  
- A distributor, who's role is to promote and resale Exosens' products, which he would have bought from Exosens, to end-users. His remuneration is based on the difference between his purchasing price and his resale price.
  - o The choice of the distributor must be explained by the significant presence of the distributor in the targeted market and the concrete sale's activities he would take to achieve in the interests of the Group.
  
- An agent: his role is to promote and sell products on behalf of Exosens to end-users. His remuneration is based on commission (usually a percentage of the sale)
  - o The choice of the agent must be explained by the significant presence of the distributor in the targeted market and the concrete sale's activities he would take to achieve in the interests of the Company.
  - o The commission of the agent must be reasonable and compliant with regulations.

Exosens requires a particular vigilance from its employees using intermediaries, as they could be exposed to higher risk of corruption. Due diligence, approval from Compliance Department and contractual commitments are mandatory to use such intermediaries.

### Exosens shall not:

- Hire an intermediary, of any kind, without justifying concrete activities that he will be required to undertake in the interest of the Exosens' Group

### Exosens shall:

- collect all information of identification of the intermediary and any information it may collect about its activities and reputation
- Get the approval from Compliance Department
- Get all commitments undertaken formalized in written agreement by the Compliance Department

## 6 Signature and acknowledgement

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Job Title:

Name Surname:

\_\_\_\_\_  
Signature



## 7 Validity and document management

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This document is valid as of December 1<sup>st</sup>, 2023.

The owner of this document is the Compliance Department, who must check and, if necessary, update the document at least once a year.

<i>Date</i>	<i>Version</i>	<i>Contributor</i>	<i>Description</i>
2019	1.0	Céline Bellegarde	Creation of the Code of Ethics
December 1 <sup>st</sup> , 2023	2.0	Diane Mattéoli	Name of the Code of Ethics has been changed to Business Ethics Policy, Update of the information