

SAPMER

Group Code of Conduct



SAPMER

SAPMER GROUP CODE OF CONDUCT

TABLE OF CONTENTS

I. Preamble	3
II. Group commitments	3
II.1. Refusing and combating corruption.....	3
II.2. Respect and promotion of human rights.....	4
III. Conduct to adopt	4
III.1. Fighting corruption and influence peddling	4
III.1.1. Facilitation payments	4
III.1.2. Conflict of interest.....	4
III.1.3. Gifts and business invitations	5
III.1.4. Donations, patronage and sponsorship	6
III.2. Promoting human rights.....	6
III.2.1. Child labor	6
III.2.2. Forced labor	7
IV. Implementation measures	7
IV.1. Identification of main sources of risk	7
IV.2. Assessment of third parties	8
IV.3. Internal alert system.....	8
IV.4. Employee involvement: communication, training and implementation	8
IV.5. Sanctions	9
IV.6. Governance and assessment of system	9

I. PREAMBLE

The management and all employees¹ of the Sapmer Group² are fully committed to adopting practices of conduct to ensure the group's activities are carried on with the utmost integrity, both onshore and offshore, at all the group's operational sites and with respect to all its stakeholders. This is the key condition for driving a virtuous dynamic, beneficial to all and respectful of everyone.

To help each employee perform his or her work at the required level of integrity, the Group implements and promotes this **Code of Conduct**. The Code helps everyone understand what is expected of them, including best practices to follow in the relevant areas.

This Code of Conduct and all the means (tools, procedures and objectives) deployed to ensure its implementation constitute the Group's **compliance program**.

II. GROUP COMMITMENTS

II.1. Refusing and combating corruption

Through this Code of Conduct, the Sapmer Group reaffirms its commitment to conduct its operations with the utmost integrity, based on two fundamental undertakings:

The Sapmer Group prohibits corruption of any form. Corruption is an obstacle to the proper functioning of the Group due to the risks (financial, criminal, commercial and reputational) and the induced climate, and because of the infringement of market rules.

The Group applies, and expects from all its employees, "zero tolerance" of all corruption.

Corruption is defined as the act by which a person (public official³ or private individual) offers, requests or accepts, directly or through an intermediary, any gift, promise or benefit for the purpose of performing, delaying or omitting to perform any act that falls, directly or indirectly, within the scope of his or her duties. Corruption must be rejected and combated, whether **active** (by the person offering) or **passive** (by the person requesting or accepting).

Influence peddling is when an undue gift or benefit is offered or granted in order for the beneficiary to use his or her influence, actual or presumed, to obtain a favorable decision from a public employee. It involves three actors: the beneficiary (the person who provides benefits or gifts), the intermediary (the person who uses the power or influence they possess because of their position) and the targeted decision-maker. Like corruption, influence peddling can therefore be **active** (on the part of the beneficiary) or **passive** (on the part of the intermediary).

¹ The concept of employees refers to all Group company employees and all outside or temporary employees, in particular suppliers, trainees, seconded employees (including manning agency workers) and sales agents.

² The concept of "Sapmer Group" includes the company Sapmer Investments and all the companies it controls within its scope of consolidation.

³ Means a person in public authority or holding a public service role or an elected public office, either for themselves or for others.

II.2. Respect and promotion of human rights

For the Sapmer Group, the respect of human rights is *“a global standard of expected conduct [which] exists independently of States’ abilities and/or willingness to fulfil their own human rights obligations. And it exists over and above compliance with national laws and regulations protecting human rights”*.⁴

While the respect and promotion of human rights must be a concern shared by all businesses, the fishing industry is particularly concerned due to certain factors such as working conditions on board vessels and distant control issues.

The Group expects its employees to pay particular attention to the respect of human rights as set out in the Universal Declaration of Human Rights and in the conventions of the International Labour Organization (ILO). In particular, the Sapmer Group undertakes to progressively implement the measures prescribed by the Work in Fishing Convention on all its vessels, regardless of their flag.

III. CONDUCT TO ADOPT

III.1. Fighting corruption and influence peddling

III.1.1. Facilitation payments

Facilitation payments are intended to persuade public officials to undertake an action or provide a service that is normally within the scope of their official responsibilities. They take the form of payments, often of modest amounts, made directly or indirectly to a public official to carry out or accelerate regular administrative operations.

Rules to observe:

- The Sapmer Group prohibits such payments, even if local laws allow them.
- Where an employee is confronted with a public official requesting a facilitation payment, he or she must refuse. If the public official concerned refuses or slows down the operation in question, the employee must inform his or her line manager.

Example:

An employee must obtain a visa for a business trip as soon as possible but it may take up to several weeks to get it. A friend of the employee claims to know a civil servant within the embassy very well: for €50, the time to issue the visa could be shortened to 3 days and thus allow the business trip to go ahead on time.

➔ *The employee must refuse to pay, even if the amount seems small compared to the trip’s importance and even if it is supposedly common practice.*

There is no “minor corruption”, any act of corruption has an adverse effect on the smooth running of the business. Moreover, whatever the expected benefit, the risk is always too great (in terms of criminal proceedings, image, etc.).

III.1.2. Conflict of interest

A **conflict of interest** exists where a person or organization for which they work, be it a government, company or civil society organization, is in a situation where they have to choose between the duties of their position and their own personal interests. Personal interest means interests that may, or may appear to, affect the way in which the employee carries out the duties entrusted to him or her by the Sapmer Group.

The Group expects its employees to fully disclose all they know about any situation where doubts arise or could arise as to the primacy of the Group’s interests.

⁴ Guiding Principles on Business and Human Rights, Office of the UN High Commissioner for Human Rights, 2011.

The rule to observe:

- Any employee who has an actual or potential conflict of interest must inform his or her line manager and see with him or her what action to take. The Compliance Manager can be consulted to help analyze the situation.

Example:

A technical department employee suggests including a new company to the list of suppliers usually solicited for the maintenance of vessels. The employee leaves out that a member of his or her family works for the company.

➔ *This is clearly a conflict of interest, even if it is assumed the employee will receive no personal benefit from the new company being chosen. Good conduct therefore dictates that the line manager be informed, who will then decide whether the employee's link with the company should be a factor in the final decision. This will not prevent the company from being solicited, which may be selected if it objectively submits the best offer. In many cases, it is not so much the existence of a conflict of interest (potential or proven) as its concealment that is problematic.*

III.1.3. Gifts and business invitations

Gifts are benefits of all kinds, given by someone as a sign of gratitude or friendship, without expecting anything in return.

Offering or being offered meals, accommodation or entertainment (shows, concerts, sporting events, etc.) is considered to be an **invitation**.

As a matter of principle, the Sapmer Group does not prohibit the offering or receipt of gifts or business invitations. However, depending on their amount and/or frequency, gifts can alter business relationships by creating a kind of obligation to the offeror. The Group therefore wishes to limit as much as possible the number and value of gifts and invitations, whether given or received by Sapmer Group employees.

Rules to observe:

- Gifts and invitations are not prohibited by applicable law.
- Gifts and invitations offered by employees must not have the purpose of obtaining an undue advantage or influencing an official action.
- Employees must refuse any offer of gift or invitation where the circumstances, frequency or manifest value, are such as to rise doubt on the disinterested nature of the offer. The solicited employee must notify his or her line manager.
- Their value is reasonable and appropriate to the recipient's situation, and to the circumstances or occasion. The Compliance Manager may be consulted to help assess the reasonableness and appropriateness of gifts and invitations.

Example:

An employee receives a box of chocolates every year from a supplier. This year, the supplier also gives the employee a luxury-brand bottle of spirits. The Group will shortly be launching a call for tenders to which the supplier intends to respond.

➔ *Sending a gift, even a recurring one, does not necessarily constitute a situation of corruption, especially when the value of the gift is modest. There is therefore no reason to refuse the gift. However, the change in behavior, coupled with the circumstances, raises doubt on the purpose of the gift, which seems to go beyond the simple desire to maintain good business relations. The employee must therefore refuse the two gifts and notify his or her line manager.*

III.1.4. Donations, patronage and sponsorship

Donations and contributions to charitable organizations consist of donating funds or objects of a certain value to a public or private organization, for charitable purposes and /or to contribute to a cause, without expecting or asking for anything in return.

Patronage or sponsorship consists of financial or material support provided by a company in aid of an action, or a social, cultural or sporting initiative in order to communicate and promote the company's values.

As part of its social responsibility, the Sapmer Group is very attentive to its social impact, including its support of associations (social, cultural, sports, charitable, etc.). However, the Group must ensure that such support is not tied to any consideration other than contributing to, and supporting the development of, local communities.

Rules to observe:

- Any donation, patronage or sponsorship must be approved by the line manager and brought to the attention of the Compliance Manager.
- Donations or charitable contributions must not be made to obtain an undue advantage or to influence a decision unduly.

Example:

An employee's daughter plays for a football club that is looking for purchasing new jerseys for the team. The club's sporting values are widely acknowledged – including by the city mayor who is a staunch supporter but press articles report accounting irregularities. The employee wants the Group to sponsor the jerseys.

➔ Regardless of the amount of sponsorship, it is imperative that employees ask their line manager before committing the Group. Also, the Compliance Officer must be consulted so as to avoid any risk of the adverse association with the Group.

III.2. Promoting human rights

III.2.1. Child labor

In full compliance with the International Convention on the Rights of the Child, the Sapmer Group considers **that children must be protected against economic exploitation** and not be subjected to any work that is likely to endanger their education or harm their health or development⁵.

Apart from cases strictly regulated by law, such as internships, the Group does not tolerate any violation of the absolute prohibition of child labor.

Rules to observe:

- As a matter of principle, the minimum age for Group employees is 18. Checks are systematically carried out before any employee joins the Group.
- By way of exception, where permitted by applicable legislation, an employee over 16 years of age may be authorized to work provided they are not of school age, that they receive vocational training related to the work done (including on block release) and that their health, safety and morals are fully guaranteed.
- By way of exception, where applicable legislation so permits, an employee may accompany a young person over the age of 14 as part of an introductory course.
- As soon as they become aware of a Group partner using child labor, employees must immediately notify their line manager and the Compliance Officer to decide what action to take.

UN⁵ Convention on the Rights of the Child, Article 32.

Example:

A Group contractor employs a 16-year-old on a work-study contract. As part of maintenance work carried out at a Group site, tests must be performed requiring that personal protective equipment (PPE) be worn. Because the area where the tests are to be carried out is difficult to access, the contractor gives his PPE to the apprentice and asks him to squeeze in and carry out the tests.

➔ The use of a young person under the age of 18 is regulated by law and therefore falls perfectly within the scope of the exception provided for. However, due to the nature of the work entrusted, the apprentice's safety cannot be fully guaranteed, especially since the PPE might not fit him properly. The contractor should have carried out the tests himself.

III.2.2. Forced labor

According to the International Labour Conventions, forced or compulsory labor is “any work or service extracted from any person under the threat of any penalty and for which the said person has not offered himself voluntarily”⁶.

The Sapmer Group prohibits all forms of forced labor for its employees: slavery, compulsory labor, servitude, prison labor or labor related to human trafficking. There can be no exceptions to this rule.

Rules to observe:

- All Group employees must work freely, without constraint, with full prior knowledge of the nature, working conditions and remuneration of the assigned work.
- At any time, in accordance with applicable national law and the conditions set forth in their contract, employees are free to leave the Group with no sanction applicable to them. For employees on board a ship, this freedom is exercised at the next scheduled port of call, with a minimum notice period of 10 days.
- The Group absolutely prohibits the use of violence, reporting to the authorities or threats as a means of exerting pressure on an employee.

Example:

A serious dispute breaks out on a Group ship between several seamen, to the point that several of them ask to leave the ship at the next scheduled port of call in 10 days' time. However, due to the number of seamen concerned, which could cause the ship to miss the tide, the skipper refuses to grant their request.

➔ An employee may never be held against their will, provided they act in accordance with established rules. The skipper must therefore allow them to leave the ship, even if this has an impact on operations. Until they can land, however, the seamen in question must continue to do their work.

IV. IMPLEMENTATION MEASURES

To ensure the effective implementation of the two commitments guiding its employees' behavior, the Sapmer Group has a comprehensive system for identifying risks, providing the necessary means to manage them and establishing a culture of “zero tolerance” as regards corruption and human rights abuses.

IV.1. Identification of main sources of risk

The **main risks** of corruption and human rights abuse to which the Group and its employees are exposed have been **mapped** within the Group's scope of control. This mapping is regularly updated to assess the effectiveness of the control measures implemented, identify emerging risks and ensure the awareness of all employees on these topics.

ILO Forced Labour⁶ Convention, No. 29, Article 2.1

The mapping also identifies areas, services and employees that are particularly exposed to these risks to strengthen their understanding and practices.

IV.2. Assessment of third parties

The Group desires that all its partners⁷ adopt and promote principles equivalent to those set out in the Sapmer Code of Conduct.

To this end, internal Group employees are required to implement the “third-party assessment” Group procedure whenever a partnership is to be established or renewed. This assessment includes estimating the level of risk posed by the relationship between the Group and partner and verifying the guarantees provided by the latter.

IV.3. Internal alert system

An **internal alert system** has been put in place so that any employee can report a proven or suspected breach of the Code of Conduct. This system constitutes a subsidiary channel, separate from reporting to line managers, which is the preferred channel for reporting information and putting queries on possible breaches of the Code of Conduct.

Led by the Compliance Manager (who can be contacted at compliance@sapmer.com), the internal alert system allows to collect and process the information needed to assess whether or not a breach has occurred, recommend the necessary measures or decide whether the alert is justified or not.

The “internal alert system” procedure sets out all the steps and guarantees put in place to protect the identity of the author of the alert, ensure the confidentiality of exchanges and carry out the necessary due diligence.

IV.4. Employee involvement: communication, training and implementation

Employees must comply with applicable laws and regulations, including in the areas covered by the Group Code of Conduct.

Ensuring that the commitments set out in the Code of Conduct are effectively implemented means that each Group employee must have full knowledge and ownership of these commitments. A **communication and training system is therefore put in place** by the Sapmer Group with two objectives:

- ensure the Code of Conduct is known by all employees as soon they first join the Group;
- ensure all managers and employees particularly exposed to corruption risks – as identified through risk mapping – receive the relevant training.

All employees, regardless of their role, must uphold the Sapmer Group’s values and commitments through their daily behavior, how they perform their duties and how they conduct their business relations.

All employees should endeavor to act with common sense and discernment and should not hesitate to discuss the ethical issues and dilemmas they encounter in carrying out their work with colleagues, management and/or the Compliance Manager.

It is therefore up to everyone to carefully read and understand the rules set out in this Code and to exercise good judgment and common sense in the various situations that may arise.

⁷ The concept of “partner” refers to any private legal entity with whom a Sapmer Group company has a commercial (customer, supplier, etc.), professional (professional organisation, etc.) or philanthropic (NGO, sports club, etc.) relationship. This relationship may be governed by an agreement, but not necessarily.

IV.5.Sanctions

Failure to comply with the rules set forth in this Code may have serious consequences, not only for the Sapmer Group but also for employees.

For the Sapmer Group, any conduct contrary to the rules set forth in this Code could not only damage its reputation and affect its business, but also expose it to having to compensate those having suffered losses and to criminal proceedings.

For employees, identified breaches could lead to disciplinary measures in accordance with applicable national regulations.

IV.6. Governance and assessment of system

Implementation of the Code of Conduct is the responsibility of each Sapmer Group employee, especially line managers and Group management.

Internal control contributes to securing the production and reporting of financial and accounting information, protecting Group assets, ensuring compliance with applicable laws, internal rules and, more generally, managing operations. Directors and/or officers are responsible for implementing and maintaining an effective internal control system within their entities as part of the compliance program.

The Group's compliance program is managed by the Compliance Manager, who:

- verifies and ensures that the program is duly implemented throughout the whole Group;
- updates the components of the compliance program in coordination with all relevant stakeholders;
- responds to requests from employees and their line managers within the scope of the program;
- draws on the Group's expertise, particularly in legal and human resources matters, to address the issues brought to his or her attention;
- submits an annual report to the Sapmer Group Management on the results produced, difficulties encountered and improvements to be made.