



Supplier Code of Ethics

Nexity Group

March 2018

Foreword

The success and reputation of both Nexity and all our subsidiaries and affiliates rely not only on the quality of the products and services we offer, but also on the trust we inspire in our clients, shareholders, private and public sector partners and employees.

To gain this trust, we observe a number of conduct rules built on respect for others, for the law, and for the Group's internal rules and regulations. These points form a robust set of guidelines, providing a firm underpinning for our corporate culture. Every Nexity employee and every manager must abide by these commitments, which are laid down in our Group Code of Conduct.

That's why we want the suppliers, subcontractors and service providers we work with and those called upon by our partners (hereinafter "suppliers") to embrace the same core values and to undertake to abide by this Code of Ethics or by the applicable laws and regulations in the jurisdictions where they operate, if these are more stringent.

Compliance with the principles laid down in this Code of Ethics represents a key point in our supplier selection process. Under the new duty of vigilance regulations, we also require a supplier to make sure that its own suppliers, subcontractors and partners abide by these principles. We encourage our suppliers to introduce policies and procedures, backed by the requisite systems and indicators, to comply with the principles presented below.

These principles are presented under the following headings: Labour, Health and safety, Environment, Ethics and measures to combat corruption, Confidentiality and data protection, and Conflicts of interest.



LABOUR

We comply with all the applicable labour regulations. We undertake to combat illegal forms of labour, to preserve the dignity of our employees and to treat them all equally. No discrimination will be tolerated in our recruitment activities, promotion decisions, salary awards, performance reviews or in any other aspect of our working conditions. What's more, we strive to promote diversity and gender balance and to help people overcome disabilities.

We require our suppliers to abide by:

- Human rights as laid down in the Universal Declaration of Human Rights, such as the right to equality, life, safety and freedom
- International rights on working conditions (International Labour Organization's Fundamental Conventions)

We also require all our suppliers to abide by all the local labour and employment laws and regulations applicable to them. These include, but are not limited to, the rules on the minimum salary, the upper limit on working hours, rest days, pay, freedom of association and the right to collective bargaining.

In addition, we require our suppliers to possess the commensurate skills and resources to provide the services we entrust them with and to abide by the following principles:

Respect and dignity

We expect our suppliers to treat their employees fairly, with dignity and respect at all times and to maintain high ethical standards. Our suppliers must protect their employees from harassment, intimidation and victimisation in the workplace, which specifically includes any forms of sexual, physical and psychological abuse.

Non-discrimination

Our suppliers are expected to provide equal access to employment and not to discriminate in their salary policy unless such a difference is based on requirements of the position or as part of a programme promoting diversity.

Illegal work

Our suppliers must abide by the labour law and regulations. They must not rely on undeclared work or the unlawful supply of labour. They undertake to make sure that their co-contractors and subcontractors also abide by the relevant regulations. They must provide us with documents demonstrating compliance with these requirements.

Employee secondment

Our suppliers undertake to declare to the relevant authorities in advance any and all seconded employees potentially providing the services we commission. They must provide us with appropriate documentation and update it as and when required.

Use of outsourcing

Our suppliers undertake to inform us whenever they make use of outsourcing and to obtain our prior consent before doing so.

Freedom of association and right to collective bargaining

Our suppliers undertake to uphold the freedom of association, the right to organise and collective bargaining as stated in ILO Convention 87 in accordance with the local legislation.

Working hours and pay levels

Our suppliers must abide by the legislation in force concerning working hours, minimum salary and overtime payments. They undertake to pay employees their wages regularly and punctually.

HEALTH AND SAFETY

The health and safety of our employees at work is a top priority for us. We have committed to improve the protection of the health and safety of our staff in all their activities.

We require our suppliers to provide a safe, secure and healthy working environment for all their own workers. They must make sure that their activities do not harm the health and safety of their staff, subcontractors, partners, the local populations, and users of their products.

Our suppliers must abide by the health and safety laws, regulations and standards applicable in the countries in which they operate. Risk factors associated with their activities must be identified and evaluated. They must take appropriate measures to prevent occupational illnesses and workplace accidents, and to provide a safe, secure and healthy working environment for their employees.

Our suppliers also undertake to raise awareness about and provide regular health and safety training to their staff.

ENVIRONMENT

We strive to conduct our activities in a sustainable manner that complies with the environmental laws and regulations, and to make continuous improvements to environmental protection measures. We undertake to mitigate the negative effects of our activities on the environment, as outlined in our CSR strategy.

Our suppliers must make environmental protection a priority in all the significant aspects of their activities. As a bare minimum, our suppliers must comply with all the environmental laws, regulations and standards applicable in the countries in which they operate. They must make sure that their own suppliers and subcontractors meet these commitments.

Our suppliers must demonstrate they are taking action to mitigate the effects of their activities and products on the environment and perform a full life cycle analysis of the design of their products, without sacrificing their competitiveness.

BUSINESS ETHICS AND ANTI-CORRUPTION MEASURES

We champion integrity and good ethical conduct in all aspects of our business activities, and we undertake to comply with the provisions of French Sapin II anti-corruption and whistleblower-protection legislation. Irrespective of their size or state of health, we are committed to treating all our suppliers fairly, honestly and without fear or favour. Fair and open competition guides every purchase by our employees, and competitive tenders are held transparently.

We require our suppliers to comply with the laws and regulations on corruption in all its various forms, and to take measures to prevent this type of risk.

Our suppliers must conduct their own activities fairly and honestly, abiding by the competition and anti-corruption regulations applicable to business transactions.

Accordingly, our suppliers must not propose or offer, directly or indirectly, our employees or any of their close family, gifts, hospitality or any other benefit that may influence or compromise the integrity, independence of judgement or objectivity of the relevant employees in their dealings with our suppliers.

Only gifts of a token value as part of an exchange of courtesies may be accepted by our employees.

DATA CONFIDENTIALITY AND PROTECTION

We undertake to comply with the Data Protection Act of 6 January 1978, the General Data Protection Regulation and all other regulations on data confidentiality. We strive to treat data concerning our employees, our customers, our suppliers and all our other stakeholders with due care, and to protect them from any disclosure.

Our suppliers undertake to implement all the requisite measures to ensure the confidentiality and protection of the data they handle for the purposes of the assignment.

Our suppliers' employees must immediately inform their supervisor or the legal department of any incident potentially compromising the confidentiality of sensitive information.

Where confidential information is shared with third parties, our suppliers' employees must establish that those third parties have entered into a non-disclosure agreement before sharing that information.

CONFLICT OF INTEREST

We endeavour to avoid any situations in which the personal interests of our employees could conflict with our own.

Our suppliers must disclose any actual or potential conflicts of interest to us as swiftly as possible.

Supplier's responsibility

Our suppliers undertake to provide Nexity with any documentation that could be legitimately requested or that the law requires, and to arrange and provide evidence of the requisite insurance policies for its activities.

The supplier's commitment is not confined to merely familiarising itself with this Code of Ethics.

Any serious and deliberate breach by the supplier of the principles laid down in this Code of Ethics will represent a breach of its contractual obligations that may, depending on the breach's severity, lead to application of the sanctions provided for in the agreement. Where appropriate, these may include the outright termination of the agreement with the supplier at fault, without prejudice to any damages due.

Should a supplier be unable to comply with certain provisions in this Code of Ethics owing to special circumstances, it must inform Nexity thereof to agree on the remedial action that needs to be taken.

Nexity reserves the right to conduct checks ensuring that all its suppliers abide by this Code of Ethics. Such checks will take the form either of a self-assessment by the supplier or of an audit conducted by Nexity or by an external third party appointed by Nexity.

The supplier must also ensure that all its own suppliers, subcontractors and partners abide by the principles presented above. All value chain participants must play their part in observing their duty of vigilance in respect of human rights, the fundamental freedoms, health, safety and the environment.

Should the supplier observe conduct falling short of the required ethical standards or a breach of the rules stated in this Code of Ethics, it should immediately file a report via the dedicated email address (ethique-fournisseur@nexity.fr). Any report will be treated in confidence, and Nexity will take the appropriate action.

