



# Anti-corruption charter For the year 2024

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## Message from the President

As leaders of the French logistics real estate market, and, more particularly, as a significant contractor for construction works, we have a particular responsibility towards all our stakeholders.

This is why **ARGAN puts Ethics at the heart of its ESG strategy** and is pursuing its development around two core principles: integrity and transparency.

This ambition is more particularly reflected in our commitment to the fundamental principles related to the United Nations' Global Compact and concrete actions in three key fields:

- ✓ **Respecting the environment and basic human rights** is one of the pillars of our corporate social responsibility,
- ✓ **Banning any form of corruption and conflict of interests** in the way business is led,
- ✓ **Preserving quality based on trust with all our stakeholders:** clients, suppliers, shareholders, local communities, etc.

Regarding prevention against all kinds of corruption, you will find in this Charter a number of rules and principles that are a mandatory guide to all ARGAN teams on a daily basis.

We have to behave in an exemplary way and to translate concretely in our actions and ways to operate a "zero tolerance" rule.

Each employee, from any level in terms of hierarchy and responsibility, has to act in accordance with the requirements laid out in this Charter and our Group's culture in terms of ethics.

Ethics is everybody's duty and I am more than ever convinced that everyone's actions will make our approach efficient with long lasting effects.

**Jean-Claude LE LAN**

Chairman of the Supervisory Board

## Preamble

This anti-corruption Charter applies to all entities of the ARGAN group, as well as to all employees, internal and external, and to all corporate officers (the “employees”).

**The Charter cannot, by definition, tackle all possible situations that can arise for employees in their daily tasks. This Charter however contains principles and pieces of advice that show a path to follow to adopt an ethical behaviour.**

As a consequence, each employee has to **exercise their own judgment** and **apply common sense**.

In case of doubt on how to act, employees can rely on tools to help them as well as advice systems that the ARGAN company has put in place. Additionally, all employees are invited to consult their direct managers.

## 1. Anti-corruption rules

### 1.1. Definitions

#### *a) Corruption*

Corruption consists in any kind of behaviour that derives from an individual offering, asking for or accepting directly or through an intermediary a gift, an offer, a promise, benefits or rewards in view of making, delaying or even not accomplishing an action, which is directly or indirectly linked to their responsibilities, in order to obtain or keep a commercial or financial advantage or to influence a decision.

We differentiate **two types of corruption**:

- ✓ **Corruption is active** when a person (**the briber**) offers a gift or any advantage to another person with responsibilities so that this person acts or prevents from acting accordingly to what is expected from them as part of their duties,
- ✓ **Passive corruption** consists in a person (**the person being bribed**) soliciting or accepting an advantage (an offer, a promise, a gift, a reward...), for themselves or for a third party, in exchange of a favour or by abstaining to act accordingly with their duties or abilities deriving from their position.

#### *b) Influence peddling*

**Influence peddling means requesting payments in exchange of abilities provided by one’s position or ability to influence others**, be it real or assumed, to weigh on a decision taken by third parties. Three factors are involved: the beneficiary (the one who provides the advantages or gifts), the intermediary (the ones who uses the credit provided from their position) and targeted person who owns the power to decide (a client or a public administration, judges, experts, etc.).

For the needs of this Charter, the word « corruption » aims at any kind of corruption and influence peddling.

## 1.2. Principles and main rules

Employees should not commit any act of corruption and must not use any intermediary party in that sense, such as agents, consultants, advisors or any business partner in the aim to commit such corrupting acts.

As a consequence, a « zero » tolerance principle applies in terms of corruption.

In a case where an employee would face a corruption risk, they must review and answer the following questions:

- ✓ Are laws and the regulation respected?
- ✓ Is this conform to the Charter and in ARGAN's best interest?
- ✓ Is this free from any personal interest?
- ✓ Would I be at ease if my decision was shared?

Example: As part of a consultation to sign a real estate promotion contract (*CPI in French*), a company employee is solicited by one of the potential contracting companies: this employee is guaranteed a travel abroad, all included, as a counterpart to signing the contract.

As presented, this solicitation is an obvious breach to the law and constitutes an act of passive corruption. Evidently, this offer does not however reflect the case of gifts and invitations mentioned by this Charter.

## 1.3. Specific rules

### *a) Disposals / acquisitions*

As part of disposal operations, ARGAN's reputation may be affected in a significant way by its partners and their behaviour. Moreover, ARGAN can be held responsible as part of seller / acquirer responsibility.

It is necessary to only deal with partners who respect integrity rules as well as ARGAN's action values and principles. As a consequence, no operation can be started or continued as long as all elements of doubt have not been cleared when integrity controls are through.

### *b) Gifts and invitations*

Gifts mean an advantage in any form, including in kind, which are given freely: invitations, meals, entertainment, etc.

Gifts and invitations are common acts of business life and are not, as such, acts of corruption.

However, **employees must be attentive to gifts or invitations that, due to their value, may be considered as means to influence a decision, to favour a company or a person.** As a consequence, some gifts or actions may be considered or perceived as means of corruption be it passive or active corruption.

This is the case when their ultimate aim is to participate in the completion or non-completion of an action by a person, ignoring their legal, contractual and professional obligations.

**It is every employee's responsibility to appreciate whether a gift or an invitation is reasonable**, in particular by taking into account the value of the reward, its nature (Is it illegal? Can it harm the recipient's or ARGAN's image or character (notably due to the place where the event is held)? Etc.) as well as the frequency of gifts offered from the same source.

So as to assess whether a gift or an invitation is reasonable, each employee involved must in particular question the backdrop of an offered gift or invitation (a gift offered in the middle of the year or in the Christmas period), the intentions of the party making the gift or the invitation (a courtesy gift or in view of a counterparty action), or the risk that accepting the gift or the invitation may change the way they take decisions as part of their position, etc.

For example, gifts or invitations offered to a relative of a person with whom business relations are considered or already in place, as well as those offered prior to a decision being taken on the allocation or renewal of a contract, in particular as part of a tender, are considered situations of high risk of corruption. When in doubt on whether accepting a gift or an invitation is a legitimate situation, an employee must discuss this with its direct management.

The following items must systematically be declined:

- ✓ Direct payments in any form (cash, money transfer, cheques, etc.);
- ✓ Gifts or invitations of high value and/or that could potentially alter an employee's decisions and/or put them in an uneasy situation as part of a business relationship, whatever the reason may be;
- ✓ Gifts or invitations received in a period of tenders or contract renewals.

Direct management, recipient of an information that concerns an advantage that was offered or granted to one of the employees, must discuss the topic with mentioned employee as soon as it is assessed that the received advantage was disproportionate compared to the employee's status, or that the situation could lead to conflicts of interest, favouritism, or could cause risk exposure.

- ✓ Gifts in kind:

Employees that are offered a gift do not have to systematically ask for the validation of their direct management to accept it. However, **if the gift value exceeds 50 Euros, the employee must systematically declare it to their direct management.**

One good practice an employee can apply being to share the gift, when possible, with other members of their team.

- ✓ Restaurant invitations:

**Restaurant invitations can be accepted by any employee, without asking for validation ahead nor declaring it afterwards, as long as obligations that relate to deontology are respected and, in particular, that the frequency of invitations is not suspicious.**

✓ “recreational” events (entertainment, sports competitions, etc.)

This category targets all kinds of events organized only for entertainment or distraction purposes. These events would include no training components, nor informative aspects on a product or a service for the people who are invited.

**These invitations can be accepted by any employee, without asking validation beforehand nor declaring it afterwards, as long as obligations relating to deontology are respected and, more particularly, that the frequency of invitations is not suspicious.**

✓ Patronage and sponsoring

Under « patronage » and « sponsoring », ARGAN can include its financial or material support to a charity, an initiative dedicated to actions with a social or a cultural purpose or sports events, in order to communicate and promote company values.

**Patronage and sponsoring actions require Executive management agreement.** These actions must be achieved without expecting any other advantage than the positive promotion of the company’s image.

✓ Interests promotion (lobbying)

Lobbying (or interests promotion) means directly or indirectly contacting one public officer to defend particular values or interests.

Lobbying actions require Executive management’s agreement. Such actions must be clear and transparent.

ARGAN does not use external professionals to represent its interests. Lobbying actions towards public authorities in view to defend business interests are overseen and financed through the FEI, the French Federation of Real Estate Companies, and AFILOG, which plays a similar role in its logistics scope of action. ARGAN is a member of these two organizations.

✓ Conflict of interests

Conflict of interests arise from any situation in which employees’ personal interests are in conflict with their position and responsibilities.

**If circumstances result in potential or actual conflict of interests, involved employees must inform their direct management. Latter direct management must keep a trace of what was reported.**

Example: As part of a purchasing process, the buyer in charge of the tender calls on a supplier whose Executive team members include one relative.

The buyer is thus in a conflict-of-interest position and must inform their direct manager. The latter will decide on pre-emptive actions to put in place. This can include setting a collegial governance or remove the supplier from key selection phases as well as business negotiation.

## 2. Implementation

### 2.1. Training

Employees have to acquaint themselves with this Charter and to get involved in the training sessions that could be set by the ARGAN company so as to raise their awareness in the fight against corruption and increased insights on ethical stakes.

New employees' awareness on these topics is supported right when they join ARGAN by presenting them with this Charter.

### 2.2. Internal alerts mechanism and whistleblowers' protection

**ARGAN provides employees, even if these were temporary employees, an alert mechanism that respects the applicable law. The terms of this mechanism are described in the ARGAN Ethics Charter.**

The ARGAN company commits to protect whistleblowers who, in good faith and in a selfless way, alert on an illicit action or risks that could jeopardise the general interest that they are made aware of as part of their position. These situations include a potential felony, offense or a serious risk to public health. Regarding economic matters, cases may include corruption offenses, peddling, illegal taking of interest, etc.

### 2.3. Sanctions in case of non-compliance with the Charter

If an employee does not comply with stated rules, such employee can be subject to disciplinary sanctions without prejudice to criminal or administrative penalties, pending on the applicable law.

The ARGAN company commits to:

- ✓ Take any statement into account;
- ✓ Process alerts promptly respecting strictly the presumption of innocence;
- ✓ Assess facts objectively and without bias;
- ✓ Take all corrective measures and adequate disciplinary sanctions.

### 2.4. Accounting operations / Internal control

ARGAN's accounting and financial teams, as well as their external auditors, put particular attention, as part of their controlling tasks, on potential concealment of corruption acts in the books, registers or accounts.

Employees who are part of such assignments must more particularly be careful regarding the faithfulness and sincerity of accounts.

## 2.5. Business relations integrity control

**It is necessary to control the reputation of any partner as well as their integrity when it comes to business relations. This includes appreciating the intrinsic quality of the partner** (prior judicial records, sanctions, reputation, etc.) by controlling judicial, economic and material conditions related to this business relation (the way the partner is organized, the contract, legal and financial arrangements, payment details, etc.).

By conducting an integrity control on partners before starting business relations, the ARGAN company can avoid sanction and reputation risks linked to implementing illicit practices.

## 2.6. Controlling and following up this Charter implementation

**It is in every employee's scope to implement the present Charter.**

Each entity of the ARGAN Group makes periodic controls to verify conformity of practices.

**ARGAN's governance bodies, more particularly the Audit Committee, review regularly the correct implementation and outcomes of alerts.**