

PREVENTING CORRUPTION



Ethics is one of Sagemcom's fundamental principles, which requires ethical practices, whether that be at a social, environmental, societal or regulatory level. Sagemcom has created a corruption prevention guide designed to be applied to all Sagemcom activities.



require each one of their employees and partners to respect good
commercial level. To emphasise this commitment, Sagemcom
applied to all its affiliates in the world.

The fight against corruption, and more generally for the integrity of economic life, cannot be led without the corporate sector. Furthermore, for several years, Sagemcom has committed itself to developing its activities through its employees and partners in a transparent, fair and honest way.

Sagemcom notably made this commitment when it joined the United Nations Global Compact in 2011.

By its international presence; the Group is particularly vulnerable to the risk of corruption, but contrary to popular belief, this risk exists in all countries, regardless of their geographical, economic or political situation.

Sagemcom is also obliged to comply with a certain number of laws and regulations in order to be able to carry out its activities completely legally. Amongst these laws and regulations, those governing the fight against corruption and fraudulent practices (whether this be between private companies, or private companies and government entities) are taking on an increasingly critical importance.



The fight against corruption is therefore a major issue for companies and involves all their different staff, regardless of their level (manager, employee, commercial partner). In addition to the legal risks, corruption subjects the company to the negative impact of risks to its image and reputation and therefore commercial risks and the danger of destabilising its internal organisation (loss of market, clients, subsidiary closures, etc.).

Because of their high visibility, our customers are particularly sensitive to ethical issues, which can tarnish their reputation.

They thus require perfect control and greater transparency from all their commercial partners in this sense. Furthermore, they may be held liable as clients for ethical problems in the supply chain, without even being directly involved. This requirement is therefore extended to their partners' suppliers.

Sagemcom is committed to expanding its corporate responsibility commitments to its suppliers, which resulted in particular in 2007 in the development of a "suppliers'" Ethical Charter, with which its partners must comply. The close attention that Sagemcom pays to selecting and overseeing its partners, by conducting audits in particular, demonstrates both the sense of societal responsibility of our Group, and its intention to support its suppliers and to help them to make progress.

In practical terms, Sagemcom employees must all therefore be particularly vigilant to:

- avoid bribing, directly or indirectly, to benefit from improper commercial advantages;
- not accept bribes, directly or indirectly, to offer improper commercial advantages.

In reality, corruption can take forms as diverse as they are unexpected or insignificant. Corruption is not limited to a simple exchange of money. The object of value intended for the bribe may be disguised as a gift or an invitation to an event. Monetary payments may be hidden in the form of fake bills, consultant fees, etc. Corruption exists therefore in numerous forms but beyond that, there are some "grey areas" on which we need to focus.

We have developed a corruption prevention guide to challenge popular beliefs and to make our company staff aware of the different mechanisms of corruption. It aims to explicitly reaffirm the standards and principles which dictate our management to respect thorough measures set up to fight against corruption.

Its aim is to guide all the Group's employees and managers in their daily activities, providing them with the necessary practical knowledge and explaining how to act in accordance with the anti-corruption rules, through a presentation of the most important rules, the situations likely to be encountered the most, and the procedures to follow.

Due to there being multiple forms of corruption, several solution outlines are offered, which take the form of examples of action to take or reaction to have. It should be noted, however, that the responses suggested are not fixed, but allow common sense, which is expected of everyone, to play a role. This is not a collection of systematically effective solutions, but a vigilance stimulation tool!

Corruption can only be prevented in the company with and for the people who work there. This means that every single Group employee must take part in this initiative every single day by adopting the principles set forth in this guide. This is why training tools have been put in place with a specific e-learning programme and in-person training for the personnel most at risk. Initially rolled out in France, these training measures will gradually be deployed in the Group's various subsidiaries.

We are aware that this involves a need for advice and support to apply this policy in all of our operations, especially for employees susceptible to being the most at risk.

Besides, some situations are likely to present difficulties in terms of ethical choices, the solution not always being immediate or obvious.

This is the reason for which the Group has developed support systems through which staff and stakeholders can rely:

- On our hotline ethics@sagemcom.com
- On our professional alert system:
<https://incident.sagemcom.com>

