

2019

CODE OF ETHICS AND CONDUCT

MORET INDUSTRIES GROUP

Contents

- I. PURPOSE OF THE GROUP CODE OF ETHICS AND CONDUCT 2
- II. FUNDAMENTAL RIGHTS 2
 - 1. International Conventions 2
 - 2. Discrimination and harassment 3
 - a) Discrimination 3
 - b) Harassment 3
 - 3. Occupational health and safety 4
 - a) Applicable laws 4
 - b) OHS (Occupational Health and Safety) program 4
 - c) Warning and right of withdrawal 4
 - d) Alcohol, drugs and tobacco 5
- III. ENVIRONMENT 5
- IV. ETHICS AND BUSINESS CONDUCT 5
 - 1. Use of MORET INDUSTRIES GROUP funds, services or assets 5
 - a) Financing political life 5
 - b) Donations, sponsoring of organizations of general, cultural or philanthropic interest 6
 - c) Accounts, books and records in order 6
 - 2. Clients, service providers, suppliers and subcontractors 6
 - a) Commissions and gifts practices 6
 - b) Loyalty towards partners 8
 - c) Ethics of suppliers and subcontractors 8
 - 3. Competition Law 9
 - a) Applicable laws 9
 - b) Anti-competitive practices 9

MORET INDUSTRIES GROUP

CODE OF ETHICS AND CONDUCT

I. PURPOSE OF THE GROUP CODE OF ETHICS AND CONDUCT

Through this Ethics & Conduct Code (hereinafter referred to as the “Code”), MORET INDUSTRIES GROUP and all its subsidiaries (hereinafter referred to as “MORET INDUSTRIES GROUP”), undertakes to ensure that ethical values and good business practices are respected within the framework of its activity.

Non-compliance with the Code may be very damaging to MORET INDUSTRIES GROUP in terms of image and reputation, and MORET INDUSTRIES GROUP may be sentenced to severe sanctions for any breach of ethical values. This is the reason why MORET INDUSTRIES GROUP and all its employees (hereinafter referred to as the “Employees”) shall comply with the Code. The Employees shall acquaint themselves with the provisions of the Code and implement the provisions which may apply to them.

MORET INDUSTRIES GROUP also expects from its partners (suppliers, clients, services providers, subcontractors) that they comply with the values and good practices referred to in this Code.

II. FUNDAMENTAL RIGHTS

1. International Conventions

MORET INDUSTRIES GROUP refers to the United Nations Global Compact and more specifically to the principles regarding the human rights, working conditions, environment and the fight against corruption.

MORET INDUSTRIES GROUP is concerned about the working conditions of the Employees and undertakes to comply with the following International Labor Organization conventions:

- Weekly rest Conventions n° 14 and 106
- Forced Labor Convention n° 29
- Abolition of forced labor Convention n° 105
- Discrimination (employment and occupation) Convention n° 111

MORET INDUSTRIES GROUP undertakes to respect local regulations regarding child labor and to abide by the following International Labor Organization conventions:

- Convention n° 138 on the minimum age for admission to employment and work
- Convention n° 182 on the worst forms of child labor

The international conventions mentioned below are the minimum required standards that MORET INDUSTRIES GROUP intends to comply with regarding fundamental rights, without prejudice to local applicable laws proved to be more protective of fundamental rights than the aforesaid conventions.

2. Discrimination and harassment

MORET INDUSTRIES GROUP shall preserve its Employees from any form of discrimination or harassment in compliance with applicable laws in the countries where MORET INDUSTRIES GROUP carries on its activities.

a) Discrimination

MORET INDUSTRIES GROUP is committed to eliminating all forms of discrimination in recruitment process or in working relationships.

Any form of discrimination based on criteria pertaining to geographic or social origin, race, disability, religion, political opinions, union activities, sex, sexual orientation and marital status shall be fought, notably concerning hiring, promotion, placement, training, compensation.

b) Harassment

MORET INDUSTRIES GROUP undertakes to combat any kind of harassment.

Harassment may consist of repeated bullying leading to a deterioration of the working conditions of a person, such deterioration being likely to injure such person's rights or dignity, harm his or her physical or psychological health, or jeopardize his or her career.

Sexual harassment consists of any unwelcome conduct of a sexual nature, including unwelcome sexual advances, requests for sexual intimacy, and other verbal, non-verbal or physical conduct of a sexual nature which may injure the dignity of, intimidate, or offend the person concerned by such harassment.

3. Occupational health and safety

a) Applicable laws

MORET INDUSTRIES GROUP is concerned about occupational health and safety issues. It refers to the International Labor Organization conventions related thereto, and undertakes to comply with applicable laws in the countries in which MORET INDUSTRIES GROUP carries on its activities and all the rules set by its clients, whichever is more severe in terms of occupational health and safety.

The general managers of all MORET INDUSTRIES GROUP entities, with the support of Human Resources managers, are responsible for applying the applicable national regulations relating to occupational health and safety in every countries where MORET INDUSTRIES GROUP is established.

b) OHS (Occupational Health and Safety) program

The OHS Manager is in charge of collecting all internal rules specific to MORET INDUSTRIES GROUP entities, to be applied on every industrial sites (worksites, manufacturing sites...) by all entities and their respective subcontractors, to the extent that such rules are stricter than applicable national regulations.

The other mission of the OHS Manager is to set up and update a system of control and evaluation of the risks in MORET INDUSTRIES GROUP entities –particularly on industrial sites- in terms of health and safety, by the means of audits, reports, statistics and performance indexes.

c) Warning and right of withdrawal

The Employees are entitled to warn and withdraw when they notice a dangerous situation at work and that such dangerous situation has not been taken in consideration or that the means implemented to remedy such situation are ineffective.

Any Employee is allowed to exercise the right to withdraw if he or she reasonably thinks that the situation represents a serious danger for his or her life or health.

The right of withdrawal shall be exercised according to the applicable national law. If the right of withdrawal is not provided by the applicable law, the manager of the MORET INDUSTRIES GROUP entity concerned shall define such right and fix the operating conditions, with the assistance of the Legal Department if necessary.

d) Alcohol, drugs and tobacco

Distributing, selling, buying, consuming or being under the influence of alcohol or illicit drugs on MORET INDUSTRIES GROUP sites (premises and work sites) is prohibited. On the work places, tobacco consumers shall respect local regulation in force (as far as total prohibition to smoke in offices).

The Employees undertake to comply with the internal regulation of MORET INDUSTRIES GROUP clients regarding alcohol, drugs and tobacco every time they are on the sites or in the premises of such clients.

III. ENVIRONMENT

MORET INDUSTRIES GROUP reconciles development of its activities and environmental preoccupations. Within the framework of its industrial activities, MORET INDUSTRIES GROUP complies with its clients requirements and with environmental norms imposed by local regulations, and makes its best efforts to promote the design and the spreading of environmentally friendly technologies.

At design and manufacturing stages MORET INDUSTRIES GROUP shall make its best efforts to propose products to its clients with the best available technologies and the best performances which can be expected in terms of emission of pollutants and energetic efficiency.

IV. ETHICS AND BUSINESS CONDUCT

1. Use of MORET INDUSTRIES GROUP funds, services or assets

a) Financing political life

No funds shall be paid nor any service be performed by MORET INDUSTRIES GROUP to support any political party, any person in public office nor any candidate to public office in any country, even if such support is authorized by the local regulations in some countries.

Should any Employee intend to get involved in politics, such political commitment shall be made on a personal basis and at its own costs and the Employee shall refrain from using MORET INDUSTRIES GROUP services, assets or image, so as to preserve the neutrality position of MORET INDUSTRIES GROUP.

b) Donations, sponsoring of organizations of general, cultural or philanthropic interest

Donations and sponsoring of organizations of general, cultural or philanthropic interest shall be first approved by prior written authorization of the director of the MORET INDUSTRIES GROUP entity concerned. Such donations or sponsoring shall deal with reasonable amounts and contribute to the achievement of objectives in full compliance with the ethical values of this Code.

c) Accounts, books and records in order

All the operations, transactions, assets and liabilities shall be registered in MORET INDUSTRIES GROUP books and accounts in accordance with regulations in force and internal procedures.

Some audits are performed in order to check that MORET INDUSTRIES GROUP accounts, books and records are in order. Any obstruction of such audits and any concealment of information shall be considered as a breach of the Code.

2. Clients, service providers, suppliers and subcontractors

a) Commissions and gifts practices

MORET INDUSTRIES GROUP strictly regulates commissions and gifts practices given that such practices may lead to reprehensible acts (corruption, influence peddling). MORET INDUSTRIES GROUP and the Employees concerned may be sentenced for such reprehensible acts. These acts are notably forbidden by OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the French Penal Code, the Foreign Corrupt Practices Act (FCPA - American law) and the UK Bribery Act (English law).

Corruption

Corruption may be defined as follows:

- proposing to anybody, directly or indirectly, offers, promises, donations, gifts or advantages of any sort so that they perform or refrain from performing, or because they have performed or refrained from performing an act falling under their professional duties or social mandate, or because they facilitated the performance of such act, in violation of their professional, contractual or legal obligations;
- requesting or agreeing, directly or indirectly, offers, promises, donations, gifts or advantages of any sort to perform or for performing, to abstain or for abstaining from

performing an act falling under one's professional duties or social mandate, or for facilitating such act, in violation of their legal, contractual or professional obligations.

Influence peddling

Influence peddling may be defined as proposing, directly or indirectly, offers, promises, donations, gifts or advantages of any sort to a person so as he or she abuses or because he or she has abused of his or her real or supposed influence in order to obtain from a public authority or administration honor, jobs, markets or any other favorable decision.

In order to avoid any risk of corruption or influence peddling for MORET INDUSTRIES GROUP in its relationships with its partners (clients –private or public entities-, suppliers, subcontractors, service providers) commissions and gifts practices are strictly regulated as follows:

Commissions

The payment of commissions, directly or indirectly, to a client of MORET INDUSTRIES GROUP or an employee of such client is strictly prohibited.

Gifts

The gifts shall never influence the decisions made by the Employees or MORET INDUSTRIES GROUP partners. The Employees shall abstain from granting or accepting any gift whatever it is when the purpose of such gift is to influence decision-making (signing an agreement, obtaining a commercial advantage...).

Only low-value gifts may be accepted by the Employees provided that they can be considered as a customary act of courtesy or hospitality. The gifts which may be accepted are mainly promotional gifts (calendars, diaries...), invitations to business lunch and low-value gifts offered during festive season.

Every Employee should ask himself or herself whether he or she may accept/offer a gift, on the basis of the following questions:

- Is the gift that the Employee is about to accept/offer lawful under the applicable law?
- How often such gifts are offered to/by the Employee?
- Should other persons become aware of the existence of such gift would the Employee be embarrassed?
- May such gift influence business relationships?

In case of any doubt the Employee shall refer to his or her manager.

Commercial assistance agreements

Should MORET INDUSTRIES GROUP conclude commercial assistance agreements with commercial service providers, such agreements shall state that the service provider undertakes to comply with applicable laws regarding prohibitions against corruption and influence peddling and, as any other supplier, with the provisions of article IV. 2. c) of the Code.

b) Loyalty towards partners

The suppliers and subcontractors are selected in a way to obtain the best agreement terms for MORET INDUSTRIES GROUP. MORET INDUSTRIES GROUP purchasing and supplying rules shall be set in a very clear and transparent way so as to select suppliers and subcontractors on the basis of objective criteria such as quality, performance, costs, compliance with specifications.

The Employees undertake to pass on accurate and reliable information to MORET INDUSTRIES GROUP partners, to abstain from disclosing confidential information of the partners and to respect their intellectual and industrial property rights.

c) Ethics of suppliers and subcontractors

The suppliers and subcontractors of MORET INDUSTRIES GROUP shall commit themselves to comply with ethical values of the Code and behave in accordance with the international conventions mentioned in article II.1 of the Code. A provision stating that the suppliers and subcontractors shall comply with the ethical values of the Code is inserted in agreements and general terms and conditions of MORET INDUSTRIES GROUP. The suppliers and subcontractors of MORET INDUSTRIES GROUP shall ensure that their own suppliers and subcontractors comply with such values.

In case of serious and deliberate failure to comply with ethical values of the Code by a supplier or subcontractor, such failure shall be considered as a breach by the aforesaid supplier or subcontractor of its contractual obligations under the agreement(s) it has entered into with MORET INDUSTRIES GROUP. Depending on the seriousness of the failure the coercive measures provided for by such agreement(s) may be enforced against the supplier or subcontractor, and MORET INDUSTRIES GROUP may decide to terminate such agreement(s) and ask for damages. MORET INDUSTRIES GROUP may even refuse any future business relationship with such supplier or subcontractor.

3. Competition Law

a) Applicable laws

MORET INDUSTRIES GROUP is committed to comply with the guidelines of the Organisation for Economic and Cooperation and Development and competition law regulations applicable in the European Union and in every country where MORET INDUSTRIES GROUP carries on its activity.

b) Anti-competitive practices

The Employees shall abstain from any transaction or any conduct that may be construed as an unlawful agreement between competitors, an abuse of dominant position or abuse of economic dependence, which are forbidden practices and may cause MORET INDUSTRIES GROUP to be sentenced for violation of competition law.

Unlawful agreement between competitors

Shall be considered as unlawful the agreements between competitors the purpose or effect of which is to prevent, restrict or distort competition on any market, notably by:

- Agreeing with competitors upon rates, prices, rebates, discounts...;
- Agreeing with competitors upon dividing up or allocating territories, customers or markets;
- Coordinating with competitors in order to prevent, restrain or distort competition when bidding for tenders;
- Agreeing not to deal with certain suppliers or customers, or to deal with them on certain terms only.

Such agreement need not be in writing. It may be oral and may be inferred from business conduct that does not even involve direct communication between the participants. Even informal social conversations with competitors might later be construed to be part of an illegal agreement. Thus, Employees must be very careful in any contact with competitors.

Abuse of dominant position

“Abuse of dominant position” refers to anticompetitive business practices of a dominant firm whose purpose is to maintain or increase its position in the market (refusal to deal, tied selling, price discrimination, termination of business relationships for the sole reason that the partner refuses unjustified trade terms...).

Abuse of economic dependence

An abuse of economic dependence consists in the abusive exploitation by a company of the economic dependence of a partner, client or supplier, insofar as such behavior may affect the functioning of the market or the structure of competition. Several elements shall be taken into account to prove a situation of economic dependence, such as the part of the company in the turnover of its partner, the absence for the partner of an equivalent alternative for the supply of goods or the provision of services, and the fact that this situation of dependence is due or not to a deliberate choice of the partner. The economic dependence of the partner shall be considered as abusively exploited when the company uses anti-competitive practices against its partner such as refusal to deal, tied selling, discriminatory practices (in relation with prices, payment terms, conditions of sale and purchase...).

In order to avoid any risk of abuse of economic dependence with its partners, each MORET INDUSTRIES GROUP entity shall ensure that none of its suppliers or subcontractors is at a high level of dependence towards MORET INDUSTRIES GROUP.