



AFNOR Code of Conduct against Corruption

afnor
GROUPE

Message from the Director General, Olivier PEYRAT



“AFNOR, its subsidiaries and sub-subsidiaries in France and abroad are firmly committed to acting as responsible stakeholders and to conducting their activities at all times in a responsible manner, in accordance with the core values of the AFNOR Group and in strict compliance with the laws in force.

In particular, the AFNOR Group’s management, employees and partners must conduct their activities in accordance with the provisions of French law relating to the fight against corruption and the legal provisions applicable in France and in foreign countries where the AFNOR Group operates through its subsidiaries, distributors and, more generally, wherever it is required to operate.

The AFNOR Group strongly condemns and prohibits all forms of corruption.

I am counting on each and every one of you to respect the principles and commitments set out in this Code of Conduct on anti-corruption.

Peyrat

Olivier Peyrat

I. WHO IS SUBJECT TO THIS CODE?

Published on the AFNOR Group's intranet and websites, the Code of Conduct against Corruption applies to:

- **Directors and administrators** of AFNOR and all its subsidiaries;
- **Employees** of the AFNOR Group, based in France or abroad; it is therefore appended to the Group's Internal Regulations, organised as an Economic and Social Union (UES);
- **Contractual partners** of the AFNOR Group, including its **subcontractors, suppliers and distributors**; it is therefore referenced in all purchase and distribution contracts;

To enable the Group's employees to make decisions with integrity and act loyally in all circumstances, a training programme has been established to enable everyone to improve their knowledge in this area and share the Group's common values. It consists of **mandatory training provided to all employees, particularly those most exposed** to the risks of corruption, who must set an example and ensure that the employees under their responsibility do the same.

Finally, this training programme is supplemented by communications regarding updates to this Code and the Compliance Policy.

II. WHAT ARE THE OBJECTIVES OF THIS CODE ?

Inspired by the ISO 37001 standard, this anti-corruption code of conduct forms part of the **AFNOR GROUP Compliance Policy**, the primary objective of which is to build trust among all our stakeholders and to manage risks of various kinds.

The fight against corruption and influence peddling aims to ensure **compliance with integrity requirements** and requires everyone to adopt impeccable conduct that strengthens the trust of customers, public authorities, suppliers, teams and all stakeholders.

The purpose of this Code is to formalise the commitment of AFNOR Group executives to a **zero-tolerance approach to corruption**, to describe the anti-corruption measures in place and, finally, to inform and guide those to whom it applies by setting out definitions, outlining major risks, and detailing acceptable and unacceptable conduct.

III. WHAT IS CORRUPTION?

Corruption, according to French law, is the act of :

- **Offering** (active corruption) to a French or foreign public official or a private individual or

- **Accepting** (passive corruption) from a French or foreign public official or a private individual,

without being entitled to do so, at any time, directly or indirectly, **offers, promises, gifts, presents or benefits of any kind, in order to perform or refrain from performing an act facilitated by their official duties.** (Art. 433-1 et seq., 435-1 et seq., 445-1 et seq. of the French Criminal Code).

This particular offence is equivalent to 'bribery' in certain common law countries.

Corruption takes the form of various offences:

- **Influence peddling** refers to a person **capitalising on their position or influence**, whether real or supposed, **to influence a decision** to be taken by a third party (Art. 432-11-2°, 433-1-2°, 433-2 and 434-9-1 of the French Criminal Code).
- **Facilitation payments** are **small, non-public and non-transparent payments** made to secure, expedite or facilitate routine actions, usually by government officials, such as the **issuing of licences, the approval** of document submissions and the provision of other services.
- **Embezzlement, favouritism, extortion and the unlawful taking of interest** are also offences treated as acts of corruption.

Such practices may result in criminal liability for those who commit them and any beneficiaries (see paragraph V of this Code).

IV. WHAT ARE THE RISKS OF CORRUPTION IN OUR BUSINESS ACTIVITIES?

As with any professional or commercial activity, the business dealings conducted by each of the AFNOR Group’s entities may provide opportunities for attempts at corruption.

No employee will be penalised for complying with the AFNOR Group’s rules by refusing any form of corruption, even if this refusal may result in the loss of a contract or any other adverse commercial consequence.

For practical and educational purposes, **this code covers risks considered to be major threats to integrity and likely to create situations involving a risk of corruption.** Revisions to the AFNOR Group’s mapping of major risks may, where appropriate, justify an update to this code.

IV.1 Conflicts of interest

What is it?

A conflict of interest arises when **a personal, family, financial, political, religious, cultural, trade union, voluntary or other interest** interferes, or is likely to interfere, directly or indirectly, **with the duties entrusted to us** as directors, as employees or as partners. Conflicts of interest can affect our impartiality or cast doubt on our ability to make decisions objectively by prioritising the personal interests of an employee or manager at the expense of the AFNOR Group’s interests.

Risky situations?

- Being an elected representative of a local authority with which AFNOR has business dealings.
- Holding down several jobs.
- Holding a stake in a company engaged in a business relationship with the AFNOR Group.
- Where the former employer of a certification applicant is a member of a certification committee.

Best practice	To be avoided
<ul style="list-style-type: none"> • Identify and declare potential conflicts of interest (e.g. Directors' Charter; Directors' <u>Declaration of Interests</u>, Declaration of Interests by the CEO of AFNOR Certification and the Head of the Medical Business Unit). • Consult the <u>Code of Ethics</u> and the codes of conduct applicable to one's role: E.g. for Certification: Policy on the management of conflicts of interest between consultancy and certification and assessment activities E.g. for Standardisation: <u>NFX 50-088</u> Activities of standardisation bodies CAE audit; AFNOR Standardisation Commitment to Impartiality; AFNOR Standardisation Declaration of Interests; <u>Vade-Mecum for Stakeholders in the French Standardisation System</u> • In the event of a direct or indirect interest, apply the recusal rule by refraining from participating in any decision-making or case handling. • In the event of a risk, whether proven or potential, direct or indirect, notify your manager and inform them in writing as soon as activities or relationships are likely to compromise the objectivity of your assignment. • For certification activities, if in doubt: Contact the Quality Department (DQC) and/or the Department of Quality and Sustainable Development (DQDD). 	<ul style="list-style-type: none"> • Failing to report a potential conflict of interest. • Refuse to recuse yourself. • Share internal confidential information with third parties. • Engage in an activity that competes with that of the AFNOR Group. • Accept a gift or invitation from a supplier with whom you have a personal relationship in return for an act that enables them to win a contract. • Circumventing procurement rules to influence the awarding of a contract to a family member or friend. • Approaching a director to gain access to the IT system and obtain data in exchange for a benefit in kind or a payment of money. • Facilitating the appointment of an auditor with whom they have a relationship that could compromise their impartiality. • Influencing an opinion of the Evaluation and Inspection Committee, and thus a decision by AFNOR Certification, to ensure a favourable outcome for an organisation with which one has a personal connection. • Accepting, as an auditor, a gift from an audited client in return for issuing a favourable audit report. • Using one's position to influence matters in one's own personal interest. • Claiming to belong to the AFNOR Group in order to obtain any kind of advantage. • Failing to attend training courses organised by the AFNOR Group.

IV.2 Gifts and invitations

What is it?

Gifts (goods or services offered) and invitations (to a restaurant, a sporting or cultural event) are generally tokens of courtesy. They may, on occasion, contribute to a normal business relationship. Accepting or offering gifts may constitute an **act of corruption if they are likely to influence the recipient in the performance of their duties or create a conflict of interest.**

In order to standardise practices and facilitate the detection of acts of corruption, the AFNOR Group has set **maximum value thresholds above which it is, in principle, prohibited to receive or offer** financial benefits without prior authorisation from management:

- A maximum of €100 per year, per recipient and per giver for a gift (tangible item or service);
- A maximum of €150 per year, per beneficiary and per host, for an invitation (meals, accommodation, entertainment, etc.), to be distinguished from a business meal justified on professional grounds relating to the subject matter of the relevant contract that has already been concluded.

Risky situations?

- Receiving a gift or accepting an invitation **worth more than the set threshold.**
- Receiving a gift from a **tenderer or a candidate for certification.**
- Receiving a gift or an invitation **on several occasions** from the same service provider.
- Giving a gift to a public official or a person with the **power to influence a decision affecting the interests of the AFNOR Group.**
- Being invited by a partner to a seminar-type event where **leisure time significantly outweighs working time.**

Best practices	To be avoided
<ul style="list-style-type: none"> • Estimate the value of the gift or invitation and check that it is reasonable. To do this, you should: • Analysing the context in which the gift or invitation is offered: the identity of the person making the offer, the timing (end of the year, procurement consultation, assessment of a client's compliance, negotiation of a partnership, finalisation of a standard, etc.), its nature, its frequency, the existence of any desired consideration, etc. • Seek written approval from your manager before accepting or offering a gift whose value exceeds the thresholds set by the AFNOR Group. • Only receive or offer gifts at your business address, not your personal address. • Ensure that it is offered in a fully transparent manner. • Where possible, share the gift with your team (e.g. a box of chocolates, a gourmet hamper, etc.). • Be prepared to publicly acknowledge, to colleagues or the media, that you have given or accepted the gift. • Leave the gift received at the office. 	<ul style="list-style-type: none"> • Grant a discount in return for personal gain. • Offer or receive a gift that is contrary to propriety. • Receive a gift that is likely to create a sense of obligation. • Accepting a cash payment or a voucher from a third party. • Accepting a gift or invitation from a supplier with whom you have a personal relationship in return for an act that enables them to win a contract. • A chair of a standards committee who favours a stakeholder because they invited them to a high-end restaurant, citing their patent/technology even though it is not essential and other means exist to achieve the targeted performance. • An auditor offers, in return for a free stay in a hotel, to write a favourable report with no non-conformities for a travel agency client, so that a certification/renewal decision is taken by AFNOR Certification . • An auditor offers to pay an AFNOR Certification account manager in return for the assignments entrusted to him, which have enabled him to generate revenue. • A trainer at AFNOR Compétences provides, in return for a sum of money, a certification course to a trainee who does not meet the required standard. • A buyer receives a gift from a company bidding for a contract. • An auditor accepts a gift from a client involved in a certification process.

IV.3 Sponsorship and patronage

What is it?

1- **Sponsorship is an arrangement whereby a company (the sponsor) provides financial support for an event or project in return for a direct benefit**, often in the form of promoting its image through advertising featuring its name and/or logos. The sponsor incurs expenditure for commercial purposes; it pays for a communication service to promote its image.

- **AFNOR may act as a sponsor:** When the AFNOR Endowment Fund makes a payment to an institution (e.g. a museum) to support an event (e.g. an exhibition promoting standards).
- **AFNOR may be the beneficiary of sponsorship:** When a stakeholder in standardisation provides financial support for an event organised by AFNOR (e.g. a dinner on a riverboat bringing together all the members of a technical standardisation committee).

2- **Philanthropy constitutes a donation made to a public interest organisation, with no consideration expected in return as a matter of principle.** In line with its missions and values, and in accordance with its CSR Policy, the AFNOR Group may make donations to non-profit public interest organisations, in particular to support regional development and attractiveness.

Risk situations?

- A context of ongoing commercial negotiations or contract formation, even within another entity or for a service other than that covered by the sponsorship.
- Where the sponsor or beneficiary is a stakeholder in a standardisation committee where consensus is difficult to reach.
- Where the sponsor or beneficiary is a client whose product, service or system is currently undergoing conformity assessment.
- Where the sponsor or beneficiary is a candidate in a public procurement procedure.
- Where the sponsor's or beneficiary's head office is located abroad in a geographical area where legislation is less stringent regarding anti-corruption measures.

Best practice	To be avoided
<ul style="list-style-type: none"> • Please refer to the AFA guide “Securing corporate sponsorship and patronage activities” • For all sponsorship activities, refer to the internal procedure “Procedures for selecting sponsorships and donations to public interest organisations”. • Ensure the sponsor or beneficiary is reputable and has a good track record. • Ensure there are no conflicts of interest that favour personal or non-professional interests. • Ensure that the initiative does not give undue influence, for example within a standards committee. • Prioritise collective decision-making. • Ensure that the funds paid are properly allocated to the event in question. • Verify that the amount paid is proportionate. • Manage invitations and hospitality at the sponsored event in accordance with the principles of transparency and in line with the ‘Gifts and Invitations’ policy. • Ensure that invitations are made out to specific individuals, sent to their place of work, and of a value proportionate to the event. • Use the standard sponsorship agreement template and systematically limit its duration. 	<ul style="list-style-type: none"> • Enter into a sponsorship agreement with an organisation whose reputation or image is publicly tarnished. • Enter into a sponsorship agreement with an organisation of a political, religious or philosophical nature, or one that markets products harmful to health (tobacco, alcohol), health products, or gambling or games of chance. • Enter into a sponsorship or patronage arrangement with the aim of securing a contract or influencing a decision (for example, regarding certification, standardisation or in relation to a public contracting authority). • Participating in the collective decision-making process for a transaction when we, or a close relative, are part of the beneficiary’s governing bodies. • Receiving financial consideration in the form of cash or where such consideration is paid from the account of a natural person.

IV.4 Lack of integrity in a business relationship

What is it?

It is important to the AFNOR Group to build balanced professional and commercial relationships, based on reciprocity and transparency, whilst remaining vigilant at every stage of the relationship. The activities of our stakeholders must not contravene the rules and best practices regarding the prevention of corruption. Integrity checks include **verifying the integrity of business partners in a contractual relationship with one of the AFNOR Group's entities** (supplier, subcontractor, partner, distributor, sponsor, business introducer, etc.), by assessing both their intrinsic qualities (reputation, criminal record, etc.) and their legal (human rights violations, health and safety of persons, etc.), economic and material conditions.

Risk situations?

- **Lack of information** about the partner.
- **Direct** purchases.
- The granting of commercial **discounts**.
- **Complex arrangements** involving a chain of intermediaries or subcontractors.
- **Pressure** to use a particular service provider.
- The use of intermediaries or consultants to **facilitate relations** with clients or public bodies.
- **External growth** projects.
- Mergers and acquisitions in **countries at risk** of money laundering, terrorist financing or with a high level of corruption.
- A request for commissions, fees or commissions **that are disproportionately high** compared to market practices, without objective justification.
- Any situation where an employee of an external company or a public official **gives the impression of acting alone**, outside the structure or organisation to which they belong.
- Contracts providing access to **sensitive data**.

Best practices	To be avoided
<ul style="list-style-type: none"> • Ensure the third party's business is reputable, particularly the reputation of its directors. • Monitor the relationship with the partner throughout its duration to detect any behaviour contrary to regulations. • Include a reference to the Code of Ethics and this Anti-Corruption Code in contracts, and insert a clause allowing the AFNOR Group entity to terminate the contract unilaterally, with immediate effect and without compensation, in the event of a breach of the anti-corruption rules by the other party. • Verify that the service has actually been provided before making any payment. • Support any commercial gesture with objective evidence (which must be identical to that offered to other beneficiaries in a similar situation) • Treat benefits granted to sponsors fairly; such benefits must be measured and proportionate. 	<ul style="list-style-type: none"> • Continue the contractual relationship even if the other party does not comply with the AFNOR Group's ethical values. • Using intermediaries without objective or technical justification. • Enter into a contract with a third party in circumvention of internal procedures. • Paying a person without providing evidence of a genuine consideration. • Entering into a contractual relationship when there is serious doubt as to the integrity of the business relationship. • Granting access to the AFNOR Group's IT system without the other party having been assessed in accordance with the IT Department's Information Security Policy.

IV.5 Facilitation payments

What is it?

A facilitation payment refers to the act of **remunerating, directly or indirectly, a public official or a person entrusted with a public service role, for the completion of administrative formalities** or the provision of a service. Unlike a bribe, a facilitation payment does not confer an undue advantage on the payer but is intended to speed up or facilitate the completion of a routine procedure to which the payer is entitled. It is similar to a **tip**.

High-risk situations?

- Dealing with civil servants to complete formalities or obtain approval or authorisation (legalisation of documents, certification of certificates, issuance of a business licence, etc.).
- Dealing with **accreditation bodies or authorities issuing approvals** (Cofrac, Squalpi, Prefecture, local authorities abroad, etc.)
- Carrying out a project in a **country classified as high-risk** according to [the Corruption Perceptions Index published by the NGO Transparency International](#).
- Fund transfers to or from geographical areas considered high-risk.
- **Unusually complex transactions.**
- Transactions involving **cash payments**.
- Pressure exerted by a stakeholder to facilitate the inclusion of their contribution within a standard currently being drafted or revised, when there is no consensus on this within a standards committee.

Good practices	To be avoided
<ul style="list-style-type: none"> • No facilitation payments may be accepted or received. • Polite refusal of any request for a facilitation payment, explaining that the request is illegal and liable to criminal prosecution, and reporting the situation to one's manager. 	<ul style="list-style-type: none"> • Offering a civil servant or intermediary, in France or abroad, a payment in exchange for approvals necessary to carry out one's activities on site or to speed up administrative procedures. • Accept a facilitation payment. • Accepting or offering a cash payment. • Failing to report to your manager any pressure you may have been under to facilitate the consideration of a position



No document can anticipate or address every situation that might arise. Therefore, everyone must use their common sense and judgement. **If the answer to the question below is 'no' or if there is any doubt, the correct course of action is to consult your line manager or supervisor, the compliance officer, or staff representatives, and discuss the matter openly before taking any action.**

➤ **Would I feel comfortable if my actions were made public internally and externally?**

V. HOW TO REPORT?

If you suspect corruption has occurred in the course of your professional duties, you should inform your manager and **report it in a confidential message to the Compliance Officer** at one of the following addresses:

- alerte@afnor.org
- AFNOR Group, for the attention of the Compliance Officer, 11 rue Francis de Pressensé, 93210 Saint-Denis

The [single professional whistleblowing mechanism](#), the procedure for which can be found on the AFNOR Group website (<https://www.afnor.org/alertes-professionnelles/>), is open to:

- To **internal stakeholders** such as AFNOR Group staff members, individual members of the AFNOR association, directors and members of the Executive Committee;
- **External stakeholders** such as former employees of the AFNOR Group and job applicants, external and casual staff (agency workers, interns, etc.), and any member of staff or manager of a company under contract with an AFNOR entity (service provider, client, etc.) as well as any member of staff or manager of a subcontractor of a co-contractor of an AFNOR entity.

This mechanism is an essential resource for preventing, addressing and remedying serious incidents, particularly those relating to acts of corruption, which are reported to us.

VI. WHAT ARE THE PENALTIES FOR CORRUPTION?

Corruption is a criminal offence.

In the event of non-compliance with anti-corruption rules, the employee or legal entity concerned is personally liable and faces criminal penalties.

Penalties apply to both **individuals** (for a private individual: up to 5 years' imprisonment and a fine of €500,000; for a public official: up to 10 years' imprisonment and a fine of €1,000,000) and to **legal entities** (fines five times the amount applicable to individuals, confiscation, disqualification from practising, exclusion from public procurement, and the publication and dissemination of the conviction).

An employee or business partner found guilty of corruption is also liable to a **penalty proportionate to the alleged offences**, ranging from a simple warning to suspension or termination of the contractual relationship, whether this be an employment contract or a contract for services.

Finally, reports that are deliberately abusive or motivated by a desire to cause harm are also subject to sanctions.