Competition laws

Code of conduct

Linxens
Opening the way to a better life

Contents

1 Scope of the Competition Laws code of conduct

1.1 Statement

This Competition Laws Code of Conduct (the "Code") sets minimum standards that each employee of the Linxens group, including the entities that it owns and the entities in which it holds a majority interest (hereinafter "Linxens" or the "Group") must observe when dealing with competitors, suppliers, customers, distributors or other trading partners. It aims to help those employees to prevent and avoid violation of competition laws.

Compliance with competition laws is essential for Linxens as the violation of these rules exposes our Group and its representatives to significant legal and financial risks that may have harmful effects on Linxens' activities and reputation.

Any employee of Linxens must take decisions in the best interest of the Group, independently from its competitors, clients and suppliers and in compliance with the idea of a fair competition.

Each Linxens entity and employee must conduct business only in compliance with the applicable laws and in particular with this Code.

This Code is not intended to be a comprehensive summary of the relevant applicable laws. References to "you" in this Code refer to each of the Group's officers, administrators, employees, directors, and all personnel hired by the Group, all of whom have a duty to report violations and suspected violations of this Code. Procedures for doing so are set forth in Section 5.1 below.

1.2 Objectives of competition laws – risks for Linxens

Competition laws aim at protecting free and fair competition in order to ensure that companies offer consumers goods and services at the most favorable terms. To be effective, competition requires companies to act independently from each other and to be subject to the competitive pressure exerted by the others.

Any violation of competition laws could entail significant negative consequences for Linxens. Generally, the main risks for the Group in case of infringement of competition law, depending on the countries, are the following:

- Fines of up to 10% of Linxens' worldwide Group Turnover;
- Damages claims from third parties (e.g. customers, competitors, etc.) who have suffered direct and/or indirect losses resulting from the infringement;
- Harm to the reputation of the Group;
- In certain countries (including France), criminal sanctions against the directors/employees of the undertaking who have participated in the infringing conduct.

1.3 Scope of the code

This Code describes an overview of general competition rules. It does not provide an exhaustive coverage of competition rules that apply in each country where the Linxens Group operates. Competition laws are complex and generally require an in-depth assessment by the Legal Department. This Code aims at providing Linxens' employees with guidelines to be used while conducting commercial activities or in the context of discussions with competitors, suppliers, distributors, clients or other trading partners to help them identifying the situations which may

pose a problem with regard to competition laws.

Almost all countries in the world have enacted competition laws and Linxens must comply with the competition laws that are applicable in each country in which it operates. Please note that the competition laws of a given country may apply even if the infringement does not concern directly this country, provided that the infringement produces effects on the domestic market of this specific country.

While compliance with this Code is essential, it does not exempt you from bringing to the attention of the Legal Department any specific situation, for the purpose of getting guidance on the best solution to be implemented. In case of doubt as to whether a conduct complies with competition laws, you should always submit the issue to the attention of the Legal Department. You must also contact the Legal Department as soon as you consider that you are in a situation which may raise competition concerns.

2 Relations with Competitors

2.1 Prohibited agreements

Agreements between two or more independent market operators are prohibited when they have the purpose or the effect of restraining competition. Such agreements are prohibited whether they are oral or in writing, signed or unsigned.

It is thus strictly forbidden to decide to act together with a competitor in order to adjust the conduct of the company instead of developing commercial strategies independently.

In some circumstances, it is not easy to measure whether a given agreement is likely to have anti-competitive effects. However, the following agreements are considered as always having such effects on the markets they concern when they are entered into between competitors:

- Fixing of prices or commercial conditions; Sharing of markets (products, customers or geographical areas) or sources of supply.
- Limitation of production, capacities, investments or technical progress.
- Concerted practices in tenders.
- Boycott against a supplier, a customer or any trading partner.

For competition purposes, the term “agreement” means not only a formal agreement (contract, letter of intent, etc.), but also a non-binding declaration of intent, an oral contract, gentlemen agreements, explicit or even tacit (e.g. exchange of opinions or information) or uniform and conclusive behavior.

In this respect, you should never accept an invitation to a meeting or a discussion, nor participate (even passively) in a meeting or discussions which may fall into the categories described above. You must report any such invitation, meeting or discussion to your hierarchy and the Legal Department.

If you are placed in such a situation, you must immediately leave the meeting and ask your leaving to be recorded in the minutes of the meeting.

2.2 Exchanges of information

It is not allowed to provide, receive or discuss strategic information with competitors. Sensitive information which should never be discussed with competitors concerns notably:

- Prices (past, present and future prices);
- Pricing policies;
- Discounts, price reductions, rebates;
- Trade policies;
- Sales terms and conditions;
- Customer lists;
- Strategies on clients;
- Territorial markets;
- Production capacities, quantities and costs;
- Any other strategic information that is likely to determine or influence the behavior of a company (such as: turnover, sales, capacities, quality, marketing plans, risks, investments, technologies and R&D projects).

A simple test to assess whether an information is "sensitive" is to ask yourself the following questions: "would I be willing to pay to obtain this information from my competitor ?" or "is this information likely to influence my commercial behavior ? ".

You may not accept an invitation to a meeting / discussion or remain in a meeting / discussion where these issues are discussed. If you are placed in such a situation, you must immediately leave the meeting and ask your leaving to be recorded in the minutes of the meeting.

2.3 Relations with competitors within the context of trade associations

Representatives of competing companies are allowed to meet within trade associations. However, as trade associations bring together competitors, discussions that are held in such context may pose a risk of infringement of competition laws. Consequently, the involvement of any entity of the Group in a trade association must be strictly controlled and the participants must be very careful about the matters being discussed during the meetings of the association. Any participation in a trade association must be previously approved in writing by the Legal Department. It is forbidden to discuss and/or to send to other members of the association any strategic information as listed above under Section 2.2.

For example, the following matters must never be discussed within the framework of the association:

- Price lists or price methodology;
- Concerted practices on commercial strategies;
- Coordination or dissemination of market guidance;
- Implementation of a price observatory;
- Organization of boycott strategies.

Please note that the mere attendance to a meeting may be sufficient to be punished (passive role). You must immediately leave the meeting if forbidden discussions start and ask that your leaving be recorded in writing in the minutes of the meeting.

2.4 Cooperation and partnership agreements with competitors

As a general rule, cooperation and partnership agreements with competitors may be allowed. However, vigilance is required whenever one of the parties to an agreement is a competitor.

The most common types of cooperation or partnership agreements with competitors are:

- Pooling of resources agreements or technical or industrial cooperation;
- Joint buying agreements or joint commercialisation agreements;
- Technology transfer agreements(for example: licence agreement or patent transfer agreements);
- Joint R&D agreements.

Such agreements may create costs savings as well as improve the quality of final products, which will have a positive impact on the competition to the benefit of consumers. However, such agreements may also raise competition issues, in particular when they concern companies that have a significant market power.

Before contemplating or entering into agreements with competitors, you must involve the Legal Department in the process as early as possible.

2.5 Tenders

In the context of public as well as of private tenders, discussions and concerted practices with competitors may lead to serious breaches of competition law.

This is typically the case when the companies participating in the tender:

- Exchange information on their strategy before the submission of tenders;
- Consult each other to share parts of the assignment concerned by the tender;
- Decide to submit tenders that are artificially high in order to give the impression that a real competition has existed during the tender.

As the constitution of a consortium in order to reply to a tender may raise competition concerns, you must contact the Legal Department prior to the beginning of any

discussion with the potential members of the consortium. The Legal Department will assess whether the consortium complies with competition law.

Relations with competitors:

- In the context of any relations with competitors, you must never:
  - Agree on prices (wholesale and resale prices);
  - Agree on business conditions;
  - Share markets (products, customers or geographical areas);
  - Agree to favour given suppliers, customers, or other trading partners;
  - Exchange strategic information;
  - Discuss or establish any guidelines or recommendations concerning the conduct to adopt on the market;
  - Participate in a meeting with competitors if such meeting does not take place in an official context (e.g. meeting within a trade association approved by Linxens, contractual negotiation approved by Linxens).
- In case of negotiations of cooperation agreements with competitors (e.g. joint purchasing, technical cooperation, etc.), you must previously consult the Legal Department.
- In the context of trade associations or any other meeting with competitors:
  - You must ensure that the meetings are organized following an agenda that does not contain forbidden subjects, follow the agenda and make sure that minutes are recorded and sent for each meeting.
  - If you notice anticompetitive practices at such a meeting:
  - Ask for the discussions to be discontinued;
  - Explicitly state your disagreement;
  - Make sure that your disagreement is recorded in the minutes of the meeting;
  - Leave the meeting if the discussions are not discontinued, and, in such a case, make sure that your leaving is recorded in the minutes of the meeting;
  - Inform the Legal Department.

3 Relations with customers, distributors and suppliers

3.1 Resale of products

Any influence, pressure, discussion or action relating to the resale prices or commercial conditions of sale on a customer or a distributor of Linxens is strictly forbidden. Linxens' customers must be free to set their own commercial and price conditions of sales without any pressure or requests from Linxens.

3.2 Exchange of information on competitors through customers or suppliers

It is strictly forbidden to request and/or obtain sensitive information on competitors from customers, suppliers or any other trading partners. For example, any information about the prices, the promotions, the amount of its advertising expenses, etc. of a competitor must never be asked for, nor received from a client or a supplier. It is however allowed to pay consultants for market surveys based on public data and the consultant's own assessment of market conditions.

3.3 Exclusivities and similar restrictions imposed on trade partners

Exclusive contracts may be concluded with suppliers, customers and other trade partners and are not forbidden per se. However, in certain circumstances, exclusivities may raise competition concerns as they may artificially maintain market power or restrict competitors from entering the market.

The criteria usually used depends on the applicable laws to determine if an exclusive agreement may have a restrictive effect on the market are the following:

- The market shares of the parties:
  - If the market share of one of the party exceeds 30%, it is more likely that the exclusivity would be problematic.
  - If a party is dominant for the product concerned, exclusivities are more likely to put this party at risk. In such a case, exclusive agreements must be adopted only with specific justifications and, in any case, the scope and the duration of the exclusivity must be significantly restricted;
- The duration of the exclusivity (a duration of more than 3-5 years is The scope of the exclusivity; and
- The existence of technical justifications or justifications linked to the return on investments made specifically for the relationship concerned by the exclusivity.

These criteria require a case-by-case assessment and the advice of the Legal Department is required prior to the conclusion of agreements which contain exclusivities whenever Linxens may be considered as holding a significant market power.

Relations with customers, suppliers or other trading partners:

In the context of relationships with customers, suppliers or other trading partners, you must:

- Never discuss or influence resale prices with a customer or the customer's prices;
- Never ask, receive, nor keep any documents from customers which contains sensitive information on Linxens' competitors;
- Never discuss with a customer or a supplier the prices or other commercial conditions proposed by another customer or supplier;
- Never provide to a customer information on competitors of this customer nor on competitors of Linxens;
- Consult the Legal Department prior to the conclusion of any exclusive arrangements concerning product for which Linxens has significant market power;
- Never discuss with a customer the opportunity to limit or prevent the commercial activities of another manufacturer or distributor.

4 Pricing and commercial policy

In markets where a company is dominant, certain practices are prohibited, in order to prevent the dominant company from using its market power to the detriment of its customers, suppliers or competitors. A company is dominant whenever it has a market power of such importance that it can act on the market without taking into account the behavior of its competitors, clients and suppliers. For the sake of prudence, it shall hereafter be considered that a market share of more than 40% should lead to specific caution with respect to the behavior described below.

In the markets where a company is dominant, it must refrain from adopting the following practices:

- To apply excessive prices (i.e. prices that are disproportionately higher than the market value of similar products sold in the same geographical area);
- To apply any unfair commercial conditions (e.g. require advantages without any reciprocal concession);
- To impose tied / bundled sales (make the sale of a product or a service conditional to

the purchase of another one and which may be sold separately) without justifications and refuse to sell the products / services separately;
- To set prices at below-cost levels to drive out competitors of the market;
- To refuse negotiations and transactions with trading partners without business justifications;
- To discriminate suppliers or clients, or other trading partners, e.g. by setting different prices or sale conditions without justifications; To denigrate competitors;
- To propose fidelity rebates and other inducements to exclusivity and loyalty to customers.

5 Reporting and sanctions

5.1 Reporting

Linxens encourages and secures reporting from employees, suppliers, customers and other stakeholders (the "Reporter") should they believe that a conflict arises between Linxens' operations and this Code, through a whistleblowing system, ensuring anonymous reporting and protecting the Reporters from discriminatory sanctions.

For the sake of clarity, all persons to whom this Code applies are protected by law from retaliation for reporting violations, suspected violations, or other alleged activities outside or inconsistent with this Code or for participating in procedures connected with an investigation,

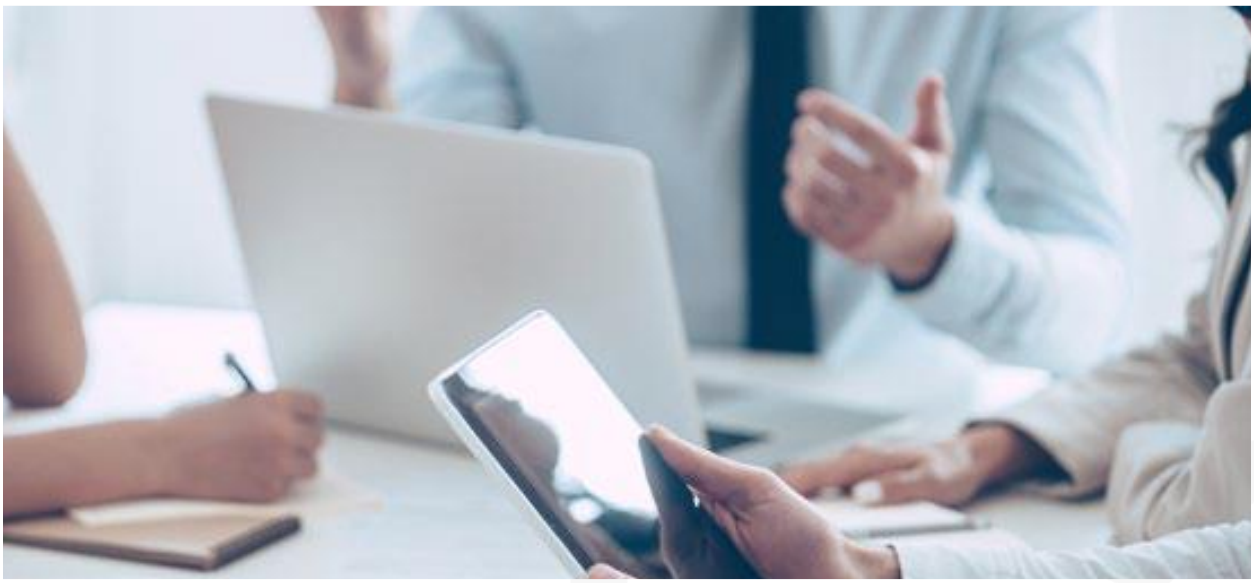
proceeding or hearing conducted by Linxens or a government agency with respect to such complaints.

Linxens will take disciplinary action up to and including the immediate termination of any employee or contract worker who retaliates against another employee, contract worker or third party for reporting any violation, suspected violation, or other alleged activities outside or inconsistent with this Code

For more information please consult the Linxens Whistleblowing Policy

5.2 Sanctions

Failure to comply with any provision of this Code is a serious violation. Over and above any legal consequences, any employee who does not comply with this Code may be subject to disciplinary action.



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