

Anti-corruption code of conduct

Introduction

— WHAT IS CORRUPTION?

An act of corruption is:

The act of offering, promising, giving, accepting or soliciting, directly or indirectly, an undue advantage (gift, offer or promise) so that a person, whether public or private, accomplishes, refrains from accomplishing, delays or accelerates, the accomplishment of an action within the performance of their duties (legal, contractual or professional obligations).

The undue advantage may be financial, or not. The actual or supposed value of the advantage does not matter.

In any event, these are inappropriate or undue advantages intended to influence a decision in favour of Rexel's business (gifts, travel, improper contract procurement, payments to a tax or customs administration agent to derogate from the laws or avoid penalties, etc.).

The Code of Conduct prohibits not only corruption itself but also trading of influence and related, similar and equivalent offences both within the context of French criminal law and within the context of the various foreign laws applicable in all the countries where Rexel is present.

For more information: Various terms used in the

Code are defined in the [Glossary](#).

— REXEL'S UNDERTAKING

Rexel's corruption prevention policy is part of Rexel's Ethics and Compliance approach, as reflected in the [Ethics Guide](#).

Rexel refuses any kind of corruption in its business practices.

Violations of probity are unacceptable and inconsistent with Rexel's values.

Rexel undertakes to respect all the rules applicable to combat against corruption and related offenses, such as the rules of the OECD Convention, the French Penal Code and all French regulations, the US 'Foreign Corrupt Practices Act', the 'UK Bribery Act' and all applicable laws and regulations in the countries where Rexel is present.

Rexel wishes to meet the strictest requirements of its clients, suppliers, service providers and partners in this respect.

Rexel maintains that the rejection of all forms of corruption is a vector of growth and performance.

THIS CODE APPLIES TO WHOM?

Rexel's policy of prevention of corruption applies to all companies in the Rexel Group and to each of its subsidiaries throughout the world, as well as to all employees, directors and officers of the Rexel group, and of each of its subsidiaries throughout the world, including occasional, external or new employees of the Rexel Group (the 'employees').

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Current laws make attempts and proven facts of corruption and offences against probity liable to prosecution and punishment. In case of conviction, sanctions, such as fines or imprisonment, could concern Rexel and/or its employees.

In addition to the risks of civil and criminal prosecution and civil or criminal convictions, corruption places Rexel at risk in terms of image and reputation, as well as commercial risk and, more importantly, risks destabilising Rexel's organisation.

Each employee is a full participant in the implementation of Rexel's policy of preventing corruption.

Any violation of the Rexel code of conduct (the 'Code of Conduct' or 'Code') by an employee could give rise to disciplinary action up to and including dismissal.

This Code is annexed to the rules of procedure.

— HOW IS THE CODE OF CONDUCT APPLIED?

The Code of Conduct is a guide intended to provide employees with baselines to develop high integrity relationships within business relationships.

The Code of Conduct is intended to define and illustrate sensitive or abnormal practices to constitute a reference guide to accompany employees daily.

To help employees understand situations that are sometimes diverse and complex, several illustrative scenarios have been developed in the Code of Conduct; nevertheless, the Code cannot be exhaustive, and acts of corruption are not always easy to identify. You should initially use your own judgement.

Employees who have doubts or need help with the subjects covered in the Code of Conduct are encouraged to approach their Manager or their Ethics Correspondent.

Employees can also contact the local Human Resources, Legal and Compliance departments or those at the Rexel headquarters.

If an employee believes in good faith that a situation may be contrary to the provisions of the Code of Conduct, they may report it under the conditions described in the Ethics Guide using the “Ethics and Compliance whistle-blower alert” available at <http://www.rexel.com/en/ethical-alert/>.

We should emphasise that any employee who reports a potential violation of the Code of Conduct in good faith will not be penalised for taking this initiative.

General principles

— PROHIBITION OF ALL FORMS OF CORRUPTION AND TRADING IN INFLUENCE

Rexel rejects corruption in all its forms and undertakes not to resort to unlawful conduct or action to obtain or grant undue advantages.

— TRANSPARENCY AND DIALOGUE

The golden rule is transparency.

If an employee has any doubts, they should consult the appropriate persons and discuss freely with them before acting.

— TRACEABILITY OF TRANSACTIONS

Any use of Rexel assets must be properly recorded and detailed.

The documentation must demonstrate, on the one hand, the appropriate nature of the services concerned and, on the other hand, the justification of corresponding payments.

It is even more advisable to store documentation in a satisfactory and sustainable manner.

The administrative and accounting traceability of each use of company assets must be seamless to ensure that no transaction could be perceived as concealment of unwarranted payments.

On principle, to offer, promise or give cash to anyone is prohibited.

Payments and practices requiring specific attention

— GIFTS AND INVITATIONS

To offer or accept gifts or invitations that might influence or be perceived as influencing a commercial relationship is prohibited.

It is further prohibited to offer or accept gifts or invitations during periods of contract negotiation, tariff discussions or bid tenders.

Generally, gifts, invitations and other advantages are deemed acceptable if they are of low value, appropriate according to the situation and offered in good faith (without undue compensation).

In all cases you should:

Keep a written and accurate record of the gift, invitation or other advantage and its justification,

Ensure that it cannot be considered that these advantages have been offered for influencing a decision,

Inform their Manager,

Always consider the clients' and suppliers' rules applicable to gifts, meals and entertainment.

In accordance with the applicable expense policy, Rexel will reimburse professionally justified meals, invitations, travel and accommodation.

HOW SHOULD I REACT?

If you are offered a gift, a meal or are invited under conditions that might influence your judgement or [that may be perceived as likely to influence your judgement you must politely refuse](#) and explain the Rexel rules in this regard. If returning a gift or rejecting an

invitation may offend the client, supplier or intermediary concerned, inform your Manager or Ethics Correspondent who will help you find a solution. In the case of a gift, for example, it may be possible to donate it to a charity, to share it with many employees or to reallocate it as part of a lottery.

IN A NUTSHELL — GIFTS

Yes

Favour giving and receiving gifts of symbolic value, such as a pen, t-shirt or other promotional item with a logo, or trophies and statues bearing an inscription in recognition of a business relationship.

Apply the 'Gifts and entertainment' procedure applicable locally.

Inform your Manager of gifts received and given.

No

Do not accept a gift from a public official and do not give one without the prior approval of your Manager.

Do not accept gifts in exchange for which you must do, or promise to do, something for a client, supplier or service provider.

Do not solicit gifts from a client, supplier or service provider.

Do not accept or offer cash or the equivalent, such as a gift voucher.

IN A NUTSHELL — MEALS AND ENTERTAINMENT

Yes

You can accept occasional meals and entertainment from a client or supplier, if they also attend the event and the cost is reasonable. Offer or accept meal invitations that are justified by the schedules and duration of business meetings or events.

Apply the "Gifts and entertainment" procedure applicable locally.

No

Do not accept a meal or a gift from a public official and do not give one without the prior approval from your Manager.

Do not accept meals or gifts in exchange for which you must do, or promise to do, something for a client, supplier or service provider.

Do not solicit meals or entertainment from a client, supplier or service provider.

IN A NUTSHELL — TRAVEL AND EVENTS

Yes

You can attend exclusively professional events after obtaining authorisation from your Manager.

If you are invited by a client or supplier to an event requiring travel or accommodation, ask your Manager for permission to decide if your presence is professionally justified.

Apply the 'Gifts and entertainment' procedure applicable locally.

No

Do not accept or offer invitations to events that are not strictly professional.

Do not accept or offer an invitation extended to the spouse, the children and more generally, close friends or family members.

Do not solicit invitations to events or travel from a client or supplier.

— FACILITATION PAYMENTS

'Facilitation payments' are payments, often lesser amounts, paid to civil servants for the purpose of facilitating or accelerating common administrative actions or services such as certain administrative formalities, applications for permits, installation of power lines, customs clearance, award of contracts, etc.

‘Facilitation payments’ are prohibited.

— CHARITIES, PATRONAGE, SPONSORSHIP AND POLITICAL FINANCING

You should make sure that charitable contributions, patronage and sponsorship are not corrupt payments in ‘disguise’.

To offer, promise or give money or anything else of value (gifts, invitations, etc.) to charitable or similar organisations, to any patronage company or organisation or to a sponsored activity to obtain any advantage for Rexel is prohibited.

Patronage is financial, or material support provided by a company or private individual to an action or activity of general interest (culture, research, humanitarian, etc.).

Sponsorship refers to financial or material support provided to an event or individual by an advertising partner in exchange for various forms of visibility. Regarding contributions that are more specific to political parties, Rexel wishes to maintain a position of neutrality in relation to political parties or political personalities, so it is prohibited to donate any money or to give any advantage to a political party or a political personality.

In the context of their private life, each employee can of course participate in political activities, if it is perfectly clear to them and to all their interlocutors that they do not do so on behalf of Rexel or within the framework of their professional activity.

Yes

Always obtain the prior approval of your Manager.

Check the actual existence and reputation of the charity, company or association that is beneficiary of the patronage or sponsoring.

Make sure that an agreement is duly formalised.

No

Charity, patronage or sponsorship shall not be or **be considered** as an attempt to obtain an undue advantage.

Never donate to an actual person.

Never make a donation in cash.

— RELATIONSHIP WITH CLIENTS, SUPPLIERS, SERVICE PROVIDERS, INTERMEDIARIES AND PARTNERS

Rexel wishes to foster business relationships with clients, suppliers, service providers, intermediaries and partners who share Rexel's ethical and compliance commitments, notably regarding the prevention of corruption.

Rexel Employees are required to communicate Rexel's commitment to preventing corruption and its standards to Rexel's clients, suppliers, service providers, intermediaries and partners.

Rexel Employees are obliged to limit the use of intermediaries as far as possible. An

intermediary is a professional whose role is either to assist us or to represent us in the framework of our relations with our commercial partners (clients, suppliers) or with the public authorities.

Specific measures must be applied when selecting and working with intermediaries.

Special attention should be paid to any element or situation that may cast doubt on the integrity of the intermediary: these are alerts or 'Red Flags'.

These alerts, the identification of which must lead to an in-depth analysis of the intermediary, can be:

A poor reputation in the local business environment,

A lack of clarity in business relationships,

The real or apparent existence of conflicts of interest,

The existence of targeted and insistent recommendations made by a third party, etc.

Finally, and whatever the circumstances, payments to intermediaries must be made only:

If they are lawful,

If they comply with a contract, and

If they are made against delivery of a legal invoice.

— LOBBYING

By lobbying, Rexel means an activity of establishing and fostering a dialogue with regulatory authorities that might affect Rexel's business to explain and assert its position.

Normally, Rexel cannot employ a person occupying administrative or governmental functions to defend its interests.

Any recourse to lobbyists (and more generally any influential assignment entrusted to a third party) in the interest of Rexel shall require prior authorisation from the Compliance Officer.

Any lobbying activity on behalf of Rexel must comply with the following conditions:

Comply with national and international laws and regulations as well as regulations specific to the institutions targeted by the lobbying activities;

Be achieved in all transparency;

Be reasonable and proportional;

Not offer or give the public persons contacted presents, gifts or advantages of any kind;
Not generate conflicts of interest;
Be duly documented and the documentation to be kept in a satisfactory and lasting manner.

It is imperative that an Employee ask their Manager for permission to enter into discussions with representatives of public authorities, policy-makers, professional associations or any other public decision maker.

Furthermore, in the more specific context of the organisation of events, Rexel cannot invite public servants holding a position in a public or governmental institution to express themselves in return for remuneration.

Illustrative examples

— IS THIS A CASE OF CORRUPTION OR ANOTHER UNLAWFUL PRACTICE? HOW TO REACT

1 — I am opening a new Rexel agency in a fast-growing country and local authorities have asked for a small bonus to install our telephone lines. It appears to be commonplace in this country. Should I pay?

No. If the payment claimed does not correspond to a legitimate installation fee, you should not have to pay. It could be a facilitation payment. A legal alternative should be found, in some cases it may be desirable to approach the immediate superior of the administrative officer whose practices seem questionable.

2 — I am negotiating the introduction of new products with a new client. A consultant who works for this client contacts me to say that he can help me by providing me with confidential information concerning this client.

You must refuse this offer and inform your management. It will doubtless be necessary to alert your client that a third party is trying to negotiate confidential information about him.

3 — A salesperson of your team offers to give a gift to the purchasing manager of a client company to guarantee the renewal of a contract.

Your salesperson must be prohibited from offering a gift that does not fall within the rules set out in the applicable 'gifts and entertainment' procedure. The salesperson must be told that their gift could be interpreted as seeking to influence the purchaser's purchasing decisions and encourage them to take training in the risks of corruption.

4 — A supplier has just offered me products from his own brand. I don't think it is very expensive. Can I accept it?

You can accept if the gift does not affect your relationship with the supplier. You can accept inexpensive gifts or invitations. Products bearing a supplier logo, for example, are generally acceptable. If you have any doubt about the value of the product and how to deal with the object, you should seek advice from your Manager. If in doubt, never decide on your own.

5 — Can I give a Rexel client a ticket for a major rugby match that I cannot attend?

It would be appropriate if someone from Rexel could accompany the client. The same rule applies when a supplier invites a Rexel employee. An invitation must necessarily be appropriate, reasonable and in keeping in view of the professional activity and the inviting party must participate.

6 — As part of my activity at Rexel, I organise many events, exhibitions, etc. The hotel where I often book has offered me a weekend all paid for my parents. It's very kind of them. Can I accept it?

No. Even if I do not benefit directly from this proposal, I know that if I accept it, it will be more difficult for me to be impartial in our future relations. The mere appearance of a conflict of interest is unacceptable. This offer should be politely declined, stating the reasons for the refusal.

7 — We have just won a call for tender from a new client. My sales manager informs me that the client would like to celebrate the event in a strip club. Can I accept?

Invitations made by our partners, clients or suppliers must be reasonable and acceptable. An evening of this type is contrary to Rexel's values. You would need to find an alternative and strive to preserve Rexel's reputation at all times. In any case, cash should never be used for the 'entertainment' of our partners, clients, suppliers or employees.

8 — Rereading the expense notes, I think I have detected an error that strangely seems

to have been overlooked. I'm hesitant about speaking to my Manager, as I don't want to rub him up the wrong way. What should I do?

You must let your Manager know. By ignoring the discrepancy noted you are making a professional mistake and are not serving Rexel's long-term interests.

9 — A client would like to pay for their order from different accounts, using bank transfer, cheques and cash. Is this acceptable?

Special attention should be paid to such requests and transactions. These requests could conceal money laundering activity. These payments can only be accepted on an exceptional basis and with the approval of your Manager. Special attention should be paid to proposals for cash payments, and those made by a person not appearing on the contract or from accounts that are not customary in the established business relationship or where the bank account is in a different country from the contracting company. Where the bank account is not in the name of the contracting company, the payment must be refused.

10 — My spouse works with a competitor of Rexel. We do not talk about our professional activities, but I am afraid of a delicate situation. What should I do?

This situation could create the appearance of a conflict of interest. To protect yourself, you should talk to your Manager or human resources manager. You and your spouse must ensure that any professional, confidential or privileged information remains protected.

11 — I have found out that a friend of mine is working with a service provider. I do not see any conflict of interest because we never discuss our professional activities. Should I do something?

You must report this to your Manager. Regarding conflict of interest, even if apparent or potential the golden rule is to unveil it and reveal the situation in detail. This situation should have no impact on the choice of the provider, if it turns out that this is the one that best serves the interests of Rexel, nevertheless you may be asked not to participate in the choice of this supplier.

12 — In preparing a response to a public call for tender, additional costs were incurred to hire a consultant whose role was not clearly identified. I just realised that this person is of the same family as one of the members of the commission who will examine the answers to the call for tenders.

This situation is particularly sensitive and can be likened to insider influence. If the consultant has abused their influence with the decision-makers to try to get the contract, then this behaviour will be sanctioned in the same way as corruption.

Appendices

— GLOSSARY: FOR FURTHER INFORMATION

CORRUPTION

In general, corruption is the behaviour by which a person who holds a specific public or private function solicits or accepts, directly or indirectly, a gift, donation, promise or advantage of any kind, with a view to the performance or abstention of an act within their position or facilitated by it.

There is 'passive' corruption when the person in charge of such a function solicits or accepts such an advantage; there is 'active' corruption when a third party proposes or agrees to offer that advantage to the person holding the position concerned.

Active and passive corruption are two complementary but autonomous offences, both the 'corrupter' and the 'corrupted' can be punished; the facts of proposing or accepting an undue advantage are both sanctioned.

The acts of the corrupter and those of the corrupted may be prosecuted and judged separately, and the repression of the one is by no means subordinate to the sanction of the other. The same applies to active insider influence and passive insider influence.

INSIDER INFLUENCE

Insider influence is an offence close to corruption: it is also a question of obtaining the performance of an act by a public or private person.

Insider influence means offering, directly or indirectly, offers, promises, donations, gifts or advantages to a public official or a private person, in order to abuse their real or

supposed influence or to obtain a favourable decision from an authority or a public administration. Like corruption, insider influence is a criminal offence in France.

The notion of insider influence is close to that of corruption. The main difference lies in the fact that insider influence consists of giving an advantage to a person in order to abuse their influence with a public official in order to obtain the desired decision. Corruption, in turn, consists of giving an advantage (directly or indirectly) to a public official to induce them to perform or refrain from performing an act within their position.

PATRONAGE

Patronage is financial, or material support provided by a company or private individual to an action or activity of general interest (culture, research, humanitarian, etc.).

Patronage is generally distinguished from sponsorship or mentoring by the type of the actions supported and by the fact that there is normally no contractual publicity counterpart for the support of the patron.

The patron appears therefore relatively discreet around the event or the supported action, but on the other hand it can show its allegiance on its own communication media.

Patronage generally corresponds with objectives of image and communication / internal mobilisation.

In some countries patronage allows tax deductions, unlike sponsorship which is often considered as an advertising investment.

SPONSORSHIP

Sponsorship refers to financial or material support provided to an event or individual by an advertising partner [in exchange for various forms of visibility](#).

In addition to the various forms of visibility for advertising purposes, the sponsoring contract may provide for the participation of the sponsored individual in various corporate events.

The sponsor advertiser is seeking the visibility offered by the event, but also positive image transfers depending on the type of event and the values associated with it. It can also use its sponsoring action internally for the motivation and awareness raising of employees.

The best known and most visible form of sponsoring is sports sponsoring.

Sponsoring differs from patronage in its format and tax treatment.

LOBBYING

Lobbying is an activity that consists of establishing and fostering a dialogue with regulatory authorities that might affect Rexel's business in order to explain and assert its position.