

ANTI-CORRUPTION CODE OF CONDUCT

Annexed to the Internal Rules of Procedure



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A WORD FROM THE CHAIRMAN AND CEO - PIERRE-FRANCK CHEVET



The French law on transparency, the fight against corruption and the modernization of the economy, known as the “Sapin II law”, provides for the implementation of a program to tackle corruption, influence peddling and all related offenses. We have been committed to this objective since the law was published in 2016, gradually incorporating these considerations into our management processes. These measures are also an opportunity to further affirm our integrity and ethics in everything we do.

I firmly believe that anything that can standardize how an institution operates is likely to protect its members, which is why I wanted this anti-corruption code of conduct to be as instructive as possible. It presents the legal framework in which our activities are carried out and the situations that expose us to the risk of corruption, influence peddling or other offenses, such as favoritism, the illegal acquisition of interest and misappropriation of public funds.

It is our responsibility, collectively and individually, to adopt these rules in our day-to-day lives. As a state-owned industrial and commercial establishment (EPIC), involved in the local economy as well as in international business, we must ensure that our practices reflect the highest standards of integrity, responsibility and respect.

This code of conduct upholds our irreproachable conduct and reaffirms the trust of our partners on a daily basis. It guides each of us in the exercise of our responsibilities must be respected by all.

I expect you all to familiarize yourselves with this anti-corruption code of conduct, take ownership of it and follow its principles in your everyday practice. If you have any doubt about a situation that could lead to a potential violation of this code, your superiors and/or the internal auditing, risk and quality department are always on hand to advise you.

Finally, any person who becomes aware of a situation that is contrary to this anti-corruption code of conduct must not hesitate to sound the alert by reporting it to their superiors or by the means described in this code. Your disclosure will be treated confidentially and without fear of reprisal.

Together, we must set an example in terms of probity, in the interests of the community and for IFPEN’s reputation.

The Chairman and CEO

P.F. Chevet

INTRODUCTION

This Code of conduct has been drawn up in application of the provisions of French Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernization of the economy, known as the “Sapin II” law.

The purpose of this code is to define and illustrate the different types of behavior likely to characterize acts of corruption, influence peddling or any other related offense that are to be prohibited and to specify the precautionary measures to be implemented to prevent them from occurring.

Failure to comply with the law and in particular, the law prohibiting corruption and influence peddling, is particularly damaging to society as a whole and represents a major source of risk for the company (heavy fines, direct economic costs, criminal proceedings, reputation and exclusion from public contracts, loss of funding). Therefore, adherence to the rules set out in this code must be an absolute commitment and an individual responsibility.

Everyone must know, understand and apply the principles and recommendations of this code and participate in all the training programs that are provided.

This code applies to all staff and any breach of the principles set out will lead to disciplinary action, whether the breach is committed in France or abroad.

This code of conduct contains:

- Definitions of the various offenses with illustrations
- Risky situations and the best practices to be adopted
- Disciplinary measures
- The internal disclosure procedure

Nevertheless, this code cannot realistically address all the questions and issues that we may face in our business. For this reason, in all circumstances, we remind you that everyone must act with consideration, common sense and discernment and, if in doubt, seek advice from their superiors and/or the internal auditing, risk and quality department.

When an employee is confronted with actions that could be construed as corruption or influence peddling, they must not hesitate to raise the alert in accordance with the procedures described in part 4 of this document.

I - DEFINITION AND ILLUSTRATION OF PROHIBITED BEHAVIOR

The generic term “corruption” covers both outright corruption and influence peddling. Other offenses, uniquely applicable to public officials and often related to acts of corruption, are also prohibited and penalized. This section presents the definitions of all these offenses: corruption; influence peddling; illegal acquisition of interest; favoritism; misappropriation of public funds.

For the sake of completeness, this section will also include the concepts of money laundering and facilitation payments.

1. The concept of a public official

In the broadest sense, the concept of public official is taken to mean any person performing a public function. However, in this definition, three specific concepts should be distinguished:

- **Persons in charge of public authority:** they are invested, by delegation of public power, with a power of decision and constraint over individuals and objects, either temporarily or permanently (e.g. chief of police, police officer, member of the military, etc.);
- **Persons entrusted with a public service mission:** they are permanently or temporarily entrusted with exercising a function or performing acts that are intended to serve a public interest. We then use the term public official (e.g. prefecture officer, local authority official, city administrator, state-owned industrial and commercial establishment (EPIC), etc.);
- **Persons holding a public elective office:** these are members of the major national bodies such as the Senate or the National Assembly, as well as members of regional, departmental or communal assemblies. (e.g. member of the municipal council, mayor of a town, deputy, senator, etc.).

Therefore, the term public official is not linked to the civil servant status, but has a broader meaning.

IFPEN staff are all considered to be public officials.

| Exemple – Qui doit être considéré comme un agent public ? | |
|--|---|
| Agents publics | Employés d’une entreprise publique et autres parties à considérer comme des représentants publics |
| <ul style="list-style-type: none"> • Un cadre ou un employé d’un gouvernement étranger ou national, d’un organisme gouvernemental, d’une entité ou d’un service gouvernemental ; • Un représentant élu ou toute personne exerçant une fonction publique ou occupant un poste législatif, administratif ou judiciaire, qu’il ou elle soit nommé(e) ou élu(e). | <ul style="list-style-type: none"> • Un cadre ou un employé d’une entreprise publique ou d’une entreprise contrôlée par l’Etat (communément désignée sous le nom « d’entreprises publiques ») ; • Un cadre ou un employé d’une organisation internationale publique (Banque mondiale, ONU, Croix-rouge, FMI...) • Une personne privée ayant un mandat officiel d’action en faveur ou au nom d’un gouvernement, d’une entreprise publique, ou contrôlée par un gouvernement ; • Un représentant politique ou un employé d’un cabinet politique |

2. Corruption

Corruption¹ is defined as the act by which a person invested with a specific function, whether public or private, solicits or accepts anything of value in order to perform, delay or omit to perform an act that falls directly or indirectly within the scope of their functions.

Corruption can be passive² or active³, and the consideration can be monetary or non-monetary. In common parlance, corruption can be defined as the payment of “bribes”, i.e. the payment of anything of value outside the legal framework of a negotiation to obtain a deal or favor.

Corruption can also be direct, i.e. the briber and the bribe-taker are directly connected, or indirect, i.e. an intermediary is involved between the briber and the bribe-taker. In both cases, it is strictly forbidden and penalized.

Example 1: To be able to secure a contract with a customer, the latter asks you to employ one of their children at IFPEN. They tell you that failing this, your competitor will have a good chance of being awarded the contract.

- ⇒ If IFPEN were to agree to the customer's request, then IFPEN would be in a situation of **active corruption**. In other words, the customer is seeking something of value from you in exchange for obtaining the contract.

Example 2: IFPEN has issued a call for tenders and a potential supplier wants to invite you to a restaurant. They are seeking confidential information on the tenders made by their competitors so that they can adjust their own tender to match IFPEN's requirements.

- ⇒ The supplier approaches you in order to offer you a personal advantage in exchange for confidential information. IFPEN is then in a situation of **passive corruption**. Moreover, were they to agree to the proposal, IFPEN may be in violation of state procurement rules and would be accused of **favoritism**.

No IFPEN employee can engage in acts of corruption of any kind (public or private, passive or active). Such acts are liable to criminal prosecution and/or disciplinary action, whether or not independently, up to and including dismissal.

Criminal penalties incurred: Corruption is punishable by ten years' imprisonment and a fine of one million euros, which may be increased to twice the amount of the proceeds of the offense.

² Articles 432-11, 433-1 et seq., 445-1 of the French Criminal Code

³ Corruption is passive when a person takes advantage of their position to solicit or accept anything of value in order to perform or refrain from performing an act within the scope of said position.

3. Influence peddling

Influence peddling⁴ is a form of corruption in which a person promises, offers or solicits - directly or indirectly - money or anything of value to a third party, so that they use their real or supposed influence to obtain a favorable decision from a public authority or administration, whether domestic or foreign.

Influence peddling implies that there are three parties involved:

- **The beneficiary:** provides things of value and benefits from the public decision;
- **The intermediary:** uses the credit that they have because of their position;
- **The target person:** has the public decision-making authority.

There is a distinction between active influence peddling (as far as the beneficiary is concerned) and passive influence peddling (as far as the intermediary is concerned), which are also penalized.

The difference between corruption and influence peddling lies in the nature of the act to be committed in return: if the act falls within the prerogatives of the public decision-maker, it is corruption. On the other hand, if the act consists in using one's influence to make the public decision-maker take a decision, then it is influence peddling.

Example 1: When a call for tenders is in progress in a foreign country and IFPEN is a candidate, a member of the government comes to see you and tells you that they have the necessary influence to convince the decision-makers to award you the contract. The member offers to use their influence in exchange for IFPEN covering their travel expenses.

- ⇒ IFPEN finds itself in a situation of **active influence peddling**, where the government official solicits something of value in order to use their real or perceived influence.

Example 2: At a time when a law is due to be voted in parliament concerning a new tax on hydrocarbons, a leading company operating in the sector asks you, given IFPEN's influence and reputation, to approach public decision-makers to ensure that this law is not passed or that it is amended. The company in question suggests to you that it will be extremely grateful.

- ⇒ IFPEN finds itself in a situation of **passive influence peddling**. The person offers you something of value in exchange for your real or perceived influence.

No IFPEN employee may engage in active or passive influence peddling. Such acts are subject to disciplinary and/or criminal penalties.

Criminal penalties incurred: Influence peddling is punishable by up to ten years' imprisonment and a fine of 500,000 euros. The amount may be increased to twice the proceeds of the offense.

⁴ Active corruption is the act of anyone, at any time, directly or indirectly offering or giving a French or foreign public official or a private person anything of value to themselves or to another person, for them to perform or refrain from performing an act of their position.

4. Illegal acquisition of interest

Illegal acquisition of interest⁵ penalizes the act of a person holding public authority or invested with a public service mission or an elected official, acting for personal gain or for non-profit purposes, taking any interest whatsoever, directly or indirectly, in a matter for which they are responsible for supervising, administering or liquidating.

Participation or presence at a preparatory meeting, even without taking part in the decisions or discussions, is equivalent to supervision within the meaning of Article 432-12.

This offense continues after leaving office for a period of three years. In this case, the person is guilty of illegally acquiring an interest if they take or receive an interest by way of work, advice or capital in a private company over which they have, in the course of their previous duties, exercised supervision or control, or concluded contracts.

Example 1: During a financial investment decision, an employee participating in the discussions insists that IFPEN should invest in a particular startup. However, this employee is a shareholder of the startup.

- ⇒ You are in a situation of **illegal acquisition of interest**. The employee cannot participate in the decision to invest in an entity in which they have a financial interest. The employee must take a back seat, remove themselves from the decision-making process.

Example 2: When a decision is made to award a contract, an IFPEN employee insists that a specific company be selected. Although it is a company that fulfils the requirements, it also happens to be managed by the employee's spouse.

- ⇒ You are in a situation of **illegal acquisition of interest**. The employee cannot take part in the decision to award a contract if they have a financial interest or connection with one of the candidate companies.

No IFPEN employee can engage in illegal acquisition of interest. To avoid any such situation, we ask you, when the case arises, to declare any conflict of interest to your superiors and to withdraw.

Criminal penalties incurred: Illegal acquisition of interest is punishable by five years' imprisonment and a fine of 500,000 euros. The amount may be increased to twice the proceeds derived from the offense.

⁵ Articles 432-11 et seq., 433-1 and 435-10 of the French Criminal Code

5. Favoritism

Favoritism⁶ refers to the act of any person involved in the process of awarding a public procurement contract (public contracts, concessions or public service delegations) of granting, or attempting to grant, an unjustified advantage to a third party in violation of the provisions that guarantee freedom of access and equality in the award of such contracts or titles (through the award criteria) This offense extends to contracts being awarded without prior formalities, also involving contracts awarded below the compulsory competition thresholds.

It is not necessary for the person concerned to have gained personal benefit for the offense to be punishable. Furthermore, any person who is aware of the offense can be prosecuted as an accomplice.

Example 1: While IFPEN is preparing to issue a call for tenders, a supplier comes to see you. They invite you and your family to go with them to see the French football cup final at the Stade de France. In return, they would like you to add some criteria in the call for tenders to make sure they can secure it. You agree to include a criterion that gives this supplier an advantage.

⇒ This is an example of **favoritism**. It is prohibited to fix a call for tenders to accommodate a supplier.

Example 2: While IFPEN is preparing to issue a call for tenders because the amount exceeds the thresholds, a candidate comes to you and proposes to split the contract so that they can be selected without going through a call for tenders. In return, they offer you and your family an all-expenses-paid visit to their facilities in the south of France.

⇒ This an example of **favoritism coupled with passive corruption**.

No IFPEN employee can engage in acts of favoritism. In addition to being illegal, this practice is likely to undermine the competitiveness and quality of the required services.

Criminal penalties incurred: Favoritism is punishable by two years' imprisonment and a fine of 200,000 euros. The amount may be increased to twice the proceeds derived from the offense.

6. Misappropriation of public funds

Misappropriation of public funds⁷ refers to the act of a person who is a public official, a person entrusted with a public service mission or a person holding an elective public mandate, destroying, embezzling or removing a deed or title, public funds, effects or any other object that has been entrusted to them by virtue of their functions or mission. The offense exists whether it is deliberate or the result of negligence.

The mere awareness of misappropriation by the perpetrator is sufficient to prove complicity. It is not necessary for the person concerned to have gained personal benefit. The fact that the prejudice is repaired before or during the prosecution does not make it possible to avoid qualification of the offense.

⁶Art. 432-14 of the French Criminal Code

Example 1: You are approached by a candidate in the impending municipal election campaign. In order to reduce their campaign expenses, they would like IFPEN to make one of their employees available to help them. They promise that once they have been elected, they will owe you a “favor” as a token of thanks.

⇒ This constitutes a **misappropriation of public funds**. IFPEN’s funds, as well as human and material resources, must not be used to finance political activities.

Example 2: While the subsidies granted by the State are intended for scientific research into new energies, IFPEN employees use them to take customers and their families on business trips, with all expenses covered.

⇒ This constitutes a **misappropriation of public funds**. IFPEN’s funds must not be used to pay for trips for customers and their families.

No IFPEN employee can engage in practices involving the misappropriation of public funds. In addition to being illegal, these practices are likely to undermine IFPEN’s cash flow and reduce the budgets allocated to research, which is its main mission.

Criminal penalties incurred: Misappropriation of public funds is punishable by ten years’ imprisonment and a fine of one million euros. The amount may be increased to twice the proceeds derived from the offense.

7. Facilitation payments

Facilitation payment⁸ refers to the act of, directly or indirectly, unduly paying a public official for carrying out administrative formalities, which should be obtained through normal legal channels. It is intended to encourage public officials to perform their duties more quickly.

Facilitation payments are an offense under French law. Facilitation payments, regardless of their frequency or amount, in France or abroad, are subject to criminal prosecution for corruption.

We draw your attention to the fact that IFPEN prohibits facilitation payments (we would ask you to inform us of any such act whenever you become aware of one). One exception that is tolerated is a situation whereby you make a facilitation payment within the context of an imminent threat to your health or safety. If such a case occurs, you must directly inform your superiors as well as the IFPEN ethics officer.

⁸ Articles 432-15 and 432-16 of the French Criminal Code

Example 1: During a trip undertaken on behalf of the school to teach abroad, one of the lecturers is prevented from entering the country. To enter the country, a local police officer asks them to pay an unjustified sum of 50 euros in cash. Without this payment, they will have to wait several days for the situation to be resolved.

- ⇒ This is a **facilitation payment**. In this example, the lecturer's safety is not at risk. Therefore, they should refuse to make the payment and wait. By standing firm, the police officer will probably give up and let you enter.

Example 2: In the course of conducting business with a customer, the latter invites you to visit their facilities in a foreign country. However, when you land in the country, a local guard stops you and asks you to pay 300 euros in cash. He tells you that if you refuse, you will be placed in police custody for 48 hours because suspicious items were found in your suitcase.

- ⇒ This is a **facilitation payment**. However, there is an imminent threat to your safety in this situation. Therefore, you can agree to pay and report this incident as soon as possible.

Criminal penalties incurred: Facilitation payments are punishable in the same way as corruption, i.e. with ten years' imprisonment and a fine of one million euros.

8. Money laundering

Money laundering⁹ is the process of concealing the origin of money that has been acquired through illegal activity by reinjecting it into legal activities.

It is prohibited to facilitate, by any means, the false justification of the origin of the assets or income of the perpetrator of a crime or offense, as well as to assist in the investment, concealment or conversion of the direct or indirect proceeds of a crime or offense.

Example 1: A customer asks for your help. He would like to use your services. He offers to pay you more for some of your services. In exchange, he would like IFPEN to appoint his wife's company as a supplier for a substantial call for tenders. When you conduct your research as part of your assessment of the third party (due diligence), you also discover that there are negative press reports about their company that allege corruption involving them personally.

- ⇒ This is a potential **money laundering situation**. Agreeing to take on his wife's company as a supplier can also be considered as an act of **corruption**.

Criminal penalties incurred: Money laundering is punishable by five years' imprisonment and a fine of 375,000 euros.

⁹ Facilitation payments are included in articles 435-1 and 435-3 of the French Criminal Code

II – ILLUSTRATION OF RISKY SITUATIONS AND THE BEHAVIOR TO ADOPT

The risk analysis carried out during our risk mapping exercise has identified some of our activities as being susceptible to being diverted from their original purpose for corrupt purposes - or being perceived as such.

The purpose of this part is to illustrate the risky situations that can result from our activities and to inform you of the behavior to adopt in order to address them. The following points will be discussed here:

- Gifts, business meals and other freebies;
- Political activities, donations and sponsorships;
- Prevention of conflict of interest situations;
- Relations with officials and intermediaries;
- Transparency between interest representatives and public authorities;
- Prevention of money laundering situations.

This anti-corruption code of conduct describes the most common activities, which although not prohibited, can be misused and therefore, pose a risk of corruption. It provides guidance on how to identify these often hybrid situations and how to react to prevent and stop the potential problem immediately. The situations described below are not exhaustive, so if you have any doubts or questions, please contact your superiors or the Internal Auditing, Risk and Quality Department.

1. Gifts and invitations

In the course of our work, we are required to maintain relations with companies and with French or foreign public administrations. Giving and receiving gifts and invitations is merely a sign of courtesy and contributes to cordial relations. Although gifts and invitations are not illegal, IFPEN has drawn up strict rules, in order to avoid any appearance or perception of an act of active or passive corruption.

Consequently, all gifts and invitations must be strictly related to your work, fall within the thresholds established in this anti-corruption code of conduct, be consistent with IFPEN's values and must never be given with a view to influencing a decision or obtaining an undue advantage. As soon as they could be considered as corruption or a form of influence peddling, gifts or invitations are strictly prohibited. For an in-depth understanding, the rules to be followed are set out below.

Business gifts: They refer to any item of value, object, entertainment or service that benefits the recipient personally. It may involve giving a material object (a box of chocolates, a bottle of wine, a watch, a pen, a book, etc.) or paying for an expense on behalf of the recipient (personal travelling expenses, tickets to shows or sporting events, expense accounts, other expenses of any kind).

- **Offering:** The threshold tolerated for business gifts offered by IFPEN employees is limited to 70 euros (including tax) per recipient and per year. If the amount exceeds 70 euros (including VAT) per year, it must be authorized in **advance and in writing** by the direct supervisor.
- **Receiving:** The tolerated threshold for a received gift is 70 euros (including VAT) per person per year. Any received gift that exceeds this threshold must be reported in writing to your superiors within 10 days of receipt. This person will decide what to do with the gift (accept it/return it/qualify it as a formal gift, etc.).

Promotional gifts: These are goods with a low individual value that bear the identity of IFPEN or the third party that offers it. They are usually referred to as “goodies”, such as, for example, pens, mouse pads, keyrings, etc.

- **Exception:** These goods generally have no market value. They can be received or offered freely. However, we would like to draw your attention to the fact that these objects must be of low individual value and specifically designed for advertising purposes. If their value reaches the thresholds applicable to the business gifts above, they are then considered as such and fall within the framework of the relevant procedure.

Formal gifts: These are gifts that are generally exchanged between public authorities. Of symbolic value and scope, they are offered by IFPEN or the third party in honor of the recipient. In this case, the threshold does not apply.

- **Offering:** Within IFPEN, only the General Management and the International Relations Divisions are authorized to offer formal gifts. They keep a record of them.
- **Receiving:** Formal gifts received are the property of IFPEN and must be handed in to General Management within 10 days of receipt of the gift. They are recorded in a register.

Business meals: These are meals in restaurants, refreshments, etc. linked to discussions or professional events attended by an IFPEN employee in the company of a third party.

- **Inviting:** It is recommended to invite your contacts preferably to the company's club restaurants and if this is not possible, to choose a restaurant of an equivalent standard. In all cases, invitations to a business meal outside IFPEN sites comply with the rates published for meals in the mission regulations. If the rates are exceeded, **prior written authorization** from the director of the entity concerned is required. If more than two invitations are extended to the same person within a one-year period, **prior written authorization** from the director of the entity is also required.
- **Being invited:** An employee may accept an invitation to a business meal up to a limit of 70 euros (including tax) per guest. Above this threshold, **prior written authorization** from the director of the entity is required. If more than two invitations are extended by the same contact within a one-year period, **prior written authorization** from the director of the entity is also required.

Invitations to events including entertainment: These are any public or private relations operation aimed at inviting the recipient to enjoy an occasion or an event that is solely or partially business related. Work-related events may include some form of entertainment or festive elements to which all employees and third parties are invited: buffet, cultural demonstration, a conference location hosted in a fun/recreational setting (museum, golf course, amusement park, etc.). These events then become (or may appear to be) partially work-related.

Non-work-related invitations are considered to be business gifts and must comply with the relevant rules.

- **Inviting:** It is authorized to invite professional contacts to events organized by IFPEN, the individual value of which is limited to 70 euros (including VAT) per year and per recipient. If the rates are exceeded, **prior written authorization** from the director of the entity concerned is required. If more than two invitations are extended to the same person within a one-year period, **prior written authorization** from the director of the entity is also required. It is **strictly forbidden** to purchase tickets and/or seats for these events for family members or close friends or relations of the third party.
- **Being invited:** It is **strictly forbidden** for IFPEN employees to accept invitations that are not related to the exercise of their mission. These invitations must be primarily for professional activities. The threshold is also 70 euros including VAT for the invitations that can be accepted. If the rates are exceeded, **prior written authorization** from the director of the entity concerned is required. If more than two invitations are extended by the same contact within a one-year period, **prior written authorization** from the director of the entity is also required. It is **strictly forbidden** to accept such an invitation for a family member or a close friend or relative.

Trips and travelling: These cover all travel, transport (planes, trains, taxis or chauffeur-driven passenger vehicles) and accommodation costs (hotels, bed and breakfast, etc.). It may relate to costs associated with visiting a service provider's facilities, or hosting a speaker for an IFPEN event or for a presentation at the school.

- **Inviting:** The payment by IFPEN of travel expenses must be **authorized in writing in advance** by the direct supervisor. The expenses incurred must comply with the "mission regulations" applicable to IFPEN personnel.
- **Being invited:** It is forbidden to have travel expenses paid for by a third party, except with the **prior written approval** of the direct supervisor.

Freebies: These cover all services granted to employees on a personal basis, such as financial loans, undertaking work free of charge, lending equipment or premises free of charge, hiring a close friend or relative, etc.

- **Giving or receiving:** It is **strictly forbidden** for employees to accept any freebies from a third party or to give them on behalf of IFPEN.

Please note that these rules do not apply during a tendering period. Indeed, it is strictly forbidden for all IFPEN staff to offer or receive gifts or invitations during tendering periods. The tendering period is understood to include the preparation period prior to publication and extends for a few weeks after the contract is awarded.

We would also like to draw your attention to the fact that the recipients must be identified and that all receipts related to gifts, invitations, business meals and trips, whether they are offered or received, must be kept to guarantee the utmost transparency on our practices in this area.

Measures to be implemented:

- Before accepting a gift, check that it complies with the acceptance criteria and that it does not give the impression of being indebted.
- If in doubt, seek the advice of the direct supervisor
- Never offer or accept a gift in cash or cash equivalent (for example, gift voucher or coupon)
- Do not offer/receive gifts to/from a potential customer/supplier's representative during a tendering process
- Gifts must not be repeated
- The invitation must not include the guest's spouse or family members
- Invitations or gifts contrary to public morality are strictly forbidden;
- Ask the contact about the customer's policy on invitations or gifts
- Do not use intermediaries to offer or accept bribes indirectly (this practice does not diminish individual responsibility and the seriousness of the act committed)
- Refuse to give or receive any personal benefit, whether financial or otherwise

Example 1: At the end of the year, a supplier who has been working with you for more than ten years offers you a bottle of champagne to thank you for your trust. However, this supplier is also a candidate for a government contract for which you have just launched a call for tenders.

- ⇒ You must not accept gifts from a supplier during a tendering period. This could be seen as corruption. Even if the gift has been refused, you must declare the situation to the ethics officer.

Example 2: To discuss your business relationship with a customer, you want to invite them to a restaurant. However, you realize that the price of the menus exceeds the allowed threshold.

- ⇒ You must obtain prior approval from your superiors. Without it, you are not allowed to invite this third party to this restaurant. Choose an alternative.

2. Political activities, donations and sponsorships

The financing of political activities refers to donations or gifts to parties, political or trade union organizations, political party officials, elected representatives or candidates for political or public office. This may concern directly financing a party or candidate, providing premises for campaign meetings, reimbursing travel expenses related to a political campaign, or carrying out activities during working hours for the direct benefit of a political party.

In all circumstances, IFPEN maintains strict political neutrality and prohibits any financing of political candidates, elected representatives or political parties.

Patronage or charitable donations refer to financial, expertise or material support provided without seeking direct economic compensation, given to an organization engaged in a non-profit activity in order to promote an activity of general interest (art, culture, science, humanitarian and social projects, research and development, etc.). Unlike sponsorship, there is no effective advertising in return, even if the donating party may appear discreetly on the promotional media of the event in question or display their support on their own specific promotional media.

Sponsorship is a promotional technique that involves the sponsor making a financial and/or material contribution to a social, cultural or sporting event for the purpose of obtaining a direct benefit in terms of image and reputation. The sponsor's contribution represents a promotional expense with clear commercial and media intent behind it.

Given the potential risks inherent in donations, patronage and sponsorship, any such action must be formally approved by the director concerned for donations and be requested using the **form** available on Prisme (scientific management section) for sponsorship.

Example 1: As the campaigns for the municipal elections approach, a candidate without political affiliation is running for mayor of Rueil-Malmaison. The candidate asks you for a financial contribution to support their campaign. In exchange for this financial backing, they promise to support IFPEN, namely by promising to authorize your building extension project.

⇒ You must refuse. IFPEN prohibits all political activity and consequently, all campaign financing.

Example 2: For the next Vendée Globe yacht race, a skipper approaches you to ask for financial support from IFPEN to build a boat that will run 100% on renewable energies. He asks you for 100,000 euros and indicates that your name will appear on the hull of the boat.

⇒ This is sponsorship. An application must be made via the “sponsorship application” form available on Prisme.

3. Prevention of conflict of interest situations

As IFPEN employees, we must all act with integrity and impartiality on a daily basis. We must act solely in the interest of IFPEN and exclude any personal interest, whether direct or indirect. We must stop any actual or potential conflict immediately by reporting it and withdrawing from any situation or decision where such a conflict exists.

A conflict of interest consists of any situation involving interference between an IFPEN interest and public or private interests liable to influence or appear to influence the independent, impartial and objective exercise of a function. It may result from economic interests, political or national affinities, family or sentimental ties or any other common interest or relationship.

It should be noted that a **conflict of interest is not an offense** but a situation that could lead to certain offenses being identified, in particular illegal acquisition of interest or favoritism. As this notion is complex, everyone must be particularly vigilant and speak to their superiors in case of doubt.

The following are examples of situations that may be considered at risk:

- An IFPEN employee or one of their close friends or relatives has family ties to an IFPEN customer, partner or supplier;

- An employee has some influence on the recruitment, job evaluation or pay of a close friend or relative;
- An employee or one of their close friends or relatives has made financial investments in the capital of an IFPEN customer, supplier or subcontractor.

If you encounter a situation involving a conflict of interest, either potential or confirmed, we ask you to report it immediately to your superiors. All statements made must be traced by the superiors and be available on request. [A form is available on Prisme in the “Anti-corruption” section.](#)

Example 1: An employee needs research materials as part of their daily work. Several companies offer the material required. The employee wishes to sign a contract with one of them, but the company in question is owned by his wife.

- ⇒ Here, there is a financial conflict of interest that may be qualified as favoritism. This conflict must be reported to the direct superior and the employee must not be involved in the selection process. He must withdraw from the decision-making process.

Example 2: At a meeting at IFPEN, the decision was made to invest in a start-up working in the renewable energies sector. One of the companies selected is run by the brother of one of the employees with decision-making powers.

- ⇒ The employee must declare the family-related conflict of interest and cannot participate in this decision. This conflict may amount to the illegal acquisition of interest.

4. [Relations with third parties](#)

[Salespeople and other intermediaries](#)

In accordance with standard industry practice, we use commercial intermediaries, known as “officials” or “agents”, to help us market our services and technologies in markets in which we are not established, where we lack commercial resources or where local language, culture or legislation so requires.

This practice is legal but requires greater vigilance. We must ensure that the selected intermediary shares our values regarding ethics, integrity and business practices. We must also ensure that agents’ fees are consistent with industry practices and reward a genuine and demonstrable activity.

Consequently, IFPEN has introduced strict procedures to justify the use of intermediaries, to evaluate them (due diligence) and to select them. The forms and procedures are available on Prisme on the “Anti-corruption” page.

[Service and consultancy service providers](#)

When we work with suppliers and subcontractors providing consultancy services, the substantiality of the services rendered may be more difficult to demonstrate. Therefore, the expected services and deliverables must be described in detail in the supplier's contract and/or purchase order, in full compliance with applicable laws.

Example 1: IFPEN is seeking to expand its business in China, and local legislation requires that an official of Chinese nationality be involved in the transaction. Therefore, IFPEN decides to hire a local official to conduct the negotiations. The official tells you that in order to close the deal, they will have to pay a sum of money to a policy maker. This is the only way to conclude this contract.

- ⇒ Using officials is permitted, but it must not be a means to engage in acts of corruption. This is a situation of indirect corruption and is strictly prohibited. You must inform your superior immediately about the situation and not proceed with the negotiations.

Example 2: When negotiating a contract in Mexico, an official tells you that they can use their influence in your favor. They ask you to purchase intellectual services to “understand local culture” amounting to 100,000 euros.

- ⇒ The amount is significant and the nature of the service unusual. Therefore, you need to make sure that the service and expected deliverables are defined in detail, that the value corresponds to the amount spent and that the money is not used for corrupt purposes.

5. Transparency with interest representatives and public authorities

Lobbying, or interest representation, refers to any direct or indirect communication with public officials to influence a public decision. It can be carried out by independent consultants, a trade union, a public relations agency, a lawyer, etc.

IFPEN frequently engages in relations and dialog with national, regional and local institutional players (members of government, members of parliament, central administration), particularly when it comes to defending its public service grant (SCSP), or on scientific and technical matters of interest to the public authorities. IFPEN can also call upon a specialized firm to support it in this mission.

IFPEN’s actions are not aimed at influencing laws in its fields of activity, but simply at sharing its scientific and technical expertise, as well as its energy vision, with the public authorities.

Furthermore, IFPEN has registered on the digital directory of interest representatives, published on the website of the French High Authority for Transparency in Public Life (HATVP) by forwarding the identification documents. This declaration of interest representation activities is made annually.

Example 1: As the time to vote on the IFPEN grant comes around, a Member of Parliament comes to you and asks you to give him an all-expenses-paid trip for him and his wife on your next mission to Brazil, in exchange for his vote and that of his peers.

- ⇒ It is strictly forbidden to offer such a gift, especially in view of the aim to make money from voting in a specific way. This is an example of active corruption and active influence peddling.

Example 2: As a law that would undermine IFPEN's current business is due to be voted on, a public relations firm offers to work on your behalf to convince MPs to change their vote. In exchange, the firm says an invoice amounting to 50,000 euros will be submitted.

- ⇒ It is necessary in this case to detail the exact nature of the expected service and deliverables. Every meeting between the public relations firm and MPs must be recorded in a transparent manner and the list provided to IFPEN. In addition, you must ensure that the funds paid are in return for the work done and therefore not intended to bribe MPs.

6. Prevention of money laundering situations

Money laundering situations can be detected either by making careful enquiries, before signing any contract/order, as to the origin of funds we may receive, or by checking the legitimacy of the destination of payments we may make.

If there is any doubt, you must contact the finance division, which can carry out in-depth checks.

It should be noted that some countries are subject to international sanctions prohibiting all financial transactions or severely limiting their scope.

Some of the measures to be implemented are given below:

- Contact the financial division if you have any doubt about the origin of the funds to be received or the legitimacy of the destination of the payments to be made;
- Do not agree to a commission or any other type of payment being made in a third country or to a name other than the actual recipient, as contractually defined.

Example 1: A customer asks for your help. He would like to use IFPEN's services. He offers to pay more for some services. In exchange, he would like IFPEN to appoint his wife's company as a supplier for a substantial call for tenders. When you conduct your research as part of the due diligence process, you also discover that there are negative reports about the company, alleging corruption, notably involving them personally.

- ⇒ This is a potential money laundering situation. Agreeing to take on the wife's company as a supplier may be qualified as corruption or favoritism.

III - DISCIPLINARY PENALTIES INCURRED

Failure to comply with the principles set out in this anti-corruption code of conduct may result in disciplinary action up to and including dismissal for misconduct. All the penalties incurred are stated in IFPEN's [internal rules of procedure](#).

1. Scale of penalties

Any breach of the provisions of these internal rules of procedure may lead to one of the following penalties, ranked in order of importance :

- Written warning
- Suspension from work for a period of one to three days
- Transfer imposed by the employer
- Dismissal for simple misconduct
- Dismissal for serious misconduct
- Dismissal for gross misconduct

Depending on the facts and circumstances, the potential penalty may not necessarily follow the order of this list. IFP Energies nouvelles adapts the penalty to the seriousness of the offense.

According to article L 1332-1 of the French Labor Code: *“no penalty, except for a warning, may be imposed on an employee without the latter being informed at the same time and in writing of the grievances against them”*.

The rights of the defense are also laid down in the [internal rules of procedure](#) .

2. [Criminal penalties incurred](#)

In addition to the disciplinary actions that may be taken by IFPEN, the employee may be exposed to criminal proceedings. The penalties imposed are listed under each of the aforementioned offenses in the first part of this anti-corruption code of conduct.

IV - INTERNAL ALERT PROCEDURE

Any person who witnesses an attempt or an act of corruption or influence peddling or who is aware, by any means, of a practice that is contrary to the principles laid down by the present Code can raise the alert following the procedure applicable within IFPEN.

This system is part of our obligation to have an internal alert mechanism with regard to French Law No. 2016-1691 on transparency, the fight against corruption and the modernization of economic life, reinforced by French Law No. 2022-401 of 21 March 2022 aimed at improving the protection of whistleblowers.

1. [What is a whistleblower?](#)

A whistleblower is a natural person who reports or discloses, without direct financial compensation and in good faith, information relating to a crime, or misdemeanor, a threat or harm to the general interest, a violation or an attempt to conceal a violation of an international commitment duly ratified or approved by France, of a unilateral act of an international organization taken on the basis of such a commitment, of the European Union legislation, or of a law or regulation.

It is not necessary for the whistleblower to have personal knowledge of the information if it has been obtained within the context of their professional activities and it relates to acts that have occurred or are highly likely to occur in their organization or company. The whistleblower can report this information internally without risk of personal reprisals, particularly if they believe that it is possible to effectively remedy the breach by doing so.

When the information has not been obtained within the context of their professional activities, the whistleblower must have had personal knowledge of it.

2. Characteristics of the mechanism

1. It is optional: there is no obligation for the persons concerned to use this legal mechanism. Any potential user is free to decide whether or not to use this option. This option is available to them when they consider that this is the most appropriate way to report a breach of the anti-corruption code of conduct or an act that undermines scientific integrity, public health or the environment. It is important to use it when the consequences for public interest (public health/environment), IFPEN or for one or more individuals would be harmful.
2. It is limited to a number of situations and domains:
 - Corruption and influence peddling
 - Abuse of power
 - Conflicts of interest
 - Anti-competitive practices
 - Accounting and financial fraud and illegal use of public funds
 - Internal or external fraud (theft, deception, breach of trust, etc.)
 - Practices in breach of public procurement rules;
 - Prevention of money laundering and terrorist financing
 - Practices that undermine scientific integrity (scientific fraud, questionable data practices, etc.)
 - Practices that harm public health or the environment

Acts, information and documents, the revelation or disclosure of which is prohibited by provisions relating to national security, medical secrecy, the secrecy of judicial deliberations, the secrecy of judicial inquiries or investigations or solicitor-client privileges are excluded from this alert mechanism.

3. Its territorial scope is unlimited.
4. It is overseen by the French Data Protection Authority (CNIL).

3. Who can use this alert mechanism?

The option to use the internal alert mechanism or external alert mechanism is available to:

- Members of personnel, people whose employment relationship has ended, when the information has been obtained within the context of this relationship, and people who have applied for a post, when the information has been obtained during the application process;
- Members of the administrative, management or supervisory body;
- External and occasional employees;
- Joint contractors and their subcontractors or, where legal entities are concerned, members of the administrative, management or supervisory body of these joint contractors and subcontractors, as well as members of their personnel.

In practice, alerts that are termed “anonymous” are not taken into account due to the risk of not being able to process them for want of information.

4. [The recipient of the alert \(to whom?\)](#)

The employee alerts the designated officer. By virtue of their position, this person has the competence, authority, discretion and resources required to carry out their mission.

For ethical alerts, the whistleblower fills in the “anti-corruption law” form available on Prisme, and sends it to the ethics officer via the e-mail address alerte@ethique.ifpen.fr.

For scientific integrity alerts, the whistleblower fills in the form available on Prisme, and sends it to the scientific integrity officer via the e-mail address alerte.integrite.scientifique@ifpen.fr.

For alerts concerning public health or the environment, the employee contacts the site’s HSE manager, who fills out the register in person.

| Officer’s name | Field of action | Means of contact |
|----------------|---------------------------|---|
| S. Masson | Ethics (anti-corruption) | Form available on Prisme |
| E. Merlen | Scientific integrity | Form available on Prisme |
| R. Masson | Public health/environment | Registers available at the HSE department |

5. [Public alert](#)

IFPEN has set up the tools and organization required to receive and handle alerts with a view to managing them and following them up.

However, all IFPEN employees can send an external report, either having already done so internally, or directly to the competent authorities, the *Défenseur des droits* (Human Rights Defender), judicial authority or to the relevant institutions, bodies or agencies of the European Union.

All IFPEN employees can make a public disclosure:

- If IFPEN or the external authority fails to follow up on an alert within a reasonable period of time,
- Or if there is a risk of reprisals or if the alert has no chance of success,
- Or if there is a risk of “*serious and imminent danger*”, or for information obtained in a professional context or if there is an “*imminent and manifest danger for the general interest*”.

6. [Information provided by the originator of the alert \(on what?\)](#)

This form/record may be supplemented by information, facts or documents (e.g. letters, e-mails, text messages, accounting or financial documents, contracts, invoices, reports, written testimonies, certificates, etc.) in any form or medium capable of corroborating the alert, whenever the whistleblower has such items. They must be clear, concise and complete. No value judgments or subjective comments on people’s behavior will be taken into account.

Acts, information and documents, the revelation or disclosure of which is prohibited by provisions relating to national security, medical secrecy, the secrecy of judicial deliberations, the secrecy of judicial inquiries or investigations or solicitor-client privileges are excluded from this alert mechanism defined by the law.

The recipient of the alert must immediately acknowledge receipt of the alert by any means within 7 days. The recipient has 1 month to provide the whistleblower with feedback. The ethics officer calls the person concerned to an initial interview to be questioned on the circumstances and facts that they are reporting and to provide any additional information. The whistleblower will receive a report of the interview. Alerts concerning scientific integrity are handled in accordance with a detailed and appropriate procedure available on Prisme on the dedicated “scientific integrity” page.

7. [Obligations inherent in the procedure \(how?\)](#)

Alerts will be rigorously examined, with due regard for the principle of impartiality and the rights of the defense. This procedure consists in assessing the seriousness of the facts reported, gathering information and elaborating on the details of the factual evidence provided. An internal investigation may be necessary. It enables the real nature of the reported situations to be verified, the breached rule to be ascertained, the wrongful nature of the accusations to be evaluated and the seriousness of their consequences to be assessed.

The officer may ask the whistleblower to provide additional information. When the relevance of the alert is ascertained, the officer carries out an analysis (interview, data research, etc.), or arranges for a competent external company to do so, in particular by contacting the appropriate persons in order to obtain relevant information and appropriate data or information.

The whistleblower will be informed of the discontinuation of investigations concerning the alert and the reasons for this decision or, on the contrary, of the continuation of the investigations.

8. [Whistleblower protection](#)

This paragraph does not apply to alerts concerning scientific integrity for which these aspects are described in the procedure dedicated to it.

- 1) Civil and penal protection: People who have publically reported or disclosed information within the terms of provisions set out in the law are not civilly responsible for the damage caused by its reporting or disclosure when they had genuine reason to believe that it was necessary in order to safeguard the interests in question. They are also exempt from criminal liability when the alert has breached a secret protected by law, if the disclosure was necessary and proportionate to protect the interests at stake and made in compliance with alert procedures. This protection is broadened to ensure there is no criminal liability in the event of removing, revealing or concealing information that is protected by law or confidential.

- 2) A guarantee of confidentiality regarding identity: The officer and all people who become aware of the alert are bound by the following obligations: no information that would enable the originator of the alert to be identified can be disclosed (except to the judicial authority with the whistleblower’s agreement). Similarly, no information that could identify the person concerned can be disclosed (except to the judicial authority once the validity of the alert has been established). They may exercise their rights under the Data Protection Act. In all circumstances, the whistleblower must refrain from revealing the nature of the alleged facts and the identity of the natural or legal persons concerned, to other persons (other than those called upon to know about the alert), except in the event that such revelations are required by a police authority, a court, an administrative authority or the Human Rights Defender.

- 3) A guarantee of disclosure of findings concerning the alert: The whistleblower may ask the officer to disclose the findings related to the alert. Where no action is taken on the alert, the originator of the alert and the persons concerned are informed. In this case, all documents and information, regardless of their medium, will be destroyed within a period that cannot exceed 2 months from the closure of the alert. Only the form is kept. If an alert gives rise to disciplinary or legal proceedings, the documents and information will be kept until the end of the proceedings and then destroyed in accordance with the same procedure as above.
- 4) Protection against possible reprisals: A whistleblower who issues an alert using IFPEN's mechanism can in no way be subject to reprisals related to their alert, and particularly:
- Suspension, dismissal or equivalent measures.
 - A demotion or refused promotion.
 - A transfer of functions, change of work place, reduction in salary or change in working hours.
 - Suspension of training.
 - A negative performance assessment or certificate or employment.
 - Imposed or administered disciplinary measures, reprimands or any other penalty, including financial penalty.
 - Measures involving coercion, intimidation, bullying or ostracism.
 - Discriminatory measures, involving disadvantageous or unfair treatment.
 - Refusal to convert a fixed-term contract into a permanent contract, when the employee could legitimately expect to be offered a permanent position.
 - The non-renewal or premature termination of a fixed-term contract or a temporary contract.
 - A prejudice, including damage to personal reputation or financial losses, including loss of job and loss of income.
 - Blacklisting on the basis of a formal or informal agreement on a sector or industry level, whereby the person may find it impossible to find employment in that sector or industry.
 - Premature termination or cancellation of a contract for goods and services.
 - License or permit revocation.
 - Improper referral to psychiatric or medical treatment.

The whistleblower or Human Rights Defender on behalf of the whistleblower can request psychological and financial support from the competent authorities. The judge may grant legal assistance to the whistleblower who is appealing against reprisal measures. The judge can also grant additional assistance if the whistleblower's circumstances have deteriorated significantly.

- 5) Broader protection for the entourage of whistleblowers:

Protection is granted to:

- Facilitators, natural persons and non-profit legal entities who assist the whistleblower in reporting or disclosing.
- Natural persons associated with the whistleblower who risk reprisals within the context of their professional activities on the part of their employer, their customer or recipient of their services.
- Legal entities controlled by the whistleblower for which they work or with which they are associated in a professional context.

These persons shall not be subject to reprisal measures, threats or attempts to resort to such measures. They are not civilly liable for the damage caused by reporting or disclosing information when they had genuine reason to believe when doing so that it was necessary to make public all of this information in order to safeguard the interests in question. They are exempt from criminal responsibility according to the terms set out in Article 122-9 of the French Criminal Code.

Any direct discriminatory measure or any retaliatory measure following the exercise of the right to alert by an employee is null and void and exposes the perpetrator to penalties.

9. Penalties incurred

Any person who has committed acts in breach of the principles of the anti-corruption code of conduct, the French national charter for research integrity or contrary to public interest (public health and the environment) is liable to disciplinary and/or legal penalties.

Similarly, using the alert mechanism in bad faith (intention to harm or intentionally provide false information) exposes the originator to disciplinary penalties as well as legal proceedings for slanderous denunciation.

Finally, any person who obstructs in any way the communication of an alert to the persons and bodies responsible for following up the request is liable to up to one year of imprisonment and a fine of 15,000 euros.

V - CODE OF CONDUCT DISCLOSURE AND REVIEW PROCEDURE

IFPEN's anti-corruption [code of conduct](#) is available on Prisme.

It came into force on 5 August 2018 and may be updated by decision of the Sapin 2 Committee, which assesses its appropriateness annually and as often as necessary when events occur that may require it to be amended.

| Version number | Purpose of the revision | Application date |
|----------------|--|------------------|
| V1 | Creation | 5 August 2018 |
| V2 | Additions, definitions and examples inserted to respond to risk mapping (action plan following the 2019 internal audit) | 1 May 2021 |
| V3 | Revision of part 4 relating to the whistleblower mechanism to incorporate provisions set out in French Law Number 2022-401 of 21 March 2022 aimed at protecting whistleblowers. Various minor formulation updates. | 9 November 2022 |