



FIGHTING CORRUPTION INTERNAL MANUAL

INTEGRITY - TRANSPARENCY - COMPLIANCE - HONESTY

CONT-

03 | **MESSAGE FROM
THE CHIEF EXECUTIVE OFFICER**

04 | **GENERAL PRINCIPLES**

05 | **MESSAGES FROM GROUP GENERAL COUNSEL
& CHIEF HUMAN RESOURCES OFFICER**

06 | **BUSINESS ETHICS**

07 | **2018 ACHIEVEMENTS**

08 | **BUSINESS RELATIONSHIPS**

09 | **CORRUPTION IN THE WORLD**

11 | **WHAT SGD PHARMA
EXPECTS FROM YOU**

12 | SGD Pharma Compliance Program

13 | Whistle-blowing system: how does it work ?

14 | Whistle-blowing procedure

15 | **IMPLEMENTATIONS**

Employees

Manager responsibility

Awareness and training

Consequences of violations

of SGD Pharma policies and procedures

16 | **KEY REFERENCE DOCUMENTS**

-ENTS

Message from the Chief Executive Officer



At the heart of SGD Pharma strategy to become a global leader in glass pharmaceutical packaging, is the commitment to develop our business, in an ever increasing breadth of relationships outside of our domestic countries.

This growth entails new challenges and responsibilities, which requires SGD Pharma to operate at the highest standards in how we conduct our business worldwide.

A collective behavior of honesty, integrity and fairness starts with the individual conduct of each of us.

The Fighting Corruption Internal Manual sets out the ethical principles I expect all of us to follow, regardless of location or role.

The Manual is implemented through policies and procedures.

The Manual should help us all determine how to act if we are ever in doubt. It cannot describe every situation and what action to take. However, we are all responsible for our actions. Consequently, I do invite you to read this document carefully and use it as a guide in your daily work.

If you do come across anything which you are not sure about because it seems wrong or you need advice, do not hesitate to speak up without fear of reprisal.

Our reputation and future business success depend on each of us conducting our business and actions in a responsible way.

The Fighting Corruption Internal Manual is a tool to meet this goal and sets forth the behaviors expected of each of us.

I rely on you to use it.

Ch. New L

General Principles

Compliance with laws and regulations

Our reputation is based on integrity and the respect of laws and regulations – both in our domestic countries and in export countries where we operate. It is our personal responsibility to know the laws, regulations and requirements relating to our job.

Any breach of these laws may lead to civil and criminal prosecution.

Activities which could involve the company in unlawful practices are prohibited.

Commitment to integrity

The Fighting Corruption Internal Manual is a stone of our Business Ethics programme. Its purpose is to define principles helping each of us to uphold our commitment to integrity in our daily work.

It is our personal responsibility to apply this principles at all times.

No performance objectives should be imposed or accepted if they can only be achieved by compromising our ethical standards.

Seeking guidance and reporting concerns

It is impossible to cover every situation that we may face within our everyday role.

We may find ourselves faced with a dilemma that we are not sure how to resolve.

There are a number of ways that we can seek advice and support.

We can contact our immediate manager, someone else in our management structure, our Human Resources department, or our Legal department.

In addition, if after having received the necessary advice and/or clarifications mentioned above you have any reason to believe that an improper conduct has occurred, you are encouraged to report your concerns by using the hotline*, sending an email to report@expolink.co.uk or to connect on the web portal at :

<https://wrs.expolink.co.uk/sgd-pharma>

Alerts forwarded by the line manager, the representative of the Legal Department of the Group Legal Director, the representative of the Human Resources Department or the Group Human Resources Director, or by the service provider, will undergo data processing authorised by the French data protection agency, CNIL.

We must not let any concerns go unresolved.

No reprisal will be tolerated against employees making such a report in good faith.

*The whistle-blowing hotline number is:

France : 0800 900240

India : 000 800 440 1286

China : 10800 152 2112

Germany : 0800 182 3246

Messages

from Group General Counsel & Chief Human Resources Officer

Dear all,

At SGD Pharma, compliance is not an option, it is a must.
We do things in the right way and we want to continue to do so.
Our reputation on the market is a key asset and we must protect it.

To further strengthen our compliance program, we launched in 2016/2017 several actions:

- A **compliance committee**⁽¹⁾ to serve as governance body and manage our initiatives in this field,
- A **whistle-blowing system** to allow our employees send a warning if facing a sensitive situation,
- An **anti-bribery**⁽²⁾ **training campaign** to help our employees identify the risk of bribery and fight it.

A global training was held in 2018. In 2020, we will continue to raise awareness among our employees through further training sessions. We count on you to be active participants to the trainings.

More broadly, we invite you to seek for information and ask for assistance if any doubt.

Our guiding principle '**act responsibly**' is key and must be a reality in the company.

Best regards,



PIERRE-MICHEL BATAILLARD
Chief Human Resources Director



EMMANUELLE CAMUS-NIKITINE
Group General Counsel

⁽¹⁾ The Compliance Committee comprises the Chief Commercial Officer, the Chief Financial Officer, the General Counsel and the Group HR Director.

⁽²⁾ bribery=corruption.

Business Ethics

As the leader in our market, SGD Pharma must set an example in how we conduct our business. This approach has been in place for several years.

New impetus

SGD Pharma operational approach has received new impetus following the introduction of the French Sapin 2 law on transparency, anti-corruption and the modernization of the economy. We also aim to be in strict compliance with the US FCPA, UK anti-bribery laws and other international laws governing corrupt practices.

Concrete actions

In 2017, we strengthened our Code of Ethics, shared it with all of our employees and published it to our company intranet and website. Our anti-corruption policy has been implemented through the following measures:

- Creation of a compliance committee comprising members of our management committee.
- The introduction of a multi-issue whistle-blowing procedure covering corruption, conflicts of interest, money laundering and failures.
- A procedure for assessing third parties via the internationally-used Dow Jones database.
- A procedure for limiting authority (e.g., setting a limit for the value of business gifts).

Risk mapping

In 2018, our focus was to finalize the risk mapping process, which is used to identify areas for future improvement. From 2020, we will continue to raise awareness among our employees through further training sessions.

2018

Achievements

% of the total selected workforce across all locations who received training (e.g., e-learning) on business ethics issues

100%

% of all entities for which an internal audit/risk assessment concerning business ethics issues has been conducted

100%

“

ALL EMPLOYEES IN SENSITIVE POSITIONS
HAVE BEEN TRAINED TO PREVENT
CORRUPTION AND BRIBERY

7.

Interview



“Our ethics and compliance programs promote an organizational culture that encourages the highest ethical standards of business conduct and a commitment to compliance with the law. A whistleblowing system has been in operation since 2016.”

EMMANUELLE CAMUS-NIKITINE
Group General Counsel

Business relationships

Customers

We are committed to treating all our customers honestly and fairly, whatever the size of their business and honouring our contractual commitments all the time.

We must provide our customers with high-quality and safe products and services that meet their expectations.

Quality and safety are core values for SGD Pharma and we must comply with all control standards, including applicable laws and regulations as well as internal control procedures ensuring safe and high-quality products are delivered to our customers.

Suppliers

Suppliers deliver an important part of the value of our products and play an important role in customer satisfaction. We must promote ethical relationships with our suppliers and make sure that they are treated fairly and equally.

In the selection of goods and services account must be taken of price, quality, performance, delivery and suitability.

Fair competition

We must always behave ethically when competing for customers' business and when placing business with suppliers. Honesty and integrity clearly apply to our dealings with both customers and suppliers.

This is especially true in the development phase of new business and in the negotiation phase of contracts.

We must always comply with competition, antitrust and anti-corruption laws. We strictly adhere to the principles of the OECD Convention on Combating Bribery Bribery of Foreign Public Officials in International Business Transactions as well as the United Nations Convention Against Corruption.

It is our collective and individual responsibility to never engage SGD Pharma in any form of corruption, whether public or private.

Business advisors

We must never hire someone else to do anything that we cannot ethically or legally do ourselves. Engaging a third-party to indirectly make an improper payment violates anti-corruption laws.

Gifts and hospitality

SGD Pharma aims to ensure that any business decision made by us, our customers, suppliers or other business partners is solely based on relevant criteria, such as competitiveness, performance and quality of products and services offered. Business courtesies, such as gifts and hospitality, given to or received from customers, suppliers or other business partners must reflect a normal courtesy of business and may not influence, or give the appearance of influencing, any business decision. Gifts and hospitality must not be given or received with a corrupt purpose anywhere in the world. Reasonable behaviour, common sense and prudence should always guide us in these situations and it is our duty to always comply with our internal procedures as well as with the laws and regulations of our domestic countries and those of other countries where we do business. Gifts in cash or any lavish hospitality are never permitted.

Definition

Generally speaking, corruption is defined as **"the abuse of entrusted power to generate private gain"**.

Corruption in the World

Impacts

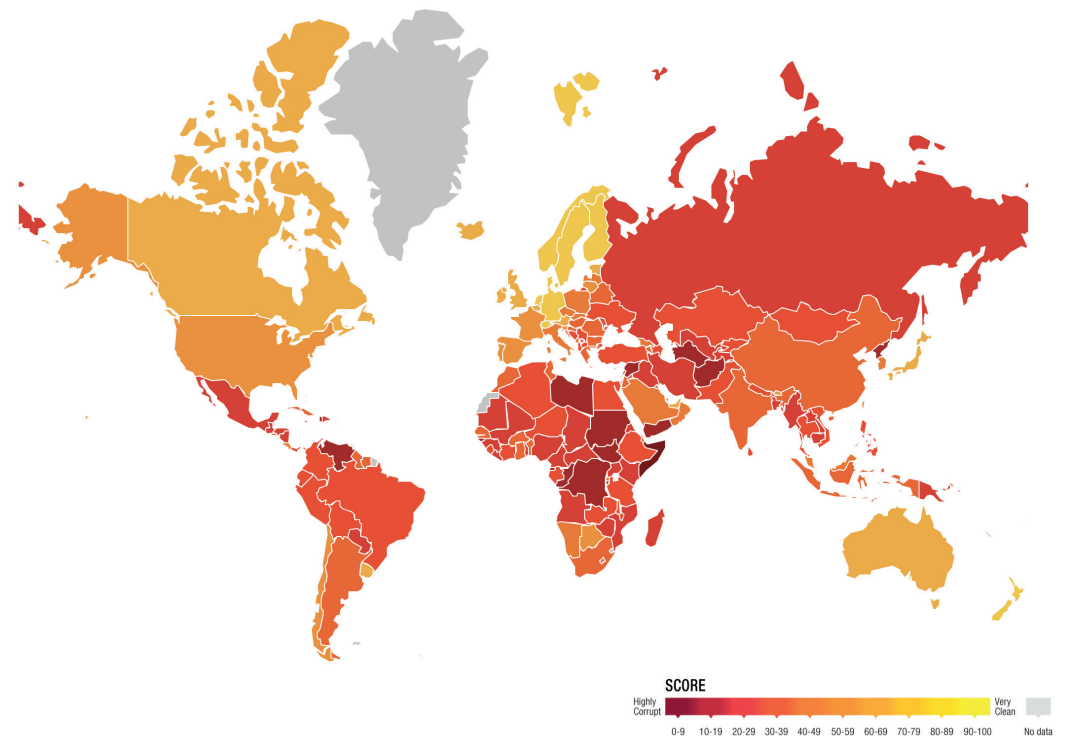
- Corruption impacts societies in a multitude of ways. The cost of corruption can be divided into four main categories: political, economic, social and environmental.
- Corruption corrodes the social fabric of society. It undermines people's trust in the political system, in its institutions and its leadership.
- Corrupt politicians invest scarce public resources in projects that will line their pockets rather than benefit communities.
- Environmental degradation is another consequence of corrupt systems. The lack of, or non-enforcement of, environmental regulations and legislation means that precious natural resources are carelessly exploited, and entire ecological systems are ravaged.
- Corruption hinders the development of fair market structures and distorts competition, which in turn deters investment.

**Corruption =
1 500 to 2 000 billions of dollars
per year, i.e. 2% of World GDP**

CORRUPTION PERCEPTION INDEX 2019 (CPI) BY TRANSPARENCY INTERNATIONAL

The Corruption Perceptions Index ranks 180 countries and territories by their perceived levels of public sector corruption, according to experts and business people.

2019 analysis shows corruption is more pervasive in countries where big money can flow freely into electoral campaigns and where governments listen only to the voices of wealthy or well-connected individuals.



Source: Transparency International (NGO dedicated to the fight against corruption), 2019. <https://www.transparency.org>

What SGD Pharma expects from you

DO NOT CORRUPT THIRD PARTIES



SGD Pharma requires you to comply with anti-bribery laws and therefore expects you not to promise, pay or offer, or authorize the promise, payment or offer of money, or anything of value, to a public servant or a private sector representative for the purpose of illegally obtaining, influencing or retaining a business or any kind of other benefit for the company, or for using its influence to obtain such advantage for SGD Pharma.

DO NOT GET CORRUPTED



In the same spirit, SGD Pharma prohibits you from soliciting or receiving any promise, payment or offer of money, or anything of value, for the purpose of directing or providing any unlawful business or any other benefit to the company.

RESPECT PROCEDURES GET TRAINED SEEK FOR INFORMATION

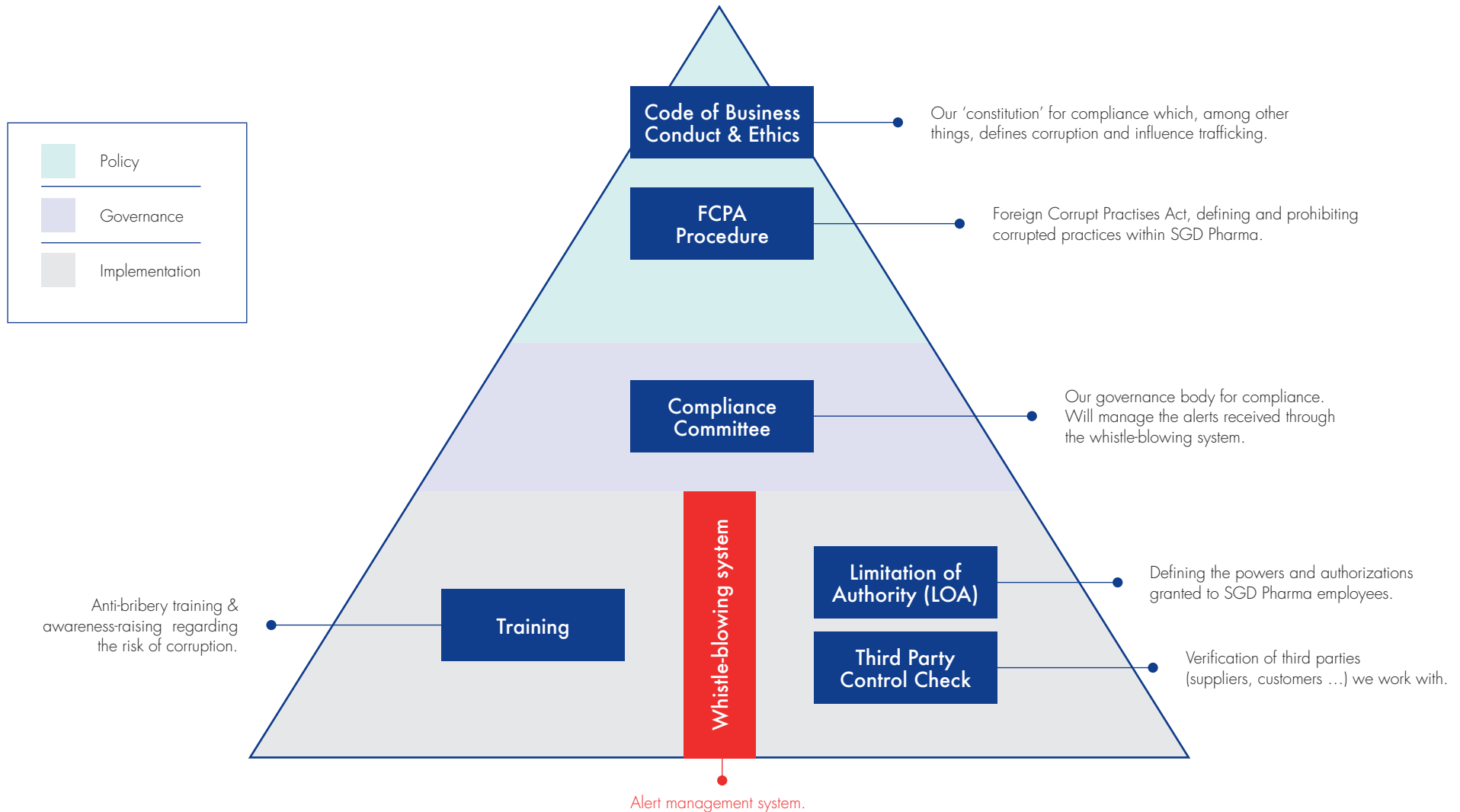


You are asked to respect the procedures defined by SGD Pharma to prevent and fight acts of corruption.

You are also asked to participate actively to the trainings organized for you on this matter and to seek for information if any doubt or question on corruption, and more broadly on compliance.

SGD Pharma Compliance Program

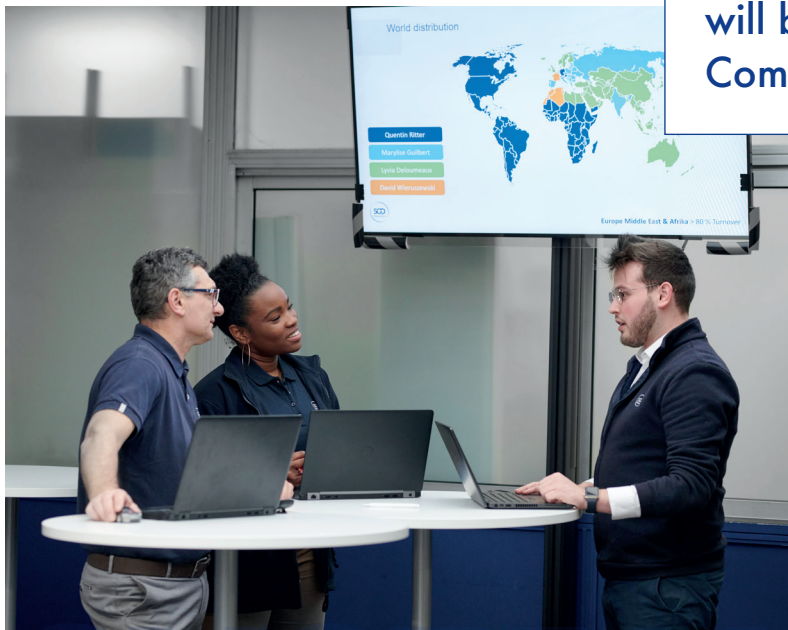
THE MEASURES ENFORCED BY THE COMPANY



Whistle-blowing system:

how does it work ?

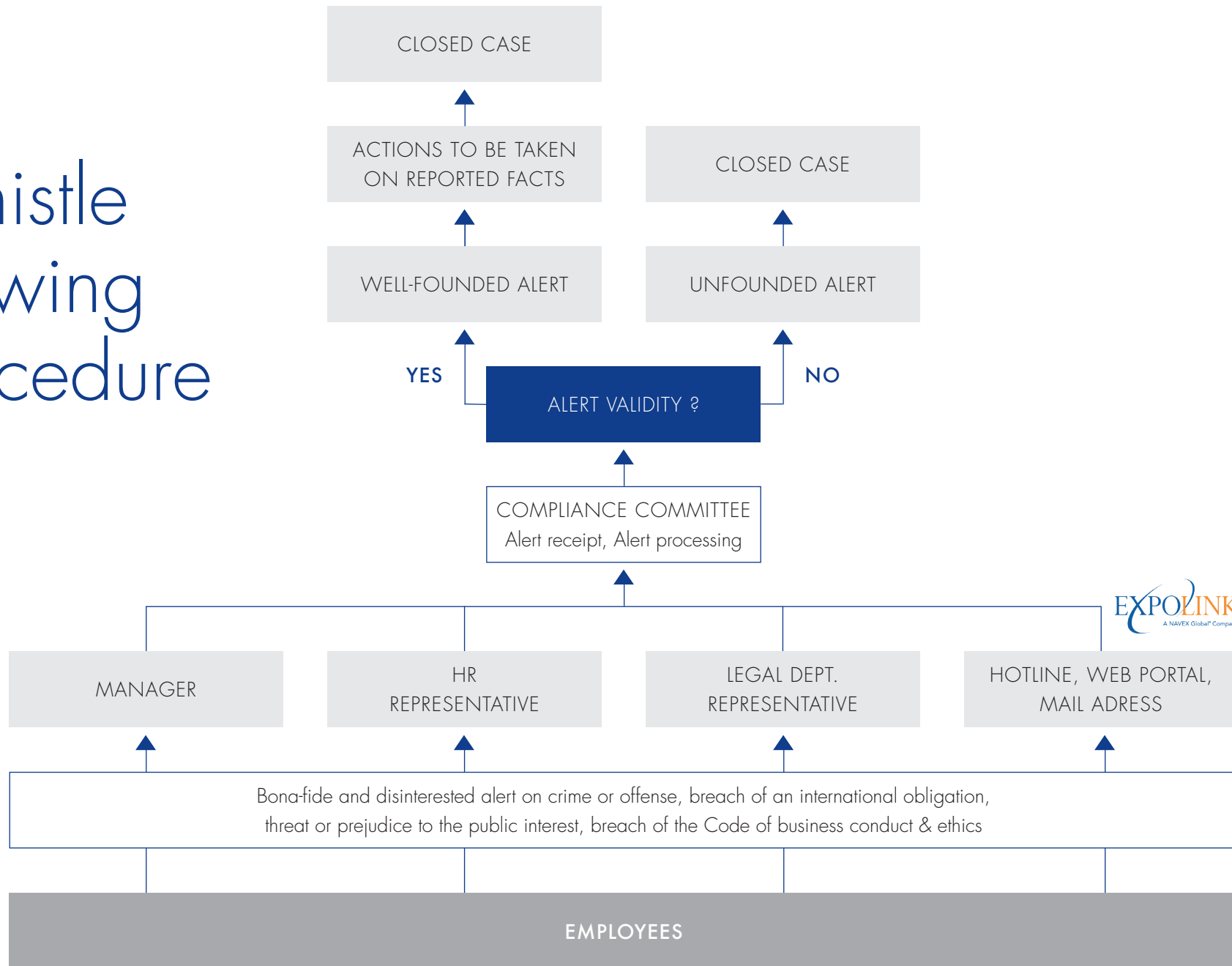
Principle:
 When facing sensitive situations,
 employees can report alerts which
 will be processed by SGD Pharma
 Compliance Committee.



- Alerts are transmitted within 24 hours to the Compliance Committee
- Expolink is SGD Pharma provider for whistle blowing and case management.
- Other channels can also be used: manager, HR, legal dept.
- Employees must have personal knowledge of the facts and items reported
- Bona-fide alerts on wrong facts will not be punished
- Alerts issued with the intent to harm are subjects to disciplinary actions an prosecution

SYSTEM

Whistle blowing procedure



Bona-fide: made in good faith, sincere.



Implementations

Employees

The Fighting Corruption Internal Manual applies to everyone within the company.

All employees are expected to assume responsibility for performing their duties with fairness and integrity, to have an understanding of the Report and to refer to it regularly, to have a detailed knowledge of those of its provisions that apply specifically to their job and to consult their manager if in doubt.

Manager responsibility

SGD Pharma managers have additional responsibilities that go beyond complying with the Manual. They are expected to lead by example and to demonstrate adherence to the Manual at all times.

Managers are expected to promote SGD Pharma ethical standards and effectively communicate or make available the Manual's principles, as well as relevant policies and procedures that apply to their job areas, to all those who report to them.

They should also be prepared to answer questions about the Manual and create a comfortable working climate in which employees feel encouraged to bring forth questions or concerns.

Awareness and training

The Fighting Corruption Internal Manual is distributed to all employees and available on the SGD Pharma intranet site.

Consequences of violations of SGD Pharma policies and procedures.

All employees are responsible for ensuring that their conduct and that of those reporting to them fully complies with the Fighting Corruption Internal Manual. Violation of the Manual may have severe and lasting consequences on SGD Pharma reputation, business relations and financial situation.

Key Reference documents

The **code of business conduct and ethics** is available on the Intranet

The **whistle-blowing procedure** is an appendix to the Code of business conduct & ethics. It can be consulted on the Intranet

The **Third party verification procedure is available on the Intranet**

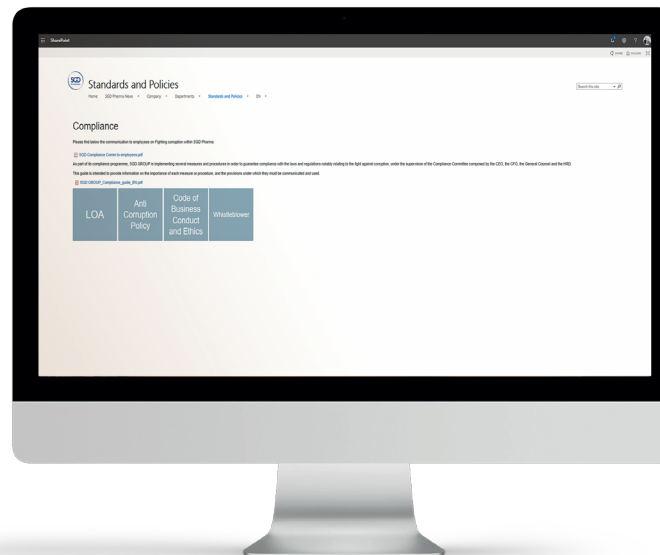
The **FCPA procedure** is available on the Intranet

The **Limitation of Authority (LOA)** is available on the Intranet

Transparency International (NGO dedicated to the fight against corruption), 2019.

<https://www.transparency.org>

Click [HERE](#) to access the Key Reference documents.





Performance. Passion. Innovation.

www.sgd-pharma.com



@sgd_pharma



@SGD Pharma



SGD Pharma