



Ethical CODE OF conduct



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ADEO companies constitute a powerful collective driven by our “we make home a positive place to live” purpose and which implements our strategy at the heart of a broad ecosystem, of customers, suppliers, service providers, administrations, etc.

Our cultural foundation is based on strong values that are embraced by all collaborators and brought to life on a daily basis. These values define our behavior within our companies and with our ecosystem.

Beyond the laws applicable in the countries where we operate, ADEO is committed to acting ethically, **for the respect of people, and for the respect of the company and our ecosystem.** The ADEO Ethical Code of Conduct is therefore the reference for all the values and behaviors that define our ethics.

The rules in our Code are there to guide us. They have been part of our fundamentals and our daily lives since the first version was issued in 2018. To help you understand them, each principle has been illustrated with examples related to our businesses.

Adopting an ethical conduct is the rule for all collaborators of every ADEO company, everywhere in the world, at all levels and without exception.

Ethical issues are rarely simple. If you have any doubts or questions, don't keep them to yourself: talk to your manager, a colleague or your company ethics referent, for example ! You will always be supported in this process.

Thomas Bouret

CEO ADEO

Pierre-Alain Vielvoye

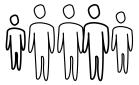
PRESIDENT ADEO





1. THE INVOLVEMENT OF THE LEADERS

The ADEO Global Leaders, the BU Coaches and the CEOs of each ADEO Company deploy the values and principles of this Code and ensure that it is properly applied. As such, they are strongly committed to awareness raising, dissemination and enforcement of the Code amongst their leadership committees and collaborators.



2. WHO DOES THIS CODE APPLY TO?

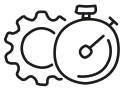
The Ethical Code of Conduct applies to **all collaborators of ADEO companies** (including employment relationships such as internships or apprenticeships) worldwide, subject to any local legal conditions. Where the Code is more demanding than local laws or practices, our Code of Ethical Conduct takes precedence and must be followed. The Code also applies to all corporate officers. It applies as soon as a new BU is created or a company is acquired.

ADEO may modify the Ethical Code of Conduct at any time in order to respond appropriately to regulatory changes or new situations.

To ensure that the people and companies we deal with are clearly informed of our principles, specific Ethical Codes exist for their attention. Depending on your missions, you must bring it to their attention and have it applied according to the criteria defined by the company.

3. HOW TO USE THE CODE?

ETHICAL CODE OF CONDUCT



All ADEO collaborators are required to carry out their activity or duties with integrity and loyalty, to exercise vigilance, prudence, professionalism and discernment within the framework of their duties and to respect this Code of Ethical Conduct in all circumstances.

This Code sets out the different types of behaviour to be adopted in terms of respect for people and respect for the company. It does not contain the answer to every situation you might encounter or to every question that concerns you. If you have any questions, it is important to ask your manager.

You can also ask:

- the anti-corruption correspondent of your BU who is your privileged contact on corruption issues,
- your HR correspondent for diversity, harassment and sexist behaviours,
- or the correspondent concerned by the subject you are encountering (Safety First, personal data protection, etc.).

Whenever you are confronted with one of these situations or have a doubt, ask yourself the following questions:

- Does it comply with the Ethical Code of Conduct?
- Does it comply with applicable law?
- Could I justify my decision?
- Would I be comfortable if my decision was shared internally or was made public externally?

If the answer to one or more of these questions is negative, you should not pursue the action initiated.





4. OUR COMMITMENTS

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RESPECT FOR PEOPLE

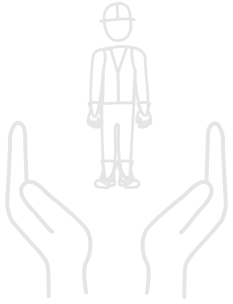
1. SAFETY FIRST

ZERO ACCIDENT AND OCCUPATIONAL DISEASES

In all the countries where we operate, we place safety at the heart of our concerns.

The health and safety of our collaborators, as well as that of our customers and partners, requires the application of rigorous protocols to secure our shops and warehouses.

Everyone must take responsibility for their own safety and that of others.



Applicable principles

ADEO companies comply with the application of local regulations and the ADEO personal safety guidelines. ADEO companies are committed to empowering and training managers and collaborators in accident prevention. All our partners at ADEO company sites are also required to apply these security policies and to comply with all regulations in force in the countries concerned.

Safety also depends on individual behaviour. As an collaborator, whatever your mission, you have a role to play.

Therefore, you must:

- Always adopt behaviours that guarantee your own safety, especially by wearing the Personal Protective Equipment (PPE) that applies to the activity you are carrying out.
- Refrain from any behaviour that may endanger the life and health of collaborators, suppliers, subcontractors, customers, users and neighbouring populations.
- Intervene in case of non-compliance with safety rules by taking action to eliminate the risk you have identified.
- Alert immediately of any possible risk that you have identified and that you are not able to eliminate by yourself.

In practice

Case 1

I am in the sales area and see a customer in the background climbing a stepladder to grab a product from a high place.

Should I intervene?

Yes: You are responsible for your own safety, that of your colleagues and also of your customers! You have to alert customers and any person that has unsafe behaviour so that they stop immediately.

Case 2

In my shop's storeroom, I have seen products stored on a high pallet which I believe presents a risk of falling. This area is not related to my job.

Can I leave the situation as it is and occasionally talk to the person in charge?

No: You must immediately close the area and act. Either by moving the pallet, if you have the necessary authorisations. Or, by alerting your colleague or manager, so that they can take appropriate measures.

Case 3

In order to optimise the filling of the trucks and limit the carbon impact of the products, a supplier offers to deliver the products in packages weighing 30 kg on pallets 1.80 m high.

Can I accept this offer?

No: It is not possible to manoeuvre packages weighing more than 25 kg to a height of more than 1.40 m (Safety Guidelines - <https://sites.google.com/leroymerlin.co.za/internalcontrol/other-topics/human-safety/human-safety-training-guides?authuser=0>). This rule is a key element in guaranteeing a good level of safety for our collaborators (risk of injury, accidents, musculoskeletal disorders) during the transport, handling and storage of our products. For certain categories of heavy and bulky products delivered vertically (example -doors, windows), the use of backslash pallets is mandatory.



2. DIVERSITY

ZERO DISCRIMINATION

The diversity of our teams and the authenticity of each collaborator create a strong, inclusive and open community where everyone can contribute and develop.

Diversity at all levels leads to better performance.

Diversity that is driven by a high degree of equity and inclusiveness of:

- new profiles that open us up to new ways of looking at things, to new ways of doing things, to new expertise.
- unique leaders, each with their own particularities (gender, disability, culture, skills, competencies, appetites ...) and connected to each other to enable each one to benefit from the other.
- global and local partners who complement our expertise, our solutions.

Applicable principles

By working for ADEO, you join a company that promotes the diversity of its teams, everywhere, in all forms. Through your posture and your behaviour, you must make this diversity possible. Every leader, regardless of their role, must behave inclusively. So that everyone can be heard, respected, valued for what they are. So that everyone can simply be themselves. ADEO fully adheres to the laws and international agreements that fight against discriminatory behaviour and goes even further, by adhering to:

- [the United Nations Global Compact : SDGs](#)
- [the Women's Empowerment Principles \(WEPs\)](#)
- [the International Labour Organisation Global Business Disability Network](#)

All forms of discrimination based on sex, disability, family status, pregnancy, sexual orientation or gender identity, age, state of health, political and philosophical opinions, trade union activity, belonging or not belonging, real or supposed to an ethnic group, a social origin, a nation or a religion, **are strictly prohibited.**

Our decisions on recruitment, employment, training, compensation, benefits, assignments and promotions are based on objective criteria such as the qualifications, function, experience and performance of collaborators.

ETHICAL CODE OF CONDUCT

Therefore, you must:

- Treat your colleagues and business partners as you would like them to treat you with courtesy, dignity and respect.
- Support and promote our commitment to a working environment free of all forms of discrimination both internally and towards third parties with whom we are in professional contact.
- Ensure that a culture of mutual respect is maintained and promoted.
- Ensure that everyone feels accepted.
- Stop any behaviour or attitude when it has been indicated to you that it is undesirable or inappropriate.



In practice

Case 1

I am about to go on maternity leave and I am worried about the conditions of my return and my future chances of career development.

What should I do?

Should I talk to HR about this?

ADEO's policy is to support its collaborators during maternity leave. In addition to paid maternity leave, ADEO guarantees the reintegration of its collaborators at the end of their maternity leave, in their previous position or an equivalent position in terms of status and salary. Check with your HR before you leave and contact him at any time if you wish during your maternity leave.

Case 3

My manager makes me a little uncomfortable. He comments on the country I was born and raised in, and thinks I have no education. Since his arrival in our department, I am only in charge of basic tasks, unlike the important projects I was used to.

Is this discrimination?

What should I do?

It is essential that you speak to your HR correspondent in charge of these subjects within your company so that he can address the situation. It will be up to him to qualify the facts and to take all the decisions in order to put an end to the possible trouble because ADEO prohibits any form of discrimination.

Case 2

I don't feel comfortable when I hear bad jokes about some of my homosexual colleagues.

What should I do?

Should I talk to HR about this?

Homophobia is unacceptable. It is essential to avoid any behaviour that could offend your colleagues, even under the guise of humour. Each of us has the right to respect. We want an open and inclusive working environment. If you encounter this type of problem, try to make those who make these "jokes" understand that their behaviour is not acceptable. Otherwise, talk to your manager or your HR correspondent in charge of these subjects within your company.

Case 4

A visually impaired person could join my team. I feel that my colleagues reject this idea on the sole basis of his disability fearing that this person cannot be as effective as the other team members.

What should I do?

Rejecting a candidate on the sole grounds of his disability is not acceptable. Especially since it is often a misconception that disability has an impact on performance.

If the candidate's disability is compatible with the job, with or without accommodation, it should not be taken into consideration during the recruitment process. Contact your HR to check that the compatibility between the candidate's disability and the mission has been analysed.



3. HARASSMENT AND SEXIST BEHAVIOUR

ETHICAL
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ZERO TOLERANCE

Moral harassment is manifested by behaviour, words, repeated and hostile acts that undermine the dignity or integrity of the collaborator.

Sexual harassment is the repeated imposition on a person, of whatever gender, of comments or behaviour with a sexual connotation which violate his or her dignity because of their degrading or humiliating nature or which create an intimidating, hostile or offensive situation. The same applies to any form of pressure, even if not repeated, with the real or apparent aim of obtaining an act of a sexual nature for the benefit of the harasser or a third party.

In addition to harassment, it is also everyday sexist behaviour that we do not tolerate at ADEO. Sexist behaviour includes degrading, humiliating or offensive attitudes based on someone's gender with the objective or consequences of hurting their dignity. It is incompatible with the development of an inclusive culture.

Applicable principles

Each of us has the right to respect and human dignity. At ADEO, this principle is fundamental to our way of working. Any behaviour or action that could go against this right, and in particular any form of moral and/or sexual harassment, is unacceptable.

Therefore, you must:

- Adopt exemplary behaviour by not doing anything that could be described as harassment or sexist.
- Ask your colleagues or partners who are engaging in harassing or sexist behaviour to stop it immediately. If you are not comfortable with this, inform your manager so that he can take appropriate action.
- Report any situation of harassing or sexist behaviour that you become aware of, regardless of who is committing it.

In practice

Case 1

During a recruitment process, my colleague rejects an application for a position in logistics on the pretext that "it's not a job for a woman".

Should I intervene?

You must intervene by recalling that competence is not a question of gender. In companies, diversity within each team generates performance.

Case 2

During a team party, one of my colleagues found that another person in the company behaved inappropriately towards her, in particular with inappropriate gestures and remarks. She doesn't dare talk about it, not wanting to risk compromising her professional development.

What advice can I give my colleague?

You should encourage your colleague to talk to her manager about it if she feels able. Otherwise, she must report this situation to the HR correspondent in charge of these subjects within your company. It is essential to stop any unacceptable behaviour before it degenerates. The same applies if this behaviour takes place at the workplace.

Case 3

I have a meeting with a client and he is touching me and making comments about my figure and how he would buy more if I agreed to go out to dinner with him. He's a client, not an ADEO collaborator, so I'm not sure what ADEO would do about this.

What should I do?

You must immediately ask your interlocutor to stop this behaviour and speak to your manager or your HR. ADEO's policy is to ensure that its collaborators are not subjected to sexual harassment, including those from business partners or clients.



4. PERSONAL DATA PROTECTION

ZERO MISUSE OF PERSONAL DATA

Whether it is that of our collaborators, our customers or our partners, we must guarantee its integrity and security.

Applicable principles

As part of its ethical policy, ADEO respects the privacy of individuals and the regulations in force in the field of personal data protection.

This applies both to our customers' data and that of collaborators, suppliers, candidates, etc.

Therefore, you must:

- Ensure that the person handing over their personal data (customer, supplier, collaborator) has received the right level of information about the data collection performed.
- Not transfer the data (customers, suppliers, collaborators) to unauthorised third parties.
- Respect the confidentiality of this data throughout its use and ensure that only authorised persons have access to this information.
- Not collect, copy or process personal data (customers, suppliers, collaborators) for private purposes but only in the interest of ADEO.
- Report to your manager any incident that may involve personal data, including any modification, deletion or disclosure by an unauthorised person.
- Contact your manager, your data compliance correspondent or your cybersecurity correspondent if you have any questions.

In practice

Case 1

The customer complains about his order's delivery delay. He asks me to leave a message for management to claim compensation. In the commentary, I add a few words to describe the customer's attitude: "angry, out of his mind, thinks he can do anything...".

Does this comply with our Code?

No: While the use of free text areas is not prohibited as it allows monitoring of client files, the information provided must be objective and related to the commercial service. This information must not harm the image of the person. Thus, in the case mentioned, we could indicate: "highly dissatisfied customer wishing a rapid response to his questions".

Case 3

For a commercial operation, I need to share a customer file with an external service provider. The provider refuses to accept the personal data annex that we have submitted to him on the grounds that his standard contract is sufficient.

Can I sign the contract as is?

No: You should contact the legal teams to check the applicable regulations and in particular whether ADEO's personal data annex should be included in the contract. This annex represents our requirements and meets the regulatory framework. The components of our data policy are essential in defining roles and duties with our subcontractors. The legal teams will be able to check whether your subcontractor's policy is in line with ours. This will help you to work out the arguments to bring to your subcontractor to enable him to better understand this essential document for our companies.

Case 2

A commercial operation will soon take place in the store. I would like to send the telephone numbers of my frequent customers to our communication agency by email. The agency will then send an SMS to tell them about the operation.

Can I proceed as is?

No: Commercial prospecting by SMS is possible, but people must first be informed. They must also have given their consent beforehand, usually by ticking an acceptance box. The transmission of your customers' data must be done in a secure way and not by email. It is essential that you check with your personal data manager to ensure that the data is used correctly.



5. Conflicts of interest

PREVENT AND AVOID

...any situation of interference between a personal interest and that of the company, likely to influence the objective exercise of your mission.

Applicable principles

You must be particularly vigilant in order to prevent or avoid any situation of conflict between your personal interests and the interests of ADEO. As part of the prevention of conflicts of interest, you must always act solely in the interest of ADEO in order not to harm your reputation, that of all collaborators and of ADEO.

Therefore, you must:

- Refrain from using your position or activities within ADEO for your personal benefit or that of your family.
- Refrain from finding yourself in a situation of potential or proven conflict of interest that you have not declared. To do this, you must declare your situation in the [Act Ethics](#) tool.
- Prohibit yourself from concealing any potential or proven conflict of interest situations and inform your manager of these potential situations. To do this, you must declare your situation in the [Act Ethics](#) tool.
- Refuse to participate, supervise, influence any professional decision concerning a member of your family, a personal relationship or a person with whom you would be financially committed (credit, debt, shareholder participation, etc.).
- Complete a conflict of interest questionnaire in the [Act Ethics](#) tool if your job has been identified as potentially exposing you to such a risk.

In practice

Case 1

One of my cousins is a sales person with a supplier with whom I plan to work. I'm afraid that some see it as a conflict of interest.

Is this a conflict of interest?

Yes: However, this should not prevent your BU from contracting with your cousin's company if the use of the supplier is justified and the services offered meet a proven need. In order to avoid the possibility that you might be considered to be influencing the listing of this supplier because your cousin might have a direct or indirect personal financial interest, a clear decision-making process must be followed. Therefore, you should inform your manager, report the situation in [Act Ethics](#) and not participate in the decision making, which should be based on objective and professional criteria.

Case 3

I am an international expatriate. Since we arrived in my destination country, my spouse has not been able to find a job. However, my company is looking for some competence in the form of consultancy services that correspond to my spouse's skills.

If I propose the services of my spouse to my company, am I in conflict of interest?

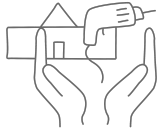
Yes: On the other hand, it is possible for your company to use the services of your spouse but without your being involved in the decision-making process. You must inform your manager of this conflict of interest by making a declaration in the [Act Ethics](#) tool and the decision be taken in full knowledge of the facts by people not concerned by this conflict of interest.

Case 2

I've been a product manager for several years and have just switched to the lighting range. It happens that I have personally invested for several years in a company that sells lighting.

Is this a conflict of interest?

Yes: Even in the absence of commercial links between the company in which you have invested and your ADEO company, you could be in a situation of conflict of interest. You must therefore inform your manager and report the situation in [Act Ethics](#). In this way, your manager, with the possible clarification of your anti-corruption referent, will advise you.



RESPECT FOR THE COMPANY AND OUR ECOSYSTEM



1. Invitations & gifts

DO NOT ACCEPT ANYTHING PERSONALLY

Invitations and gifts can influence your independence of judgement in the context of your business relations, just like the independence of your partners.

Applicable principles

The rule is not to accept anything personally, and not to ask for any undue advantage (commercial discount, material goods, etc.) in exchange for goods, services or anything else that could influence your professional decision making.

Therefore, you must:

> regarding invitations to an event or a trip:

- Refuse any invitation to a sports, cultural or leisure event.
- For business trips to which you have been invited by a service provider, supplier or customer, have your BU pay the associated costs. If it is not possible for your BU to take charge of the event because of the way it is organised (e.g. suppliers inviting the BU in the same way as other customers, without the possibility of specific invoices), you should ask your manager for express permission. To do this, you will use the [Act Ethics](#) tool.
- Respect the rules related to invitations as defined by your BU policy.

> regarding meals:

- For any meal, you will suggest to your interlocutors that everyone takes their share. You can possibly invite your interlocutors by respecting the rules applicable to expense reports in your BU. Exceptionally, you will ask your manager for express permission if you have to be invited by your interlocutors. In the latter case, you will make the necessary declaration in the [Act Ethics](#) tool.
- If you have lunch in a canteen, a company restaurant or any other collective catering system for all the collaborators of the supplier/provider visited, it is not necessary to make a declaration in the [Act Ethics](#) tool.

> regarding gifts:

Gifts received:

- **money, services or goods:** refuse unless these goods are clearly of symbolic value such as "goodies" (example: promotional pens, etc...).
- **food gifts (chocolate, wine):** after completing the corresponding declaration "gift received" in the [Act Ethics](#) tool, share for consumption in the department or give it to the ESC or to a charity. The donor must be informed of this procedure.

Gifts to offer:

- Refrain from offering gifts except for small promotional «goodies». Nevertheless, gifts and advantages can be offered to customers as part of an objective policy defined by your BU. In this case, the gifts and benefits offered will have to be declared in [Act Ethics](#) according to the defined procedure.



In practice

Case 1

A new supplier invites me to visit his production site along with other customers, while paying all the costs.

May I accept?

Yes: You can participate in this business trip, as long as ADEO pays for it. If due to organisation constraints ADEO can't pay directly e.g. unable to divide the invoice - you must ask your manager's prior consent through the system set up in your company using the [Act Ethics](#) tool.

Your manager may exceptionally approve this invitation if it is in the company's interest and does not influence your independent judgement in your relations with the supplier.

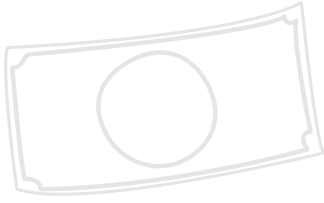
Case 2

My paint supplier offers to do small repairs at my house in exchange for more shelf space in my store. There is no extra cost for him and we need to extend his product range in our store.

May I accept?

No: By accepting this gift, you would be committing an act of corruption, by accepting a personal service in exchange for a promise or an advantage relating to your professional activity.





2. CORRUPTION & FACILITATION PAYMENTS

ZERO TOLERANCE

..... for corruption and facilitation payments, i.e. any sum of money or benefit in kind, such as a gift, even a modest one, paid as a personal advantage to public or private agents in order to ensure the execution or acceleration of routine acts (customs clearance, building permits, etc.). The same applies when an ADEO collaborator is the recipient.

Applicable principles

Under no circumstances may the personal conviction of acting in the interest of the company justify, even in part, a behaviour in contradiction with applicable law or with this Code.

Therefore, you must:

- Refrain from accepting any improper advantage from a third party that might impair your judgement, independence or objectivity, or lead you to grant a favour to another person, or that might influence an ADEO process or decision.
- Prohibit yourself from promising, offering or authorising the remittance of a facilitation payment to a private or public person.
- Refuse to respond to any solicitations for a facilitation payment.
- Prohibit yourself from directly or indirectly financing or supporting a political or trade union organisation, at local, regional or national level, whatever the means, financial or not, in the name and on behalf of ADEO. ADEO respects the political opinions of each individual and is politically neutral. In this respect, each collaborator shall refrain from expressing his or her political opinion on behalf of and in representation of ADEO.
- Ensure that our business partners and intermediaries are informed of our standards and undertake to respect them, in particular by signing the Ethical Code dedicated to them.

In practice

Case 1

I am responsible for opening a new store. I need to obtain an opening permit from the local authorities. The local public official asked me to pay an "unofficial" fee to get the necessary permission. I must imperatively respect the opening calendar of my store in order to avoid a delay in my project and additional costs.

May I pay the amount requested by this public official?

No: You must refuse to pay, explaining that we prohibit the payment of these "surcharges" unless it is legally and officially required. Notify your manager of the request you have received. With the help of your company's anti-corruption referent, he can implement an action plan.

Case 2

A craftsman customer would like an additional discount on his order. He tells me that in return he could do some work at my home free of charge, or even for the shop if we wish so.

May I give him a discount and benefit from this work?

No: You must follow your BU discount policies, but under no circumstances can you accept any undue benefit for yourself or the company.



3. RELATIONS WITH SUPPLIERS, SERVICE PROVIDERS AND INTERMEDIARIES

ENGAGE OUR PARTNERS IN OUR ETHICAL APPROACH

We make sure that our suppliers and partners respect people, regulations and the environment. That they are honest, trustworthy and honourable.

Applicable principles

ADEO verifies the integrity of certain partners and makes available to all its partners a Code of Ethics so that they are aware of the principles that should govern our relations.

Therefore, you must:

- Apply the integrity verification process as defined by ADEO and deployed by your BU anti-corruption referent.
- Apply the procedure for interactions with intermediaries as defined by your BU.
- Prohibit yourself from contracting with a company whose reputation is questionable.
- Prohibit yourself from accepting a gift or invitation from a partner during a tender process or contract renegotiation.
- Prohibit yourself from making a payment to an intermediary knowing or suspecting that the money may be used as a bribe or facilitation payment.
- Make sure, in your position as a product buyer, that your partners have signed the Responsible Purchasing Code and respect it.
- Ensure, as a buyer of non-merchant products, services or supplies, that your suppliers have signed the Indirect Purchasing Code according to the rules within your BU.
- Ensure that any payment is proportionate and justified in relation to the services or products received.
- Check that the contractual chain is respected before any payment is made. Thus, it is one and the same company that signs the contract with ADEO, issues the invoice, and holds the bank account to which the transfer is made. All these operations must take place in the same country. It is possible that a supplier-specific mechanism may justify a deviation from this scheme. However, if an exception has to be accepted, it is the Financial Director of your BU who must validate it. The same logic applies when ADEO has to receive payment from a third party.

In practice

Case 1

I am finalising a tender in which I have identified a supplier with whom I would like to work. During the contractual negotiation, he tells me that he does not want to accept our "Responsible Purchasing Code of Conduct" considering that these criteria should not be taken into account in our relationship. From his point of view, only the technical and pricing conditions are important.

May I sign the contract without the supplier agreeing to respect the "Responsible Purchasing Code of Conduct"?

No: The ADEO Ethical Code of Conduct represents our values. The constituent elements of our Code are essential in the definition of the relations that we intend to have internally and externally. It is therefore not possible to agree to work with a supplier who refuses to commit to respecting the rules arising from the "Responsible Purchasing Code of Conduct". There may be a misunderstanding by your supplier. To clarify any doubts, you can, for example, refer to your anti-corruption correspondent regarding the arguments to bring to your supplier to enable your supplier to better understand this essential document for our companies.

Case 3

A supplier has asked to change the payment scheme. He has a registration certificate in Malaysia, a head office in Hong Kong, a factory in mainland China and would like to be paid in a bank in Singapore. This does not seem dishonest to me. We have been working with him for years and I don't want to bother him with this issue so as not to jeopardise our business relationship.

Can I accept the change and pay him according to this scheme?

No: You should be very careful with this type of transaction, which could be a money laundering technique, particularly because of the multitude of locations involved. As a reminder, money laundering is a process aimed at reinjecting illicitly obtained funds into the legal economy, e.g. funds from drug trafficking, corruption, etc. The rule laid down by the [RMF \(Finance Referential\)](#) is that all payments for purchases of products or services made by ADEO must comply with the principle that it is one and the same company that signs the contract with the BU, issues the invoice, and holds the bank account to which the payment is made. In this case, however, you must request a written justification from the supplier, which will be submitted to the BU Finance Director BU for approval.

Case 2

I have been asked to check the invoices of one of my consultants. The invoice presented does not correspond to the initial quote. I wonder about the discrepancy between the services provided and the amounts paid because nothing is detailed. Moreover, it turns out that all the administrative procedures were carried out in record time.

Should I pay?

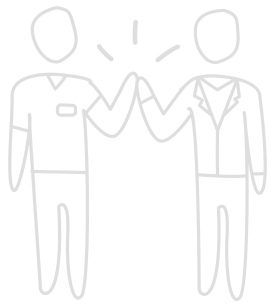
No: The amounts involved should not be subject to significant deviations that are not justified. In addition, you should ensure that a real service has been provided in return for the services invoiced. You should ask your consultant for more information and a more detailed invoice. If he refuses, you should contact your anti-corruption correspondent who will help you define an action plan.

Case 4

I plan to work with a new supplier. The verification due diligence carried out shows that the shareholder of this supplier is subject to sanction measures.

Can I sign the contract with this supplier?

No: You must refuse to enter into a relationship with this supplier as you would be exposing ADEO to important criminal sanctions including substantial fines from a financial point of view.



4. GRANTS, PATRONAGE, SPONSORSHIP, LOBBYING

TRANSPARENCY AND COMPLIANCE WITH COMPANY RULES

Grants, patronage and sponsorship operations of ADEO companies are a way to promote our values, help our ecosystem and support social actions. It also allows us to promote our image and are therefore allowed.

Lobbying is the activity of influencing public decision making, in particular the content of a law or regulation, by entering into communication with public decision makers.

Applicable principles

In order to avoid donations being considered as corruption, it is necessary that they be authorised in advance and made in a transparent manner so that the reasons can be objectively justified.

Lobbying must comply with national regulations and be done in a transparent manner. Lobbying must not be carried out with a view to obtaining or granting an undue advantage.

Therefore, you must:

- Follow the rules applying to financing of donations, patronage and sponsorship operations as defined by the procedure applicable to donations and sponsorship of your BU.
- Contractualise all donations and sponsoring operations.
- Obtain the express authorisation of your BU's Chief Financial Officer and provided that the service provider you would use for this purpose is registered in your country's register of lobbyists, if such a register exists, in order to enter into discussions with representatives of public authorities or political parties.

In practice

Case 1

I am a Store Leader and would like to make a donation to the community in which our store is located.

Is it possible?

Yes: Performing patronage operations in kind or in cash is possible. You should:

a) refer to the procedure defined by your BU, b) ensure that the donation is not made at the same time as an ongoing procedure with the relevant authority (e.g. application for an administrative permit).

Depending on the amount of the donation, you will need to obtain approval from your BU's internal services. To find out the applicable thresholds, you should consult the procedure or contact your BU's anti-corruption officer. In any case, for any donation you must sign a contract.

Case 3

I am a member of a local association and would like to apply to my BU for sponsorship. It is an environment protection association of which most of the local actors are donors. Several craftsmen, customers of my company, sit on the board.

Is it possible?

Yes: However, it is essential that decision making be done in a clear manner avoiding any form of conflict of interests and ensuring that sponsorship does not influence or give the appearance of influencing a business decision. To do this, you must not take part in the decision-making process. You must formalise a declaration of conflict of interest using the [Act Ethics](#) tool.

In addition, your accounting department must identify this sponsorship in the accounts so that it can be properly recorded by your BU.

Case 2

I would like to join a professional association for which the subscription fees would be paid by my BU.

Is it possible?

Yes: The payment of fees to professional associations by the employer are allowed.



5. FIGHT AGAINST FRAUD

PROHIBITION OF ANY ACT OF FRAUD

Acts of theft, misappropriation of goods, services or cash are detrimental to the company, but also to customers and all collaborators.

Applicable principles

Regardless of the purpose of the misappropriation, the hierarchical status of the author or the resulting impact, fraud is not a tolerated behaviour within ADEO companies.

Therefore, you must:

- Respect the rules in force in your BU regarding fight against fraud and shrinkage
- In particular, apply the rules relating to:
 - customer payment collection and return of goods,
 - customer and collaborator discounts,
 - human resources management (e.g. decision to grant bonuses or raises),
 - stock and shrinkage management,
 - the use of property belonging to the company, including property made available to collaborators,
 - the management of expense reports and expense commitments so that your manager can assess the appropriateness of the expenditure and fully perform his role,
 - The management of the relationship with suppliers and service providers.

In practice

Case 1

I am moving this Sunday and would like to borrow a van from the store to transport bulky items.

May I leave with the van when the store closes?

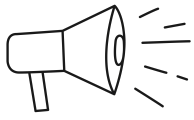
No: The van is owned by the store. If you want to borrow it, you have to make sure that it is possible in your store and follow the procedure to reserve it and rent it at the conditions provided for collaborators.

Case 2

While handling a pallet I damaged a product. A colleague offers me to buy it with a discount.

May I sell it to him at a discount, at the price he offers?

No: There is a rule for selling damaged or faded products and a rule for discounts that apply to collaborators. These two rules must be followed with the approval of your manager.



5. REPORTING A BEHAVIOUR OR SITUATION CONTRARY TO THE ETHICAL CODE OF CONDUCT

ETHICAL CODE OF CONDUCT

In case of any behaviour or situation contrary to the Ethical Code of Conduct and in order to report it to the company, it is recommended that you speak to your manager or to one of your correspondents. You can also use the secured alert channel set up by your BU or ADEO SERVICES.

This channel is a tool at your service to help the company deal with these situations but also to improve our prevention.

A similar channel is available to ADEO's suppliers, service providers, subcontractors and partners. They can find this channel in the Code of Conduct applicable to them.

Who can report?

The internal alert channels of your BU and of ADEO SERVICES make it possible to collect reports of acts or behaviour contrary to this Ethical Code of Conduct reported in particular by any collaborator or former collaborator, shareholder or corporate officer, service provider, trainee, subcontractor, supplier, commercial or non-commercial partner, client.

The author of the report must act in good faith, i.e. without malice or without seeking any personal gain. At the time of the report, he must have evidence to believe in the truthfulness of the reported statements.

How to report?

When you want to report a situation using the secure alert channel, you can use the following links:

Collaborators are encouraged to use the alert channel dedicated to their BU. By way of exception and when the facts reported justify it, they can use the ADEO Services channel.

<https://adeo.whispli.com/leroyermerlin-southafrica>



<https://adeo.whispli.com/lp/adeo-services?locale=en>



Protection of the alert author

1- Confidentiality & Discretion

The author of the alert has the possibility to remain anonymous or to make his/her identity known at the time of the alert or during the processing. In all cases, ADEO has taken all necessary measures to protect the identity of the author, the persons involved, the persons and the facts covered by the report.

Investigations and reports resulting from an alert will also be treated with the utmost confidentiality.

2- Protection of the alert author

The author of an alert issued in good faith is protected with regard to the facts reported. The same protection is afforded to any collaborator facilitating in good faith the issuing of the alert or its handling (e.g. as a witness). The author of an alert made in good faith may not be sanctioned, or be the subject of a discriminatory measure, or direct or indirect reprisals, even if the facts reported do not prove to be justified after investigation.



6. CONSEQUENCES OF NON-COMPLIANCE WITH THE ETHICAL CODE OF CONDUCT

You must know and comply with the Ethical Code of Conduct. Any behaviour that does not comply with its rules may result in disciplinary proceedings against you.

It is therefore important for you to become familiar with it and to ask yourself any questions you may have. You will always be supported in the process of understanding and implementing our Ethical Code of Conduct.



Ethical CODE OF conduct

