



INTEGRITY GUIDE



eliorGroup



# INTEGRITY GUIDE

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# INTRODUCTION

Elior Group conducts its daily operations in accordance with the ethical principles shared by all its employees.

These principles include, in particular, the fight against corruption, which is taking on increasing importance in today's society. In response to the expectations voiced by all stakeholders, many countries have implemented specific legislation aimed at fighting corruption: the Foreign Corrupt Practices Act in the United States and the UK Bribery Act in the United Kingdom are two examples.

In this context, on 9 December 2016, France adopted a law "on transparency, the fight against corruption and the modernisation of economic life" also known as the Sapin II Law (referred to in this document as the "Law").

It provides that major French companies must institute a corruption prevention plan that deploys the appropriate means for its application.

Foremost amongst these means are the clear definition of anti-corruption rules and the training of personnel exposed to corruption risks.

This Integrity Guide is a tool designed to serve all employees. Its purpose is to define clear rules that are known to all and to provide the theoretical and



practical information needed for each employee to be able to uphold the law and the Group's ethical principles.

It is divided into five parts:

1. Organisation and responsibility rules applicable within Elior Group regarding the prevention of corruption
2. Definitions of important concepts to understand regarding corruption
3. Knowing how to respond in sensitive situations
4. What to do if you are hesitant about how to proceed
5. Practical information

I invite each of us to read it with care, apply it in our everyday work and, should any difficulties arise, share our questions with our managers.

**Bernard Gault**

Chief Executive Officer Elior Group

# 1. ORGANISATION AND RESPONSIBILITY RULES APPLICABLE WITHIN THE ELIOR GROUP REGARDING THE PREVENTION OF CORRUPTION



## 1.1 ORGANISATION

Within Elior Group, the CEOs of the entities are each responsible for ensuring compliance with the legal obligations for the business which they lead.

In fulfilling this responsibility, they are expected to see to the proper application of the Group's ethical principles and to take all necessary steps to inform and train all their employees.

In particular, they ensure that each employee receives a level of information and training appropriate to the responsibilities entrusted to them and the risks to which they may be exposed in the course of their professional activities.

They institute training programmes for this purpose.

The CEO of each entity is assisted by the Management Committee, which oversees:

- setting out an annual corruption prevention programme; and
- reviewing initiatives in this area once per year.

The Chief Executive Officers of the entities each hold a sub-delegation of powers to implement the rules set out in this Integrity Guide in their respective scopes.

## 1.2 SANCTIONS

The rules set out in this code are to be observed by all Group employees, under all circumstances; failure to do so may result in disciplinary action.

## 1.3 WHISTLE-BLOWER LINE

In accordance with the Law, Elior Group makes available to all employees a whistle-blower line through which they can alert to instances of corruption.

Should you observe a situation or conduct that is contrary to this Integrity Guide, whereby it appears impossible to put an end to it by talking to the persons involved or to your Management, you may report this situation confidentially by calling one of the numbers listed in Paragraph 5.1 of this guide or by sending an e-mail to [alert.eliorgroup@isope.solutions](mailto:alert.eliorgroup@isope.solutions).

This facility by no means implies an obligation, and no reproach can be made to an employee failing to have filed a report.

Elior Group undertakes to guarantee the confidentiality of your contact and to protect you from any possible retaliation; however, any misuse of this mechanism will be subject to disciplinary action. The Whistle-blower Charter details how the whistle-blower hotline works and defines your rights and duties when using it. You can check it on-line, on Elior Group Integrity website at [integrity.eliorgroup.net](http://integrity.eliorgroup.net).

## 2. DEFINITIONS OF IMPORTANT CONCEPTS TO UNDERSTAND REGARDING CORRUPTION





Corruption is the act of offering one's counterpart an advantage in order to secure a decision guided by this advantage.

This advantage can take on many different forms: it can be money, but also a gift, a meal, an invitation, a service, a loan of equipment or money, a preference in hiring. The Law does not provide a limitative list and applies to any type of benefit.

Corruption is a formal offence that is considered material even when the offer has no effect: even if it is proved that the person targeted would have made the same decision without having received "any advantage", the behaviour is punishable by law whenever an offer has been made with the aim of modifying another's behaviour and where the offer has been accepted. This is known as a corrupt pact.

Corruption can occur in various forms.

### **2.1 ACTIVE CORRUPTION AND PASSIVE CORRUPTION**

The term "active" corruption is used when the corrupter offers or promises advantages to the potentially corrupt. Conversely, corruption is described as "passive" when a corrupt person initiates the corruption pact.

### **2.2 DIRECT CORRUPTION AND INDIRECT CORRUPTION**

Corruption is "direct" when an undue advantage is granted directly to the beneficiary by the corrupter; it is "indirect" when the undue advantage is given indirectly, for example via a third party (intermediary, supplier, etc.).

### **2.3 PRIVATE/ PUBLIC CORRUPTION**

"Public" corruption is characterised by the involvement of a person serving a public function and/or depositary of public authority in the corruption pact. Public service can include multiple forms:

- a civil servant in the performance of his or her duties,
- a person who works in a structure entrusted with a public service mission, for example a public establishment or the beneficiary of a public service concession, and
- a person who holds an elected office (a member of parliament or a local elected official).

"Private" corruption occurs in the context of interactions between business partners, for example between two private companies.

### **2.4 ADDITIONAL SANCTIONS AND PENALTIES**

All applicable laws and regulations sanction all forms of corruption with fines and imprisonment. The sanctions apply to both legal entities and natural persons, and may be supplemented by measures pronounced by the judge:

- For natural persons: ineligibility.
- For legal entities: exclusion from public contracts, supervision of implementation of measures by a monitor.
- For both: publication of ruling.

### **3. KNOWING HOW TO RESPOND IN SENSITIVE SITUATIONS**



**In practice**, many situations can give rise to potential risks of corruption. It is important that each of us adopts the right behaviours and responses when faced with these sensitive situations by acting in accordance with the recommendations described in this Guide and in our policies.

### 3.1 GIFTS AND INVITATIONS

**Gifts** exchanged with business partners must not be perceived as likely to influence the behaviour of their beneficiary. Their value must be in line with the rules set out by each entity's Chief Executive Officer and reflect only a mark of attention in accordance with commercial practices. Gifts are thus permitted if they meet the following conditions:

- they are compliant with the local laws and cultures,
- they are compliant with the internal rules of the beneficiary's organisation,
- they are given officially, in a professional context.

These rules apply to gifts given by Group employees as well as to the gifts they receive.

**Invitations** to meals, trips or shared activities must meet a justified business objective.

They are permitted, however, if they meet the following conditions:

- they remain within a professional context, which excludes extended invitations to family members,
- and they are not always extended to the same people: the recommended frequency is two invitations per year for the same person, barring special circumstances.

#### Example:

- In the context of a call for tenders for a public contract, an employee who is a decision-maker in the selection process implies that he could give our bid special attention if we agree to invite him and several of his relatives regularly to major sporting events, giving him access to a box to watch the matches of his favourite club.

#### RECOMMENDATIONS

Business gifts and invitations are part of common business practice for maintaining harmonious relationships with customers and suppliers. Even if they do not in themselves constitute an act of corruption, caution is recommended, particularly when dealing with undue requests. In all cases, remember to apply the following common sense rules:

- check that your counterpart's

company policy allows that person to receive gifts or invitations,

- never give gifts or invitations while in the negotiation of a major commercial agreement or call for tenders is in progress,
- limit your gifts to low-value items and give them in connection with specific events (year-end festivities, celebrating the end of a project, etc.),
- give priority to gifts that are intended for your contact person's company or department, as opposed to personal gifts,
- offer invitations in a professional context: do not extend them to families,
- when dealing with public officials or civil servants, reduce gifts to symbolic items and keep invitations to formal occasions,
- lastly, by way of reminder, certain types of gifts are strictly prohibited: cash, loans, gift vouchers.

**For more information:**

[Gifts and Invitations Policy](#)

### 3.2 PATRONAGE/SPONSORING-DONATIONS/PLEDGES

Elior Group supports activities on a voluntary basis, such as sporting, cultural and charitable activities. This support may give rise to donation and pledging operations or, in other cases, patronage (or sponsoring).

**Donations/pledges** are material or financial support granted to a charity or legal entity for the exercise of activities that are in the general interest. No direct or indirect consideration may be accepted or solicited in exchange.

**Patronage/sponsorship** is a commercial practice that enables Elior Group to contribute financially to actions and causes with a view to securing compensation aimed at increasing its visibility.

There is a risk that these activities may, by their nature, secure or influence a business relationship in favour of the Group or are perceived as such. Under no circumstances should such practices be seen as consideration in the award of a contract.

Such support is authorised if it fulfils the following conditions:

- they are not connected or appear to be connected to any commercial consideration,
- they must not give rise to funding or

- donation to political parties and local or regional authorities.
- a written agreement specifies the conditions of the action, in particular its grounds and the conditions for the financial contribution, and
- the decision to participate is approved collegially (a priority by the management committee of the entity involved).

#### Examples:

- The person in charge of purchasing for the city's collective catering contracts asks us if it would be possible to sponsor a cultural association. In return, it promises to convince the call for tenders commission to select your bid for the award of a contract.
- A training centre specialised in healthcare professions calls upon us to make a donation towards the purchase of awareness-raising kits on issues in and around ageing. We find out that the director of this training centre is married to the director of a healthcare facility with which we are currently in the tendering phase.

#### RECOMMENDATIONS

- To prevent a donation, pledging, partnership or sponsorship action from being construed as an attempt at corruption, follow these principles:
- read Elior Group's policy on

- sponsorship, pledges, and patronage,
- ensure that any payment made goes directly to the beneficiary organisation,
- ensure that the organisation's management and controlling bodies are sufficiently independent of any business relationship,
- ask yourself whether this contribution can be perceived as consideration for a business activity.

#### For more information:

[Policy on patronage, sponsoring, donations and pledging.](#)

### 3.3 RELATIONSHIPS WITH BUSINESS PARTNERS

Elior Group is committed to conducting business in a manner that excludes all forms of corruption and other practices contrary to the principles of integrity in relations with our suppliers, service providers, intermediaries or commercial agents (hereinafter "business partners").

We are each responsible for ensuring this commitment is implemented: in concrete terms, this means that we expect our business partners to comply with our standards on integrity and our rules regarding anti-bribery. It is emphasised here that we may be held responsible for their actions in the context of our business relations.

Several risk situations may arise in the context of these relationships: the integrity of our suppliers and intermediaries, transparency of the selection or renewal processes, and verification of actual provision of services.

#### Examples:

- In the context of a service contract, we find out once the contract has been signed that the service provider's main manager has recently been convicted of corruption with public decision-makers.
- A site manager calls upon a local service provider though the latter is not referenced by the Group and its rates are higher than those generally applied on the market. In exchange, the service provider undertakes to provide it with free services on a personal basis.
- An operational manager decides to hire a service provider with which Elior is accustomed to working and offers to this company to overcharge its services. The overbilled portion will be used to provide work free of charge to a prospect with which the Group is negotiating.

#### RECOMMENDATIONS

- In accordance with policy in effect, perform all due diligence to ensure the integrity of the vendor, service provider or intermediary.

- Precisely define the terms of the contractual relationship as well as the responsibilities, resources allocated and remuneration procedures (amount, instalments, invoicing).
- Ensure that the third party undertakes to comply with our integrity principles and policies (responsible purchasing charter, anti-corruption clause).
- Perform monitoring all throughout the assignment entrusted to the business partner and secure documented proof of the service provided.

#### For more information:

Policy on evaluating business partners.

### 3.4 CONFLICTS OF INTEREST

A conflict of interest is a situation in which an individual has private interests that may conflict with the professional interests he or she must defend in his or her work: for example, choosing a company in which a family member works to be a supplier. Is this choice being made for the quality of the supplier or for the sake of the family member? Another example would be engaging in an activity, paid or unpaid, for a company that is in competition with Elior Group.

A conflict of interest is not necessarily a criminal offence: you may in good faith find yourself in a situation in which private and professional interests clash.

What is punishable is not taking steps to clarify the situation: for example, you should entrust someone else with the task of negotiating with the company where a relative works.

#### Examples:

- The variable remuneration of one of the directors of development is partly based on the turnover earned with a client establishment headed by a relative of the same director.
- A prospect's principal strongly recommends that we work with certain suppliers because this would support the local economy and improve our chances of being selected to win a contract. This client actually has a direct interest in this supplier (capital, family-related or other) and our selection would entitle him to compensation for his recommendation.

#### For more information:

[Policy regarding conflicts of interest.](#)

#### RECOMMENDATIONS

To detect and prevent potential conflicts of interest, the following method is recommended:

- ask yourself regularly if your personal activities may be in conflict with your professional activities,
- if you have the slightest doubt, talk the situation over with your immediate superior, and

- if an ambiguity persists, set out the situation in writing.

**For more information:**

[Policy regarding conflicts of interest.](#)

### 3.5 INFLUENCE PEDDLING

Influence peddling is an act of public corruption committed with an intermediary. It is defined as granting an undue advantage to a third party so that it can use its influence with a public authority or administration to secure, for example, the award of a contract, position, honour, or investment decision.

What the corrupt is accused of is not the decision itself, but the fact of pressuring another public official, to influence that person's actions. Influence peddling is punishable in the same manner as public corruption.

**Example:**

- A consultant offers to help us win a contract that is up for public tender. He emphasises that he has knowledge the sector inside out, as well as “key people at city hall”.

In return for the support he provides to our offer, the consultant asks us to contribute to the catering costs of his daughter's wedding, set to take place soon.

### RECOMMENDATIONS

- Although we are not directly bound by a contract, special attention must be paid to relationships with intermediaries (such as agents, consultants or business introducers) operating in the public sphere.
- In order to prevent the risk of influence peddling, all of the Group's Compliance rules apply in the context of these relationships.

### 3.6 CASH REGISTER MANAGEMENT

As a result of our activities, cash boxes are in use at some Group sites. Although the cash boxes are subject to strict and regular controls, there is a risk that some purchases or payments may be made with the intention of bribery.

Gifts in the form of cash or cash equivalents (e.g. gift certificates,

vouchers) are strictly prohibited under our Policies.

**Examples:**

- A site manager uses the cash float, either directly or to purchase gifts, with the aim of bribing a client's employee so that the latter will turn a blind eye to his team's failings.
- In order to thank the person in charge of collective catering contracts for a municipality following the award of a contract, a sales manager offers the latter a gift card valid for a wine tasting for two.

### RECOMMENDATIONS

- Never give gifts in the form of cash or cash equivalents (e.g. gift cards or vouchers).
- Refer to the Gifts and Invitations Policy which states that gifts (given or received) such as cash, loans and other gift vouchers are strictly prohibited.

**For more information:**

[Gifts and Invitations Policy.](#)

### 3.7 FACILITATION PAYMENTS

A facilitation payment refers to the act of compensating, directly or indirectly, unduly, a public official for carrying out administrative formalities, which should be secured by normal legal means. These payments are a form of corruption and, as such, are strictly prohibited.

#### Example:

- The Group must urgently extend a building in order to respond to a call for tenders. For this purpose, it needs a building permit. A person well placed in the technical department of the town hall promises to speed up the permit granting process if the Group agrees to offer it an undue advantage.

#### RECOMMENDATIONS

- Remind the other person of Elior Group's ethical principles and this Integrity Guide,
- Explain that this process is your responsibility as well as that of your counterpart,

- Request a meeting with your contact's immediate superior, or a written confirmation of this request and an invoice, and
- Inform your immediate superior and Area Compliance Officer of this initiative.

### 3.8 M&A TRANSACTIONS

Mergers and acquisitions are complex operations on which Elior Group can call to achieve growth. During mergers and acquisitions, the target companies may show potential corruption risks: for example, the target company, its leaders and/or shareholders may have been involved in instances of corruption for which the acquiring company could ultimately be held liable.

In order to mitigate these risks, Elior Group carries out reasonable due diligence in the pre- and post-acquisition phase. Our policies are also designed to ensure that the acquired company is integrated into our anti-corruption and integrity programme.

#### Example:

- After acquiring a company without having carried out the necessary integrity checks, we learn through customers that this company has regularly compromised itself by paying bribes, sending out invitations to sports matches or through subsidies from associations in order to quickly inflate its turnover before the sale.

#### RECOMMENDATIONS

- Contact the Compliance Officer to find out the applicable procedures in the context of a merger-acquisition,
- Perform the necessary checks before and after the acquisition according to the procedure in effect (these can come in the form of a questionnaire, interviews, or a more in-depth review of the target's operations), and
- Once the acquisition is complete, make sure to follow up on the integration plan for all Group integrity policies.

## **4. WHAT TO DO IF YOU ARE HESITANT ABOUT HOW TO PROCEED**





If you are hesitant about how to proceed in a given situation, keep in mind the “right questions” to ask yourself in all circumstances:

- Does this transaction comply with the procedures applicable at my company?
- Have I checked that this operation is not aimed at securing an undue advantage?
- Am I comfortable justifying my decision with my line manager?
- Have I communicated transparently and secured all the necessary approvals?
- Would I pass the “newspaper test” with flying colours (if this information were to make the front page of a newspaper, how would I feel)?

**If you answered “No” to any of the above questions, we recommend that you contact your Compliance Officer to discuss your decision and the appropriate course of action.**

Nonetheless, in some cases, doubts can remain as to how to apply the principles of integrity. The right move in this case is to raise the question either with your immediate superior or your colleagues.

If a situation calls for a difficult decision, you cannot bear responsibility for it alone; by setting out your question in a transparent manner and pitting your point of view against that of your colleagues, you will find an appropriate solution.

You will never be accused of having voiced a doubt, even if it proves unfounded; however, you could be held liable if you persist in inappropriate behaviour.

## 5. PRACTICAL INFORMATION



### 5.1 HOW TO RESPOND TO A BREACH OF THE RULES SET OUT IN THIS INTEGRITY GUIDE?

The ground rule is transparency. If you feel that the principles are not being respected in your work, the first step is to discuss the matter with the persons concerned or with your immediate superior to check whether there is indeed a problem and what solution can be adopted.

If this action is not enough to remove doubts or result in a solution, you can use the Elior Group whistle-blower mechanism via any of three communication channels:

**Email to:**  
alert.eliorgroup@isope.solutions

**Postal mail to:**

iSope solutions (Alerte Elior)  
90/92 Route de la Reine  
92100 Boulogne-Billancourt - France

**The telephone**, using the contact number for the area in which you are located, as indicated below:

- **For the European Union and the United Kingdom**  
Dial 00 800 180 620 19  
Mondays to Fridays  
From 9 am to 6 pm (CET).  
Select the language of your choice (French, English, Spanish, Italian or Portuguese) and an operator will answer in the language you have chosen.
- **For India**  
Dial +322-333 9296  
Mondays to Fridays  
From 1:30 pm to 10:30 pm (IST).  
You will be able to speak with an operator in English.
- **For the United States**  
Dial +1 646 366 5121  
Mondays to Fridays  
From 9 am and 6 pm (EST).  
You will be able to speak with an operator in English or Spanish.

Before dialling the number, please read the Whistle-Blower Charter which details the procedures for using the line, its scope of application, the guarantees that Elior Group gives you in the area of confidentiality and the absence of retaliatory action. The full text of the Whistle-Blower Charter can be found in the “Reporting an ethics problem” tab of the integrity.eliorgroup.net website.

### 5.2 HOW TO FIND INFORMATION ON THE GROUP'S ETHICAL PRINCIPLES AND THEIR ENFORCEMENT?

The Elior Group Integrity website is available to you at integrity.eliorgroup.net. It contains the latest versions of the:

- Group Ethics Principles,
- Integrity Guide,
- Animations that illustrate the Integrity Guide,
- Easy exercises (quizzes) to test your knowledge,
- The Whistle-Blower Charter.

