



Groupe Thermador gifts and invitations policy

1-Reminder of the general principle

Reminder of the code of conduct (paragraph 2.2 gifts and invitations): gifts include benefits of all sorts, given by somebody as a sign of recognition or friendship, without expecting anything in return. Our policy on gifts and invitations seeks primarily to reduce the risk of active or passive corruption and influence by clearly defining the line that separates what is acceptable from what is prohibited. Indeed, whilst all gifts and invitations are not acts of corruption, they can become such if they seek to obtain favour from their beneficiary in exchange for the benefit they have procured. The company prohibits the giving or receiving of gifts and invitations or payment of fees when such provisions can influence the result of commercial transactions and do not constitute **reasonable expenditure** made in good faith.

The payment or reimbursement of 'gift-invitation' expenses must be:

- Compliant with applicable laws and the company's internal regulations,
- In connection with a legitimate objective linked to the company's business. Gifts and invitations are occasional and connected to the company's activity; they are given within a strictly professional framework,
- Given without obtaining undue advantage in return, or unduly influencing somebody. Consequently, they must be of proportionate value and appropriate to the circumstances (gifts and invitations do not seek to influence a decision and are not given at a **strategic moment**, for example: during a call for tenders, signing of commercial agreements, modifications to regulations, securing contracts, etc.),
- Recorded in the company's accounts through expenses claims or direct invoicing.

Gifts and invitations do not create discomfort when publicly acknowledged. The 'newspaper test' is to ask yourself whether gifts and invitations could appear in the press or on social media without harming the organisation's reputation.

Repeated gifts and invitations could in the end produce an undue advantage. The frequency of gifts, invitations and benefits given or received must be taken into consideration. If in doubt, the employee must refer to their direct report who can in turn refer to the chairman and CEO, CEO or the ethics committee.

To estimate the value of a gift received, the person can check the value of a similar item on the web. Whenever a threshold is crossed, authorisation must be sought from the departmental manager, chairman and CEO or CEO, with the following information being provided: the beneficiary/recipient and giver, the subject, the date, the value (estimated if necessary). The Chairman and CEO or CEO's expenses claims are validated by administrative departments. An annual summary analytical table, which includes all the Chairman and CEO or CEO's expenses per type of expenditure is drawn up and presented to the audit committee held in the February of the following year. The audit committee reserves the right to select an expenses amount randomly, for which documentary proof must be provided.

According to geographical location and existing practices, each subsidiary may adapt its gifts and invitations policies where applicable.

The amounts defined in the specific framework paragraph will be reviewed annually and updated in this memo for distribution.

Where appropriate, the employee may refer to this policy and communicate it to our stakeholders as a reminder of our commitments on gifts and entertainment.

2- Specific framework

2.1 Gifts (vouchers, gifts, sports events, shows, etc.)

Gifts received or given must respect the following rules:

- Not be subject to any counterpart and not be requested,
- Never be financial: loan or cash,
- Be made completely transparently vis-à-vis management,

- Be appropriate. Not offensive or sexual, or potentially contravening in any way your commitment to treat others with dignity, decency and respect.

The value of the gift received must be negligible or reasonable. This would take into account the economic and social context of the country in question and customs observed there.

The value must correspond to an amount which is consistent with the environment, the service and the functions.

Where possible, payments for gifts must be made directly to the provider supplying the service and not to the customer.

Gifts received must be shared between the whole team where possible (chocolates, etc.) or put into a cupboard for a prize draw at the end of the year. Gifts stored in this way must appear on a list used as the basis for distributing them between the employees.

Gifts with a limited period of validity, such as tickets and vouchers, shall be distributed through a separate draw.

In the case of an invitation (sports or cultural event), the value of the invitation must not be such that it compromises the impartiality of the parties during their future exchanges. The employee is able to accept the invitation received on condition that the third party having offered the invitation is present during the event. The proposal must be refused if a call for tenders is in progress with that third party.

Notion of threshold:

Beyond a value of **€73 inc-VAT** per year and per beneficiary, a document must be drawn up and signed by the Chairman and CEO, CEO or the departmental manager **before the expenditure is committed**, explaining the amount approved in respect of the context (use the enclosed template).

Clarification concerning gift vouchers or other gifts offered in the course of business:

When a gift voucher or other gift (tablets, spirits, etc.) is offered to a customer's employee as part of a sales activity (telephone calls, etc.), we consider this gift to be remuneration for services rendered in connection with achieving sales targets for the company's products. The value of this gift is therefore not included in the calculation of the total threshold mentioned in section 2.4. However [in application of French legislation], these vouchers or gifts may not exceed the threshold of 15% of the minimum wage [SMIC], otherwise the amount exceeding 15% [SMIC] of the minimum wage must be added back to the assessment base for the 20% contribution in full discharge of liabilities (URSSAF [French social security financing agency] considers that these incentive operations are subject to social security contributions). In this case, the subsidiary must declare it on the DSN form [In countries outside France, the rules relating to the obligation to pay social security contributions may differ].

2.2 Lunch or dinner invitations

Lunch or dinner is a custom that can be useful to commercial relationships. The purpose of the meal is to allow participants to address professional topics, during weekdays and not in the presence of friends or family.

The lunch/dinner invitation must:

- Respect the general principle described above,
- Be in connection with the company's business,
- Be of reasonable value in respect of local customs and the circumstances of the invitation (prestigious wines must be excluded, fine dining can only feature occasionally).

This policy also applies to invitations from Groupe Thermador subsidiary employees.

Notion of threshold:

Beyond **€73 inc-VAT** per person (or more than 3 times during the year for a total amount under **€183.30 inc-VAT**, i.e. 5% of the monthly social security threshold, for the same person), a document must be drawn up and signed by the Chairman and CEO, CEO or the departmental manager **before the expense is committed**, explaining the amount approved in respect of the context (use the enclosed template).

2.3 Travel and accommodation

Under certain circumstances, it may be necessary to pay for the travel and accommodation of certain partners or customers of the company. It is stressed that when suppliers come to visit us, they pay their own hotel bills, and Thermador Groupe employees must do likewise when they visit suppliers.

Covering the travel and accommodation of certain partners or customers is only possible if it respects the general principle and if it is agreed in advance. The invitation may not cover ancillary travel (tourism), the duration of the stay shall be reasonable and justifiable in respect of legitimate needs, the amounts committed shall correspond to the company's normal practices, and the invitation can only be for the professional contact, and not for their friends or family.

All travel and accommodation must be validated systematically beforehand by the CEO or the departmental manager.

2.4 Overall threshold

The cumulative amount of restaurants/sports and cultural events and gift invitations **per individual per year** must not exceed the 5% threshold of the monthly social security ceiling, i.e. **€183.30 inc-VAT** for 2023.

3- Examples of different situations

The following examples are designed to help employees and departmental managers to take informed decisions on the grounds for accepting gifts, invitations or trips.

3.1 Supplier gifts

***During the year, a buyer personally accepts 5 crates of wine, each containing 6 bottles from the same supplier. According to the latter, it is just a way of 'maintaining good commercial relationships'. Is the purchaser exposed to a risk of corruption?**
Certain indicators suggest this is the case:

- * Frequency of gifts (5 times in the same year),
- * Receiving a gift individually,
- * The beneficiary's function,
- * Gifts from the same supplier.

It is therefore likely that this supplier will be favoured in the case of contract renewal for reasons that are not strictly professional.

*** You have just launched a call for tenders for the purchase of forklift trucks for the next three years. During commercial negotiations with one of the suppliers competing for the contract, the latter offers you a good bottle of wine. Do you accept it?**

No, you are at a critical point in time where the supplier hopes to influence your decision to win the call for tenders: you must therefore refuse this gift in order to be able to take an independent decision purely with the interests of the group in mind.

***One of my suppliers has offered me a weekend at the seaside. In exchange, I just have to reduce the payment period of his invoices by a few weeks. Can I do it?**

It is strictly forbidden to use your position or function to receive gifts or benefits. Please inform your manager as soon as possible as well as the purchasing department of this attempt at corruption.

3.2 Customer invitations

***A customer invites you to a party to celebrate its 50th anniversary. Other important people from the profession will be present. Can you accept this invitation?**

Yes, but remember to inform your manager and to keep a trace of your attendance in case questions are asked.

***During a festive period, I would like to send my leading customers and suppliers a box of chocolates. Can I do it?**

Chocolates are one of the business gifts that are acceptable to our company. Their value must comply with our gifts policy.

***Every time one of my best customers comes to visit us, I offer him a culinary speciality of the region. But this time he has told me that he is coming with his girlfriend. I am going to set aside a small budget for her too. Is that a problem?**

Yes. There are two problems here: the same customer cannot regularly receive a gift. The gift must be made to one person in direct connection with the work, and not to a member of his family.

***Can I give one of my customers tickets for a sports event which I cannot attend myself?**

No. Any invitation requires the presence of somebody from our company. The same rule applies when a supplier invites you. We would remind you that you must comply with the company's gifts and invitations policy.

***I am negotiating the sale of one of our products to a major customer. My contact refuses to examine my proposal because our competitors are known to be generous. I get the impression he is expecting me to give him a gift. Can I do it?**

No. Talk about it with your management. Do not give in to such pressure. A healthy negotiation with our customers is based on the quality of our products and our pricing policy, and not on our ability to offer gifts to their employees.

Chairman and CEO or CEO's signature

Employee's signature