CORRUPTION PREVENTION MANUAL

A guide to doing business with integrity.

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Contents

Introduction/Purpose **3**

What is corruption and influence peddling? 3

What is being done about it? 3

Why create a Corruption Prevention Manual? 3

How does bioMérieux prevent corruption and influence peddling? 4

Where do I go if I have questions? 4

What are the risks? 4

Application of the Corruption Prevention Manual **5**

Who must follow this Manual? 5

What are the consequences for noncompliance? 5

What happens if my manager requires me to do something that might violate this Manual? 5

What if the laws in my country are different from what is in this Manual? 6

Policies Preventing Bribery and Corruption **6**

What is bribery? 6

What is bioMérieux's policy? 6

What does this mean? 7

If a sales representative offers or promises a gift, but the recipient refuses, is this bribery? 7

Who is considered a “government official” and why is this important? 7

What about payments (known as "Facilitation Payments") meant to speed up the approval of a permit or other government decision? Are these bribes? 7

What if a government official requests a payment? 7

What kinds of government payments are permitted? 7

Working with Health Care Professionals **8**

Why do we interact with health care professionals? 8

Are there laws that regulate interactions with health care professionals? 8

What about industry codes of conduct? 9

Gifts, hospitality, entertainment, and travel **9**

Travel, accommodation, entertainment, and meals 10

Gifts 11

Contributions: Political & Charitable **12**

Why do we prohibit company contributions to political parties? 12

What is considered a charitable contribution or non-commercial sponsorship? 12

What are the rules for charitable contributions and other non-commercial sponsorships? 12

Accounting and Recordkeeping **14**

How does accounting and recordkeeping relate to compliance? 14

What do we have to do? 14

Recognizing Red Flags **15**

What are "red flags" that may signal corruption or influence peddling? 15

Selecting and Monitoring High Risk Third Parties **16**

What about working with third parties? 16

Which third parties are high risk in terms of corruption? 16

What should we do to reduce the risk? 17

Know Your Business Partners 17

Red Flags Require Further Diligence 17

Written Contracts Required for All High Risk Third Parties 18

Payments to High Risk Third Parties 18

Working with High Risk Third Parties: Summary 19

Merger and Acquisitions Process **19**

What are the risks with regard to mergers, acquisitions, and joint ventures? 19

How can we reduce the risk? 19

Expressing Concerns **20**

Why should I express my concerns? 20

How do I report an issue? 20

What happens to my report? 20

Dos and Don'ts of Corruption Prevention **21**

Introduction/Purpose

What is corruption and influence peddling?

Corruption is the willingness to act dishonestly or fraudulently in return for personal or company gain. A person in a position of power who is illegally paid to make a decision that favors the payer has participated in corruption - and so has the payer. Corruption increases the cost of doing business, creates unfair competition, damages innovation, and undermines social structures. It delays, distorts, and diverts economic growth and deepens poverty.

Influence peddling is a type of corruption that occurs when a person uses real or apparent influence over someone in a position of public authority to obtain undue favors or preferential treatment for someone else, in return for an advantage or payment.

The giver and the receiver have participated in corruption!

What is being done about it?

Because of the damage that corruption does to the public good, there is growing international condemnation of corruption. It is **illegal everywhere** and countries throughout the world are **aggressively enforcing anti-corruption laws**. Companies are strengthening internal controls to ensure that corrupt payments are not made by employees or business partners. By doing so, governments and businesses are sending a signal to those in positions of power that corruption will no longer be tolerated.

Why create a Corruption Prevention Manual?

As a global company, bioMérieux employees and representatives regularly communicate with government officials to secure contracts, permits, licenses and other government approvals. We also have frequent contact with healthcare professionals. These kinds of relationships very often are regulated by international and local anti-corruption and anti-kickback laws. This Manual has been designed to give you guidance on acting in accordance with the laws in areas where there is a high risk of corruption.

How does bioMérieux prevent corruption and influence peddling?

bioMérieux is committed to conducting its activities free from the unfair influence of bribery and corruption. Bribes, or other illegal direct or indirect gifts or payments, are prohibited in our Global Code of Conduct. bioMérieux has adopted this Manual to give employees concrete guidance for complying with this prohibition. Each employee is responsible for reading, understanding, and complying with this Manual.

bioMérieux's Corruption Prevention Program includes:

- Policies and procedures, including this Manual.
- Frequent training on anticorruption and influence peddling principles.
- Regular assessment of corruption and influence peddling risks.
- Action plans on the global and local level to mitigate risks.
- A due diligence program for evaluating and monitoring third parties.
- Local Compliance Teams (LCTs) set up at each Site/Subsidiary or Cluster level to implement policies and procedures at the local level.
- The EthicsLine alert system for reporting any concerns, which is accessible to internal and external parties.
- Evaluation of corruption and influence peddling risks by Internal Audit.

The Ethics & Compliance department manages the Corruption Prevention Program. The Program is regularly reviewed by the Compliance Committee, which includes senior leadership. Corruption risks and mitigations are also presented to executive management and the board at regular intervals.

Where do I go if I have questions?

By reading and understanding this Manual, you will learn to recognize some situations that present corruption risks and how to deal with them. However, it does not address every situation you may encounter at work. If there is a situation that you think may pose a risk and you are unsure about how to handle it, you should seek guidance. Support is available to you from your supervisors, your Ethics and Compliance Department, and the Legal Department. You may contact the Ethics & Compliance Office by email at Compliance_Officer@biomerieux.com. Your questions or concerns will remain confidential to fullest possible extent and will receive quick and appropriate follow-up.

What are the risks?

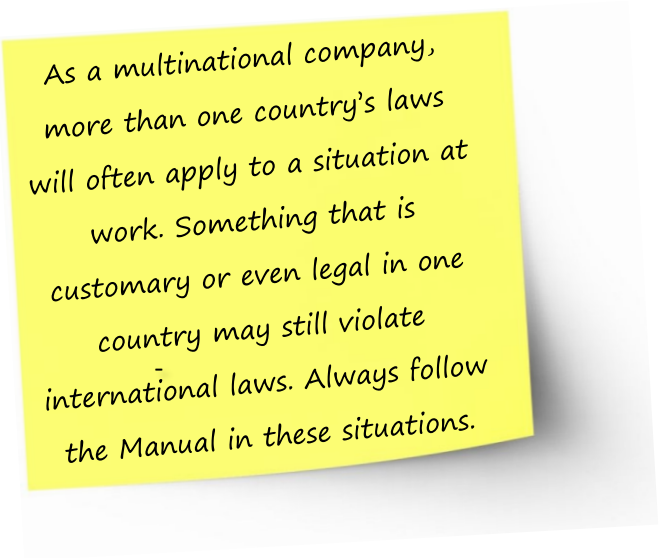
These policies are meant to protect you as well as the company. Violations of anti-corruption laws may result in severe civil and criminal penalties for bioMérieux, its employees and its business partners. In some countries, individuals have been fined, detained, and imprisoned for anti-corruption violations. Governments can require companies that engage in corruption to pay huge fines, disgorge profits, and bar them from working on public tenders for many years.

It's important to remember that bioMérieux and its employees and partners are subject to international anticorruption laws, even if no local law exists to prevent corruption and influence peddling. The US Foreign Corrupt Practices Act (FCPA), the French Sapin II Law, and the UK Bribery Act (UKBA) each have a transnational scope that authorizes the anticorruption agencies of those countries to investigate and prosecute multinational companies and individuals for corrupt activities anywhere in the world. Fines for these kinds of offenses have reached hundreds of millions of euros.

Application of the Corruption Prevention Manual

Who must follow this Manual?

This Manual is more than words on paper - it must guide your actions as a representative of bioMérieux, especially if, within your bioMérieux activities, you have relationships with third parties. The policies in this Manual apply to employees and officers of every subsidiary and affiliate of bioMérieux. Each subsidiary may choose to adopt additional policies or procedures relating to anti-corruption, as long as they do not conflict with this manual or reduce its stringency, and approval is obtained by the Regional Compliance Officer. Copies of any such policies and procedures should be sent to the Ethics & Compliance Department at Compliance_Officer@biomerieux.com.



What are the consequences for noncompliance?

As an employee or officer of bioMérieux, you are expected to strictly adhere to this Manual. Any employee who violates this Manual or condones such violation may be subject to discipline, up to and including termination, in addition to any personal criminal and civil sanctions an individual may face under the anticorruption laws.

What happens if my manager requires me to do something that might violate this Manual?

No employee may be penalized or suffer retaliation by any other employee at bioMérieux for refusing to engage in corrupt activities, even if such a refusal results in a loss of business. **You must obey the law.** Talk to your manager about your concerns first, if possible. However, never hesitate to seek guidance from your Legal or Ethics & Compliance team.

Be aware of restrictions found in the following types of laws:

- Laws regulating interactions with health care professionals
- Health care marketing laws
- Antitrust laws which prohibit inappropriate behavior that restricts or tries to restrict fair competition
- Procurement or public tender regulations

What if the laws in my country are different from what is in this Manual?

Never break the law. There may be instances where the guidance in this Manual is different from the standards set by laws, industry codes or custom in a particular country. For example, when local public procurement regulations apply, they can be significantly more rigid than the standards in this Manual. This is also the case in certain countries which have issued specific laws covering Health Care Professionals (HCPs). Where local laws require a higher or additional standard, the local laws must be followed. If, by contrast, this Manual provides for a higher standard, then follow the Manual. For example, you must follow this Manual's guidance on gift-giving, even if a payment would be seen by some as an accepted business practice in a particular culture or country. However, if complying with this Manual would violate the country's laws, you must follow your local law and **notify the Ethics & Compliance Department of the conflict**.

Policies Preventing Bribery and Corruption

What is bribery?

At bioMérieux, we consider a "bribe" to be **anything of value given, directly or indirectly, to improperly or illegally influence a business decision or give bioMérieux an unfair advantage.**

The foreign bribery rules of some countries, prohibit corrupt payments to anyone including government officials and commercial customers. Most of the local anti-corruption laws do not state minimum threshold amounts to qualify a bribe or corruption act – the intent to illegally gain an advantage is enough.

An improper payment can take many forms. While cases often involve payments of cash (sometimes in the guise of “consulting fees” or “commissions” given through intermediaries), others have involved travel expenses and expensive gifts.

What is bioMérieux's policy?

You must conduct business free from the unfair influence of bribery and corruption. No improper payment must ever be made, directly or indirectly. An *improper payment* is *offering anything of value* that is intended to (or might be perceived to) *unfairly* and *illegally* influence a business interaction. Examples of improper payments may include bribes, kickbacks, entertainment, or donations to any government official, customer, or any other third parties for the personal benefit of such persons.

What does this mean?

Never give, promise, or offer anything of value to obtain an improper or illegal advantage, and never authorize anyone else to do any of these things on the company's behalf.

If a sales representative offers or promises a gift, but the recipient refuses, is this bribery?

Yes. Anti-corruption laws prohibit you from **offering, promising, paying, and giving bribes**, as well as **approving or instructing another person** to take such actions. Even **cooperating** with someone that you have reason to suspect may be involved in corrupt activities is illegal. **Never ignore "red flags" - signs that may signal corruption.**

Who is considered a "government official" and why is this important?

Government officials include **ministers, secretaries, officers, legislators, judges, elected officials, candidates, or employees of the government or government-owned entities**. In some countries, where many goods and services are controlled by the government, any employee of such an organization is considered a government official. For example, **physicians and hospital employees** are considered government officials if the hospital is owned or controlled by the government. Anti-bribery laws around the world strongly prohibit bribery of government officials. Therefore, you must pay special attention in interactions with government officials to avoid even the appearance of misconduct.

What about payments (known as "Facilitation Payments") meant to speed up the approval of a permit or other government decision? Are these bribes?

Even if bioMérieux is legally entitled to a government action, payment of a bribe to obtain that action is illegal. Bribes must not be paid to **bring in business, keep existing business, obtain licenses or regulatory approval, prevent negative government actions, avoid duties or customs fees, reduce taxes, block bidding by competitors,** or in any way obtain an improper advantage. If you have any questions about whether a payment is illegal, contact Ethics & Compliance.

What if a government official requests a payment?

You must refuse. Anti-bribery laws apply to both the giver and the recipient of a payment – it is not a valid excuse that the bribe was requested by the recipient. **No employee may be penalized or suffer retaliation by any other employee at bioMérieux for refusing to engage in corrupt activities, even if such a refusal results in a loss of business.**

What kinds of government payments are permitted?

Anti-bribery laws prevent corrupt payments to officials for their personal benefit. They do not prohibit reasonable payments for a valid and legal business purpose. For example:

- **Routine government payments** - Taxes and published fees for various government services, such as permits, licenses, or visas, are permissible and occur in the regular course of dealing with a government. **However, avoid making payments that exceed**

the published government fees. No part of such payments may be given to officials for their personal use. Always request a receipt.

- **Valid, legal business expenditures** - Any expenditure must be reasonable to achieve a valid, legal business purpose. For example, expenses that relate directly to the performance of an approved and clearly defined contract are usually acceptable. The expense in each situation must be:
  - **Necessary to achieve an appropriate business purpose.** Remember, payments that are intended to influence a government official to use his or her position to obtain or retain business are not appropriate.
  - **Reasonable under the circumstances.** The extreme difference in living standards in various regions of the world may create situations where relatively modest expenditures by one country's standards can be viewed as improper inducements by a different standard.
  - **Supported by appropriate documentation and approved in advance.** Always keep accurate, clear records that define the purpose, amount, and recipient of any payment.
  - **In compliance with the guidance in this manual.** Certain types of payments, like travel expenses and meals are specifically addressed in other sections.
  - **In compliance with local procedures and standards.**

Working with Health Care Professionals

Why do we interact with health care professionals?

The ultimate purpose of bioMérieux's interactions with health care professionals (HCPs) is to **enhance the quality of patient care and improve public health. You must never offer or provide anything to an HCP with the intention of inappropriately influencing the HCP to prescribe, recommend, purchase, or supply our products.**

In Europe and the United States, many interactions, must be recorded and reported publicly when anything is provided to an HCP, including meals, travel, consulting fees, etc.

Are there laws that regulate interactions with health care professionals?

Many governments strictly regulate the way that medical products can be marketed and promoted to HCPs and healthcare organizations (HCOs). The rules surrounding payments to HCPs vary significantly from country to country. In addition, remember that in some countries where hospitals are primarily owned or controlled by the government, hospital employees may be considered government officials and anti-corruption laws apply.

What about industry codes of conduct?

Industry associations, such as MedTech, AdvaMed, Mecomed and others, have established codes of conduct for their members to set ethical standards and create a level playing field for the industry. If you are involved in the sales, marketing, or promotion of products, or interact with HCPs in your role, then you need to be very familiar with these codes. For guidance, ask your Local Compliance Team. You can find some of the industry codes can be found at this link.

When interacting with HCPs, you must follow the guidance in this Manual, as well as any further restrictions found in the laws and industry codes of conduct.

Gifts, hospitality, entertainment, and travel

Providing gifts, meals, accommodation, entertainment, or travel to a third party is prohibited, if they are excessive, unreasonable, or do not have a valid business purpose. These items must NEVER be offered or provided to improperly influence business decisions.

If you are a **manager**, you must be aware of any gift, entertainment, hospitality, or travel expenses provided by your team. For example, you must know to whom your staff is giving gifts and what the gifts are. You may not simply approve a budget and leave it to your staff to decide who gets what.

Remember: public tender situations are particularly sensitive, and nothing should be offered without the specific approval of the Legal Department.

Ask yourself:

if news of the gift, hospitality or entertainment appeared on the front page of a newspaper, could it embarrass bioMérieux or the recipient?

If so, do not offer it.

Note on Conflicts of Interest:

Receiving gifts, gratuities, fees, commissions or payments may sometimes present a conflict of interest for bioMérieux employees. This topic is covered in the Conflict of Interest Policy. If something that you receive from a supplier, customer or any other business partner could keep you from making a fair, impartial business decision, then you have a conflict of interest. Even the appearance of these conflicts must be avoided whenever possible. If you are in such a situation, you must discuss it with your manager or contact Ethics & Compliance for advice.

Travel, accommodation, entertainment, and meals

In appropriate circumstances, it may be permissible to pay the reasonable costs of travel, accommodation and meals of **third parties** when there is a valid business purpose. In such circumstances, keep in mind that:

- Such costs must be **modest, reasonable, and infrequent** so far as any individual recipient is concerned.
- **Treat the attendees the same as you treat your colleagues** in terms of the types of airline tickets, restaurants, and hotels that you pay for, as stated in the bioMérieux Global Travel Policy, industry codes and any other locally applicable travel procedures.
- The **distance of travel and duration of stay must be justified** by valid business reasons.
- Never provide **entertainment** to any participant at a business meeting or event, unless it is **appropriate and clearly incidental to the business purpose**. For government officials, the rules are very strict and bioMérieux cannot provide golf outings, side trips to sightseeing destinations, etc. - even if business is discussed - if the primary purpose of the event is simply "networking" or "relationship-building". Industry codes generally prohibit entertainment to HCPs.
- **Never pay for a family member** of a third party.
- Paying for a meal will appear to be a "corrupt payment" if the value of the meal is high in relation to the other party's position and the standard of living in the country. The **value of a meal must be reasonable and appropriate to the circumstances** so that neither the recipient nor others could interpret it as a bribe. Each country must establish local limits, validated by Ethics & Compliance, for third parties, with particular thresholds for HCPs and government officials.
- **All payments must be recorded accurately and transparently** in the Company's books, including names of attendees, the amount spent per person, and the number of people at the event. In some countries, the names and titles of any healthcare professionals who attend must be recorded and publicly reported.
- The **payment should be made directly to the service provider**, such as the bioMérieux preferred travel agency or the restaurant, whenever possible. In all cases, such expenses must be justified with clear and detailed receipts.
- Any deviation from these rules must be rare, due to special circumstances, and approved in advance by Ethics & Compliance.

Rules about paying for the travel, accommodation and meals of health care professionals vary from country to country and are often very restrictive, so you must make sure that you know what local regulations and industry codes of conduct apply to you. Some of these can be found at this link. Ask your Legal team, Local Compliance team or the Ethics & Compliance department if you need more guidance.

Gifts

Any gift or favor offered or provided to third parties must comply with the following:

- It may NOT be offered to obtain an improper advantage or influence action but may be **offered only as a token of esteem or gratitude**.
- **The gift must be permitted by local laws and industry codes of ethics.**
- **The gift must be customary and reasonable for the occasion in the country where offered.** The value of the gift must be tailored to the standard of living and accepted local customs in the country where it is made, so that neither the recipient nor others could interpret it as a bribe. Each subsidiary must have its own limit that is validated by Ethics & Compliance and is tailored to local standards of living and local laws.
- **NEVER give gifts of cash (or cash equivalents, such as gift cards)** - even if that is the local tradition.
- **Never give gifts to family members or friends of third parties**, with the intent to indirectly influence the third party.
- **Record all gifts given properly and transparently** in the Company's books, including the amount spent per person.
- Putting a company logo on an otherwise impermissible gift does not make it permissible.
- **Gifts must be approved in advance by your Local Compliance Team. Gifts to government officials or HCPs must be approved in advance by Ethics & Compliance.**

As with travel, accommodation and meals, the rules surrounding gifts to **health care professionals** vary and in many cases are prohibited. Always check the local rules, some of which can be found at this link.

Contributions: Political & Charitable

Why do we prohibit company contributions to political parties?

bioMérieux recognizes that it belongs to a community and encourages its employees who wish to participate in political activities (as well as cultural, humanitarian or sports activities). Such engagement must be outside of working hours and must not involve bioMérieux in any manner.

It is bioMérieux's policy not to support directly (contributions) or indirectly (purchase or supply of goods or services) any local, national or international political activities.

What is considered a charitable contribution or non-commercial sponsorship?

A charitable contribution is the provision of cash, equipment or products, or other in-kind donations, exclusively for charitable or philanthropic purposes and/or to benefit a charitable or philanthropic cause, without the expectation of direct benefits to bioMérieux.

Non-commercial Sponsorship includes activities for which bioMérieux may get advertising/ promotional opportunities or other benefits in exchange for the sponsorship provided to an organization (typically nonprofit) with a philanthropic or charitable purpose.

This does not include research grants, educational grants, or commercial sponsorship (such as booths at trade shows), which have specific approval processes. More information can be found at this link.

What are the rules for charitable contributions and other non-commercial sponsorships?

bioMérieux is committed to the community and often supports worthy causes, contributing monetary gifts, products, and services. We also encourage the generosity of our employees in supporting charitable activities. These donations are given as reflections of our values, without any expectation of favorable treatment by the recipient in return. **bioMérieux never makes a contribution in exchange for a business favor, even if the recipient is a legitimate charity.**

Sometimes, even genuine, heartfelt donations can be misinterpreted as attempts to earn favor with a business partner. For example, funding a favored charity of a hospital representative while negotiating a contract with that individual may create the *appearance* of corruption and should be avoided, even if the donation was not intended to elicit favor.

To reduce the risk of corruption and even the appearance of corruption, follow these rules:

1. Never donate or promise to donate to a cause, either personally or on bioMérieux's behalf, with the intention of gaining a business advantage for bioMérieux.
2. Any business negotiations must be completely separate from discussions of charitable donations.
3. Avoid making a contribution to or sponsoring a charity associated with a current or potential business partner who may be able to influence a business interaction.

4. Charitable contribution/non-commercial sponsorship must be made directly to the charitable/nonprofit organization and may not be made to individuals or for-profit organizations. In general, these organizations should be registered as tax-exempt nonprofits in the countries in which they operate.
5. Always confirm the legitimacy of an organization before any funds are donated by checking public registrations and performing internet searches with reputable charity monitoring organizations, such as www.charitynavigator.org.
6. Donations should be accurately and transparently recorded in the appropriate account on the Company's books. A Charitable Contribution Form justifying the donation should be maintained.
7. Always check your local guidelines on charitable donations and non-commercial sponsorships. Some governments and industry associations may have stricter rules on this topic.
8. Be aware that donations made at the request of health care professionals or government officials or agencies require special review to avoid violation of laws. In addition, donations to healthcare organizations are prohibited by industry codes in certain regions, except in extreme circumstances.
9. Follow the charitable donations/non-commercial sponsorship approval process found at this link.

Accounting and Recordkeeping

Making false or deceptive records can lead to criminal prosecution.

How does accounting and recordkeeping relate to compliance?

Proper recordkeeping is an essential part of compliance and is required under tax laws and some anti-corruption laws. It helps the Company (1) identify situations that may be of concern and ensure that proper procedures are being followed and (2) defend our actions if challenged by enforcement authorities.

What do we have to do?

Follow the Company's financial controls procedures, including the Internal Controls Manual.

Here are some simple rules:

- Document transactions accurately and completely.
- Document that you have taken the necessary steps for compliance with internal policies when applicable, such as obtaining proper approvals or performing due diligence.
- Never create "off-the-books" accounts.
- Never make false, misleading, or deceptive entries.
- Never approve or make any payment with the intention, purpose or understanding that any part of the payment will be used for a purpose not stated in supporting documents.
- Retain and archive company records in accordance with our internal policies, tax and other applicable laws and regulations.

Ask yourself:

Could an independent person understand what the transaction was, who received payment or benefited from the transaction, and why?

Beware of and avoid any transactions that may signal corruption.

Recognizing Red Flags

What are "red flags" that may signal corruption or influence peddling?

If you suspect corruption or influence peddling, notify Ethics & Compliance to determine the appropriate course of action. Additional red flags are described in the section on third parties.

The following are examples of red flags:

- **Unusual payment patterns or financial arrangements.** For example, you should use extreme caution when being asked to make payments to a bank account in a country where services were not performed and the recipient is not located, sometimes called “off-shore” payments.
- **Lack of transparency or documentation in expenses or accounting records.** For example, missing invoices or travel expenses for government customers that are excessive or are not supported by documentation warrant further investigation.
- **Distributor discounts that appear too high.** For example, excessive discounts can create potential for “slush fund” money to be funneled to customers or other decision makers.
- **Payment of a government expense is made to an individual.**
- **Cash payments** (as opposed to electronic payments or payments by Company check). Cash payments must be very limited and strictly controlled according to the relevant financial procedures, such as the Internal Control Manual.
- **Payment to an entity that is owned or influenced by a government official.** For example, a payment to a charity that was founded by a government customer may signal corruption.
- **Payments for expenses of spouses of customers or government officials.**
- **Gifts or other payments to or from parties engaged in a competitive bidding process or contract negotiation.**
- **Any gift or other payments that appears excessive or in breach of company policy.**
- **Request for payments to a party other than the parties supplying goods or services to bioMérieux.**
- **Any other suspected violation of this Manual or the Internal Controls Manual.**

Selecting and Monitoring High Risk Third Parties

What about working with third parties?

Third parties often play a fundamental role in the bioMérieux's business in various countries by identifying local opportunities, developing local relationships and advising on local customs. However, they also can pose significant corruption risk. Individuals and companies are often subject to civil and criminal penalties for misconduct by their representatives, such as agents, consultants and distributors. Because of this, we must ensure that we deal only with third parties that operate under the same ethical and legal principles that we do. **Third parties should never be allowed to perform any actions for bioMerieux that would be illegal or unethical for our own employees to perform.**

Which third parties are high risk in terms of corruption?

The following are examples of high risk third parties:

- Distributors of bioMérieux products.
- Any sales-related business consultants or agents, or other entities who represent bioMérieux to customers or the government.
- Third parties who are partly or entirely involved in obtaining government business or influencing government actions.
- Individuals who are paid in their individual capacity or as a single person entity.
- Third party payers who are not directly involved in providing goods and services to or from bioMérieux, but who make payments to or receive payments from bioMérieux.
- In countries with a high corruption risk, other service professionals such as travel agencies, event organizers, consulting groups, freight forwarders, warehousing partners, customs agents/brokers, general contractors or facility maintenance partners.

Prior to engaging with a high risk third party, follow the specific procedures in 000254 Third Party Approval Procedure.

What should we do to reduce the risk?

Know Your Business Partners

Because there is a serious risk of liability for the actions of our third parties, we must follow certain rules to ensure that we **know who is representing us** in the marketplace.

Before engaging a new high risk third party, you must **follow the Third Party Approval Procedure** (000254) or the **Distributor Management Procedure** (000236) for a new distributor. Prior to submitting the Third Party or the Distributor Approval Forms, you should always **conduct careful diligence** into its business reputation and relationships with government officials to ensure that:

The distributor Management Procedure (LLDC 000236) sets out additional requirements related to selecting, contracting with, and managing third party companies that are involved in marketing and selling bioMérieux products or services.

1. The party has a verified ethical reputation and is willing to certify that it will abide by anti-bribery laws throughout its partnership with bioMérieux.

2. There is an appropriate business reason for entering into the transaction or relationship with the party and proper approvals are obtained.

3. The payment arrangements that have been carefully obtained are commercially reasonable, consistent with the laws, and commensurate with the services or goods provided. The relationship is or will be structured and governed by appropriate written documentation containing additional contractual safeguards against improper conduct involving the third party.

4. The relationship will be effectively monitored going forward, with appropriate training for both the party and the bioMérieux employee managing the relationship. Based on risk, the company employees responsible for the relationship should 1) exercise contractual audit rights when needed; 2) seek annual compliance certifications from the third party.

Any business unit that engages a high risk third party must keep a detailed file of the due diligence efforts made in conjunction with obtaining the party. At a minimum, this file should document the contract, the results of the reference/screening checks, and a completed and approved Third Party Approval Forms or Distributor Approval Forms. Such a file must be made available to Ethics & Compliance or Internal Audit immediately upon request.

Red Flags Require Further Diligence

Certain situations may present “red flags” for corruption, warranting further diligence into the practices of our third parties. These would include situations when the party:

- Operates in a country or region considered to have a high risk for corruption.
- Is a government official or has close family or business ties to a government official.

- Has been recommended or specified by a government official or healthcare professional.
- Requests to be paid in cash or upfront or through offshore payments or any other unusual payment terms.
- Requests commission or other compensation that is excessive in relation to the value of the services provided.
- Seeks reimbursement for unusually high or undocumented expenses.
- Has a reputation for bypassing normal business channels, especially in activities involving the government.
- Appears unqualified or understaffed.
- Insists on having sole control over any interactions with government officials or related to government approvals.
- Refuses to adhere to bioMérieux's Business Principles for Third Parties

When any of these or other worrisome signs exist, additional investigation and inquiry is required. Any identified red flags must be addressed through additional specific diligence (such as an interview of the third party or the retention of a vendor specializing in due diligence), additional contractual safeguards, training, and/or other appropriate remediation. When a red flag exists, there must be approval by Ethics & Compliance.

When concerns cannot be appropriately addressed through additional investigation and monitoring, the third party must not be used. Please seek assistance from Ethics & Compliance when concerns or questions arise.

Written Contracts Required for All High Risk Third Parties

Once a third party is properly vetted under due diligence procedures, all agreements with the party must be **formalized by a written contract**. This contract should:

- Use a template provided by the Legal Department, wherever possible. Follow the Contracts Management Procedure.
- Specify the roles of the parties and clearly define the basis for remuneration.
- Require the third party to certify that he or she will follow bioMérieux's Business Principles for Third Parties (LLDC – 042022).
- Give our company the reasonable access to the third party's books and records and the right to audit them on a periodic basis.
- Ensure that our company has the right to terminate the contract in case of corruption violations.
- Require that the distributor will certify to continued compliance with anti-corruption laws at regular intervals.

Payments to High Risk Third Parties

Remember that the remuneration should be consistent with the norms within the industry, country, and company. All **payments** to third parties must be **clearly and accurately documented in the Company's books**.

Working with High Risk Third Parties: Summary

1. **Due diligence.** Follow the Third Party Approval Procedure. Ensure that the Form is completely filled out and research is conducted into the third party's background. Keep a file containing all diligence.
2. **Communicate bioMérieux's standards.** Ensure that the third party receives the Business Principles for Third Parties and understands that adherence to the Principles is a requirement of the relationship.
3. **Assess Red Flags.** Check for any "red flags" that signal high risk relationships. When these signs exist, additional investigation and monitoring is required before entering into a contractual relationship or continuing an existing relationship.
4. **Approval.** Obtain any required approvals for the relationship based on this Manual and local procedures.
5. **Contractual Protections.** Document the relationship in a written agreement with required provisions.
6. **Monitoring.** Continue to monitor the relationship for red flags.

Merger and Acquisitions Process

What are the risks with regard to mergers, acquisitions, and joint ventures?

bioMérieux could be found responsible for corruption or influence peddling violations committed by target companies that it acquires. Failure to thoroughly screen a target company could lead to civil or criminal liability, or lost contracts for bioMérieux.

How can we reduce the risk?

If you are working on a merger, acquisition, or joint venture, be sure that you conduct appropriate anti-corruption due diligence. Work with the Legal and Ethics & Compliance Departments to ensure that all appropriate procedures are followed before investing in or signing a joint venture agreement with a non-bioMérieux business entity. Once the acquisition is completed, work with Ethics & Compliance to ensure the integration of the new company into bioMérieux’s Ethics & Compliance Program.

Expressing Concerns

Why should I express my concerns?

A culture of compliance is essential to a solid, effective compliance program. Without it, problems go unreported and uncorrected. We are counting on you to help us maintain the best anti-corruption compliance program possible. You are "on the ground" and in the best position to prevent actions that are inconsistent with the laws or our policies. By expressing your questions and concerns when a potential issue arises, we can make sure that we respond to misconduct that could otherwise damage the Company.

How do I report an issue?

If you encounter any corrupt-payment "red flags" or spot any related issues, inform the Ethics & Compliance Department at Compliance_Officer@biomerieux.com or report the issues via the company's EthicsLine. More information on the EthicsLine can be found at this link for internal parties or at this link for external parties.

What happens to my report?

Whenever appropriate, the company will conduct a prompt and thorough investigation, which may include interviewing you and other witnesses, collecting and reviewing relevant documents and consulting outside counsel. Your report will be kept confidential to the extent possible under the laws.

bioMérieux will not allow or tolerate any threat or retaliation against an employee for making a good-faith report, refusing to violate a law or participating in an investigation of the matter.

Dos and Don'ts of Corruption Prevention

DO act with honesty and integrity, following bioMérieux's Principles.

DO remember that "government officials" may include government representatives, political parties, party officials or political candidates, as well as anyone who works for an organization that is owned by a government. **This may include any employee of a government-owned hospital or laboratory.**

DO ensure that any third parties (including business partners, distributors, contractors, or other agents) acting on behalf of bioMérieux are aware of and follow anti-bribery laws.

DO continually monitor third-party intermediaries for "red flags" indicating a potential violation of anti-bribery laws and inform the Regional Compliance Officer if you believe such a "red flag" exists.

DO follow Company policies if you want to reimburse the travel, meal or other expenses of any government official.

DO immediately report any concerns or suspected violations of anti-bribery laws to the Regional Compliance Officer or, where available, by using the EthicsLine.

DO comply with all applicable laws in your country, including physician payment, procurement, and anti-bribery laws.

DON'T give, promise or offer anything of value to any "government official."

DON'T allow **anyone** (including employees, business partners, suppliers, distributors, contractors, or any other agents) to make a prohibited payment on bioMérieux's behalf.

DON'T accept gifts, invitations or any other advantage which could cause a conflict of interest between your personal interests and the interests of our Company.

DON'T hire a public official or discuss possible employment opportunities for the official or the official's relatives without the consent of legal.

DON'T arrange meetings without a legitimate business purpose.

DON'T misuse company resources.

DON'T make or promise to make any charitable donation without following Company approval procedures.