

In some countries, business ethics is a serious issue. Although most governments are fighting against unethical behavior, private practices can still be a problem for SNF and an impediment for the development of our company. It could also negatively impact the behavior of SNF personnel.

Whatever the local context could be, SNF personnel should always behave in conformance with the ethical rules of SNF. These rules prevent anybody from SNF to make any payments or gifts to any public official or private person in order to obtain a contract. Reversely, these rules prevent anybody employed by SNF to receive any payments or gifts from a third party in exchange for internal SNF information or for better economic conditions on SNF products.

More specifically, the relationship between SNF employees and SNF resellers or agents should obey to the following principles. If any of the below rules are broken, SNF decisions and potential sanctions will be taken on a case by case basis

### **PRINCIPLES FOR SNF PERSONNEL**

- ◆ SNF will never allow a current or former SNF salesperson to become a reseller for SNF or to work for a reseller of SNF either as an employee or as a consultant.
- ◆ Any salesperson leaving SNF for competition is expected to follow ethical practices and to restrain from calling SNF existing customers. In any case, SNF will use all its financial strength and potentially all legal action to prevent such a person to sell anything on the market against SNF.
- ◆ Any salesperson from SNF is absolutely forbidden to accept any payment or gift or favor from a reseller. In particular, it is absolutely forbidden for any salesperson from SNF to receive retro-commissions from a reseller or an agent of SNF, in exchange for agreeing about lower product prices.
- ◆ Any SNF personnel, whether in sales, in technical support, in research and development or in administrative support, is explicitly prevented from sharing with resellers or agents any confidential information pertaining to SNF product formulations, manufacturing process or market knowledge.
- ◆ Any SNF personnel with technical knowledge about SNF products and processes should only share with resellers or agents the minimum information necessary to support the sale of the relevant products by the reseller.
- ◆ A salesperson or any employee from SNF who is found guilty of having accepted retro-commissions or payments or gifts or favors from a reseller, or of having unduly shared proprietary technical information to the detriment of SNF will be subject to immediate termination without cause. In addition, SNF will consider all potential legal actions deemed necessary to repair the potential prejudice done to SNF.
- ◆ These principles apply to the salesforce as well as to any SNF personnel in contact with resellers or customers and especially to research personnel.

### **PRINCIPLES FOR THE RESELLERS AND AGENTS**

- ◆ The relationship between SNF and a reseller or agent who engages in one of the following behaviors will be immediately terminated:
  - To employ or use as a consultant a salesperson leaving SNF without SNF approval,
  - To assist a salesperson leaving SNF without SNF approval to set up a new company competing against SNF,
  - To give, directly or indirectly, any compensation or gift or favor to a salesperson of SNF in order to derive economic benefits detrimental to SNF,
  - To give to an SNF salesperson, any retro-commissions or other types of favors in order to obtain more favorable prices from SNF,
  - To induce any employee from SNF to share against payment or other favors confidential information about product formulations or manufacturing processes.
- ◆ A reseller or agent who engages in one of the above behaviors will be replaced by another reseller or agent for the relevant geography. Moreover SNF will consider all potential legal actions deemed necessary to repair any prejudice done to SNF.

Every SNF salesperson is responsible for ensuring that resellers and agents of the relevant territories are fully aware of and have accepted the present ethical rules.

