ANTI-CORRUPTION CODE OF CONDUCT

AFL

La banque des collectivités locales

Foreword

Although it does not fall within the scope of France's "Sapin II" law, AFL decided in 2024 to establish an Anti-Corruption Code of Conduct.

The implementation of this framework is an opportunity to affirm the AFL Management Board's zero-tolerance policy towards behaviour that could be characterised as corruption (active or passive), trading in influence or a breach of integrity.

This framework is intended to prevent the occurrence of corruption and to identify high-risk practices and situations, thereby protecting the AFL Group's reputation and the trust of its investors.

The enactment of the law of 9 December 2016, known as "Sapin II" on transparency, the fight against corruption and the modernisation of economic life – which notably created the French Anti-Corruption Agency (AFA) – gives companies an active role in the fight against corruption and trading in influence.

The Code of Conduct applies to all company employees, including interns, temporary staff, seconded personnel, etc. It is binding on staff and is incorporated into the Internal Regulations.

Roles and responsibilities

ROLE OF THE MANAGEMENT BOARD

The Management Board plays a vital role in promoting and disseminating a culture of ethics and compliance within the organisation. It fully adheres to the Code of Conduct and ensures its effective implementation. In this capacity, the Management Board ensures that all employees are aware of this policy and their obligations regarding the fight against corruption. It is also responsible for validating risk mapping, specifically including corruption risks. Furthermore, the Management Board ensures that adequate resources are mobilised to maintain and monitor the anti-corruption framework and ensure its compliance with applicable regulations. Finally, it ensures that personnel exposed to corruption risks receive appropriate training.

OBLIGATIONS FOR AFL GROUP EMPLOYEES

AFL Group employees must act with full knowledge of the facts and in strict compliance with the Anti-Corruption Code of Conduct. Their behaviour must be guided by loyalty, honesty and integrity in all circumstances. They have a responsibility to report any suspicion of an act of corruption or any serious concern related to irregularities or misconduct of which they become aware. Each employee is also required to participate in training and awareness-raising initiatives dedicated to the prevention of and fight against corruption.

High-risk practices and situations

Prevention and management of conflicts of interest

A conflict of interest exists when a personal, economic, moral or public interest of an employee risks influencing, or appearing to influence, the impartial exercise of their duties.

Employees must declare their interests – direct or indirect, current or recent – to Compliance so that they can be recorded in the register of interests and necessary preventive measures can be defined. They must avoid any situation likely to compromise their objectivity and consult Compliance in case of doubt.

External activities and dual functions

Employees may not engage in external activities likely to create a conflict of interest without the prior agreement of the Human Resources Department and Compliance.

Any external function or office must be declared and may be refused if it is incompatible with the interests of the AFL Group.
Certain exceptions exist, such as teaching activities outside working hours.

Competitive tendering when selecting a provider

The AFL Group imposes competitive tendering obligations on the services it contracts. These are specified in the procedures of AFL and AFL-ST. Furthermore, AFL-ST is subject to the public procurement code.

Gifts and invitations

Employees must refrain from accepting any gift, service or invitation that could compromise – even unintentionally – their impartiality or integrity.

Any gift or invitation with a value exceeding €150 must be declared to the relevant line manager and to Compliance and recorded in the register of gifts and invitations.

The line manager or Compliance may require the employee concerned to decline the proposal or return the gift. Employees may only offer gifts or invitations of low value to elected officials or public officials; these are strictly regulated and must never be linked to a decision or operation.

Only standard promotional gifts, such as branded merchandise ("goodies") with a reasonable value not exceeding €30, are permitted.

Providing meals for elected officials or local government officers within a professional framework is permissible, up to a limit of €50 per person.

Integrity in relations and interest representation

AFL Group entities are registered in the digital register of interest representatives (lobbyists) with France's High Authority for the Transparency of Public Life (HATVP). These entities declare annually the identity of their interest representatives, the actions undertaken on behalf of the AFL Group and the resources allocated to these activities.

Interest representatives must conduct their activities with dignity and integrity towards public officials.

The system for declaring interest representation activities to the HATVP is subject to a dedicated internal procedure.

Integrity in the recruitment process

The applicant selection process and the extension of a job offer must be carried out in an impartial and transparent manner and must be subject to appropriate control measures to minimise the risk of corruption as much as possible.

The applicant selection process and interview frameworks are defined in internal Human Resources procedures. Interviews provide an opportunity to identify links or potential conflicts of interest between the candidate and an AFL Group employee. Any identified link or conflict of interest will be reported to Compliance to update the register of conflicts of interest.

It should be noted that the referral of an applicant (co-option) is not contrary to the Anti-Corruption Policy. However, the referring person must be excluded from the entire recruitment process to ensure the impartiality of the applicant selection process.

Detection and whistleblowing

In order to best prevent the risk of corruption, the AFL Group has implemented an **external whistleblowing platform**. All information relating to this reporting system is detailed in a dedicated internal procedure.

Controls

The AFL Management Board plays an important role in implementing compliance with the rules relating to the Anti-Corruption Code of Conduct. It adopts an exemplary attitude and encourages dialogue to raise employee awareness and assist them in the event of queries.

The corruption risk map is integrated into AFL's comprehensive risk map. Its purpose is to help AFL identify its exposure to risks and any potential failings to be corrected. The results of the mapping are shared with the AFL Management Board in order to take the necessary measures to limit the risks identified during the year.

Training and awareness

The Anti-Corruption Code of Conduct is annexed to AFL's Internal Regulations, which are provided to every new employee.

Compliance provides an annual reminder of the existence of this framework to all AFL employees.

The Anti-Corruption Code of Conduct is referenced in other procedures within AFL's Ethics framework and annual training is provided to AFL executives and those employees most exposed to risk.

Sanctions

All AFL Group employees must comply with the Anti-Corruption Code of Conduct, which constitutes an annex to the Internal Regulations, or face disciplinary or even criminal sanctions.

Corruption (both active and passive) and trading in influence are criminal offences carrying severe penalties. For an individual, the penalty is 10 years' imprisonment and a fine of €1,000,000, which may be increased to double the proceeds derived from the offence. For a legal entity, the fine is €5,000,000, which may also be increased to double the proceeds derived from the offence.