

# CODE OF ETHICS



#RetailBeauty  
*Since 1973*

DIAM GROUP

DIAM CODE OF ETHICS. DIAM GROUP.

Revised in December 2020, this version replaces any previous version of the DIAM Code of Ethics.

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## **ACCEPTANCE OF THE CLAUSES OF THE CODE OF CONDUCT .....**

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# INTRODUCTION

- Purpose of the code of ethics:

**THIS EMPLOYEE CODE OF CONDUCT DEFINES THE GUIDING PRINCIPLES OF CORPORATE SOCIAL RESPONSIBILITY FOR DIAM AND ITS EMPLOYEES.**



**IT MUST BE READ, SIGNED AND IMPLEMENTED BY ALL EMPLOYEES OF THE DIAM GROUP WHO, BY THEIR SIGNATURE, UNDERTAKE TO RESPECT AND APPLY ITS PRINCIPLES ON A DAILY BASIS.**



“Since its creation, DIAM has been committed to acting with integrity, taking full responsibility in its business conduct. Our high standards must never falter, we must be exemplary.”

**Françoise RAOUL-DUVAL**  
CEO DIAM group



The DIAM Group is a global network of local experts in retail, design, shopfitting and merchandising and packaging solutions for the Beauty and Luxury Goods sectors.

Our watchwords are:

- QUALITY
- REACTIVITY
- EXCELLENCE

The Group has been built and developed in France and internationally around strong founding values:

- ▶ customer focus and customer service,
- ▶ team autonomy and commitment,
- ▶ corporate social responsibility.





DIAM wants to play its full role, as an employer, economic agent and business partner, in the ongoing change towards responsible practices and sustainable products. Our vision is to serve our customers with the same attention to ethical, environmental and social issues as we do to quality and customer service.

This commitment is based on scrupulous compliance with our regulatory obligations and voluntary commitments, starting with the Ten Guiding Principles of the United Nations Global Compact and our commitments to our customers and business partners. We work with them to constantly improve on the following topics:

- Corporate Social Responsibility, with the primary aim of providing a safe working environment and contributing to the professional development of the many individuals who work for DIAM. This includes safety at work, training, human resource and ethical policies, and social inclusion through work.
- Reducing our environmental footprint and contributing to a circular economy. This starts with the knowledge and reduction of the environmental impact of our factories and products, and is translated into eco-designed products and new circular economy services, all of course without compromising the safety and quality of our offers.
- The reliability and transparency of DIAM in its value chain. This includes our actions in sustainable procurement, legal and customer compliance, responsible marketing and communication, and extra-financial evaluations by third parties who can assess and certify our actions and results.



Concretely, our way of acting promotes:

- Listening to customers, adapting and using our dialogue with them to drive innovation,
- Empowering employees and managers through training and managerial practices,
- Constructive social dialogue and responsible interaction with internal and external "stakeholders",
- Continuous improvement through management systems, indicators and audits that include safety, regulatory compliance, social and environmental issues,
- A pragmatic and analytical approach that allows us to ensure that we work on the most important issues and move towards robust and innovative solutions.



Our conviction is that the human being is the key to achieving this. It is the responsibility of the entire company, at all hierarchical levels, to make this policy a living reality.



The implementation of these aspirations on a day-to-day basis involves the participation of every DIAM employee. The DIAM Group has drawn up this code of conduct to clarify and record this commitment. Every employee must be familiar with this code and comply with it.



This code provides general guidance and does not attempt to list all the situations that an employee might encounter on a daily basis. It presents the essential principles of business conduct and company operations.

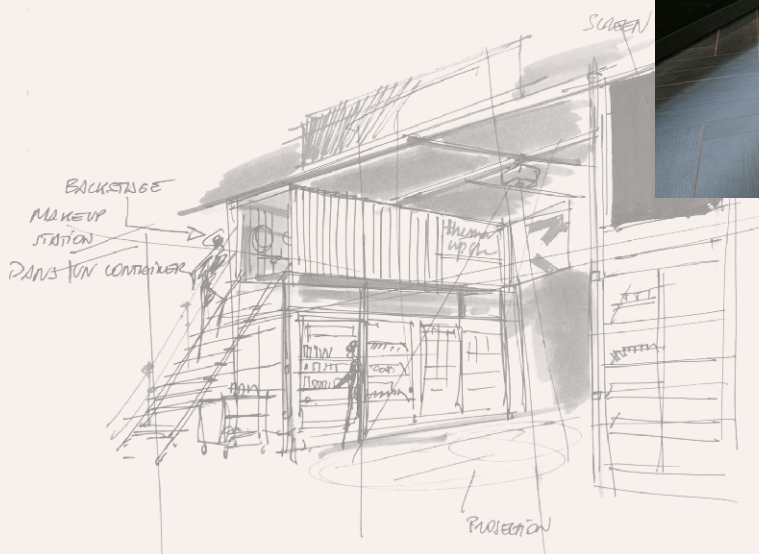
Employees are encouraged to request additional information from Human Resources if a situation is unclear or poses a problem of interpretation.

If employees are confronted with situations not covered by this code and which raise questions about business ethics, they must alert their superiors and Human Resources.

DIAM has also set up an alert system which enables non-compliant situations to be reported: <https://report.whistleb.com/diam>

Each employee signs this code and undertakes to respect it whatever their level of responsibility, their field of intervention and their geographical location.

This code does not replace the national and international laws and regulations in force. It is translated into the different languages of the employees in order to facilitate its understanding and respect by its signatories.



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# ETHICS & BUSINESS CONDUCT

## 1.1 Legislation & regulations

The DIAM Group undertakes to respect the national and international laws and regulations in force and the principles of free competition.

Every DIAM employee must also commit to this. Any anti-competitive behaviour towards customers or suppliers is strictly prohibited and sanctioned by the DIAM Group. An internal control system to validate the compliance of operations has been put in place.

Employees must also comply with internal rules and guidelines that may apply in certain situations.

## 1.2 Confidentiality

The DIAM Group is committed to preserving the confidentiality of data (of its customers, its employees) in accordance with the national regulations of each country where DIAM is established.

Each employee undertakes to preserve the confidentiality of the projects and the professional information entrusted to them.

Employees undertake not to use for personal purposes, for others or for any other non-professional reason and in accordance with confidentiality commitments, directly or indirectly, privileged information obtained in the performance of their duties.

## 1.3 Conflict of interest & insider trading

A conflict of interest arises when an employee's professional mission conflicts with their private interests and may call into question their neutrality and impartiality in the performance of their mission. (e.g. employment of a spouse at a supplier's, management of a member of one's own family, etc.).

Employees must avoid any conflict of interest. If a conflict of interest arises or if an employee is confronted with a situation that could induce or lead to a conflict of interest, they must report it, in a fair and transparent manner, to their superior and/or the Human Resources Department.



Insider trading is the act of holding confidential information about a company and using it to conduct transactions for the benefit of the company or others before the information has become public.

Each employee shall refrain from acquiring a stake in a supplier or customer, other than listed securities acquired in accordance with the rules and by refraining from using insider information.

## 1.4 Anti-corruption

By joining the United Nations Global Compact, the DIAM group is committed to the international fight against corruption and has decided to apply a zero-tolerance policy. This has materialised in the Group's "anti-corruption policy". Thus, each employee undertakes to refuse any financial or non-financial benefit such as a gift or reward of significant value that could call into question the impartiality of their commercial decisions, purchasing acts or any transaction with a partner.

If the employee has a doubt about the significant value depending on the country, they should talk to their manager to define the reasonable limit. The employee may only offer reasonable business meals as well as symbolic gifts, where appropriate in the circumstances.

Any facilitation payment allowing the execution or acceleration of a procedure or formality is strictly forbidden.

All sponsoring, patronage or charitable donations must be carried out transparently and with the agreement of management and must not give rise to any form of favouritism. A detailed rule on sponsorship and charitable actions has been published by DIAM and governs these operations (see DIAM Group Sponsorship Charter).

Every manager must set an example, they must know how to answer employees' questions and show intelligence and respect for ethics in the event of delicate arbitration.

An "anti-corruption" e-learning course is available in each country to reinforce this code of conduct.

## **1.5 Communication and financial & accounting and non-financial documents**

The DIAM Group undertakes to provide its shareholders and interested stakeholders, within the limits defined by the rules of confidentiality and business ethics, with regular, transparent and complete information, and to inform them of any event, action or decision that is reasonably likely to have a significant impact on their investment decisions, on their relations with the DIAM Group or on the extra-financial assessments that they may be commissioned to carry out.

The Group's financial, accounting and non-financial information must always accurately reflect the situation of the DIAM Group in accordance with the international financial and non-financial information standards in force. DIAM undertakes to ensure that the records are accurate and properly kept in accordance with applicable laws and regulations.

Each employee in charge of reporting the information necessary for the governance of the DIAM Group, whether financial or non-financial, undertakes to provide reliable, transparent and accurate figures and data.

Likewise, any communication document from DIAM, whether for general information, marketing, sales or any other evaluation by stakeholders, must comply with the rules of ethics, truthfulness and transparency required for responsible communication and marketing.

DIAM's first responsibility, even before serving its customers, is to ensure that the health and safety of all persons living nearby, visiting, working in our offices and production sites or working on our customers' sites under our responsibility, and of customers using our products and services, is not compromised.

We ensure this responsibility by aiming for zero accidents in the Group and by implementing all the training and good practices necessary to achieve this objective. We aim to always provide products and services that are safe for our customers and comply with the regulatory standards applicable to the uses for which our solutions are designed.

In order to achieve these demanding objectives, the involvement of every employee, right up to management, is essential.

This means implementing and constantly improving a safety culture and reflexes that make everyone responsible for their own safety and that of others.

In line with our CSR policy, DIAM has set up a continuous improvement system both at Group level and at each industrial or commercial site. This system is based, on the one hand, on the empowerment of people, starting with leadership and the exemplary role they should play, and, on the other hand, on a series of tools, rules and standards that start with compliance with legal requirements. These tools also provide a base of resources or requirements for all sites and individuals. Management reviews, periodic visits and internal audits are organised to verify and improve the implementation of these behaviours and rules.

Any person working for DIAM or visiting a DIAM site must undertake to comply with the group's safety rules, which are specific to each site.

In concrete terms, the application and continuous improvement of our safety culture requires each site to:

- Have site-specific golden safety rules clearly communicated at the entrance and inside the site.
- Dedicate the necessary resources to a safe working environment, whether human, technical or financial.
- Have a clear chain of responsibility for safety, in line with this Group safety policy, which ultimately goes back to the site manager.
- Have an identified person with sufficient time, expertise and power to coordinate and - often implement - the multiple safety actions required.
- Have a fleet of machines and an industrial environment in compliance with the law, with effective protections and the necessary procedures and restrictions of use.
- Cultivate a safety culture and know-how and instil accountability among employees and managers through appropriate training and managerial actions and rules.
- Foster the safety culture among employees and communicate regularly on objectives, expectations and performance. Celebrate successes and communicate on needs for improvement.
- Have an effective system for reporting security incidents and be able to carry out root cause analyses and take action to resolve them.
- Have HR procedures, job descriptions and assessments that systematically integrate safety aspects.
- Submit to internal or external audits at least every 18 months.



### **3.1 Respect for employees**

The DIAM Group is committed to the principles of honesty, fairness and respect for the dignity of all its employees and undertakes to respect the rights of employees to freedom of association, union membership and collective bargaining in accordance with all applicable laws and regulations.

No form of forced or compulsory labour or child labour will be tolerated by DIAM.

The DIAM Group values and encourages employee diversity, promotes team spirit and the sharing of experience. Sensitive to equal opportunities, DIAM rejects all forms of discrimination or harassment.

DIAM implements a skills development policy to enable everyone to express their talent.

In addition to the annual individual interviews that allow each manager and employee to give constructive feedback, talent reviews are organised every year to encourage discussions about each person's career and thus promote internal mobility and training. The Group pays particular attention to training and the exchange of best practices around the world in order to develop individual skills and maintain employability.

The DIAM group does not participate in any political action. It respects everyone's freedom to make their own political decisions. Any participation in the political or associative life of an employee must take place outside the company, during their free time and at their own expense, except in the case of sponsorship or charity if it is done within the framework of a company action framed by the sponsorship policy (see DIAM Group Sponsorship Charter).

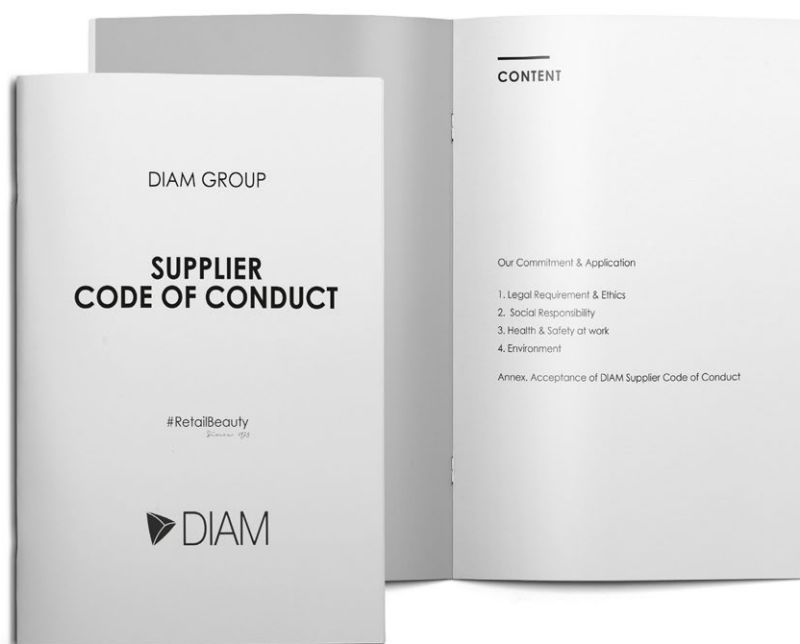
Employees are committed to responsible and ethical behaviour based on respect for each individual and team spirit.

### **3.2 Civic engagement**

DIAM's primary social commitment is to its employees, for whom DIAM seeks to preserve and develop employment and employability and professional development.

As a corporate citizen and committed to the local fabric, the DIAM Group often seeks to go even further in its social commitments, whenever possible and relevant. The DIAM Group thus supports social and civic actions on numerous issues, as close as possible to local needs, and encourages its employees to get involved in these actions.

Aware that its social commitments do not stop at the doors of its entities, DIAM seeks to involve its entire ecosystem, starting with its suppliers, who are key to ensuring that its social commitments are respected, in a general spirit of partnership and continuous improvement.



A DIAM Supplier Code of Conduct is available and defines the commitments that DIAM expects from its suppliers. It must be signed by suppliers to work with DIAM. An assessment of supplier policies and performance, including governance, ethical, social and environmental issues, is carried out for all new supplier qualifications and at regular intervals thereafter, based on the risks assessed by the purchasing departments. Documentary or on-site audits can be carried out to reinforce these assessments.

All DIAM employees working with suppliers must apply and enforce these principles within the limits of their responsibilities.

## THE ENVIRONMENT

Every activity, including DIAM's, has an environmental impact. DIAM's objective is to minimise the negative impacts of its activities, and even to develop activities with a positive impact on the environment. DIAM is in line with the objectives on climate change as set out in the Paris agreement signed within the framework of the United Nations COP21 through its commitment to the «Science Based Targets» initiative with a CO<sub>2</sub> emission trajectory in line with the objective of limiting climate change to 1.5° compared to the pre-industrial era. This corresponds to halving our impact on key elements of our carbon footprint in ten years.

To achieve this, DIAM is developing a pragmatic approach based on rigorous analyses such as a yearly evaluation of its carbon footprint and Life Cycle Analyses, and advanced practice in eco-design and operational efficiency through employee training and the use of the best available techniques as soon as possible.

Environmental impact is present in every operational decision in the life of a company. We expect every employee, whatever their position, to implement these objectives.



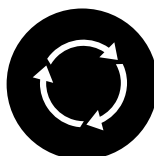
**CO<sub>2</sub> OBJECTIVE -25%**  
CARBON FOOTPRINT  
BETWEEN 2019 AND 2030



**ZERO**  
DEFORESTATION



**87%**  
OF RENEWABLE ELECTRICITY



**800**  
TONS/YEAR (2018-2019)



**GOLD**  
70/100 IN 2020



**B RATING**  
CLIMATE  
CHANGE

**A- RATING**  
SUPPLY  
CHAIN



**N° 1**



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## PRACTICAL APPLICATION

This employee code of conduct defines the guiding principles of corporate social responsibility for DIAM and its employees. It must be signed and implemented by all employees of the DIAM Group, who by their signature undertake to respect and apply its principles on a daily basis.

An employee who does not comply with the applicable principles of this code is liable to disciplinary action.

Any situation that does not comply with applicable laws and regulations or this Code of Conduct must be reported for review and investigation.

Each DIAM employee has several alert channels allowing them to report non-compliance with the principles set out in this code. Confidentiality will be respected during any investigation into reported alerts.

- **The normal channel:**

inform the direct superior and the Human Resources department.

- **If the normal channel cannot be used:**

contact the Group's Human Resources department or the Business Unit manager directly.

- **By email:**

via the dedicated alert platform: <https://report.whistleb.com/DIAM>

No reprisals will be made against an employee who has made an alert in good faith. On the other hand, any slanderous denunciation or denunciation in bad faith will be sanctioned.

**DIAM's ethical and compliance approach is based on two levels of reference texts:**

**1. This Group Code of Ethics.**

**2. Documents that specify the implications of the Group's ethical commitments by category, such as:**

- DIAM Anti-Corruption Policy;
- DIAM Supplier Code of Conduct;
- DIAM Sponsorship Charter;
- DIAM Safety Charter;
- DIAM IT Charter;
- DIAM Whistleblowing Procedure.

All DIAM compliance documents are available on MyDIAM.



# ACCEPTANCE OF THE CLAUSES OF THE CODE OF CONDUCT



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and return.*

I, the undersigned, (First name, Surname)

.....

acting within the DIAM group as (Function)

.....

certify that I have read the Group's Code of Ethics and undertake to:

- ☐ comply with the Group's values and ethical expectations,
- ☐ comply with the code in its entirety, as well as the associated documents,
- ☐ Support and encourage others to respect the Group's Code of Ethics,
- ☐ Report any behaviour or situation that does not comply with the Group's Code of Ethics.

Date

.....

Signature

.....

CONTACT:  
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