



Code of Conduct



MÉRIEUX NUTRISCIENCES

COMPLIANCE POLICY

INTERNATIONAL SANCTIONS

(October 2020 – V.1)

1. OBJECTIVE

Mérieux NutriSciences Corporation (“**MNC**”) is a U.S. company and is part of Institut Mérieux, a French company. Therefore, MNC and all of its subsidiaries (collectively “**Mérieux NutriSciences** or **Company**”) must comply with the sanctions laws, regulations, and policies both in the United States, as administered by the Office of Foreign Assets Control (“**OFAC**”), and in Europe, as administered by European institutions (together “**International Sanctions**”). Compliance with these sanctions programs is not only mandatory due to MNC’s domicile and shareholder status, but it is also required as part of Mérieux NutriSciences’ relationship with various financial institutions.

The purpose of this Policy is to prevent a violation of any international sanctions by the Company and to guide you on how to ensure the Company upholds this commitment.

This International Sanctions Policy applies to all employees, directors and officers of the Company. Mérieux NutriSciences’ commercial groups, however, should be particularly mindful of International Sanctions compliance.

It is the responsibility of managers to share these guidelines and recommendations with all employees of the Company.

Up-to-date information about International Sanctions is available to all employees of the Company on [MXNS Connect/Legal Affairs & Compliance](#).

2. OFAC SANCTIONS

OFAC is an agency of the United States Department of the Treasury. OFAC administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals.

OFAC prohibits U.S. companies, including their subsidiaries (both inside and outside the U.S.), from engaging in business transactions involving certain countries, groups, and individuals that are deemed to be Specially Designated Nationals (“**SDN**”). The SDN list is created by OFAC and includes more than 15,000 persons/companies in hundreds of countries around the world with whom U.S. companies are prohibited from doing business. OFAC constantly updates the SDN list, and the most recent list can be accessed at:

<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>.

3. EUROPEAN UNION SANCTIONS

The European Union (“EU”) implements United Nations Sanctions and autonomous sanctions in line with the stated objectives of the EU’s Common Foreign and Security Policy (“CFSP”).

EU sanctions comprise both economic and non-economic sanctions and includes measures such as arm embargoes, travel restrictions, restriction on goods or freezing funds.

The European Institution constantly updates the list of EU sanctions. The most recent list can be accessed at: <https://www.sanctionsmap.eu/#/main>.

4. TARGETED COUNTRIES & PROHIBITED TRANSACTIONS

Selective or Targeted Bans

OFAC and EU have created a **selective/targeted** ban on types of transactions conducted with certain government bodies, groups, businesses, and individuals with a presence in:

- Afghanistan⁺
- Balkans (West)*
- Belarus
- Burundi
- Central African Republic
- Democratic Republic of the Congo
- Egypt⁺
- Iraq
- Lebanon
- Libya
- Mali
- Myanmar (Burma)⁺
- Nicaragua
- Russian Federation
- Somalia
- South Sudan
- Sudan
- Tunisia⁺
- Ukraine
- Venezuela
- Yemen
- Zimbabwe

* This region includes: Serbia, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia, and Albania

⁺ Targeted Ban under EU Sanctions only

Mérieux NutriSciences **may** do business with parties residing in the above listed countries, but only after Legal Affairs has confirmed the business activity is permitted and the potential business partner is not on the SDN list.

Comprehensive or Absolute Bans

In addition to the selective/targeted bans above, OFAC has created a **comprehensive/absolute** ban on all transactions conducted with any government body, group, business, or individual with a presence in:

- Crimea Region of Ukraine
- Cuba
- North Korea
- Iran
- Syria

Mérieux NutriSciences **cannot** do business with any parties in the above listed countries.

Prohibited Transactions

A prohibited transaction is any commercial interaction, even if it is not monetary, with a sanctioned country or SDN. Generally, this includes any direct or indirect (e.g., through reseller, distributor, agent, etc.) transactions with SDNs, such as:

- Provision or receipt of services;
- Sale or purchase of products or goods; or
- Referrals of inquiries or opportunities from sanctioned persons.

OFAC or EU have created a ban on the participation in the following activities with certain government bodies, groups, businesses, and individuals:

- Countering America's Adversaries Through Sanctions (Iran, Russia, North Korea)
- Counter Narcotics Trafficking
- Counter Terrorism
- Cyber-related activities
- Chemical weapons
- Magnitsky Act – Human rights offenders
- Foreign Interference in US Elections
- Non-Proliferation
- Rough Diamond Trade Controls
- Transnational Criminal Organizations

Mérieux NutriSciences **cannot** do business with parties involved in the above listed activities.

5. COMMERCIAL INTERACTIONS TRIGGERING SANCTIONS COMPLIANCE REVIEW

This section provides a few examples of situations that would trigger sanctions compliance review:

- A new supplier to Mérieux NutriSciences South Africa indicates that an invoice should be paid to an address in Zimbabwe. **International Sanctions compliance review would be required.**
- A customer of Mérieux NutriSciences Turkey requests that we test samples being shipped from a site in Lebanon. **International Sanctions compliance review would be required.**
- An Italian supplier to Mérieux NutriSciences Netherlands is shipping equipment from its site located in Iraq (even if all invoicing occurs in Italy). **International Sanctions compliance review would be required.**
- A Brazilian client of Mérieux NutriSciences Brazil requests that we test a new product being shipped from Cuba. **Absolute banned transaction – no review necessary as we cannot do business with any party with a connection to Cuba.**

6. MXNS COMPLIANCE WITH INTERNATIONAL SANCTIONS

To assist the Mérieux NutriSciences operational subsidiaries and their commercial teams with OFAC and EU sanctions compliance, we have constructed the following steps to guide the process:

If the customer or vendor operates in a Comprehensive/Absolute Ban country: ALL COMMERCIAL INTERACTIONS MUST CEASE IMMEDIATELY. Contact Legal Affairs immediately at compliance@mxns.com if you believe that we are engaged in business with anyone in a Comprehensive / Absolute Ban country.

If the customer or vendor operates in one of the Targeted countries:

- a. Complete and send the customer/vendor the letter and the Compliance Certification Form in Exhibit A.
- b. Once the customer/vendor has returned a *completed and signed* Compliance Certification Form, please submit the following to Legal Affairs at compliance@mxns.com *prior* to engaging in any business with such party:
 - The Certification and Compliance Form completed and signed by potential customer/vendor.
 - Any other trade names of the customer/vendor that are not listed on the Form, as well as any individual person's name;
 - Any other relevant mailing addresses in addition to the address provided in the Form (if, for example, we are doing testing at a plant that has a different address than the legal address listed); and
 - A short description of the intended commercial relationship (i.e., MXNS South Africa would test samples of food product created by party X in Zimbabwe and such samples would be shipped by party X directly to MXNS South Africa. MXNS South Africa would invoice party X at its address in Zimbabwe.).
- c. Legal Affairs will check the SDN and/or EU Sanctions list to confirm whether or not it is okay to do business with the customer or vendor. Any such request will be prioritized in order to ensure a quick and timely reply; however, Legal Affairs should be contacted as soon as possible.
- d. If Legal Affairs determines that a customer or vendor *is* on the SDN and/or EU Sanctions list, you will be directed to send a denial letter or similar communication to the prospective customer or vendor. An example of which is attached as Exhibit B.
- e. If Legal Affairs determines that a customer or vendor is not on the SDN and/or EU Sanctions list, you will be given the approval to proceed with the intended commercial relationship.

7. LOCAL REGULATIONS PROVIDING RULES DIFFERENT FROM THIS POLICY

This Policy is intended to provide a minimum standard by which to follow. To the extent any applicable law provides a higher or additional standard, such standards must be followed in addition to this Policy. However, if complying with this Policy would conflict with any applicable law, you must follow the law and notify the Legal Affairs and Compliance Department of the conflict.

8. FAILURE TO COMPLY

Failure to comply with the requirements of this Policy or its procedures will result in disciplinary action up to and including termination of employment. If the Company is found to have violated International Sanctions, the Company, as well as individuals, could face both criminal and civil penalties.

9. RAISING QUESTIONS OR REPORTING IDENTIFIED RISKS

This Policy 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 manager and/or from your Legal Affairs and Compliance Department.

You may contact the Legal Affairs & Compliance Department by email at compliance@mxns.com. Your questions or concerns will remain confidential to fullest possible extent and will receive quick and appropriate follow-up.

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Exhibit A – Letter and Compliance Certification Form

[Date]

[Company Name]

[Company Address]

Re: New business relationship and International Sanctions compliance certification

Dear _____:

[Name of MXNS Subsidiary] (“Mérieux NutriSciences –[Country]”) is a company owned by Merieux NutriSciences Corporation, a United States corporation (“MXNS”) that is part of Institut Mérieux, a French company. Accordingly, the U.S. and European laws that apply to MXNS also apply to Mérieux NutriSciences–[Country]. Therefore, Mérieux NutriSciences – [Country] must comply with the sanctions laws, regulations, and policies both in the United States, as administered by the Office of Foreign Assets Control, and in Europe, as administered by European institutions (together “International Sanctions”) to engage in business with parties located in certain locations globally.

You are receiving this letter because you have been identified as a business that operates in one of the locations subject to international restrictive measures. As such we request your assistance and support by completing the certification below so that we may ensure compliance with International Sanctions. In taking care to provide the information below, Mérieux NutriSciences requires this information for all your affiliates that may be involved in our business relationship. In this case, affiliate means entities that control, are controlled by, or are under common control with your company.

Please be advised that we cannot engage in further business discussions until we receive from you a completed and executed copy of the certification. We thank you in advance for your assistance.

Very Truly Yours,

[Name of Manager/Director]

[Name of MXNS Subsidiary]



Company International Sanctions Compliance and Certification

Company legal name ("Company"):

.....

Company legal address:

.....

Name and address of Company's principal(s) who are involved in the transaction with Mérieux NutriSciences:

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Address of all Company locations that may be involved with the transaction with Mérieux NutriSciences:

.....

Scope of service to be provided to/by Mérieux NutriSciences:

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Source of referral to Mérieux NutriSciences, if any:

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Website address and marketing materials, if any:

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Company hereby covenants that it is not a Specially Designated National identified by OFAC in the following list: <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx> and is not mentioned in the list of persons, groups and entities subject to EU sanctions available here: <https://www.sanctionsmap.eu/#/main>.

Company further covenants and agrees to notify Mérieux NutriSciences immediately if it has any reason to suspect that it may at any time become a Specially Designated National or subject to EU sanctions.

Company:
Name :
Title :
Date :

Exhibit B – Denial letter

[Date]

[Company Name]

[Company Address]

Re: Notice of Denial to Conduct Business

Dear [_____]:

[Name of MXNS Subsidiary] (“Mérieux NutriSciences –[Country]”) is a company owned by Merieux NutriSciences Corporation, a United States corporation (“MXNS”) that is part of Institut Mérieux, a French company. Accordingly, the U.S. and European laws that apply to MXNS also apply to Mérieux NutriSciences–[Country]. Therefore, Mérieux NutriSciences – [Country] must comply with the sanctions laws, regulations, and policies both in the United States, as administered by the Office of Foreign Assets Control, and in Europe, as administered by European institutions (together “International Sanctions”) to engage in business with parties located in certain locations globally.

We regret to inform you that it has been determined that we cannot engage in any business transaction with your company due to International Sanctions. Should you feel that this determination was made in error, or if you have any questions, please contact compliance@mxns.com.

Very truly yours,

[Name of Manager/Director]
[Name of MXNS Subsidiary]