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# Ethics - Integrity - Compliance

## Code of Ethics

## Our purpose building a future we can all trust



Since 2003, Thales has been a signatory to the United Nations Global Compact on human rights, labour standards, protection of the environment and the fight against corruption, and upholds these principles in its sphere of influence. Every year since 2012, Thales has reached the level of Global Compact Advanced, one of the highest standards of reporting and performance in terms of responsible development.

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**PREFACE**  
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**Patrice Caine**  
Chairman  
Chief Executive Officer

Ethics and corporate responsibility have a profound influence on the way companies manage their business. The manner in which an Ethics policy based on these principles is defined and implemented reflects the conviction of the Group's leadership team and the active engagement of all of its members. Acting with integrity and transparently is clearly of capital importance.

The ethics policy laid out in this Code of Ethics contributes to the trust that all of the Group's entities must maintain as a basis for their relationships with all of their stakeholders. I am personally invested in corporate responsibility and in meeting these goals, because I believe that our collective contribution to Thales's reputation, performance and sustainability hinges on irreproachable conduct by all Group employees.

# GUIDELINES ETHICS

## ABOUT OUR CODE OF ETHICS

In line with the company's purpose of "building a future we can all trust", adopted in 2020, the present Code of Ethics lays down **the guidelines of behaviour applicable within the Group, towards employees, customers, suppliers, subcontractors and partners, shareholders, financial markets, as well as towards civil society as a whole.** The rules appearing in this Code are not a substitute for the applicable national and international legislation, with which the Group fully complies. They must be understood and applied by all Group employees.

Managers are responsible for the distribution, understanding and application of the Code of Ethics within their entities.

The Code of Ethics also reminds Thales's suppliers, subcontractors and partners of our expectations in terms of ethical conduct. More generally, this document is made public, as needed, to all of our external stakeholders, including customers, suppliers, partners, subcontractors, shareholders, administrations, governments, local communities, etc.

**The Code of Ethics holds the Group accountable** to all of them.

**Thales's ethics policy is based on four areas of responsibility:**

- 1 RESPONSIBILITY TOWARDS THE GROUP'S STAFF**
- 2 RESPONSIBILITY TOWARDS CUSTOMERS, SUPPLIERS, SUBCONTRACTORS AND PARTNERS**
- 3 RESPONSIBILITY TOWARDS SHAREHOLDERS AND FINANCIAL MARKETS**
- 4 RESPONSIBILITY TOWARDS SOCIETY AS A WHOLE**



## Responsibility towards the Group's staff



- The growth and efficiency of the Thales group are based on making optimum use of internal resources. People are the most important of these resources; they are **the primary source of its innovation and performance, and they hold the key to the company's future.**

As a world leader in mission-critical information systems, Thales has introduced an appropriate people management system in recognition of the central importance of its human resources.

- **The individual development of each Thales employee is a necessary condition for the collective success of the Group. In particular, Thales upholds the following three principles:**

- **equality of treatment**, which means avoiding any discrimination on the grounds of origins, sex, sexual orientation, age, political or religious opinions, union membership or

personal disabilities. Allowance for the nationality of an individual must be strictly limited to the exceptions laid down in national legislation relating to the protection of national interests;

- **respect for the individual**, which prohibits any behaviour that runs counter to this principle and any unwanted interference in the private life of any individual. Personal information on staff collected or held by Thales must therefore be strictly safeguarded and its use restricted;

- the desire **to provide a safe and healthy working environment for each individual** by implementing the statutory provisions in force, monitoring procedures, implementing the general principles of prevention of health risks and occupational hazards, and providing personnel training, by taking into account the actual exposure situations.

- In his or her relations with colleagues, managers and staff, each Thales employee must ensure that:
  - **all commitments are met;**
  - **all information needed is made available;**
  - work is performed in **safe conditions** for him/herself as well as their teams.

- **Thales's staff are expected to be loyal to the Group and to act with integrity.** They are thus prohibited, except with the Group's consent, from working for an existing or potential competitor while working for Thales. All expenses for which an employee claims reimbursement must actually have been incurred and must have been directly connected with the project or activity carried out for the Group.

- Thales's assets are key to its long-term development. **Each employee must take care of Group property, both tangible and intangible**, to avoid loss, theft or unlawful use that would cause serious

damage to the Group. Any incident, damage or malfunction involving equipment belonging to the Group must be reported.

- **Particular care must be taken with confidential information held by Thales** relating to the Group's products, processes, patents, know-how or personnel, or to its industrial, strategic or financial operations. Such information must not be disclosed or made public without the consent of Thales and of the individuals or third parties concerned.

- On all matters of common interest, Thales advocates **cooperation with its employees and their representatives** and provides them with high-quality information.

## 2 Responsibility towards customers, suppliers, subcontractors and partners



- Thales establishes **lasting relationships** with its customers, suppliers, subcontractors, distributors and, more generally, all of its partners (hereafter “partners”), based on **mutual trust and respect**.
- As partners of Thales, they have a right to expect the Group to:
  - provide truthful and honest information;
  - honour the commitments the Group has made towards them.

### CUSTOMERS

- **Satisfying the Group’s customers must be the highest priority for Thales staff.**

This means:

- listening attentively to their requirements in order to make clear, comprehensive and precise proposals;
- constantly ensuring that the systems, equipment, products and services offered are of the highest quality;
- respecting commitments, particularly on delivery times and product safety;
- providing impeccable follow-up and support for the systems, equipment, products and services supplied.

- **Thales operates in strict compliance with the rules of fair trading and with applicable legislation and codes of practice.** The Group absolutely prohibits any action that could constitute an act of corruption and/or influence peddling in the public or private sectors.

The Group also conducts its business in strict compliance with national and international regulations on fair trading, export/re-export control rules and other restrictions and economic sanctions in force.

- **Group employees may only provide benefits, gifts, entertainment or free travel to a customer in accordance with applicable Group procedures.**

Heightened vigilance is required when interacting with public officials or politically exposed persons, particularly during a bid phase and during contract performance.





## SUPPLIERS, SUBCONTRACTORS AND PARTNERS

- Thales establishes cooperative relationships with its partners based on **mutual good faith**.
- Acting in good faith towards suppliers is an integral part of the Purchasing process and calls for:
  - **transparency concerning the rules and strategies by which suppliers are selected**, particularly the fair treatment of each company throughout the decision process;
  - **verification of the integrity of suppliers, subcontractors and partners**, and reasonable due diligence with respect to risk awareness and prevention of serious abuses of human rights and fundamental liberties, or serious damage to the health and safety of persons and the environment, as established in the Group's duty of care plan;
  - **commitment to apply the terms negotiated**, particularly payment due dates and intellectual property rights;
  - **a guarantee of neutrality and independence** throughout the duration of Thales's relationships with suppliers: the Purchasing department is committed to changing its purchasers' portfolios regularly as part of its human resources management policy.

These principles are particularly important in light of the Group's purchasing policy, which involves **developing sustainable, high-performance relationships with suppliers** to guarantee the competitiveness of Thales's solutions in the long term.

- All Group employees, whether in a purchasing or operational role, must act with **complete integrity**. This entails refusing any personal benefits, gifts or invitations that do not meet applicable Group requirements.
- The personal interests of a Group employee must not affect the choice of a partner or any decision concerning a partner, under any circumstances. It may be a private, professional or financial interest of the Thales employee or a member of his/her entourage, which could influence the employee's ability to act impartially and objectively in a professional capacity. Employees must report any potential conflict of interest to their line manager as soon as they become aware of it. Management must be particularly vigilant when notified of a potential conflict of interest between a partner and an employee.

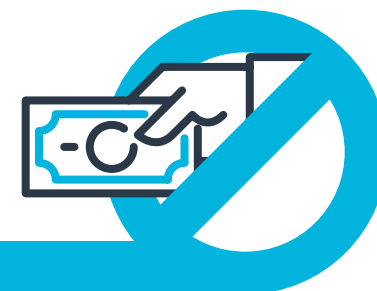
- In accordance with the commitments made as part of the United Nations Global Compact, **Thales requires all its partners to comply with its principles, particularly those relating to human rights, labour standards, protection of the environment and the fight against corruption.**

## FOR FURTHER INFORMATION

### Refer to:

- Code of Conduct on the Prevention of Corruption and Influence Peddling;
- Policy on Detection and Prevention of the Risk of Corruption and Influence Peddling.

These documents can be consulted in the Chorus 2.0 reference system and on the intranet site of the Ethics, Integrity and Corporate Responsibility Department.



# 3

## Responsibility towards shareholders and financial markets



### ADHERENCE TO THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE

- Thales's shareholders are entitled to **reliable and comprehensive information** in compliance with the applicable rules for listed companies.
- To protect the Group's future, Thales's Corporate Directors are responsible for safeguarding the interests of the company and all of its shareholders. Corporate Directors sit on the Committees set up by the Board and are given all the necessary information.
- Employee shareholders and employees are represented on the Thales Board of Directors and, where appropriate, on its Committees.



### FINANCIAL MARKETS

- Thales is responsible for using appropriate means to provide financial markets with accurate, precise and sincere financial information in accordance with applicable regulations.
- Thales's employees must follow all applicable laws and regulations when conducting stock market transactions. Dissemination of false information, disclosure or use of insider information, and price manipulation, are all criminal offences.
- Every employee is responsible for **maintaining the confidentiality of any non-public information that could influence Thales's share price** (or any other listed company's share price) until it is published by authorised parties.
- At the risk of engaging in insider trading, any employee possessing insider information related to a listed company is prohibited from using such information to directly or indirectly conduct a transaction concerning that company's shares or financial instruments.



# 4

## Responsibility towards civil society as a whole



### ENVIRONMENTAL PERFORMANCE

- Thales is committed to a proactive environmental protection policy and attaches importance to this principle within the framework of its activities.
- The Group continuously monitors for any new environmental risks, identifies them and takes the necessary measures to prevent them or reduce their effects.
- As part of this approach, Thales is pursuing **a continuous improvement programme** to reduce the environmental impact of its sites, activities and products.
- Thales ensures compliance with environmental regulations at national, European and international levels and implements appropriate environmental management systems and performance measurement tools.
- Lastly, Thales provides appropriate information on the environmental impact of its activities.



### CORPORATE CITIZENSHIP AND SUPPORT FOR LOCAL COMMUNITIES

- Thales ensures **strict compliance with the national and international regulations applicable in the countries where it operates**. In particular, it complies with the applicable national security regulations governing the activities in question.
- As a member of civil society, Thales observes **strict political, religious and philosophical neutrality**. As a result, the Group will not make any financial contribution to candidates for elective office, elected representatives or political parties.
- Thales employees may, however, participate in political activities in their own right, off company premises and outside working hours, and without using the Group's corporate image to support their personal convictions.
- Thales is committed to engaging in community investment activities that are aligned with the Group's corporate societal responsibility (CSR) priorities and takes steps to prevent any risk of non-compliance with applicable laws and regulations.



HOW TO VOICE A

# CONCERN



## Several reporting channels can be used:

- **Line management or relevant contact person**

An employee can report a potential violation to his or her line manager or relevant contact person (Chief Compliance Officer/ Compliance Officer, Human Resources Director, etc.) by any means (postal mail, email, telephone, in person).

The list of Chief Compliance Officers and Compliance Officers is available on the intranet sites of the Ethics, Integrity and Corporate Responsibility Department and the Legal and Contracts Department.

- **Dedicated internal alert platform (Thales Alert Line)**

This procedure is managed on a web platform operated by a third-party provider selected by Thales. Reports can be filed 24/7 in any of several languages. Measures are in place to ensure maximum confidentiality, security and data protection.

All communications, and all the information provided via this platform, are encrypted and can only be viewed by authorised users.

The platform is accessible via a link on the Group intranet (Ethics, Integrity and Corporate Responsibility Department section) and on the Thales website (Corporate Responsibility section).

For more information, Thales policies and procedures in the Group reference system (Chorus 2.0) can be accessed on the Thales intranet.

Thales promotes a culture of trust, based on integrity and compliance, and encourages employees to share their doubts and concerns about any situation or behaviour that could contravene its Code of Ethics, its Code of Conduct on the Prevention of Corruption and Influence Peddling, related Group policies or any applicable legal or regulatory measure. To protect the Group and the interests of its stakeholders, it is important for employees to communicate openly, ask questions and voice concerns, and report any potential violation.

**No employee may be sanctioned or subject to a discriminatory measure for having initiated an alert for the purpose of reporting in good faith, even if the facts are subsequently shown to be incorrect, or do not give rise to any follow-up action.**

### FOR FURTHER INFORMATION

**Refer to:**

- Instruction on the Internal Alert System;
- User Guide to the Internal Alert System

These documents can be consulted in the Chorus 2.0 reference system and on the intranet site of the Ethics, Integrity and Corporate Responsibility Department.