

Group Anti-Corruption Policy

“As a global company, it is important for Systemair to have a set of common ethical business practices and standards. Systemair's code of conduct is based on trust, loyalty, honesty, good faith and co-operation. Systemair has high ambitions concerning correct ethical and sound business behaviour.

Non-negotiable code is to always follow the laws and regulations in effect in the countries where we are active. Systemair will comply completely and in good faith with each country's legislation on cartels and competition. Systemair's employees are not allowed to demand or accept bribes or other illegal benefits to retain a customer or close a business deal. Systemair applies zero tolerance for corruption, and we don't offer improper gifts or hospitality. We compete fairly and honestly.”

Systemair's Code of Conduct

Corruption is at the root of problems for many of the UN's sustainable development goals (SDGs), we have a responsibility to act and make sure that our business practices are conducted in an ethical and sound way. The contents of this policy set out the ethical values and boundaries of how we act to ensure that Systemair is a successful and responsible company. This policy is also part of our support to the UN Global Compact and the 10th principle: Businesses should work against corruption in all its forms, including extortion and bribery.

Roland Kasper, President Systemair Group



Introduction and contents

This policy on Anti-Corruption supplements Systemair's code of conduct and sets out group-wide requirements and gives guidance on specific situations where corruption is at risk. The policy has been developed with the purpose of strengthening Systemair's efforts to prevent corruption and is part of Systemair's overall risk management. Failure to comply with anti-corruption laws can have serious consequences for Systemair and its employees. Accordingly, employees and business partners of Systemair must exercise great care and sound judgement to never put themselves or others in a position that violates this policy or applicable anti-corruption laws.

Systemair is a member and supports the UN Global Compact's 10 Principles on human rights, labour, environment and anti-corruption.

The contents of this policy are:

- Introduction and contents
- Scope of policy
- General principles and specific situations
 - Bribes
 - Gifts and hospitality
 - Travel, accommodation and entertainment expenses
 - Agent, third parties and other business representatives
 - Facilitation payments
 - Political donations
 - Charitable contributions and sponsorships
- Roles and responsibilities
- Risk management
- Communication and education
- Reporting and Systemair's whistleblower function

The English version of this Anti-Corruption Policy shall prevail should there be any discrepancies between other translated versions.

Scope of policy

This policy applies to all Systemair group companies and for all Systemair's employees.

General principles and specific situations

Corruption can take many forms and in general it means to offer or receive anything of value with the purpose of influencing a decision or action. There is no universal definition of corruption and therefore this section aims to set rules and give guidance based on typical situations where corruption is at risk.

Depending on the situation other criteria might have to be considered. If a Systemair representative is uncertain the person should contact their immediate manager to discuss the circumstances.

Bribes

A Systemair representative is not allowed to demand, authorize, request or accept bribes, or other illegal benefits, either directly or indirectly. A bribe is an improper benefit, that can be financial or another advantage, if the purpose of the benefit is to aid improper performance or misuse of power, regardless of whether it is in the public or the private sector.

Sales incentives, commissions, price concessions, and similar schemes can be used to facilitate bribery. Participation in excessive and commercially unreasonable setups is not allowed. The terms of any possible commercially reasonable arrangements should be in writing.

Gifts and hospitality

Giving and accepting benefits that constitute bribes is forbidden at Systemair. The general rule for gifts and hospitality is that they must be directly related to a legitimate business activity involving representatives with a justified need to receive the gift or hospitality. This rule applies both for a Systemair representative that is giving or receiving gifts and hospitality.

If a Systemair representative gives or is receiving a gift or hospitality the following requirements apply:

- The value of the gift and hospitality must be assessed and compared to the circumstances
- Only to be given/accepted openly and documented
- To be of modest value
- Not consist of money, loans or anything that can be exchanged to a monetary value
- Not place the recipient under any obligation or expectation
- Not be misused to hide inappropriate gifts or entertainment
- Not be offered on a frequent basis

In addition, when giving a gift or hospitality it must comply with law, business practice, ethical standards and the rules of the recipient's company.

Travel, accommodation and entertainment expenses

All Systemair representatives must assess the value of providing or receiving travel, accommodation and entertainment expenses to evaluate if it is reasonable or not. Such expenses must be directly related to a legitimate business activity involving only the people that have a genuine need to participate.

If a Systemair representative provides travel, accommodation and entertainment expenses the following requirements apply:

- Reasonable in terms of amount and frequency
- Allowed by the recipient's company policies and provided in a transparent and open way
- Carried out on an appropriate location
- The expense is not allowed if the purpose is to create an expectation of returning a benefit
- The expense must be accountable by providing documentation of receipts accompanied with explanation of purpose for each expense including the legitimate business reason for them
- If the main destination is not a Systemair facility approval is always required in advance from the Business Board

Expense that covers travel, accommodation and entertainment for family members or friends of government or business officials is not allowed.

Agent, third parties and other business representatives

Systemair's business representatives include all who are acting on behalf of Systemair and they must adhere to the same rules on anti-corruption as Systemair employees. A business representative may never be used or encouraged to accept or give bribes or take part in any other forms of corruption when doing business on Systemair's behalf.

When new business representatives are contracted a risk assessment must be performed and the outcome must be managed in a proper way to mitigate the risks. Current relationships with business representatives must be reassessed on a reasonable basis to ensure potential risks are managed.

All business representatives must be appointed with Systemair contracts. Compensation to a business representative must be appropriate, reasonable and justifiable.

Facilitations payments

A Systemair representative is not allowed to provide facilitation payments. Facilitation payments are unofficial payments asked for from a government official to speed up a routine process or

service that the person asked to pay is entitled to without payment. Local practices should be disregarded when deciding on impropriety unless they form part of the written local law.

If no reasonable proof of legitimacy is apparent, then proof of legitimacy must be requested in the form of the official requirement for, and amount of the payment published in official government documents or on a government notice board and a receipt on official paper.

In some extreme circumstances when facilitation payments are demanded under the threat of extortion such as violence or imprisonment a Systemair representative should not risk their own or others safety. Such incidents must be reported to the representative's manager.

Political donations

Systemair does not have a political opinion and prohibits political donations, payments or other forms of endorsement to political parties, campaigns, committees or to individual politicians. Additionally, charitable donations that could be considered as payments to influence a political party or politicians' decision are not allowed.

Charitable contributions and sponsorships

Systemair permits reasonable charitable contributions or sponsorship, permission must always be approved by the applicable Business Board. Reasonable measures must be taken to be certain that the charitable contribution or sponsorship does not constitute an illegal payment or any other form of bribery to influence a business decision or other decision that would constitute an unfair gain for a Systemair representative or Systemair as a business.

Roles and responsibilities

The Group Anti-Corruption Policy is approved by the Group President and revised once a year to ensure ethical business practices. Management has operational responsibility for compliance with the policy. Group Sustainability is responsible for developing and revising the policy.

The MD of each Systemair company is responsible for implementing and monitoring compliance in their company.

All Systemair employees have a personal responsibility to comply with this policy and the applicable corruption laws that exist in their own country and country where they are conducting business.

Risk management

The potential consequence of violating certain standpoints in the code of conduct is evaluated by Systemair's Group Management. Systemair manages risks on a continuous basis with a larger assessment carried out annually. Systemair's overall risk management process is built on four steps: identification, assessment, mitigation and monitoring. Systemair is a global enterprise and therefore the risk of corruption varies depending on country of operations.

Communication and education

This policy is available on Systemair's Global Management System and should be read by all who have access to it. If any uncertainties arise after reading, this should be brought up with the individuals immediate manager.

Systemair has developed an e-learning on Anti-Corruption to strengthen the effort of mitigating the risk of corruption incidents. The e-learning is assigned to all white-collar employees in Systemair's e-learning system and completion is monitored. The e-learning covers common corruption situations, it is not fully exhaustive for all types of corruption.

Reporting and Systemair's whistleblower function

Systemair gathers information on possible corruption incidents in three ways: Whistleblower function, annual reporting (GRI criteria) and through communication. Communication is based on one of our core values *Trust* and the importance of managers reporting and escalating possible irregularities when made aware.

Through Systemair's whistleblower function employees and partners can provide information while being guaranteed total anonymity with a non-retaliation policy, meaning no retaliatory actions may be taken against any employee for reporting suspected violations in good faith.

All reports are received and investigated by an external company. Cases are reported to Systemair's Audit Committee (the whistleblower committee). Cases can be reported via Systemair's website, Intranet or verbally by phone at (+46) 77-177 99 77.

Some examples of when Systemair's whistleblower function can be used:

- Violation against our zero-tolerance on discrimination or harassment
- Violation against our zero-tolerance on crime and corruption
- Any other non-ethical business conduct
- Possible environmental crime such as illegal pollution of water or soil
- Misconduct reporting of people in leading positions