

Group Code of Conduct

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. To take a collective approach and responsibility to keep our promises is of high priority within Systemair.

Systemair has high ambitions concerning correct ethical and sound business behaviour. The code of conduct is an essential part of the work for this and to ensure a continuous good reputation of Systemair among customers, suppliers, employees, shareholders, capital markets, governmental bodies and the public.

All employees have a personal responsibility to adhere to this code of conduct and local management have the operational responsibility for compliance with the code. Local management also have an extra responsibility to promote a culture in which the code is followed and are obliged to inform their staff of the code. This code is part of our commitment to the UN Global Compact with its 10 principles. Trust is the foundation for our business, and we are what we do.

Roland Kasper, President Systemair Group



Introduction and contents

This code of conduct serves as a policy for group-wide rules and guidance on ethical and sound business behaviour. Failure to comply with the code of conduct 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 code of conduct.

Systemair is a member and supports the [UN Global Compact's 10 Principles](#) on human rights, labour, environment and anti-corruption. These 10 principles along with [OECD Guidelines for Multinational Enterprises](#), [UN's Guiding Principles on Business and Human Rights](#), and [ILO's eight fundamental conventions](#) represent an important basis for this code, and what Systemair undertakes to uphold with responsible business conduct. In this commitment, Group and local management are obliged to have a deeper understanding of the above-mentioned international frameworks and their implications.

The contents of this code of conduct are:

- Introduction and contents
- Scope of policy
- General principles and specific codes of conduct
 - Social responsibility
 - Business ethics
 - Our workplaces
 - Environment and climate
- Roles and responsibilities
- Risk management and due diligence
- Communication and education
- Reporting and Systemair's whistleblower function

The English version of this Code of Conduct 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 codes of conduct

The code of conduct is an expression of Systemair's stand on issues related to social responsibility, business ethics, environment, and health & safety. It contains guidelines to all Systemair employees in their everyday tasks.

If in doubt, a Systemair employee should ask oneself the following question:

- Is it consistent with our Code?
- Is it ethical and lawful?
- Will it reflect well on me and Systemair?
- Would I want to read about it in the newspaper?
- Would my family and friends approve of it?

Social responsibility

Social responsibility has long been a part of Systemair's corporate culture. Systemair is aware of the role that the Company plays as a citizen in society. Regardless of where in the world Systemair conducts business, good relationships are decisive for long-term success. We strive to understand each society and culture in which we live and work. We become involved in local affairs that promote development in the community and benefit local business. We think globally and act locally.

Non-negotiable codes:

- Always follow the laws and regulations in effect in the countries where we are active
- Always respect the United Nations' Universal Declaration of Human Rights and ensure not to be complicit in human rights abuses (Principle 1 and 2 of the UN Global Compact)
- We do not accept child labour in our business activities, nor do we accept products from suppliers who exploit child labour directly or indirectly through their subcontractors (Principle 5 of the UN Global Compact)
- We do not accept any form of forced and compulsory labour in our business activities or in our supply chain (Principle 4 of the UN Global Compact)
- Our new, largest and high-risk suppliers must confirm that they follow our supplier code of conduct, based on the Responsible Business Alliance (RBA) code of conduct. The RBA code establishes standards to ensure that working conditions in the supply chain are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible and conducted ethically
- Our attitude shall be distinguished by open and factual communication with government authorities and society

Business Ethics

Systemair will comply completely and in good faith with each country's legislation on cartels and competition. Systemair's products and services shall be marketed and sold in a manner that is justifiable on commercial as well as ethical grounds, that is, based on factors such as quality, price, product safety, reliability of delivery and service level.

Non-negotiable codes:

- Systemair's suppliers shall be evaluated and selected based on their ability to deliver on sound commercial terms and their ability to live up to Systemair's supplier code of conduct (RBA)
- Systemair works actively with ensuring product safety and to not cause any health and safety hazards
- Systemair will keep proper accounts that conform to legislation and rules in effect
- Systemair applies zero tolerance for corruption in all its forms, including bribery, extortion, fraud and embezzlement (Principle 10 of the UN Global Compact)
- Systemair's employees do not offer any improper gifts or hospitality and are not allowed to demand or accept bribes or other illegal benefits to retain a customer or close a business deal
- Systemair does not engage in any anti-competitive practices
- We compete fairly and honestly

Our workplaces

Systemair's business activities will contribute to development that is sustainable and profitable in the long-term through continuous improvement in our workplaces. Diversity is valued as a strength, and we promote an inclusive culture. Systemair's employees will have a stimulating and healthy work environment to prevent accidents and that stimulates the employees to work efficiently towards goals, taking responsibility for their tasks and developing their expertise.

Non-negotiable codes:

- No employee may be treated differently or receive any special treatment in terms of employment or job tasks because of age, ethnicity, nationality, gender, religion, sexual preference or disability (Principle 6 of the UN Global Compact)
- All employees in a managerial position must exercise their leadership based on a position of objectivity
- Violence or the threat of violence in the workplace, harassment, bullying or similar infringements on employees will not be tolerated. This includes while on business related travel and in client entertainment
- Constant high focus on health and safety in our workplaces with a systematic approach to reduce work-related injuries

- Systemair's employees must not distribute, possess, use or work under the influence of drugs or alcohol at any of Systemair's workplaces
- Systemair respects the right to freedom of association and the effective recognition of the right to collective bargaining, in accordance with national law (Principle 3 of the UN Global Compact)

Environment and climate

Systemair strives to lessen the environmental and climate impact of its business. New technologies, product development and new findings are continuously evaluated to improve both our operations and products.

Non-negotiable codes:

- Systemair follows the applicable laws and regulations concerning its operations and products to ensure environmental compliance
- Systemair has a precautionary approach to environmental issues and makes sure to evaluate the impact of business decisions (Principle 7 of the UN Global Compact)
- Systemair is aware of the environmental and climate impact its operations have and makes sure to integrate and evaluate relevant aspects in business planning and decision making (Principle 8 of the UN Global Compact)
- Systemair selects environmentally sound technologies to minimize waste, emissions and pollution (Principle 9 of the UN Global Compact)

Roles and responsibilities

The code of conduct is approved by the Board of Directors and is revised once a year to ensure ethical business practices. Group Management are accountable for compliance with the code. Group Sustainability is responsible for developing and revising the code.

Local management have the operational responsibility for compliance with the code for their operations. All employees have a personal responsibility to adhere to the code. Local Management have an extra responsibility to promote a culture in which the code is followed and are obliged to inform their staff of the code.

Risk management and due diligence

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 reassessment of risks 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 the risk of violation depends on several aspects such as country of operations.

For a strengthened risk management, to address possible adverse impacts on Human & Labour rights, Systemair has a specific *Group Human & Labour Rights Due Diligence* document. This document sets out the process of how Systemair manages these risks in its own operations.

Communication and education

Information about this code of conduct is provided to employees at their introduction in connection with new employment, and annually with a mandatory online e-learning. In addition, when the e-learning is not easily accessible to an employee, the employee's manager has the responsibility of providing a training on the code of conduct.

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.

Reporting and Systemair's whistleblower function

Systemair gathers information on possible violations 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