

Compliance Policy of SCHAKO Group

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Preamble

Dear employees of SCHAKO Group

SCHAKO has existed since 1928. During this time, the company has gained a reputation as a reliable and fair partner. Because of these values, together with first-class technical solutions, the members of SCHAKO Group are reputable and leading manufacturers of products in the air-conditioning / ventilating / fire-protection and smoke-extraction technology.

We want to maintain and further extend this position also in the future. In fulfilling this purpose, the Compliance Policy shall be our ethical and legal compass. It contains the basic rules for our conduct within SCHAKO Group and vis-à-vis our business partners and the public. The group management expects every employee and especially the executives of SCHAKO Group to strictly adhere to the Compliance Policy. This way, we want to maintain and further extend the reputation we have gained among experts and in the public within the ventilating and air-conditioning technology.

Ira Alber, Hauptanteilseignerin

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1. Definition and Scope

Compliance means adhering to the laws, regulations and internal instructions.

This Policy applies to all employees of SCHAKO Group. Compliance applies in its own exercise, as well as on behalf of the SCHAKO Group.

The compliance guideline serves as a component of corporate governance or corporate management of the SCHAKO Group.

2. Information Obligation

Every employee must inform oneself about the laws, regulations and internal instructions applicable to his or her area of responsibility. In case of doubt, Human Resources, the competent department, the management or the Compliance Officer of SCHAKO Group (cf. last page) has to be consulted.

3. Basic Conduct Requirements

Every employee shall:

- Adhere to the laws, regulations and internal instructions applicable to his or her area of responsibility.
- Act in a fair, respectful and trustworthy manner in all activities and business relations
- Respect and promote the reputation of the SCHAKO Group and act in its interest.
- Avoid conflicts of interest between business and private matters and, in case of doubt, report them to the Compliance Officer in good time for preliminary clarification.
- Not acquire illegitimate advantages for himself or any third parties
- Adhere to the regulations on occupational safety, environmental protection and data protection.
- Compliance violations must be reported to the Managing Director or the Compliance Officer without undue delay. If the Managing Director himself is affected, the matter must be reported to the Group Compliance Officer. Reports are handled anonymously so that the whistle blower does not suffer any disadvantages.



Moreover, every manager shall be obliged:

- To adhere to the points in the company's focus (e.g. company culture) of SCHAKO Group
- To evaluate employees only according to their performance
- To ensure compliance with this Policy in his or her area of responsibility

4. Equal Treatment

Any discrimination of any kind for reasons of ethnic origin, sex, religion, philosophy of life, disability, age or sexual identity is strictly prohibited. This applies in particular in dealings with colleagues, employees and business partners and to hiring, promoting or dismissal of employees.

5. No Bribery and Corruption

It is strictly prohibited

- To offer, promise or grant to national or foreign officials any personal benefits for carrying out or refraining from carrying out any official acts.
- To offer, promise or grant to employees or representatives of national or foreign companies any illegal personal advantages
- To have bribery actions carried out with the assistance of any third parties, such as relatives, friends, agents, consultants, planners and intermediaries.
- To support illegal actions by any other persons
- any granting of advantages or the offering and promising of advantages without directly agreed consideration (so-called "feeding"), whether to private individuals or to domestic and foreign public officials.

6. Avoidance of Conflicts of Interests

Every employee has to strictly separate his or her private interests from the interests of SCHAKO Group. The mere appearance of a conflict of interest has to be avoided.

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The following, in particular, shall be prohibited:

- Engagement of affiliated persons (such as spouses, relatives, friends and private business partners)
- Engagement of companies where affiliated persons are employees
- Engagement of companies in which affiliated persons hold an interest of 5% and more or are economically entitled.
- Additional occupation with competitor companies
- Additional occupation with business partners

Exceptions can only be approved by the competent Managing Director, if not himself affected, or by the Compliance Officer of SCHAKO Group.

Employees wishing to acquire or who already have acquired a direct or indirect interest of 5% or more in a competitor company have to inform the Compliance Officer about this. An examination will be carried out as to whether a conflict of interest exists.

7. Combating of Money Laundering

SCHAKO Group only cooperates with reputable business partners who comply with all legal regulations and who do not use any illegal financial resources or financial means with an unclear origin. Every employee has to comply with the anti-money laundering laws and to report any suspicious facts which are indicative of money laundering to the respective accounting manager, the Managing Director and the Compliance Officer of SCHAKO Group.

8. Cooperation with Customers and Suppliers

SCHAKO Group expects from employees, customers and suppliers:

- To adhere to all applicable laws
- To refrain from any corrupt practice any kind
- To respect the human rights
- To comply with the domestic and foreign laws and conventions against child labour and slavery

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- To respect the legal provisions of international commercial transactions
- To adhere, in particular, to the official and actually export and import bans and the embargo regulations
- To protect the health and safety of all employees
- To comply with all relevant national laws and international standards on occupational safety, environmental protection and data protection
- That the foregoing is also implemented and complied with in the own supply chain to the extent this is verifiable

9. Invitations, Gifts and Other Personal Benefits

Employees must never ask for, have promised or accept any personal benefits for themselves or for any persons affiliated with them.

Employees may only accept personal benefits (e. g. invitations for restaurants or sport events or gifts) if it can be ruled out that the impression is created that any consideration is expected from them. The benefit has to correspond to generally common business practice and must not be in violation of any laws.

In case of doubt, the employee must report the matter to the Compliance Officer for further clarification. The Compliance Officer will check the legality and further procedure. If necessary, gifts must be given.

Comment: **In Germany, per person and year gifts up to a total value of 35 euros to business partners are allowed**, which can be claimed completely as business expense. (Section 4 (5) Income Tax Act). In addition to that, non-selective promotional products (calendar, pens, tabs etc.) of less than 10 euros per item can be distributed. What is relevant is the acquisition or production cost.

10. Occupational Safety, Environmental Protection and Data Protection

On behalf of the health and safety of all employees and visitors, every employee has to observe the applicable laws, regulations and standards on occupational safety at his or her work area.

Every employee is co-responsible for environmental protection at his or her work area and has to observe the laws, regulations and standards on environmental protection.

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Personal data must only be collected, used and stored in accordance with the applicable data protection legislation. Company and business-related data have to be treated confidentially and must only be used within the range of duties.

11. Protection of Company Assets

Every manager must ensure within his or her area of responsibility that the company assets are protected against loss and misuse. Company assets may be used for private purposes only in exceptional cases. The management's approval shall always be required. Company assets shall be acquired and disposed of in a transparent, comprehensible and economic way and in line with the market requirements. Personal interests of individual employees must not influence the decisions and economic transactions.

12. Conduct vis-à-vis Competitors

- The competition laws and antitrust laws must be complied with.
- Prices, quantities and conditions must not be fixed with competitors.
- Market-sharing agreements with competitors are not allowed.
- Concerted practices that lead to a restriction of competition are inadmissible.
- In general, any contacts with competitors shall be limited to what is strictly necessary.

13. Donations

SCHAKO Group grants donations of money or donations in kind for charitable purposes such as education, science, art, culture, social affairs and sports only in a very selective manner. Donations may only be granted upon the prior written approval of a Managing Director. Donations worth more than €1000.00 require the approval of a Managing Director of SCHAKO Group.

14. Consequences of Compliance Violations

For employees, compliance violations can have the following consequences:

- Warning letter

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- Ordinary or extraordinary Dismissal
- Damage claims of third parties
- Complaint

For SCHAKO Group, compliance violations can have the following consequences:

- Damage claims of third parties
- Costly court proceedings
- Recourse of any (compensation) payments to the responsible person
- Reputational damage

15. Whistleblower portal

The whistleblower portal is a secure and protected platform on which confidential and anonymous information on possible violations can be submitted.

The whistleblower portal can be reached as follows:

whistleblower-portal@cropro.de

+49 7463 990795

16. Contact and Compliance Officer of SCHAKO Group

If you have any concerns or questions:

- Consult your manager or the competent department, e.g. Human Resources in case of matters regarding an employment contract.
- If the issue cannot be resolved with the manager or the competent department or if there are still concerns, the Compliance Officer can be consulted.
- The Compliance Officer can be contacted directly at any time; also in a confidential and anonymous manner.

Should you learn of any compliance violations:

- You are obliged to inform the Compliance Officer without undue delay.

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Contact details of the Compliance Officer of SCHAKO Group:

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