

CODE OF

ETHICS

FRAIKIN
YOU DRIVE, WE CARE



OUR CODE OF ETHICS

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OUR VALUES

“The Code of Ethics outlines the commitments made by FRAIKIN and each of us, in particular regarding compliance, commercial relations, social and environmental responsibility and the fight against corruption. It addresses the foundations of our culture of loyalty, trust and respect. I hope everyone refers to this document and ensures the proper application of these rules, in order to contribute together to the success and sustainability of our Group.”

Philippe Mellier, CEO



Reliability

From its employees through to its solutions, reliability is key to FRAIKIN. It means FRAIKIN is committed to safety, timely delivery and a cost-effective approach, while its trustworthy and reliable staff are always on hand in case of any issues.



Expertise

FRAIKIN operates in a complex industry. By combining its financial, technical, operational, safety and innovation skills, it strives to make its customer's lives easier. FRAIKIN is a proven industry expert.



Responsibility

FRAIKIN is accountable for its commitments, and promotes a culture of responsible behaviour. At all levels within the business, its teams will face problems and try to find solutions by working openly, honestly and fairly to deliver on promises.

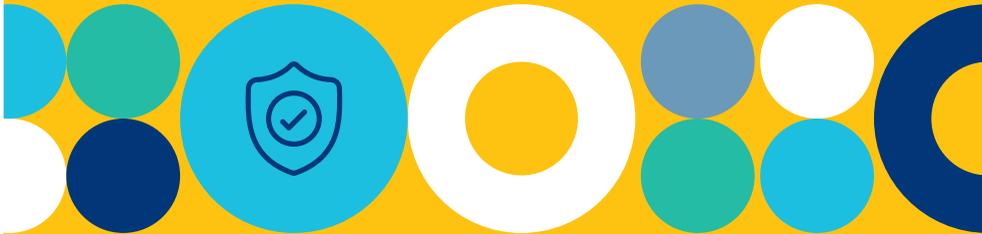


Smart

FRAIKIN is the market leader for innovation and believes digital technology will transform the automotive industry. Being smart is the Company commitment to create innovative solutions which ensure it remains top of mind as an organisation.



YOUR ADHERENCE TO THE CODE OF ETHICS PROTECTS YOU AS IT PROTECTS FRAIKIN



APPLICATION OF THE CODE

In the following document, the term “Group” refers to the FRAIKIN Group, its different legal entities and its employees. The Code applies to all employees, implementing the FRAIKIN Group’s action.

▶ OBJECTIVES OF THE CODE

The Code of Ethics formalises the behavioural rules and good practices. It answers the questions that may arise in situations concerning internal (between employees) and external (with our various interlocutors) relations. The Group implements the means enabling it to comply with the commitments contained in the Code of Ethics.

▶ SCOPE

All Group employees, regardless of their status, hierarchical level, or seniority, should have a knowledge, understanding of and comply with the values and rules presented in this document.

▶ DISTRIBUTION AND PROMOTION OF THE CODE

The Group handles the distribution of this Code. It is provided to each new employee and each update is notified to employees and interested third parties. It is published on the Group’s websites and intranet. All managers must ensure that this Code is accessible and that their teams know, understand, and apply it. They set an example by applying these principles themselves on a daily basis. They answer questions from their employees about the Code.

▶ WHISTLEBLOWING AND ALERT DUTY

All Group employees must guarantee compliance in their actions and activities with the behavioural principles and rules of this Code of Ethics.

All witnesses of a behaviour or situation inconsistent with the principles set out in the Code must report it to their supervisor or declare the situation via the ethical alert system at

<https://fraikin.signalement.net>

This report will be processed according to a procedure guaranteeing protection and confidentiality for the witness.

▶ PENALTIES

No employee will be the subject of disciplinary measures if incorrect information is reported in good faith. Failure to observe the rules of conduct contained in this Code of Ethics may lead to disciplinary procedures and even employee’s dismissal. The application of disciplinary procedures does not exclude any criminal or civil proceedings.

Even if it has been adopted in the interest of or for the benefit of the Group, no conduct contrary to the provisions of this Code may be justified or considered less serious than it is.

▶ COMMENCEMENT

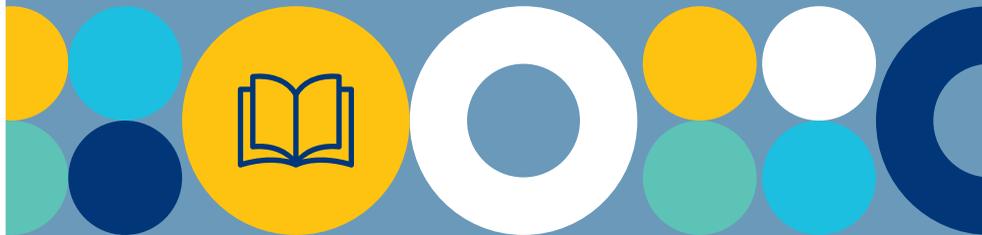
The Code of Ethics comes into force on its publication date. ●



Every employee must know, respect and enforce our Code of Ethics

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OUR FUNDAMENTAL PRINCIPLES



FRAIKIN AND ITS ETHICAL PRINCIPLES

The principles are general and apply to all areas of the Group's activities. The Group promotes these values and requires its stakeholders to adhere to them.

▶ COMPLY WITH LAWS AND REGULATIONS

Group commitments

The Group undertakes to observe current laws, regulations and other standards, both national and international, applicable to its business. The Group also complies with the generally accepted ethical principles in order to guarantee its image and integrity.

Supremacy of laws and regulations

The Group ensures compliance with local rules and customs in each country where the Group operates. In case of contradiction between local laws or regulations and the internal rules, local laws or regulations take precedence. As far as possible, the Group adapts its rules or publishes a formal exemption.

Regulatory watch

The Group pays particular attention to changes in laws and regulations and adapts its internal rules accordingly.

▶ RESPECT AND PROTECT PEOPLE

Respect for Human Rights

The Group observes Human Rights and adheres to the principles of international conventions and organisations. In terms of observing fundamental human rights, the Group undertakes in particular to comply with labour laws, guarantee access to minimum wages, and not use child labour or resort to any form of forced labour.

Non-discrimination

In professional relations, whether internal or external, the Group's principle is to avoid any discrimination. In particular, the Group recruits its employees based on their own merits, without age, sex, racial, ethnic origin, political or religious opinions discrimination, with full respect for their privacy. The Group is also committed to recruit and retain people with disabilities. ▶



We recruit our collaborators without discrimination of age or sex, racial or ethnic origin, political or religious opinion.



We commit ourselves unreservedly to respect human rights and the principles of conventions and organisations in all countries where the Group operates.

FRAIKIN AND ITS ETHICAL PRINCIPLES

► **Protection of health**

The Group's priority is to ensure that the good physical and psychological health of persons working directly or indirectly for the Group is preserved, all measures are taken to ensure their safety and protection, and working conditions and relations between individuals are sound and respectful of their dignity.



Our image and reputation are key to the success of our activities. This is why everyone must be vigilant regarding the information they provide about the Group.

▶ **PROTECT OUR ASSETS AND OUR IMAGE**

Protection of assets

The Group contributes to the protection and preservation of its assets. The maintenance of their integrity benefits the entire Group. These assets consist of both material (facilities, equipment or supplies) and immaterial (information, intellectual property, know-how) assets. The Group uses the necessary means to avoid damages, malicious acts, thefts or misappropriation as well as negligence, waste or inappropriate use.

Protection of image

Aware of the importance of its image and its reputation for the success of its business activities, the Group pays particular attention to any act of denigration or dissemination of false information.

Coherence and individual responsibility

The Group's image results from all communicated messages, whether voluntarily or not. All external communications are the Group's responsibility. The Group defines a communication policy and complies with common rules.

▶ **ENSURE THE RELIABILITY AND THE ACCURACY OF THE INFORMATION**

In compliance with legal requirements, the Group had set up internal control procedures to provide reasonable assurance of the reliability and accuracy of information produced, especially financial and accounting information.

Reliability and comprehensiveness of information

The proper management of the business activity requires everyone to provide and communicate accurate data and information, as complete as possible, in strict compliance with the rules of confidentiality. All areas of the Group are concerned.

Accuracy and transparency of information

All information distributed by the Group is honest, transparent, understandable and complete.



▶ **SHARE OUR BUSINESS ETHICS**

Conflict of interest

The Group takes care to avoid and correct any situation that may lead to a conflict of interest for its employees, i.e. the search for an interest different from those of the Group or its shareholders, in order to derive a direct or indirect personal advantage from it.

Corruption and insider influence

In accordance with the laws in force, the Group is prohibited from engaging in any conduct equivalent to corruption or trading in influence. It does not enter into ambiguous relationships, internally or externally, potentially causing the slightest doubt about its sincerity and honesty.

As such, any offer, promise, gift, present or advantage, whether direct or indirect, must especially comply with the Group's "Gifts and other benefits" policy, included in the Code of Conduct.

Employees aware of any attempt or detection of an action that could be

considered as corruption, active or passive, internal or external, must report it to their line manager or declare it via the ethical alert system set up by the Group.

Competition and intellectual property

The Group recognises the value of competition and observes national and international obligations such as the restriction on market sharing and production or sale limitations. The Group refrains from exchanging with competitors on matters that are sensitive in terms of competition. The Group recognises the value of brands and respects the intellectual property rights of third parties.



We condemn all corruption, active or passive, of internal or external origin.

▶ **MANAGE OUR ACTIVITIES FOR THE GROUP'S SUSTAINABLE DEVELOPMENT**

Ensuring the sustainable development of the Group is a fundamental value that guides the behaviour of the Group's employees. Enhancing the value of its assets, ensuring profitability and development, and preparing for the future must be permanent concerns.

Fairness and mutual benefit

The Group works to the best of the mutual benefit of the Group and the contributors to its business activities ►



We are committed to producing sincere and reliable transparent information, verified by our internal control.

FRAIKIN AND ITS ETHICAL PRINCIPLES

- ▶ (employees, customers, suppliers, shareholders) in the respect of the competition and a spirit of fairness and honesty. Everyone is committed to preserving the Group's interests in compliance with the Principles of Ethics.

Complying with commitments

The quality of the relationships developed by the Group depends on its ability to mobilise and make itself available with an ongoing desire for transparency and cooperation.

Fulfilling the commitments made by the Group is a priority. This depends on the prior analysis of risks, the realism of the commitments and strict respect for the rights of everyone, defined by regulations and contracts.

Performance and effectiveness

The sustainability of the Group's development is closely tied to its performance in its markets and the effectiveness of the implemented resources. They are mainly based on the added value provided to customers, the strengthening of competitiveness, optimisation of resources used, financial health, quality and employee engagement.



Even in the absence of a formal non-disclosure agreement, we consider that no information, professional or personal, should be communicated if not in the public domain.

RESPECT CONFIDENTIALITY, ENSURE THE SECURITY OF INFORMATION

Confidentiality

The Group ensures the confidentiality of information and data belonging to the Group or sent by third parties in order to protect the interests of its employees, the Group, its customers, its suppliers and its partners.

Any professional and personal information that is not public may not be shared, even in the absence of a non-disclosure agreement. It is obligatory to prevent the disclosure of sensitive information outside the Group and to individuals within the Group who are not authorised to receive it.

Respect of privacy and confidentiality of personal data

The Group respects the privacy and in particular the personal data relating to employees or any other stakeholder. Group collects data only if it is necessary and if it has been expressly authorised for this purpose. It does not communicate personal information in any way to unauthorised third parties. It always puts security procedures intended for processing personal information first, while respecting the internal data protection policy.

Security

The Group pays special attention to the security of its assets and information. It sets up appropriate rules to access to Group premises, data backup, protection of Group or customer assets and protection of information against intrusions. In particular, the Group publishes and applies a security policy for information and communication systems.

EXERCISE SOCIAL RESPONSIBILITY

Environmental policy

The Group applies an approach of continuous improvement in terms of environmental protection including reducing polluting emissions, optimising vehicles fuel consumption, alternative forms of motorisation and the reduction of the number of polluting vehicles on the road. The Group strategy is based on an investment and activities perspective that satisfies the principles of sustainable development and innovation. As a responsible company, the Group takes into account the current needs of customers and the interests of future generations. The Group carries out activities to raise awareness among employees and partners through the implementation of actions such as reducing the consumption of



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Conscious of climate and environmental issues, we take into account the needs of current customers and the interests of future generations.”

resources (energy, water, equipment, etc.) as well as their rational and increasingly efficient use, focusing on prevention, recovery and use of renewable resources and waste management.

The Group has signed the Charter of Road Safety and carries out concrete actions for accident prevention and cautious, eco-responsible driving.

Political and community activities

The Group does not fund political parties or religious institutions. It also refrains from any contribution to trade unions or charities that might involve a conflict of interest. The Group is always open to dialogue with its institutional partners and representatives, at an international, national and local level, in order to define mutual benefits and anticipate, prevent and manage potential conflicts.

Institutions

The Group works to implement the principles of honesty, transparency, cooperation and non-interference with public authorities and other independent bodies. ●



We are committed to continuous improvement in the protection of the environment.

2

WITH AND FOR OUR EMPLOYEES



FRAIKIN AND ITS EMPLOYEES

The achievement of the Group's objectives depends on the successful performance of its missions. Employees are therefore an essential asset of the Group thanks to the quality of the skills, motivation and cohesion of their teams.

RESPECT AND PROTECT PEOPLE

Rules of behaviour

In order to foster a framework of trust and respect with its employees, as well as between employees, the Group favours quality professional relations based on principles of goodwill, respect, fairness and tolerance, both hierarchical and functional. The Group undertakes to promote a diverse, creative and healthy working environment conducive to development that motivates and encourages its employees to develop their know-how and professional ambitions. The Group prohibits any behaviour that may harm the dignity of the individual and in particular any psychological or sexual harassment in whatever form. The Group prohibits any abuse of authority.

Recruitment policy

The Group hopes to continue aiming for excellence and quality by recruiting and retaining talented applicants from all backgrounds. The Group recruits its staff solely based on the Group's needs and the specific qualities of each applicant.

Mastery of tasks

Employees receive the information and resources necessary to perform their tasks, which are themselves assigned according to their skills or potential.

Skills development

The Group recognises the competence of its employees, organises the promotion of potential and encourages mobility between tasks. Employees undergo a regular assessment of their engagement, skills and performance in formalised individual interviews where they can express their career development goals. ▶



We ensure that working conditions and relationships between people are healthy and respectful of everyone's dignity.

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Recruitment, training, professional development and our employees retention or loyalty are a major asset for our Group.”

FRAIKIN AND
ITS EMPLOYEES

- ▶ It undertakes to adopt strategies that combine the Company's growth and profitability with job protection and development—whether direct or indirect—and to promote the quality of work, in a way that is compatible with the external economic climate.



Safety at work is an issue that needs to be shared by all.

▶ GUARANTEE HEALTH AND SAFETY AT WORK

In addition to the Ethical Principles on the protection of health and safety, the Group ensures that employees are informed about the health and safety rules inherent to their profession. All employees must be aware of their personal day-to-day responsibilities regarding accident prevention, health protection, environmental damage or negative impacts on local communities. Employees must understand current internal standards as well as the impact of activities, and improve risk management.

▶ CONTROL COMMUNICATION

Protecting the Group's public image

Every employee is a reflection of the Group's image. They are therefore responsible for the consistency of communicated messages, regardless of the media used or the topics addressed. They undertake to avoid

any act of denigration or damage to its reputation. They ensure the responsible use of accessible communication tools, including social networks, both in the professional and private contexts with public access. Only employees who are duly authorised may communicate information, on behalf of the Group, about its activities and services.

Internal communication

Internal communication mobilises the Group's resources. It is institutional, operational or individual. Its quality depends on the sharing of values, skills and effectiveness in carrying out tasks. The Group implements effective internal communication resources tailored to its goals. Employees have a duty to cooperate by seeking to inform and be informed in order to help the Group achieve its goals. However, all employees remain responsible for communicated information and especially respect for confidentiality.

▶ SHARE OUR BUSINESS ETHICS

Every employee must observe the principles of integrity and loyalty in their relationships with customers, suppliers and other partners.

Conflict of interest

Employees must report to their direct managers any situations or activities in which they or a close relative has an economic and financial interest that is in actual or potential conflict with the Group's interests.

Gifts and other benefits

The Group has established a policy precisely defining the framework for offering or accepting gifts or other benefits. The policy restricts gifts to small presents, which can be considered as simple expressions of commercial courtesy. It prohibits anything likely to influence decisions or behaviour, compromise the neutrality of judgement or create the slightest suspicion in this regard.

▶ POLITICAL AND COMMUNITY ACTIVITIES

The Group guarantees the freedom of association, union membership and collective bargaining. It ensures that employees have freedom of choice and the possibility of exercising their rights effectively. Employees engaging in a political or religious activity must do so outside the Group, in private and outside of



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We want to continue our development and ensure the Group's sustainability in an ethical way, respecting in all circumstances the values of integrity and loyalty.”

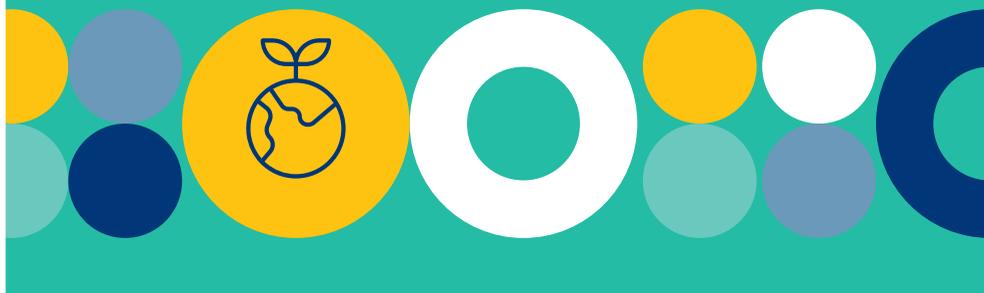
workplace and working hours. If employees mention that they work for the Group in the context of these activities, they must clearly indicate that they do not represent it in any way. ●



We observe strict political, religious or philosophical neutrality.

3

WITH AND FOR OUR ECOSYSTEM



FRAIKIN AND OTHER STAKEHOLDERS

As a commercial enterprise in several countries, the Group establishes sound, balanced and transparent relationships with all its customers, suppliers and partners, as well as with its shareholders. This is one of the conditions of its durability.

▶ ACT WITH INTEGRITY TOWARDS ALL OUR THIRD PARTIES

The Group is committed to avoid any involvement in the receipt or laundering of proceeds from criminal activities of any form or nature whatsoever. The same principle is required from its suppliers. Payments may not, under any circumstances, be made for anything other than the contractual consideration.

▶ RESPECT OUR DUTIES TOWARDS OUR SHAREHOLDERS

The Group is committed to earn the trust of its shareholders with the objective of ensuring the return on and sustainability of their investment.

Transparency of information

The Group ensures the continuous and timely provision of information necessary for the objective evaluation of its strategy, results, financial health and outlook. Particular attention is paid to the fairness and truthfulness of any communicated information, especially financial information.

Confidentiality Management

The Group manages the confidentiality of inside information and avoids its use for purposes other than those for

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Because honesty remains the best policy, we must also ensure that all of our stakeholders know and respect the rules of ethics.”

which it is communicated. The Group implements measures to prevent any use of such inside information by its holders for direct or indirect personal purposes.

Executive Board

The Group adheres to the corporate governance model. The Board of Directors has its composition, organisation and operation analysed by an external third party on a regular basis.

Constructive dialogue

The Group maintains a constructive dialogue with shareholders through various channels of communication. It listens to their expectations, concerns and questions whatever the subject. ▶



We have a dual obligation towards our shareholders to ensure transparency of our information and financial performance.

FRAIKIN AND OTHER
STAKEHOLDERS

▶ **STRIVE FOR EXCELLENCE
IN OUR CUSTOMER
RELATIONSHIP**

The Group is a competitive company, and its revenue is derived primarily from contracts with its customers, who are the central focus of its priorities.

Added value and reactivity

The Group develops its business activity with a constant concern for professionalism. This means understanding its customers' value chain and designing high value-added offers that respect their challenges and needs, giving them a competitive advantage in their markets.

The added-value is reflected in the Group's ability to be proactive, to offer customers support and opportunities that are useful for its own development, even beyond its ability to formulate its needs. Technical excellence and technological innovation are essential elements of the Group's positioning.

Customer Satisfaction

The Group favours the development of mutual trust with its customers to establish long-term relationships. The Group continuously monitors the opinion of customers, takes

lessons learned into account and handles complaints diligently and objectively using action and continuous progress plans.

▶ **ESTABLISH LASTING
RELATIONSHIPS WITH
OUR SUPPLIERS**

Recognising their importance in achieving its objectives, the Group works to develop partnerships with its suppliers. The Group is committed to relationships based on rigor, mutual respect and fairness. Long-term relationships are privileged.

Selection criteria

Suppliers are selected using transparent, non-discriminatory procedures. The criteria are objective, based on the complementary nature, competitiveness, quality and safety of the products or services provided. The Group's choices also take into account social and environmental issues and the relationship of trust. The commitment of suppliers to comply with the principles of this Code is an essential criterion.

**Resources dedicated to the
selection of suppliers**

Suppliers are selected and goods and services are purchased,



including financial and advisory services, by the appropriate Group functions. The Group also ensures a sufficient level of competitive bidding in keeping with the principles of impartiality and independence.

Content of services

Suppliers receive clear instructions on expected products and services, and payment terms are precisely defined.

Monitoring of relations

The performance of the Group's partners is regularly evaluated according to objective criteria, including the same criteria as used for selection. ●



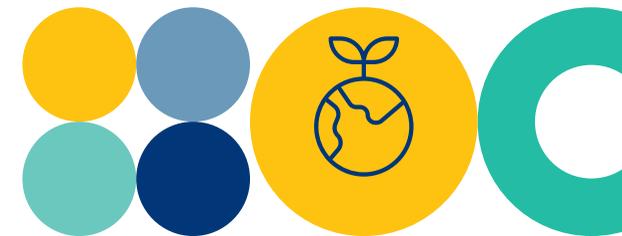
Ethical alert system

● Natural persons, acting in good faith, disinterestedly, may report facts that they have personally noticed and that would be contrary to the Code of Ethics.

● For a FRAIKIN employee, the report is made primarily to his or her management or hierarchy. However, for any internal or external person, the report can be made on the platform <https://fraikin.signalement.net>.

The «whistleblower procedure», accessible from the platform, specifies the procedures for filling and processing reports.

● In particular, it ensures the confidentiality of the information and its taking into account. If anonymity is not recommended for the proper instruction of a report, it remains possible.



The trust and quality of service we provide to our customers is the key to our success.



www.fraikin.com

