

# COMPLIANCE APPENDIX

## DEFINITIONS

The following definitions are use in this Appendix.

**Affiliate:** means, in relation to either Party, any entity which directly or indirectly Controls or is directly or indirectly Controlled by or in common Control with that Party;

**Agreement:** means the agreement under which ASSA ABLOY Opening Solutions Sweden AB provides the Product and/or Services to the Customer,

**Anti-Bribery Law:** means any law, rule, regulation, or other legally binding measure of any jurisdiction that relates to bribery or corruption;

**Applicable Law:** means any applicable federal, state, provincial, local, municipal, regional, foreign, international, multinational or other constitution, law, statute, treaty, rule, regulation, regulatory or legislative requirement, ordinance, code, common law or other pronouncement having the effect of **law**;

**ASSA ABLOY** means ASSA ABLOY Opening Solutions Sweden AB

**Business Day:** means a day when banks in Sweden are open for business (other than an official weekend day or public holiday in such location);

**Control:** means, in relation to a body corporate, the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person:

- (a) by means of the holding of shares, or the exercise of voting power, in or in relation to that or any other body corporate; or
- (b) by virtue of any powers conferred by the constitutional or corporate documents, regulating that or any other body corporate or any other document, or
- (c) by other legal means,

**Code of Conduct:** has the meaning given to it in the Clause 2.1;

**Customer** means the customer that has entered into this Agreement with ASSA ABLOY.

**Economic Sanctions and Export Control Laws:** all economic sanctions and export control laws, regulations, rules or restrictive measures, including but not limited to import and export restrictions on materials and items, adopted and enforced by governmental authorities of the EU, UK, UN or US or any other relevant governmental or regulatory authority, applicable to ASSA ABLOY or Customer.

**Group:** in relation to Party, that Party and any of its Affiliates;

**Listed Person:** individuals and entities listed, or parties that are owned or controlled by one or more individuals or entities listed, in Economic Sanctions and Export Control Laws

**Military End-Use** means the Use of Products, in their entirety or in part, for any military end-use or by any military end-user, including for any purpose in connection with chemical, biological or nuclear weapons, military items or by any national armed services (army, navy, marine, air force, or coast guard), national guard and national police, government intelligence or reconnaissance organisations;

**Official:** means any official, employee, agent or representative of, or any other person acting in an official capacity for or on behalf of, any (i) government, including any entity owned or controlled thereby, (ii) political party, party official or political candidate, or (iii) public international organization; or any individual who holds a legislative, administrative or judicial position of any kind or exercises a public function for or on behalf of a country, a public agency or a public enterprise;

**Product/s:** means the product/s of the type and specification manufactured and sold by the ASSA ABLOY under this Agreement, and any other products developed by ASSA ABLOY which ASSA ABLOY, at its discretion and by written notice may make available for sale to Customer, excluding any products which the ASSA ABLOY ceases to manufacture or distribute;

## COMPLIANCE CLAUSES

### ANTI-BRIBERY AND EXPORT CONTROL

#### *Anti-Bribery*

1.1 The Customer represents and warrants to ASSA ABLOY that:

- (a) none of the Customer, its Affiliates, nor any director, officer, employee, principal or shareholder of any such person, has (i) in order to assist in improperly obtaining or retaining business for or with any person, in improperly directing business to any person, or in securing any improper advantage, made, authorised, offered or promised to make any payment, gift or transfer of anything of value, directly, indirectly or through a third party, to or for the use or benefit of any other person; or (ii) made any unlawful bribe, rebate, payoff, influence payment or kickback or has taken any other action that would violate any Anti-Bribery Law to which it is subject;
- (b) the Customer has instituted and maintains policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with any Anti-Bribery Law to which it is subject;
- (c) during the past five (5) years none of the Customer or its Affiliates has received any written communication indicating or alleging that any such person is or may be in violation of any Anti-Bribery Law, or that any such person is or may be subject to any investigation or inquiry by a governmental authority related to any Anti-Bribery Law, and, to the knowledge of the Customer, no such investigation or inquiry is pending or threatened; and
- (d) no Official holds any shares, partnership interests or other equity or ownership interests in the Customer or any of its Affiliates, or is an officer, director, employee, contractor or principal of the Customer, and no Official has or will have a right to or interest in any payment or other thing of value provided by ASSA ABLOY to the Customer.

#### *Export Control and Sanctions*

1.2 The Customer represents and warrants to ASSA ABLOY that it will always act in compliance with Economic Sanctions and Export Control Laws, and that:

- (a) neither the Customer, its affiliates, or any of their respective directors, officers, employees nor, so far as the Customer is aware, any agents or other persons acting on behalf of any of the foregoing:
  - (i) is, or has been, a Listed Person;
  - (ii) has engaged in any business dealings or activities that would reasonably be expected to result in it becoming a Listed Person;
  - (iii) directly or indirectly, has conducted or is conducting any business dealings or activities with or for the benefit of, or is otherwise involved in any business with a Listed Person, or otherwise acting in violation of Economic Sanctions and Export Control Laws;
  - (iv) has engaged or is engaging in any transaction that circumvents, evades or avoids, or has the purpose or effect of circumvention, evading or avoiding, or attempts to violate, any Economic Sanctions and Export Control Law; or
  - (v) is or has been in violation of, or subject to, any investigation or enquiry by, or on behalf of, any governmental or other regulatory body relating to Economic Sanctions and Export Control Law.

#### *General*

1.3 The Customer covenants, agrees and undertakes that:

- (a) the Customer shall act in compliance with Economic Sanctions and Export Control Laws, and shall not sell nor re-export the Product without all requisite licenses and approvals under Economic Sanctions and Export Control Laws;
- (b) the Customer shall not sell, export or re-export, the Product, directly or indirectly, to the Russian Federation or Belarus for use in in the Russian Federation or Belarus (whether or not permitted under Economic Sanctions and Export Control Laws applicable to the Customer);
- (c) The Customer shall undertake its best efforts to ensure that the purpose of this Clause 1.3 is not frustrated by any third parties further down the commercial chain, including by possible resellers;
- (d) the Customer agrees to (i) cascade the contractual obligations set forth in this Clause 1.3 in contracts with third parties, including possible resellers, further down the commercial chain; and (ii) set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of this Clause 1.3;
- (e) the representations and warranties set forth in Clause 1.2 above shall always remain true and correct;

- (f) the Customer will provide written notice to ASSA ABLOY, as promptly as possible and in any event within five business days, if (i) any representation or warranty set forth in Clause 1.2 above should cease to be true at any time, or (ii) the Customer should encounter any problems in applying Clauses a)- d), above, including any relevant activities by third parties that could frustrate the purpose of said Clause; and
  - (g) the Customer will not engage in any transaction for Military End-Use unless explicitly approved by ASSA ABLOY.
- 1.4 The Customer covenants, agrees and undertakes to maintain complete and accurate records concerning all actions taken by, on behalf of, or at the direction of ASSA ABLOY pursuant to this Agreement. The Customer will provide all information relating to requests for Products, that the Customer suspects could violate or circumvent Economic Sanctions and Export Control Laws, including requests from or on behalf of a Listed Person, and other attempts to acquire ASSA ABLOY Products in violation of Economic Sanctions and Export Control Laws. The Customer will, to the best of its abilities, cooperate with ASSA ABLOY to facilitate compliance with Economic Sanctions and Export Control Laws and will upon ASSA ABLOY's request provide ASSA ABLOY with true, complete and correct copies of all documentation relating to any business dealings involving the Product, including but not limited to, end-user certifications, information concerning compliance with the obligations under Clause 1.3 a)- d), and other information as may be required by ASSA ABLOY within two (2) weeks of the simple request of such information.
- 1.5 Anything in this Agreement to the contrary notwithstanding, ASSA ABLOY shall not be obliged to make any payment or take any other action under this agreement if ASSA ABLOY believes in good faith that such action may constitute a violation, contribute to a violation, or constitute a circumvention of any Economic Sanctions and Export Control Laws.
- 1.6 The Agreement may be terminated immediately by ASSA ABLOY by written notice to the Customer if:
  - (a) any representation or warranty set forth in Clause 1.2 above should cease to be true at any time;
  - (b) the Customer acts in breach of its covenants, agreements and undertakings set forth in Clauses 1.3 and 1.4 above, which shall in each case be deemed a material breach of an essential element of this Agreement;
  - (c) the Customer has misrepresented or failed to properly disclose any material fact, or to provide any documentation, certifications or information requested by ASSA ABLOY, including without limitation to, the intended end-use/end-user or destination of the Product;
  - (d) the Customer, its affiliates, or any of their respective directors, officers or employees becomes a Listed Person; or
  - (e) either Party's ability to fulfil an obligation under this Agreement is otherwise materially affected by the imposition of restrictions in Economic Sanctions and Export Control Laws.
- 1.7 Upon any such termination, this Agreement and all rights and obligations hereunder shall immediately terminate, provided that the Customer shall remain liable to ASSA ABLOY for any breach of its obligations hereunder.
- 1.8 ASSA ABLOY shall not be liable to the Customer for any claims, losses or damages arising from ASSA ABLOY's exercise of its rights under Clauses 1.5 and 1.6 above.
- 1.9 Any violation by the Customer of Clause 1.3 above shall constitute a material breach of an essential element of this Agreement, and ASSA ABLOY shall be entitled to seek appropriate remedies, including, but not limited to: (i) termination of this Agreement; (ii) a penalty of 100 % of the total value of this Agreement or price of the goods exported, whichever is higher ; and (iii) indemnification in accordance with Clause 1.10 below.
- 1.10 The Customer shall indemnify ASSA ABLOY and its Affiliates, directors, officers, employees, advisors, principals and holders of its equity interests (collectively, the "**Indemnitees**") against, and shall hold each Indemnatee harmless from, any and all third party claims, damages and liabilities, including the reasonable fees, charges and disbursements of counsel, incurred by or asserted against any Indemnatee arising out of, in connection with, or as a result of: (a) any representation or breach of warranty set forth in Clause 1.2 above, (b) any breach by the Customer of any of its commitments in Clauses 1.3 or 1.4 above and (c) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory.
- 2. CODE OF CONDUCT AND TRAINING**
- 2.1 The Customer hereby acknowledges that it has been informed of and received a copy of the ASSA ABLOY Code of Conduct (as amended from time to time), which is accessible online at: <https://www.assaabloy.com/group/en/sustainability/code-of-conduct> (the "**Code of Conduct**"). The Customer represents and warrants that it will perform its obligations under this Agreement in full compliance with the Code of Conduct.
- 2.2 The Customer agrees that its directors, officers and employees engaged in performing the Customer's obligations under the Agreement will complete such training in relation to the Code of Conduct as ASSA ABLOY may require from time to time.