



**STIRLING
MECHANICAL
SOLUTION
(SMS) LTD
CODE OF
CONDUCTS**

MESSAGE FROM THE CEO



By publishing this Code of Conduct & Ethics, we, the group of companies operating under the Stirling Mechanical Solution Ltd (SMS) brand, are laying out what all our company has stood for ever since it was founded. All of us are committed to certain, immutable values and to be guided by these values in all of their actions.

The importance that management places on an open and positive relationship with CI employees can be traced back to our origins as a traditional Austrian family firm. Many of our experts have been working together for decades. This consistency and this reliability ensure the highest degree of trust and quality, also in our dealings with our customers, some of which we have accompanied for many years.

Our Scotland and Australian roots leave an unmistakable mark on our business relations and are the basis from which SMS Ltd has been able to grow successfully abroad. Our open-minded and unprejudiced approach to other cultures, other customs, and other practices has been pivotal for our success. Without ever having lost sight of where it came from, SMS Ltd has reached a point where it now makes Two thirds of its turnover outside of Scotland and Australia.

Our commitment to innovation is the cornerstone for constant further development; our focus always remains firmly on customer satisfaction and beyond.

As a family business, we think in generations. Sustainability and the associated social responsibility are in our DNA. We feel the current climate and social change within our economy and know that the success of a company today is determined by cooperation, organization and dedication to sustainable action in an economic, ecological and social sense.

Our commitment to environmental protection is in no way superficial. It is a value that has developed in our minds over decades. Our industrial experience has allowed us to develop technologies and generate know-how that are now contributing to energy efficient solutions for a stable future. Our commitment to keep our ecological footprint as small as possible informs both our procurement policy and our operations in general.

This Code of Conduct & Ethics is thus an expression of our own vision of who we are and what we do and will continue to guide us in the future.

Andrew John Stirling

(Founder & CEO Stirling Mechanical Solution (SMS) Ltd.)

INTRODUCTION

Our top priority is to respect the human and personal rights of every individual. Within Stirling Mechanical Solution (SMS) Ltd. we deal with one another in an ethically correct, unbiased, and cosmopolitan manner. We do not tolerate discrimination based on gender, culture, religion, age, different ethnic origins, disabilities, skin color, sexual identity, worldview or any other personal characteristics or way of life. Violations of the Code of Conduct & Ethics (CoC), bullying or discrimination against individuals are not tolerated by us and are severely punished. We stand by our responsibility to our employees and business partners and also expect them to act openly, honestly and with integrity.

SCOPE:

Our Code of Conduct & Ethics not only defines the basic principles and guidelines of our company but applies to the management and all of our employees as the legal framework for their daily actions in the external and internal work environment. We expect and require every employee to act in accordance with the applicable laws and in alignment with our CoC. We also expect our suppliers, business partners, consultants, independent contractors, agents, and other representatives to meet these standards. In the event of a violation of this CoC, this inevitably leads to strict disciplinary measures for employees, which, depending on the severity of the incident, can lead to dismissal. With regards to third parties, the business relationship would have to be broken off as a result of serious violations.

OUR MISSION AND VALUES:

Since the earliest days of our company, we have cultivated one quality in particular: the resolution to overcome challenges by seeing in them a chance to innovate. This is reflected in both our vision and mission, which give our company and our employees a clear purpose

OUR VISION

To go beyond innovative ideas and achieve an entirely circular economy, where all industries are efficient, clean and zero waste.

OUR MISSION

To offer a 360° portfolio of clean technologies and sustainable industrial services to customers in various industries around the world, enabled by our process knowledge, extensive experience, and cutting-edge technologies.

We are committed to conducting our business in the interest of sustainability, based on three pillars: economic, environmental, and social responsibility. For us, this approach does not in any way represent a contradiction to economic growth and free market competition. This CoC is thus nothing more than another logical step on our path.

As Stirling Mechanical Solution (SMS) Ltd family, we have been living, thinking and deciding for generations. Foresight and the courage for something new have been with us from the start. Willingness to perform and the determination to master challenges with an innovative spirit have brought us forward. Our four core values are important to ensure trust and quality, both internally and externally.

RELIABILITY as a trustful and committed partner to all our stakeholders in today's complex technological, ecological and social environment.

HONESTY with confidence, transparency, openness and respect towards our employees, customers, environment, communities and children.

STABILITY through tradition, thoughtfulness, know-how and courage, fostering our goal to shape a zero-waste future.

INTEGRITY in personal and professional relationships and creating value through respectful collaboration.

Committing to this Code of Conduct & Ethics

The behavior of each employee of SMS shapes the image of the company, both positively and negatively, and it is therefore the responsibility of all of us to openly address potentially problematic situations and to create a framework in which we all can act with integrity, objectivity, and transparency.

In many areas, sustainability requires changes in the way we think; changes embodying our vision and mission, with full commitment from our Board of Directors and senior management. SMS'S management leads by example. We are aware that the commitments in this CoC must naturally and immediately find expression in our actions. At the same time, we know there is always a need for further development, including continuous improvement involving external stakeholders.

Our CoC is openly inspired by our origins and is available on both SMS'S website (www.stirlingmsltd.com) and company intranet. New employees receive a copy of the CoC when they join SMS, which is part of their employment contract.

As SMS is an international company our subsidiaries or points of presence may incorporate national particularities in their implementation of the CoC, whenever these particularities do not lead to the suspension of the Code's basic tenets.

Through our business dealings, and in cooperation with partners, we encourage others to adopt our CoC, for example in the areas of workplace safety and human rights. Even though the CoC is often considered an internal document, it is also a valid means of conveying our values and principles to external stakeholders. We would, however, like to underline that the CoC does not amount to any obligation vis-a-vis any third party.

BUSINESS INTEGRITY AND ETHICS

We view integrity as an important prerequisite for good workplace interaction, both from the employer's and the employee's perspective. Conduct with integrity creates an open and positive work environment and builds strong and resilient teams. For us, integrity means dealing honestly with one another and having strong moral principles. At SMS, we conduct ourselves with integrity and ethics and do the right thing even behind closed doors.

Compliance with the law and important standards

At SMS, all employees are obliged to comply with laws and regulations as well as our CoC and our other detailed guidelines. If our CoC sets a higher standard than the law, but does not conflict with it, the provisions of the CoC apply. In specific countries or with specific business partners, stricter rules than those described in this CoC may exist. In such cases the stricter standard applies.

In addition to the laws of individual countries, the CoC uses the following standards as points of reference: the Scotland and Australian Corporate Governance Code, the ILO (International Labor Organization) Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights (A/RES/217, UN-Doc. 217/A-[III]), as well as the European Convention for the Protection of Human Rights and Fundamental Freedoms. We are deeply committed to incorporating these initiatives and their principles into our strategy and corporate culture.

We are also committed to the principles of the UN Global Compact and UN Women. The UN Global Compact is a strategic initiative that supports global companies that are committed to responsible Business practices in the areas of human rights, labor, the environment, and corruption. UN Women is the UN organization delivering programs, policies and standards that uphold women's human rights and ensure that every woman and girl lives up to her full potential.

We investigate all reports of misconduct, stop violations, and take appropriate measures. If any provision of our CoC conflicts with applicable legal requirements, the Regional Compliance Officer must be contacted immediately.

Antitrust and Unfair Competition

SMS is committed to the principle of fair competition. We will not tolerate any violations of antitrust laws. Any violation will be treated as a serious matter and will be sanctioned with disciplinary action. Any arrangements with competitors, suppliers, distributors or others, that may interfere with competition in the marketplace are forbidden. Such actions include a wide range of activities, such as price fixing, limitation of production, markets, technical development or investment, sharing sensitive and/or confidential information, anti-competitive boycotts, and other unfair methods of competition. If one is personally affected by a violation or even a possible violation of antitrust laws, or if such a violation affects another SMS employee or a third party, the Regional Compliance Officer or the Group Compliance Officer must be informed immediately.

Anti-Bribery

Our employees are prohibited without exception from offering, promising, granting or receiving financial or other benefits to or from customers, suppliers, business partners and public officials if this is intended to cause the recipient/employee to perform or refrain from performing an act in breach of his or her duties. Gifts and invitations may only be given or received if they are reasonable, occasional, of purely symbolic value and if there is no connection between the receipt of a gift and a business decision of the recipient. Any offer, promise, grant or gift must comply with applicable laws, internal guidelines and be consistent with local customs and practices. Any appearance of malice or inappropriateness must be prevented and reported immediately to Regional Compliance Officer.

Political Contributions

Donations, gifts or invitations to public officials are generally not desired within SMS and are limited to inexpensive hospitality and things of modest value. It is strictly forbidden at SMS to offer anything of value to a public official in order to gain direct or indirect advantage. Other actions such as allowing, tolerating or failing to report secret commissions or similar corrupt payments are strictly prohibited. Facilitation payments or the payment of overtime to a government official and the like are also covered by this donation prohibition. If an employee is confronted with an official inquiry, the regional compliance department must be contacted immediately. Sponsorship agreements that provide SMS with advertising opportunities, as well as contributions to industry associations or membership fees to organizations are not considered donations.

Financial Integrity

SMS maintains complete and accurate accounting records in accordance with the legal requirements and the accounting principles applicable to the respective country. Financial accounts, documents, contracts, and other company information may not knowingly include incorrect or misleading entries. All transactions, assets and liabilities are properly documented and recorded in accordance with legal requirements.

WORKING WITH BUSINESS PARTNERS

We expect all of our business partners (such as customers, clients, suppliers, agents, and consultants) to share our values and comply with all applicable laws. Our business partners are checked for identity and integrity before we start working with them. It is important for us to take great care in the selection of our business partners so that the adherence to our strict compliance rules can be ensured.

Sustainable Procurement

Our Sustainable Procurement Policy outlines the principles of how SMS will integrate environmental, social and economic considerations into its procurement practices to ensure sustainability. Our suppliers and their subcontractors are expected, in all of their activities, to operate and behave in full compliance with our Supplier Code of Conduct, which has been specially created to ensure a transparent and secure supply chain. As part of these requirements, we expect our suppliers to especially comply with all applicable environmental laws and all regulations relating to anti-corruption, anti-fraud, anti-bribery and data protection and apply the same high moral standards as we do, including compliance on human rights, workplace safety, ethics and integrity. If inappropriate or illegal business practices are discovered, the Regional Compliance Officer must be notified immediately.

Sourcing Materials from Areas of Conflict

SMS is committed to a conflict-free supply chain. Conflict minerals include Gold, Tin, Tantalum and Tungsten (and their derivatives Cassiterite, Columbine-Tantalite and Wolframite), originating from the Democratic Republic of Congo or an adjoining country. SMS only sources components and materials from companies that share our values and commitment to human rights, ethics and environmental responsibility.

Engagement in Local Communities

SMS strives to anticipate and avoid negative impacts on local communities wherever possible. We also aim to support the local economy by using local suppliers and offering inclusive business through partnerships with other companies. We understand the vulnerability of local communities and how they could be affected by our activities. Therefore, we use tools to engage communities, including social and human rights impact assessments.

Export Control and Trade Compliance

SMS is committed to complying with all applicable import and export laws and regulations in business practices and relationships in countries in which we operate. Export controls generally apply to the transfer of goods, services, hardware, software or technology across certain national borders. Export control laws can be introduced in connection with exports to or imports from sanctioned countries or parties for reasons of national security, involvement in criminal activities or other reasons.

AVOIDING CONFLICTS OF INTEREST

All of our employees are committed to make business decisions in the best interest of SMS and not based on personal interests. SMS employees are strictly prohibited from (independently) operating, supporting or any kind of ownership or management interest in a company that is in a competitive relationship with SMS. Employees who directly or indirectly hold or acquire a stake in a competitor company must notify the responsible HR department if the interest gives them the opportunity to influence the management of that company. The possibility of influencing the management can generally be assumed if the shareholding exceeds a share of 5% of the total capital.

All activities that compete with SMS are strictly prohibited to our employees. Employees shall avoid any actual or potential conflict of interest situation. For any other concerns or questions related to a possible conflict of interest, we ask and encourage our employees to contact the Regional Compliance Officers to clarify any such matter.

Anti-Money Laundering

SMS complies with obligations to prevent money laundering and minimizes money laundering risk by conducting adequate due diligence of third parties. Our employees are required to strictly comply with anti-money laundering laws and ensure the business activities of our business partners are aligned with legal regulations and that their financial resources are of legitimate origin.

Sideline Activities

Any type of (planned) secondary employment must be reported immediately to the supervisor and the HR department. It is generally forbidden for our employees to work on the side without the prior written consent of their supervisor and the HR department. If secondary employment is tolerated, this must be agreed in writing with SMS. Any activities that compete with the corporate division CSMS are to be avoided in any case

CONFIDENTIALITY AND DATA PROTECTION

The way we handle information at SMS, how we communicate, what we talk and write about, must always be appropriate to reflect the high level of integrity that we stand for. It is therefore important that all written communications are carefully drafted and that we pay attention to how we handle our own statements and communications.

Furthermore, we must handle and protect confidential information conscientiously and carefully. Our employees are free to express their opinions and communicate on social media channels from their personal devices outside of working hours, but they must always be careful not to defame SMS or its business partners or disparage or denigrate specific individuals or groups. Every employee has to be aware that the obligation of confidentiality naturally also applies in private life. The transmission and writing of content that contains hate messages, e.g. in relation to gender, race or religion, the glorification of acts of violence or statements that support criminal acts, do not fit in any way with SMS's corporate philosophy and will not be tolerated, even if they have taken place in private.

Protection of Assets and Property

Our employees are required to use the property and resources provided by SMS in a professional and reasonable manner. IT devices shall always be protected by passwords, which may not be passed on to others. All assets and devices shall always be stored in an appropriate manner and to the extent technically possible. The assets entrusted to our employees may only be used for the intended business purposes and may not be used for improper personal purposes. Any form of fraud, theft, embezzlement or tax evasion is prohibited, regardless of whether it is corporate or third-party assets.

Protection of Intellectual Property

SMS conducts profound research and development, which is why intellectual property rights are very important to us. We respect all types of intellectual property rights and protect intellectual property by only disclosing technology and know-how in a way that protects both our and others' intellectual property rights. Through thoughtful intellectual property management, we ensure that our own innovations are protected according to their level of innovation.

Data Protection and Data Security

SMS processes the personal data of employees, customers, suppliers and other business partners in connection with their business activities. Personal data may only be collected, processed, or used to the extent necessary for defined, clear, and lawful purposes. Any personal data must be stored securely and be protected against unauthorized access. We are very serious about protecting personal data. Personal data may only be processed subject to compliance with statutory requirements and SMS's Data Protection Policy (www.stirlingmsltd.com).

All employees are specially trained in respect to data protection regulations and shall handle personal data carefully and diligently. All employees can also find detailed information on issues of data protection in the SMS intranet and in SMS Quality Management documents and software solutions.

Confidentiality & Disclosure of Information:

Confidential information and trade secrets about SMS, our customers, agents, employees, suppliers and other third parties represent a valuable part of our business, which is why we are also particularly concerned to protect this data and information from unwanted disclosure. After the first contact with a potential business partner and before any confidential information is exchanged, it is imperative for every employee to take care that a non-disclosure agreement (NDA) has been signed (this can be checked with the Legal Department). The purpose of an NDA is to protect confidential information from unwanted disclosure. Only when a NDA has been signed by both parties, confidential information may be exchanged.

Employees are not permitted to share confidential information with colleagues who do not necessarily require such information to perform their duties, or with friends, family or any other third party outside SMS who are not authorized to receive it. When using social media our employees are aware of their responsibility to our company's reputation and their confidentiality obligation. The obligation to maintain confidentiality applies beyond the end of the employment relationship, since the disclosure of confidential information, regardless of when it occurs, may harm the business of SMS or our business partners.

HUMAN RIGHTS AND WORKING CONDITIONS

As a group of companies in which the owners are active members of management, we feel a traditional closeness to our employees. Our corporate culture is characterized by equal opportunities, mutual trust and respect. We employ people from different cultures and local particularities. Our leaders therefore have a cross-cultural responsibility, not only to our company, but also towards our employees. They take on a role both as models of responsible behavior and as persons of trust for the members of their teams if any conflicts should arise and must ensure human rights violations are avoided and working conditions are fair. Any violation must be reported immediately to the Regional Compliance Officer.

Fair Working Conditions:

SMS ensures fair working conditions for all employees. We comply with all applicable laws, industry standards and applicable collective bargaining agreements regarding working hours and overtime compensation. The wages and benefits we pay our employees comply with all relevant laws, including laws on minimum wages, overtime and legally defined social benefits. We provide performance-based compensation that also takes into account business-specific conditions.

Our compensation systems are uniform and transparent. Pay deductions as a disciplinary measure are not permitted unless specified otherwise in the respective collective agreement. In accordance with local laws SMS respects the right of all employees to form and join trade unions of their choice, to bargain collectively and to hold peaceful assemblies.

Forced or Compulsory Labor:

Within SMS, we define our employees as our most valuable asset and therefore any form of forced or bonded labor or any kind of (modern) slavery or human trafficking will not be Tolerated and is strictly prohibited. Every employee works voluntarily for SMS and has the right to resign without giving reasons, subject to a reasonable notice period.

UNGC Principles 1 & 2

We support and respect the protection of internationally proclaimed human rights; and make sure that we are not complicit in human rights Abuses.

UNGC Principles 3 & 4

We uphold the freedom of association and the effective recognition of the right to collective bargaining and the elimination of all forms of forced and compulsory labor

Prohibition Child Labor & Juvenile Worker Protection:

We prohibit all forms of child labor and closely monitor the age of our employees. Only persons at least 15 years of age may be employed in any of our operations, in learning programs in accordance with Local laws and regulations. Young workers under the age of 18 are strictly protected from work that could endanger their health or safety, this includes being assigned to night shifts or working overtime. We pay all our young workers (including working students, interns and apprentices) wages in accordance with the law and provide them with appropriate support and training. .

Diversity & Equal Opportunity

At SMS we believe in gender equality and are proud to be an equal opportunity employer. Our employees have different cultural backgrounds and bring different skills and talents to the company, which helps us to improve and innovate. We provide equal pay for all women and offer parental leave, childcare and flexible work options. We also have a zero-tolerance policy for violence against women. All our employees are treated equally and fairly. The individual personality of each of our employees is considered, and attention is paid to ensuring a stable work-life balance. We consider this to be an essential prerequisite for our employees' willingness to deliver consistently at a high level, and therefore as an important element in our company's success. We support our employees' professional and personal development and, together with them, set ambitious, but Realistic goals.

Anti-Discrimination and Harassment

We do not accept any form of discrimination based on skin color, ethnic origin, gender, sexual orientation, cultural background, religion or age. Sexual harassment in any form is not tolerated at SMS, and even the following behaviors, which are merely examples, are considered harassment: demeaning comments, discriminatory or offensive jokes, vulgar language, obscene gestures or the dissemination of obviously defamatory visual material. Our dealings in our company with one another are characterized by mutual respect, fairness, and Professionalism.

UNGC Principles 5 & 6

We uphold the effective abolition of child labor; and the elimination of discrimination in respect of employment and occupation.

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Rights of Indigenous Peoples

Within SMS, we have a comprehensive understanding of the needs of indigenous peoples and aim to create a better overall understanding of the rights of indigenous peoples as set out in the "United Nations Declaration on the Rights of Indigenous Peoples". We therefore strive within our group of companies to preserve and strengthen the political, legal, economic, social and cultural institutions of indigenous peoples. At the same time, it is of great concern to us to safeguard their rights and enable them to participate fully in economic, social and cultural life.

ENVIRONMENT AND CLIMATE PROTECTION

At SMS we take responsibility for future generations by "Thinking forward. Acting ahead." For CI, environmental management is more than just complying and adhering to applicable environmental laws in respective countries. It is an integral part of how the company conducts business on a daily basis. We see our commitment to environmental protection, plant safety, and occupational safety as the basis for our quality and profitability. Furthermore, we support a precautionary approach to environmental challenges, which is applied as part of our risk management approach in all units within SMS and ISO 14001 certification for environmental protection. All environmental considerations are outlined in detail in our Environmental Policy.

UNGC Principles 7 & 8

We support a precautionary approach to environmental challenges and Undertake initiatives to promote greater environmental responsibility.

Our Environmental Strategy:

We are committed to keeping our operations green and clean throughout the entire value chain by minimizing emissions, waste, and pollution, maximizing efficiency, and improving our partners' environmental footprint. SMS constantly strives to improve its environmental performance and provides information on reduction targets and performance to the public within the annual ESG report.

We expect our employees to follow our environmental goals and expectations by following company policies and procedures, which includes:

- Complying with laws and regulations.
- Operating our assets in an environmentally sound and safe manner.
- Identifying, communicating, and mitigating risks to people and the environment.
- Taking into account environmental aspects in all activities.
- Ensuring that contamination of the ground, water, and groundwater by hazardous substances and oils is avoided.
- Supporting and taking responsibility for SMS's environmental performance.
- Immediately reporting environmental incidents to the company responsible officer.

Materials, Chemicals and Waste Management:

We are careful with resources and, using continual technical optimization, attempt to reduce our consumption ever further and lower our emissions as far as possible. SMS strives to ensure the careful procurement of raw materials required in our operations from environment-friendly sources. We take the identification, labeling and custody of chemicals and other hazardous materials very seriously at SMS and comply with all applicable laws and regulations regarding the prohibition or restriction of certain substances in products and during operations.

Waste management is an integral part of our environmental management system. We aim to avoid creating waste in the first place. Our employees are required to handle the waste according to local regulations and follow the companies to ensure the safe handling, movement, storage, recycling, reuse, or management of waste, air emissions, and wastewater discharges.

Energy Efficiency and GREEN HOUSE GREEN (GHG's) Emissions

We are committed to energy efficiency and climate protection and are constantly working to develop sustainable solutions and environmentally friendly technologies for our business operations and for our customers. We comply with the legal limits for environmental pollution and strive to reduce our impact on the environment - especially regarding noise, odors, soil contamination and wastewater - in an appropriate manner. We are measuring our carbon footprint and have implemented a control system to track and document energy consumption and greenhouse gas emissions.

Sustainable Supply Chain Management

SMS is strongly committed to increasing sustainability in our relationships with our suppliers. Consequently, our suppliers play a significant role in helping us to achieve our sustainability targets, improving resource efficiency, and reducing CO2 emissions over the life cycle. Our procurement is conducted in accordance with the company's ethical and sustainability values, and we expect the same approach from our partners. Please refer to the SMS Supplier Code of Conduct and Sustainable Procurement Policy for more information.

UNGC Principle 9
We encourage the development and diffusion of environmentally friendly technologies.

HEALTH AND SAFETY

Health and safety is extremely important for SMS as a lot of our employees work at workshops or on industrial sites and thus, we are committed to ensure that they are protected in this work environment. Our safety motto is „Safety first – Zero is our target. SMS's occupational health and safety management is based on the principle of prevention, providing our employees with a healthy and safe working environment according to industry standards and applicable laws and regulations. In our day-to-day corporate practice, this means that we support all employees at all locations worldwide and in all different working positions, across all areas with our overall health-promoting policy. In our activities, we strive not only to ensure a safe and healthy workplace but to strengthen the health competence of all our employees.

Occupational and Workplace Safety

SMS ensures the health and safety of its employees and considers health and safety to be of equal importance to any other function of the company. The management of health and safety is the first priority of all directors, managers and other employees and is an integral element of our Sustainability Strategy 2020 and is outlined in our HSE policy.

We have established procedures in our operations to prevent, manage, track and report health and safety issues, which are not limited to emergency preparedness, but also include occupational hygiene issues including free personal protective equipment and machine guarding. Pregnant women and nursing mothers are to be protected from working conditions which might endanger the mother's or child's health. We apply risk assessments and risk control procedures to all our routine and non-routine activities to ensure that all hazards are effectively controlled. If an employee feels ill or unwell, has suffered an accident or has any other problem, the local HSEQ representative should be contacted.

Health and Safety Training

Our employees work safely and efficiently as they are regularly trained, instructed, and supervised to create individual responsibility for health and safety at all levels. We provide sufficient qualified and competent personnel and financial support to enable the full implementation of this policy and to enable individuals to meet their responsibilities.

We consider it a great responsibility towards our employees to provide adequate protection and appropriate training and precautions against accident hazards.

We hold recurring training sessions for our employees to keep them up to date on the latest protective measures in the workplace and to educate them regarding their obligations to use protective equipment. Especially for our employees who are directly employed on construction sites or work on machines or other hazardous areas, there are regular training courses and instructions regarding the mandatory use of the protective clothing we provide. Each employee must contribute to our "zero accident goals" within his or her sphere of influence and through his or her own behavior.

Safe Equipment

We are particularly committed to ensuring that the technical planning and equipment of our construction sites, workplaces, plants, machinery and processes always comply with the state of the art and our high safety requirements. When equipping our employees on construction sites, we attach great importance to ensuring that sufficient tested and intact tools and safety equipment are always available.

Health and Safety on Site

SMS also controls the activities of business partners and suppliers, as well as subcontractors, when they are on any of our operating sites or worksites through appropriate selection procedures and routine monitoring. All visitors, workers and suppliers must comply with our instructions, regulations and safety policies and produce all appropriate safety documentation upon request.

Sanitation, Food, & Housing

We provide access to clean restrooms and potable water at all of our SMS sites and offices. When we provide food options (e.g., company cafeteria), attention is always paid to the presentation of fresh food and its hygienic preparation. If sleeping facilities are provided, they will always be clean and safe, with hot water for showers, adequate lighting and appropriate personal space. Employee housing provided by SMS is well maintained, clean, and safe.

Health & Safety Communication

Health is a central element of our corporate philosophy. Our newly created health management department therefore reports directly to the Executive Board. As the central staff unit for health, it is the first point of contact for health matters of all kinds and coordinates processes, health initiatives and projects with the HSEQ departments, occupational physicians and the human resources department.

In addition, there is close coordination with Quality Management in order to ensure that the measures taken are consistent and to achieve measurable, continuous improvement. Since health is a topic that cuts across the entire organization, this department functions as a cross-divisional unit across all locations and is in regular contact and coordination with the managing directors of our subsidiaries worldwide.

COMMUNICATING THE CODE WITHIN SMS

Our CoC applies to all employees of SMS, both permanent and temporary, and our partners, contractors and all other persons acting in the name of SMS. The regulations of our CoC shall be observed in the course of our daily work and all applicable laws and regulations comply with these principles. Without any exception every new employee of SMS is required to conduct self-study and must sign this CoC as an integrated part of his working contract. Furthermore, this CoC is to be brought to the attention of all of our business partners (customers, suppliers, agents, distributors). When selecting new business partners, we place great importance on ensuring that compliance with the requirements of our CoC is an integral part of our decision-making process. In addition to our CoC, we have developed numerous other internal guidelines across the company to cover certain areas more precisely and in more depth for our employees. Furthermore, it is necessary to develop additional guidelines due to regional or industry-specific differences. Our process and quality management systems and our company policies form the binding, detailed implementation of the group guidelines. They stand for the conscientious implementation of the CoC in practice and form the basis of our control systems.

Implementation and Monitoring of Compliance

At SMS, the management takes responsibility for establishing, sustainably anchoring, and monitoring a compliance management system when fulfilling its management, due diligence, and monitoring duties. Due to the well-structured and implemented compliance organization within SMS, the worldwide compliance, dissemination and implementation of our CoC is constantly monitored and our management is effectively supported in fulfilling their legal responsibility and due diligence. Key Performance Indicators have been designed to measure the fulfillment of our 100% compliant strategic objectives over a specific period of time. We regularly adapt our monitoring provisions to keep pace with legal innovations and take into account the steady growth of our company.

Compliance Training

Our employees are regularly trained in dealing with the CoC and our internal guidelines, either in classroom or digital trainings. Every supervisor acts as the first point of contact when it comes to general questions or information on the subject of compliance. Of course, we ask each of our employees to use common sense when interpreting this CoC and to first question whether a certain procedure could give rise to criticism based on reasonable ethical and moral standards.

Reporting Violations:

Our Regional Compliance Officers as well as our Corporate Compliance Officer are always available to our employees with advice and action, for example:

- If an employee has questions about the interpretation of the CoC or a guideline
- If an employee is confronted with an unclear situation
- If an employee observes an incident and is not sure how to proceed, or
- If an employee wants to report a compliance-relevant incident
- If an employee is not sure if certain action is a compliance relevant issue.

Our employees should never hesitate to make a good faith report of a concern about any violations of our CoC. The following acts must be reported immediately to the supervisor or a SMS compliance officer:

- All actions that are capable of harming SMS or third parties, especially corruption, fraud, embezzlement, theft or misappropriation (as outlined in CI's Anti-Bribery and Anti-Corruption Policy)
- Acts that violate antitrust or foreign trade law
- Any violations against human rights, sexual harassment, or violations of anti-discrimination laws
- Violations that could result in action by a regulatory or law enforcement body (such as a regulator or a public prosecutor's office)

Every employee is responsible for ensuring compliance and is required to report any specific indications or suspicions of compliance violations to his or her supervisor or the Regional Compliance Officer without delay.

Protection of Whistleblowers and Anonymous Complaints:

Any retaliation against an employee who reports legitimate concerns in good faith ("Whistleblower") is expressly prohibited at SMS. Prohibited retaliation is defined as any form of punishment or improper conduct against the person who dutifully reported violations, specifically including termination or discharge for cause, demotion, bullying, suspension, verbal threats or harassment. Employees who knowingly make false reports, defame innocent persons, or knowingly provide false information, as well as persons who engage in illegal activities, are not covered by the protections against retaliation described previously.

With our anonymous, DSGVO-compliant SMS Whistleblower system, we fulfill regulatory requirements for whistleblower protection based on the current EU Whistleblower Directive. This tool enables our employees to report unethical behavior in the company in a secure, anonymous and confidential way. Should a violation of this CoC or other compliance guidelines become known, our employees are without exception obliged to report such a violation.

This tool is available to anyone with a justified interest in SMS. It also allows processing information anonymously. This tool can be found on SMS's communication channels.

UNGC Principle 10

We work against corruption in all its forms, including extortion and bribery.

Violations of the CoC and Consequences:

Compliance violations are usually considered significant, which is why reported violations are always investigated and documented accordingly. A suspected case must also be reported if it appears likely to cause financial or reputational damage to SMS. Our CoC is the basis for all business activities and Decisions within SMS and serves as the foundation for our morally, ethically, and legally correct behavior. Any act that contravenes applicable law, our CoC or one of our policies must be corrected, regardless of who committed it. This CoC is part of the terms of employment of any employee at SMS. In the event of serious breaches of this CoC or any policy, SMS shall be entitled to terminate the contractual relationship with the employee or the director. Depending on the type and severity of a compliance violation, disciplinary measures or even criminal consequences may be feared. In addition, such actions may result in civil consequences (e.g. claims for damages) for the person concerned.

Period of Validity

The CoC will be reviewed regularly and amended as necessary. Individual policies and guidelines supplement and deepen the content of the CoC wherever necessary.

Contact via Compliance Officers

If an employee wishes to report a compliance violation or if they feel obliged to do so, they must contact the respective compliance officer or use the whistleblower tool as explained above. For further information or advice, employees can also contact their supervisor or the Head office Group compliance Officer. info@stirlingmsltd.com