

## Anti-Slavery and Human Trafficking Statement

### INTRODUCTION

Allegion believes businesses have a central role to play in respect for human rights, combating modern slavery and human trafficking. In staying true to one of our core values “*Do the right thing*” we prohibit and have zero tolerance for all forms of modern slavery, human trafficking and child exploitation throughout our global organization, operations and supply chains.

We are strongly committed to fair labor practices and the protection of workers against labor rights violations. Allegion will continue to maintain and improve processes while implementing systems and controls to ensure that our business and supply chains across the globe are free of such practices

This statement constitutes our slavery and human trafficking statement for the fiscal year ended 31 December 2021 and is made pursuant to Section 54 of the UK Modern Slavery Act 2015, Part 2 of the Australian Modern Slavery Act of 2018 and the California Supply Chains Act of 2010 (SB 657). These Acts require Allegion to disclose our efforts to combat modern slavery and human trafficking and detail the steps Allegion has taken to ensure such practices are not taking place in our business and supply chains. We will continue to review and publish this statement annually for Allegion plc, Allegion (UK) Limited, Allegion Investments (UK) Limited and Allegion (Australia) Pty Ltd.

### ORGANIZATIONAL STRUCTURE

Allegion (NYSE: ALLE) is a global pioneer in seamless access, with leading brands like CISA®, Interflex®, LCN®, Schlage®, SimonsVoss® and Von Duprin®. Focusing on security around the door and adjacent areas, Allegion secures people and assets with a range of solutions for homes, businesses, schools and institutions.

Allegion had \$2.9 billion of revenue in 2021 and its security products are sold around the world.

Our global headquarters is located in Dublin, Ireland. As of January 1, 2021, we have two operating segments, Allegion Americas and Allegion International (note: On January 1, 2021, we combined the EMEA and Asia-Pacific operating segments to form the newly created Allegion International segment). To learn more about our business, or to review our annual report, please visit [www.allegion.com](http://www.allegion.com).

### SUPPLY CHAIN

Allegion is in the Security Industry and while mechanical hardware is the foundation of our business, Allegion also provides digital, mobile and interconnected electronic solutions to global markets. Specializing in security around the door, Allegion manufactures electronic and mechanical locks, door closers, exit devices, steel doors and frames among other products, and creates practical safety solutions including biometrics, wireless connectivity and cloud technology.

With 30 manufacturing sites around the world and multiple distribution centers spread across five different continents, our Global Supply Management team is responsible for purchasing products and

services from external partners used to manufacture products, deliver those products to our customers and run the day-to-day operations of our business.

Allegion's supply chain includes suppliers in Americas, Europe, Middle East and Asia Pacific regions. Activities involve the transformation of zinc, brass, steel and other materials into parts used to build Allegion products and include various manufacturing processes to create supplementary components and key electronic mechanisms.

Allegion's supply chain structure supports the complexities of global supply and manages associated risks, including compliance with regulatory directives and monitoring suppliers' performance and financial stability. The supply chain structure includes a strategic sourcing team of commodity managers responsible for managing purchased components. Commodity managers create and execute commodity playbooks, select suppliers, manage supplier relationships and performance, and lead commercial activities (agreements, pricing, payment terms, etc.).

## **ORGANIZATIONAL POLICIES**

Our commitment to ethical behavior and compliance can be found throughout our policies and our **Allegion Code of Conduct**. We believe that the fundamental values set forth in these policies and our Code of Conduct should serve as our global minimum business standards. For example, Allegion has policies and procedures in place to ensure the procurement of goods and services is conducted in an honest, competitive, fair and transparent manner that delivers the best combination of quality, value and risk from our suppliers in support of Allegion's global enterprise goals.

To ensure our policies and guidelines reflect industry best practices, Allegion is a member of Gartner Legal & Compliance, a global research and advisory firm providing information and guidance for the continued development of compliance and ethics related programs. We also actively participate in C-TPAT (Customs – Trade Partnership against Terrorism) and the AEO (Authorized Economic Operator) programs to help facilitate best supply chain security standards. Further, Allegion is a voting member of the Social Responsibility Alliance and participate on the Slavery & Trafficking Risk Template (STRT) Development Committee, the organization that maintains the standardized STRT used globally by companies in their supply chain transparency programs.

As defined in our **Allegion Code of Conduct for Business Partners**, Allegion also expects that our business partners, including our suppliers, vendors, consultants and contractors adopt and enforce standards similar to those defined in our policies which are included as links below.

### **Allegion Code of Conduct and Corporate**

**Governance Documents:** <https://www.allegion.com/corp/en/about/corporate-governance.html> **Allegion**

**Code of Conduct for Business Partners and the Supplier Documentation:**

[Allegion Code of Conduct for Business Partners.pdf](#)

<https://www.allegion.com/suppliers>

## Corporate Social Responsibility and ESG:

<https://www.allegion.com/csr>

## Allegion Conflict Minerals Policy:

<https://www.allegion.com/corp/en/about/csr/sustainability-and-safety/conflict-minerals.html>

### VERIFICATION AND DUE DILIGENCE

- Verification and Risk Assessment:

Allegion has partnered with a third-party provider, Assent, to assist with the identification and risk mitigation of modern slavery and human trafficking practices throughout our global supply chain. Allegion uses the Global Slavery Index (GSI) and the U.S. Department of State Trafficking In Persons Report (TIP) to identify geographical high-risk areas where direct spend suppliers are located. After establishing the supplier subset, an email campaign is launched to request the suppliers complete a self-assessment. The self-assessment evaluates the risk of slavery and human trafficking using an industry standard survey, the Slavery & Trafficking Risk Template (STRT) available at [www.sraglobal.org](http://www.sraglobal.org). In 2021, we campaigned on version 2.1 of the STRT. The changes were designed to incorporate new indicators for emerging issues, such as forced labor in Xinjiang, greater flexibility on country risk calculations, and an enhanced question set for deeper evaluation of high-risk suppliers.

Our approach enables us to assess the strength of the supplier's risk mitigation activities in relation to their risk exposure based on geographical location, industry, use of labor brokers and workforce characteristics, and it serves as the initial assessment of potential risk within our supply chain. Engagement of the suppliers in completing the risk assessment process and providing supporting documentation enables us to raise supplier awareness, foster constructive dialogue and engage their support in helping us maintain our commitment to combat and mitigate slavery and trafficking risk in the supply chain. Every year, Allegion has continued to expand our survey range and repeat supplier assessments to monitor for status change.

The risk related to human trafficking and modern-day slavery is escalated as part of our commodity management risk process. The Allegion supplier risk management process is designed to improve the performance levels of our suppliers and reduce or eliminate risk to plant operations. The measured risks include financial, economic, legal, regulatory, geopolitical, availability, geographical and contract. A sourcing council manages the supply risk process and risk mitigation plans.

The Uyghur Forced Labor Prevention Act (signed into law Dec. 23, 2021) effectively deems all goods mined, produced, or manufactured in the XUAR as produced by forced labor in China. Accordingly, effective, June 21, 2022, the United States will ban imports of all goods made or produced, in whole or in part, from the Xinjiang Uyghur Autonomous Region in China. As a result, we have taken steps to evaluate

our risk in the Xinjiang region. Initial analysis of our supplier results indicates no confirmed links to the Xinjiang Uyghur Autonomous region.

The COVID-19 pandemic has continued to cause widespread disruptions in business continuity around the world and has included quarantines, business closures and supply chain disruptions, straining both our suppliers and our internal bandwidth.

- Internal Accountability:

Allegion's Code of Conduct reinforces our commitment to following the law in all places where we do business and it applies to all of our officers, employees and directors. Our Code guides our business relationships with customers and suppliers and it also emphasizes what's expected of Allegion by shareholders, government regulators and the communities we serve.

All Allegion employees must embrace our Code. Violation of the Code of Conduct may result in discipline, up to and including, termination and/or reporting of the misconduct to the relevant government authorities.

- Supplier accountability:

Allegion is committed to working with our suppliers to both mitigate and address any identified risk. As part of our terms and conditions of purchase, we require all suppliers to comply with applicable local law and regulations.

Additionally, our terms and conditions state that our suppliers will not utilize child, slave, prisoner or any other form of forced or involuntary labor, or engage in abusive employment or corrupt business practices.

Our terms and conditions also require all suppliers to follow our Business Partner Code of Conduct, the violation of which may result in termination of the supplier relationship and/or reporting of the misconduct to the relevant authorities.

- Reporting Mechanism:

Allegion has an established **Helpline** to help ensure concerns regarding lawful and ethical behavior are reported and to maintain compliance with Allegion's Code of Conduct and Ethical Sourcing Policies & Guidelines.

This confidential, non-retaliatory resource is available for any internal and external stakeholder to inform Allegion of concerns or report findings of non-compliance by sending an e-mail or by using our third-party hotline.

Reports can be made anonymously and will be kept confidential to the extent practicable and allowed by law.

Email: [EthicsandCompliance@allegion.com](mailto:EthicsandCompliance@allegion.com)

Phone: 800 461 9330 (United States and Canada)

Business Partner Code of Conduct: [Allegion Code of Conduct for Business Partners.pdf](#)

## **CAPACITY BUILDING/TRAINING**

Training on slavery and human trafficking and related regulations is available through our third-party provider Assent University. With this training platform, both internal personnel and suppliers can build their capacity to identify and respond to slavery and human trafficking risks. Due to staff turnover, retirements and internal transfers, additional efforts to maintain continual training throughout the year are essential to help ensure new hires understand these important regulations.

In addition to the training, continuing education conferences and webinars for our supply chain risk management team are provided through Assent to help us better understand identification of, and risk mitigation of, any violations.

## **CLOSING/RESPONSIBILITY**

The Allegion Board of Directors has overall responsibility for ensuring this statement complies with our legal and ethical obligations, and that all those under our control comply with it.

This statement was approved by the Board of Allegion plc, on May 26, 2022.

By:     /s/ David D. Petratis    

David D. Petratis

Chairman, President and Chief Executive Officer