

Code of Conduct and Declaration of Commitment for Companies of the Tekfor Group

As part of the business activity of the Tekfor Group companies, it is necessary that our executives* and employees assume direct or indirect responsibility for lawful action in the daily business and project business. Therefore, a key factor for the corporate success of the Tekfor Group is dealing with other people inside and outside the Tekfor Group in a responsible and appropriate fashion: with our employees and colleagues, customers, suppliers, shareholders, banks, government authorities, as well as the public.

This specifically applies in the context of awarding and accepting contracts and services, confirming goods receipt and goods withdrawal, acknowledging supplier invoices, and all other interactions when dealing with customers, suppliers, and government bodies on a daily basis.

We are aware that due to the internationalisation of the economic processes and as a consequence of the variety and complexity of legal provisions and framework, the risk of legal infringements is increasing. This is why the management of the Tekfor Group has passed the below Code of Conduct (Legal Compliance Code). It is supposed to help each manager and employee to identify legal risks and avoid legal violations.

1. Area of application

This code of conduct applies to and is binding for all executives and employees of the Tekfor Group. It defines our common principles for a lawful behaviour, and complying with it is mandatory for all managers and employees. Regular reviews of the Code of Conduct as well as adjustments to the present requirements are expressly provided.

2. Responsibility for our action and behaviour

Even apparently minor legal infringements may compromise considerably the reputation and image of the Tekfor Group and also cause substantial financial damages. Therefore, Tekfor does not tolerate any violations of internal policies or legal requirements, and takes legal action regardless of the hierarchical level of managers and employees. We do not exempt the responsible persons from governmental or any other sanctions. Each infringement of internal policies and regulations as well as legal and external provisions may lead – depending on the gravity of the violation – to far-reaching consequences pursuant to Labour Law, but also Criminal and Civil Law, and can lead to termination of employment.

3. Fair market behaviour and antitrust law

All executives and employees of Tekfor are obliged to comply with the relevant provisions of the antitrust and competition laws of the relevant countries. No tolerance will be exercised especially towards

- agreements, understandings, and contracts with competitors with the purpose of determining prices or terms and conditions, or dividing the markets or customers;
- misuse of a leading or dominant position in a specific market as well as exercising unfair practices;
- agreements or contracts on a vertical basis in order to prevent or restrict free and fair competition.

* The term "executives" comprises all female and male managers in the company regardless of hierarchy and grouping or grading

4. Money laundering and financing of terrorism

Executives and employees of the Tekfor Group are not permitted to take action – be it alone or together with other people or companies – that violates provisions against money laundering or terrorist financing. In any case of suspicious fact or doubt with regard to the lawfulness of business transactions (e.g. cash transactions amounting to or exceeding 5.000,00 USD, unusual company data such as registered office or bank connection in offshore financial centres), the responsible directors of the Central Finance and Human Resources functions as well as the Compliance Officer of the Tekfor Group must be informed without delay. These persons will then agree with the top management on the next steps to be taken.

5. Dealing with business partners and representatives of government bodies; avoiding corruption and conflicts of interest

When dealing with business partners and office holders (including politicians, employees, and representatives of authorities or public services as well as state-owned companies), the pertinent laws, internal guidelines, and instructions, as well as especially this Code of Conduct must be followed.

The following principles for avoiding corruption and conflicts of interest apply:

- Establishing and maintaining secret accounts is strictly prohibited.
- Customer and supplier relationships are designed exclusively on the basis of factual and understandable decision criteria (such as performance, quality, adherence to schedules, dependability, and competitiveness).
- Functions and responsibilities transferred to executives and employees may not be used – neither directly nor indirectly – for accepting or granting personal advantages or for private interests.
- Business-related and private interests must be strictly separated from each other. Any exertion of influence on business matters on the basis of private interests is not tolerated.
- Requesting, accepting, offering, or granting payments, non-cash benefits, gifts, and other advantages is generally prohibited, where the list of exceptions under this point (5.) does not apply.
- Travel and accommodation costs must be borne on one's own as part of the presently applicable travel cost policy and may not be borne by business partners.
- Company, staff, and branch events may not be sponsored by business partners.
- Donations must always be agreed with the management.
- Invitations (by and of customers, suppliers, competitors etc.) without direct relationship to business appointments and/ or topics, as well as invitations to business events (e.g. product and sales events, trainings, speeches etc.) must be agreed upon with the direct or next higher manager already in advance and, where appropriate, approved in writing (e-mail, internal letter etc.) in order to avoid misunderstandings or misinterpretations. Any participation in such events must always be appropriate and proportionate.
- If a – direct or indirect – personal (e.g. family, private/ friendly) relationship exists or a participation in the client or supplier of the Tekfor Group, the directors of the Central Purchasing, Finance, and Human Resources functions as well as the Compliance Officer of the Tekfor Group must be comprehensively informed before closing deals with these customer or suppliers.
- Any ancillary activity must not compromise the interests of the Tekfor Group and requires disclosure pursuant to the provisions of the Labour Law and, where appropriate, must be approved by Human Resources.

List of exceptions:

- Permitted are normal business meals based on a voluntary invitation within an appropriate and normal scope of business, as well as on the basis of a justified business purpose. For office holders (for definition, see introductory text under this point (5.)), it needs to be clarified in each case whether an invitation is permitted pursuant to the applicable provisions of the relevant institution.
- Permitted are invitations and entertainment on the occasion of cornerstone ceremonies or start-ups of sites, plants, parts of plants, facilities, systems, or machines.
- Permitted are also invitations and entertainment as part of events for trainees, universities, and university graduates, as well as visitors of job fairs/ job exchanges and trade fairs.
- Promotional gifts with a minor value and already delivered without advance notice (so-called "non-selective advertising means" with a value not exceeding 12 USD for each recipient, e.g. calendar, pens etc.) may be retained after consultation with the direct manager and distributed among the employees of an operation, as returning the advertising means usually exceeds the related value of the advertising means.

Any violation of these principles is sanctioned without exception. Possible consequences include measures under Labour Law, up to termination of employment, asserting claims for damages, and criminal prosecution.

6. Fair working conditions and social responsibility

We attach great importance to an atmosphere among our employees and towards our business partners that is characterised by mutual respect, trust, tolerance, openness, and fairness.

Therefore, we do not tolerate any discrimination based on skin colour, sex, nationality, religion, age, origin, disability, or any other reason that is forbidden by applicable laws. Sexual harassment or personal insults are not tolerated.

7. Safety, health, environment, and product integrity

Within the Tekfor Group, we observe the compliance with the applicable legal provisions and standards with regard to work safety, health, and environmental protection. The Tekfor Group has highest demands on the quality and safety of its products. Our processes and management systems are tested and enhanced as part of audits – among other measures – on a regular basis.

8. Protection of company assets and information, and confidentiality

All managers and employees are committed to dealing in a responsible manner with company assets and the resources made available. This particularly applies to the use of all means of communications provided by the company. In order to warrant the availability and integrity of our IT systems, the applicable IT policies must be strictly followed. Especially the loss of communication means must be reported without delay to the responsible party.

The use of company assets for private purposes is generally prohibited, if not expressly permitted by an individual employment contract provision, by company policy or by the responsible manager.

Sensitive information and business secrets of the Tekfor Group as well as our business partners must always be protected appropriately, dealt with in a confidential manner, and may not be forwarded without permission. In cases of specific confidentiality (e.g. M&A activities, development and project co-

operations), additional safety measures such as secrecy obligations and confidentiality agreements must be taken.

The protection of brands, patents, and licences must be warranted by the responsible parties in an appropriate and forward-looking fashion.

9. Data protection

The safeguarding of personality rights and personal data pursuant to the General Data Protection Regulation (GDPR) of the European Union must be ensured in all business processes. The collection, processing, storage, and use of personal data may take place only as part of the applicable legal provisions and only for specifically determined purposes. Personal data may not be stored and retained longer than necessary. The principles of data safety (availability, integrity, authenticity, and confidentiality), data economy, and data avoidance apply. To warrant the compliance with these principles, all required technical and organisational measures must be taken. Personal data must be anonymised and a related pseudonym created, where technically feasible and possible in terms of the intended use.

10. Notifications and information in cases of violation

We expect from all executives and employees to report any company-damaging behaviour, crimes, grievances, and special risks. For this purpose, the common and known reporting channels (direct and next higher managers, Human Resources, top management) as well as the Compliance Officer of the Tekfor Group, Mr. Christian Brenner, can be used or involved (E-Mail: compliance@tekfor.com; personal and anonymous contact options as well as informations see below Tekfor Intranet).

We follow up on all notifications and take measures, where necessary. We do not tolerate any discrimination of managers or employees giving us – with good intent and in good faith – indications of misbehaviour and violations.

11. Contacts, information, and training

All executives are trained annually by the Compliance Officer of the Tekfor Group

Further information on contact persons and training courses will be made available on Tekfor Intranet and by Human Resources.

Wooster, on 27th March 2018


Johann Ecker
CEO Tekfor Group


Kevin Weldi
Managing Director



DECLARATION OF COMMITMENT

“Code of Conduct of the Tekfor Group” in the version dated March 27th, 2018

I have read and taken note of the Code of Conduct.

I am aware that any violation of the Code of Conduct represents also a violation of the terms of my employment with Tekfor. Any violation of the Code of Conduct can lead to termination of my employment with Tekfor, as well as civil and criminal consequences under applicable law.

Family name:

First name:

Personnel number:

Company:

Unit/ department/ branch:

Place/ date

Signature

Distribution list for the signed Declaration of Commitment:

- Employee
- Manager
- Human Resources

One copy of the Code of Conduct remains with the employee, together with signed Declaration of Commitment.