

COMPLIANCE GUIDELINE

WITZENMANN CODE OF CONDUCT



Witzenmann GmbH

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INTRODUCTION



Dear Employees,

The Witzenmann Group is a global contact point for challenging technical engineering issues relating to vibration decoupling, absorption of expansion, media transport and balancing of assembly inaccuracies in piping systems. We are experienced development partners of our customers and suppliers.

Apart from the corporate vision and corporate objective, the mission statement of the Witzenmann Group also includes corporate guidelines and management principles that serve as guiding principles for our activities. These emphasise the social and corporate responsibility of the Witzenmann Group, lawful conduct as well as fairness and integrity in the internal dealings with each other and in relation to customers, suppliers and other business partners, as well as in relation to competitors. Namely, the company as a whole but also as an individual.

With this Compliance Guideline or Witzenmann Code of Conduct we emphasise the expectation that all Witzenmann employees comply with the statutory regulations, corporate guidelines and basic ethical principles and international standards. This Witzenmann Code of Conduct describes the essential areas of action and outlines the conduct we expect from our employees. Further or more specific contractual employment provisions and agreements shall remain unaffected thereby.

The following regulations are mandatory for all employees of the Witzenmann Group worldwide. Infringements of these regulations will not be tolerated by Witzenmann. We expect the management to "set a good example" and ensure that the Witzenmann Code of Conduct is understood and complied with.

If there are situations in which you do not see any possibility of discussing specific aspects of the Witzenmann Code of Conduct with your direct superior, then you are entitled to speak to the next higher-level superior. You are also free at any time to speak to the compliance officer, managing director of your company or to the managing director of the Witzenmann GmbH.

Pforzheim, 15.12.2017
Witzenmann GmbH

Dr. Andreas Kämpfe, Chairman of the Board
Philip Paschen, Dipl.-Ing./Dipl.-Wirtsch.-Ing., Managing Director
Dr. Eberhard Wildermuth, Managing Director
Heiko Pott, Dipl.-Kfm., Managing Director

RESPONSIBLE AND LAW-ABIDING CONDUCT

We feel a commitment to comply with the laws, corporate guidelines as well as fundamental ethical principles and international standards applicable to our company. This also means that we expressly exclude any use of our products in military offensive weapons (on land, at sea and in the air).

We will not induce third-parties to unlawful actions. Any violations of these codes of conduct shall result in disciplinary consequences as well as in statutory penalties.

HUMAN RIGHTS, LABOUR AND SOCIAL STANDARDS

We respect and support the protection of internationally proclaimed human rights within our sphere of influence and ensure that we are not complicit in human rights abuses. We do not tolerate any discrimination or harassment. We reject child labour even among our business partners.

We respect the rights of employees to the freedom of association and collective bargaining (negotiations between trade unions and employees involving the regulations on conditions of employment). In the case of staffing decisions, any discrimination for reasons of ethnic origin, gender, religion, political opinion, disability, age or sexual orientation is prohibited.

ENVIRONMENTAL PROTECTION, SAFETY AND HEALTH

We are committed to the idea of sustainability and the guarantee that nature and the environment will be preserved for generations to come by our economic activity. Details can be found in the regularly published sustainability report. We pursue precautionary principles when faced with environmental problems.

We create a safe and healthy working environment in accordance with the relevant national requirements and regulations. Each employee is responsible for the environment, occupational safety and health in his area of work and undertakes to observe the corresponding laws, regulations and standards as well as the internal guidelines on health, occupational and environmental safety.

CONFLICTS OF INTEREST

In the Witzemann Group we strictly draw a line between private and business interests. Even the appearance of a conflict of interest must be avoided. These includes among other things:

- Orders to related persons (especially spouses and relatives),
- Orders to companies where related persons work,
- Orders to companies where related persons have an interest of more than 5%,
- Sideline activities for competitors,
- Sideline activities for business partners.

If a conflict of interest should arise, the superior must be informed in order to jointly seek a solution for solving or minimising the conflict of interest.

BRIBERY / CORRUPTION

Bribery/corruption is the acceptance of personal benefits or the granting of personal benefits to business partners or public officials if these benefits are able to influence the decision of the recipient. Therefore, it is strictly prohibited

- to offer, promise or grant employees and representatives of other companies illegal personal benefits,
- to allow such acts of bribery to be performed with the help of others,
- to support such acts of bribery of others,
- to offer, promise or grant public officials any personal benefit,
- even to solicit, demand, be promised, or accept an unlawful personal benefit.

Each employee is obligated to inform the superior, compliance officer or board of management if a business partner or public official offers or demands a corresponding benefit.

MONEY LAUNDERING

The aim of money laundering is to channel illegally acquired money or goods into the legal financial and economic system. To counteract this, any kind of disposed assets may therefore only be acquired legally. Significant cash payments require the consent of the board of management. Anonymous economic transactions are prohibited. Suspicious business partners and/or transactions must be reported to the superior, compliance officer or board of management.

GIFTS AND INVITATIONS

Gifts and invitations may only be granted and accepted if they rank as a gesture of courtesy consistent with customary business practices. Gifts and invitations may not be granted and accepted if the influence of a business decision cannot be ruled out thereby. The equivalent value of a gift indicates whether a gift is inappropriate. It is defined in internal guidelines of the individual companies and should not be exceeded. Applicable national laws must be strictly observed.

Gifts or other contributions must always be granted or accepted in a transparent manner. Donations must never be offered, granted, demanded or accepted. Gifts or other donations to authorities or other public officials must be avoided. In cases of doubt, the superior, compliance officer or board of management must be notified and written consent must be obtained. This also applies if it is not possible to discreetly reject inappropriate gifts.

CONDUCT TOWARDS COMPETITORS / SUPPLIERS / CUSTOMERS

We comply with mandatory antitrust regulations. This includes in particular:

- No prices, quantities and conditions may be arranged or agreed with competitors.
- Agreements concerning market sharing are not allowed.
- The exchange of confidential, competition-sensitive information with competitors is also prohibited as a rule.
- In case of doubt, agreements on an exclusive supply or non-competition prohibitions must be examined. Antitrust laws not only prohibit explicit, written contracts that restrict competition, but also corresponding verbal agreements or other informally made settlements.

In cases of doubt, the superior, compliance officer or board of management must be informed in good time in order to clarify the antitrust admissibility of the corresponding agreements.

Suppliers must be selected based on factual considerations – such as prices, quality, efficiency. Offers are reviewed fairly and impartially. Personal and subjective reasons are disregarded when making decisions.

TAX EVASION AND SUBSIDY FRAUD

Witzemann commits neither tax evasion nor subsidy fraud and does not aid and abet third parties either. In cases of doubt, the superior and/or central finance and controlling department of the parent company must be notified.

IMPORTS AND EXPORTS

Various national and international trade control laws restrict or prohibit the importation of goods or services. The restrictions can relate to products as well as to countries of origin and destination. These restrictions must be complied with during the purchase and sale of goods and services. In case of uncertainties, the logistics or purchasing department of the Witzenmann GmbH should be contacted.

PROTECTION OF MATERIAL AND INTELLECTUAL COMPANY PROPERTY

Each employee must handle company property responsibly and protect it against loss, damage, theft, misuse and unauthorized use. Specific resources of the company such as photocopiers or telephones may be used for private purposes if no significant costs are incurred.

Company property must not be used for private purposes or removed from the company premises without the explicit consent of the superior or department responsible. Similarly, the internal and legal requirements for the purchase or sale of company property must be observed.

The relevant guidelines must be observed.

The commercial due diligence obligations must be observed in commercial transactions. Decisions must be made based on the comprehensible analyses of opportunities and risks. In the case of substantial business transactions, the double verification principle must be observed. Even the instructions of executive bodies are subject to this principle.

The intellectual property of the company and confidential information must be protected appropriately. The IT Guideline, which describes the various classifications of information and how it can be characterised on the documents, will also assist you. Company and business secrets as well as all other confidential information that employees acquire in the course of fulfilling their tasks must be kept confidential. Such information must be suitably protected from access by third parties and unauthorized employees. This applies in particular to information concerning suppliers, customers, employees, business partners and other third parties as well as to internal company information. The obligation to maintain confidentiality shall remain in force even after termination of employment.

Witzenmann takes the existing obligations of third parties to maintain confidentiality into account. If it is uncertain whether confidential information may be passed on, the superior must be asked.

DATA PROTECTION AS WELL AS IT AND DATA SECURITY

Personal data may only be collected, processed and utilised according to the applicable data protection laws. Owing to the great importance of IT systems and the increasing threat to IT systems caused by virus attacks, sabotage, hackers and economic crime, all employees as IT users are required to act in a consistently safety-conscious manner. Every employee must comply with the IT security guidelines.

VIOLATIONS AGAINST THE WITZENMANN CODE OF CONDUCT

The Witzenmann Code of Conduct provides a binding guideline for responsible and correct behaviour. Where necessary, it is substantiated and supplemented by topic-specific and country-specific regulations and training courses. All employees and executives have the personal responsibility to know and understand the Code of Conduct as well as the additional Witzenmann guidelines necessary for their work. Any executives and employees that violate legal provisions, internal regulations or the Witzenmann Code of Conduct must expect disciplinary measures and possibly legal consequences.

In case of questions or suggestions regarding the Code of Conduct or uncertainties regarding its application and interpretation, the employees should contact the direct superior, next higher superior, responsible department or compliance officer in order to seek clarification. In the case of complaints or notices regarding violations of the Code of Conduct, the direct superior must be consulted. If there are situations, in which you do not see any possibility of discussing specific aspects of the Witzenmann Code of Conduct with your direct superior, then you are entitled to speak to the next higher-level superior. You are also free at any time to speak to the compliance officer, managing director of your company or to the managing director of the Witzenmann GmbH. It is also possible for third parties to submit a message via the email address compliance@witzenmann.com.

Any complaints or suggestions concerning a potential violation of the Code of Conduct can be reported anonymously and/or confidentially to our external representative Mr Christian Brenner (Tel. 0711 16445-430), who will ensure anonymous disclosure on request.

Employees who report any possible violation of the Code of Conduct in good faith do not have to fear any negative consequences.

The Witzenmann Group Board of Management