

CODE OF **CONDUCT**

CRONIMET GROUP



CRONIMET
metals are our passion

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Dear Employees,

The credibility and success of our enterprise are directly related to the personal integrity and honesty of all employees of the CRONIMET Holding Group (hereinafter: CRONIMET). The values of our enterprise together with the establishment of minimum standards for responsible and unimpeachable conduct in business transactions that form the foundation of our success and guidelines for the conduct of our employees are to govern the continued success and the competitiveness of CRONIMET.

The objective of the Code of Conduct is to provide information about the legal situation and the fundamental principles of the philosophy of the CRONIMET enterprise. It primarily serves to provide orientation to our employees and is aimed at unimpeachable conduct at the workplace that is characterized by honesty and fairness in dealings with other employees, customers, suppliers, competitors, the authorities and the general public.

Strict compliance with these principles is the only way to avoid significant legal and financial risks for our enterprise and thus for all of us. It also enables us to safeguard the legitimate interests of all stakeholders (e.g. customers, suppliers, shareholders) and to take account of general societal concerns such as the protection of humans and the environment.

The management hereby calls on each one of you to familiarize yourself with the contents of our Code of Conduct, to go into further detail within your area of work and to take up corresponding in-house training options.

Compliance with the principles will be verified.

The integrity and good reputation of CRONIMET lies in the hands of all employees and is of inestimable importance to our enterprise.

Thank you for your support!

Management – CRONIMET

The Pilarsky family

Karlsruhe, in June 2017

I. Overriding Principle

CRONIMET abides by the law

We shall always comply with international, national and regional laws and regulations in force when conducting our business. Unlawful acts that could result in a grave loss of reputation or in prosecution, damages and/or the loss of orders, are never in the interest of our enterprise.

Employees who commit unlawful acts have to be aware that they themselves could be subject to prosecution.

We also consider it important that our business partners abide by these principles.

II. Safeguarding Fair Competition

CRONIMET supports fair competition

The objective of antitrust laws is to promote competition within our branch of industry and to prevent conduct that restricts competition. Acts that restrict competition or commerce or that otherwise dominate a market could be in breach of antitrust law. Such violations can lead to consequences under civil or criminal law and to substantial fines for the enterprise or individual employees.

The main violations of antitrust law are:

- › Price fixing
- › Agreements on market shares
- › Agreements on capacity
- › Division of regional markets
- › Division of customers
- › Price maintenance

Please contact the legal department before undertaking acts that could have consequences under antitrust law.

III. Active and Passive Corruption, Gifts and Other Gratuities

CRONIMET opposes corruption – we are devoted to integrity in business dealings

Corruption is unethical, unlawful and entails substantial risks for our employees, managerial staff and the reputation of our enterprise.

Corruption distorts competition, leads to higher costs, destroys the trust placed in us by customers and suppliers, jeopardizes our competitiveness and ultimately the jobs in our enterprise. In many countries corruption is prosecuted as a criminal offence, irrespective of whether it took place domestically or abroad.

The directives on gratuities in force at CRONIMET provide clarification about the current legal situation and set out clear-cut rules of conduct for all employees on how to approach the topic of corruption.

IV. Financial Reporting

Employees and representatives of the enterprise shall comply with the provisions on financial reporting and presentation of accounts that are set out in the laws and other statutory provisions of the location where you work for the enterprise. In this respect, the responsible employees in each case shall draw up correct accounts and statements on operating results, on the financial situation and the cash flow of the enterprise, shall submit in due time the accounts and statements for the relevant reporting period and, if appropriate, shall confirm the appropriateness and accuracy of the accounts and statements for the relevant reporting period in corresponding declarations. In addition, if necessary the responsible employees in each case shall ensure that all key transactions and relations that could have a significant impact now or in future on the financial situation of the enterprise are disclosed in due time.

V. International Commerce

CRONIMET complies with the provisions governing cross-border commerce

In particular, we comply with existing restrictions on import and export including international sanctions currently in force, we obtain the requisite permits and also pay customs duties and taxes determined.

VI. Product Safety and Safety at Work/ Protection of the Environment

CRONIMET avoids jeopardizing humans and the environment

We make the highest demands regarding the quality and safety of our products and services. We observe the quality of our products in order to assist our customers in avoiding risks.

We ensure that the working environment is safe. The individual safety provisions in force shall be observed by each employee.

Please ensure that decisions that you make in the name of the enterprise reflect the commitment of the enterprise towards safety and health protection. Please familiarize yourself with the programs for safety and health protection that are relevant to your work. Our aim is to provide a working environment that is free of injury and sickness, that benefits all employees suppliers, customers and the general public. Please notify your superior promptly if safety risks arise that you are unable to resolve.

We shall ensure that our business activities are as environmentally compatible as possible and shall endeavour to ensure that the impact of our actions on the environment is as minimal as possible at all locations where we are engaged. Our program for environmental protection, health protection and safety reflects this obligation. Please ensure that the decisions you make in the name of the enterprise reflect its commitment towards protection of the environment and compliance with the relevant statutory provisions.

VII. Avoiding Conflicts of Interest

We further the interests of CRONIMET and avoid anything that conflicts with those interests

You are expected to perform your work in the best interests of the enterprise. Each and any activity or interest actually or allegedly conflicting or interfering with the best interests of the enterprise constitutes a conflict of interests. If you have reservations regarding an actual or potential conflict of interests, then you should obtain advice in the matter from your superior or the legal department.

Employees should avoid any situation which could lead to a conflict between private interests and the interests of the enterprise. This applies especially with regard to financial interests, activities outside the CRONIMET Group, family relations, and to the acceptance and dispensing of gifts and invitations.

Conflicts of interest arise especially owing to:

a) Side-line Activities

Each employee shall place his or her full working capacity at the disposal of the enterprise. Any gainful side-line activity is subject to the prior written consent of the superior. The same applies to an interest held in a business enterprise and to participation in supervisory entities of other companies. Side-line activities for enterprises that compete with CRONIMET are prohibited.

Publications and speeches by employees that affect the interests of CRONIMET are subject to the consent of the superior.

b) Capital Interests Held

Employees should not hold direct or indirect financial interests in enterprises of customers, competitors or suppliers of CRONIMET, which could lead to an actual or apparent obligation of loyalty or to other loyalty ties for that enterprise.

c) Personal Advantages Owing to Company Property

You may not gain advantages (i) from the use of company property or information about the enterprise or from the position you occupy; (ii) you may not use company property or information about the enterprise or the position you occupy in order to gain personal advantages or (iii) in order to compete against the enterprise.

VIII. Company Property and Business Secrets

We protect the intellectual and material property of CRONIMET and treat operating resources with care and in keeping with their purpose

It is possible that you will have access to confidential information of the enterprise within the context of your employment relationship. One of the reasons why CRONIMET is so successful is the comprehensive know-how it has through its employees. "Know-how" in an enterprise is understood to mean knowledge obtained through specific experience or research that enables the person holding it to obtain a certain technical or financial result. Legally protected know-how includes, for example, knowledge about applied technology, compositions, formulae and product designs, purchase sources for goods, price terms, customer lists, business and strategy plans, procedure and process documentation (QM) among other things. All entrepreneurial knowledge where the proprietor has a legitimate interest in confidentiality and that embodies a financial value is deemed to merit protection insofar as it is not obvious. Consequently, all information about business matters of the enterprise that is not generally accessible is deemed to be confidential or secret information of the enterprise.

Never disclose confidential or secret information of the enterprise without corresponding permission and never use such information for your personal gain or advantage. Confidential information shall be protected by corresponding confidentiality agreements. Confidential information also includes technologies, ideas, product plans and employees' data including information about wages and salaries, specialist knowledge or the preferences of an individual employee.

We shall handle the assets of CRONIMET responsibly. Unnecessary costs are to be avoided. We shall take business decisions on the basis of verifiable business analyses of chances and risks.

IX. Data Protection

Confidential handling of personal data

We shall use the personal data of our employees and business partners solely for the purposes for which they are provided to us, and handle them confidentially. The laws enacted for the protection of personal data are to be strictly observed. Please notify our data protection officer promptly if you establish an irregularity.

X. Documentation and Safe-Keeping of Business Matters/Documents

We compile transparent and prompt documentation of significant business matters

Accurate and reliable records are highly important to the enterprise with regard to compliance with legal, financial, supervisory and business obligations. It is your duty to ensure that all records – including accounts, financial reports, invoices and correspondence – are accurate. Never conceal, modify or disguise the essential meaning and purpose of a transaction!

Specific obligations and set periods for safe-keeping apply to many areas of our business. The enterprise shall determine set periods for safe-keeping for each department. You should be informed about the relevant provisions in force for you. Otherwise, please approach your superior in order to obtain such information.

XI. Observing Copyrights

Copyrighted works include circular letters, articles in journals, books, video tapes, drawings, music recordings and software. These works are protected by copyright even where they do not bear a copyright notice. If you wish to reproduce documents for dissemination at your workplace, please ensure in advance that you hold the relevant authorization from the proprietor of the copyrights.

Computer software is subject to licensing agreements that normally prohibit unauthorized use and reproduction. Never make unauthorized copies of software for which a licence has been granted to the enterprise. Never download unlicensed software to computers of the enterprise. Please address detailed questions concerning copyright protection to the legal department.

XII. Corporate Identity – Logos, Colour Scheme

Use of the logos and colour scheme of CRONIMET shall be in line with CRONIMET's Corporate Identity Policy. Should you become aware that the CRONIMET logo or the specific corporate colour scheme is being used by persons who are not authorized to represent CRONIMET and/or the relevant product line, you should submit a corresponding notification to the legal department.

XIII. Contracts on Behalf of the Enterprise

The enterprise allows certain departments and key functions to enter into contracts and/or to issue declarations imposing obligations on the enterprise. The CRONIMET Policy (especially the authority to act) regulate which employees are authorized to enter into written contracts on behalf of the enterprise and – with some exceptions – require that all contracts, contractual amendments, pre-contractual agreements and letters of intent be examined by the legal department. Employees may not enter into any side agreements whatsoever. A side agreement is any oral or written agreement or declaration, irrespective of whether or not it is made unilaterally by the enterprise or by all parties, unless such agreement was approved by the legal department.

XIV. Enquiries from Supervisory or Other Authorities

You should forward all enquiries from civil servants engaged at the federal, state or municipal level to the legal department without undue delay. The same applies to any request for information made by executive organs (e.g. members of the police force, court bailiffs, public prosecutors, the tax office).

XV. Scope of Application, Implementation and Sustainability

We expect our executive staff members, members of the managing entities and employees to comply with this Code of Conduct. All employees shall familiarize themselves with the contents of the Code and shall act accordingly. The Code constitutes the basis of our daily work!

In case of breaches against the Code or against statutory provisions, the requisite organizational, disciplinary and legal measures shall be taken in order to deal appropriately with the breaches established – notwithstanding the consequences under criminal law. Depending on the severity of the breach, this could also mean dismissal.

XVI. Notification

Breaches of this Code of Conduct shall be reported to the responsible Compliance Officer (+49 721 95225 251). However, employees may also approach their superiors or the legal department. If there is a suspicion of offences affecting assets or of corruption including, for example, misappropriation of funds, fraud, embezzlement and active or passive corruption in business dealings, the Compliance Officer shall be notified directly and without undue delay.



COMPLIANCE OFFICE:

compliance@cronimet.de

+49 (0) 721 95225 251

Visit us at the
headquarters at any time
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