

LUVATA CODE OF CONDUCT

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Introduction:

Luvata Group has always recognised that its own long-term interests and those of its various stakeholders [Note 1] depend on compliance with high standards of conduct, applicable law and good corporate citizenship. The code is a representation of Luvata's culture and all employees [Note 2] are expected to conduct themselves and their business in line with it. Additional guidelines or policies and more detailed instructions may be adopted under this code for certain regions or countries or for certain specific compliance areas. Such additional guidelines, policies and instructions will not contradict this code. Luvata periodically reviews this code and is committed to making changes in its content and implementation when necessary.

In Human Rights, Labour, Environment and Anti-Corruption, Luvata fully supports the Ten Principles of the UN Global Compact, explained in full at www.unglobalcompact.org.

Ethics and the Law

Luvata is committed to a high level of ethical conduct and compliance with all applicable local, national and international laws. This includes, for example, fair competition, corporate governance, corruption, safety, and the integrity of the products and services Luvata delivers to customers. It also includes laws and practices pertaining to employment, the environment, human rights, and protecting copyright, company assets and other forms of intellectual property. Luvata's goal is to adhere to legal obligations and to be a good corporate citizen wherever it does business, realising that even the appearance of impropriety can damage the Group's reputation and business.

While compliance with all laws is required under this code, Luvata has also adopted policies specifically related to certain regional competition laws: in the U.S., the *Antitrust Compliance Policy and Guidelines*, and in the EU, the *EU Competition Law Compliance Manual*. These policies provide employees with a summary of relevant competition and antitrust laws, as well as guidance on issues that may arise in certain business contexts. Compliance with these competition-law policies by all relevant employees, wherever located, is required under this code.

Luvata respects the privacy and integrity of its stakeholders and endeavours to adhere to specific standards when processing personal data and product information. All personal data collected and held by Luvata will be processed fairly, lawfully and carefully and in a way that endeavours to protect the privacy of individuals.

Corporate funds and records

Luvata expects honesty and integrity in all transactions involving corporate funds and assets, and monitors compliance with this objective. The following rules apply to all employees, officers and directors of Luvata Group companies:

1. The use of corporate funds or assets, or those of any affiliated entity, for any improper purpose is strictly prohibited;
2. No undisclosed or unrecorded funds or assets of any Luvata Group company shall be established for any purpose;
3. No false or artificial entries may be made in the books and records of any Luvata Group company for any reason, and no employee shall engage in any arrangement that results in such prohibited acts;
4. No employee may participate in any transaction that requires the payment of corporate funds for any purpose other than that described on the form or other document used in obtaining the check, wire transfer or other instrument effecting such payment;
5. Any employee having information or knowledge of any unrecorded fund or asset or any prohibited act must promptly report such matter to a controller, the independent outside accountants of Luvata Group companies, or to the chief compliance officer;

Protection of Luvata's assets

The protection of Luvata assets is critical. Luvata's assets include its companies' facilities, equipment and other physical assets as well as intellectual property and confidential information.

Employees should be aware of and understand Luvata companies' security procedures. Employees should be alert to any situations or incidents that could lead to the loss, misuse or theft of Luvata assets. Employees are required by this code to report any such situations or incidents immediately.

Luvata's assets may be used by employees only for conducting Luvata's business or for purposes specifically authorised by management. Any theft or misappropriation or intentional harm to property or other assets of Luvata is forbidden and will result in immediate disciplinary action and possible notification of government authorities.

Due regard should be given at all times to the protection of proprietary information. Proprietary information may pertain to: company manufacturing practices, technical and scientific information relating to current and future products, services and research, business or marketing plans, projections, customer information, earnings and other financial data, personnel information including executive and organisational changes, and software.

Use of information about others or owned by others

In the normal course of business, it is not unusual to acquire information about many other organisations, including competitors. The acquisition of such information is not itself unethical. However, there are limits to the ways that information should be acquired and used.

No Luvata employee should use improper means to acquire a competitor's trade secrets or other confidential information. Illegal practices (i.e. trespassing, burglary, wiretapping, bribery and stealing) are obviously wrong; attempting to acquire a competitor's confidential information by hiring the competitor's employees can also be improper.

Sometimes, other companies or individuals may disclose confidential information to Luvata, only if Luvata agrees not to disclose it and not to use it for various purposes. To avoid the risk of Luvata being accused of misappropriating or misusing another's confidential information, it is important to have the terms of any such agreement set forth in writing, and not to use, copy, distribute or disclose the other party's confidential information unless in accordance with the terms of that agreement. No employee may sign any confidentiality agreement proposed by a third party unless approved by Luvata-designated legal counsel.

Human rights

Luvata respects and promotes human rights. Luvata recognises, with the international community, that certain human rights should be considered fundamental and universal, based on accepted international laws and practices. Among the rights that Luvata considers to be fundamental and universal are freedom from any discrimination based on race, colour, nationality, ethnic origin,

age, religion, gender, sexual orientation, disability or marital status. Luvata believes in freedom of peaceful assembly and association, as well as freedom of thought, opinion and religion where the expression of those is considerate of the dignity and the good reputation of others. Luvata will not use child or forced labour nor tolerate working conditions or treatments that are in conflict with international laws and practices.

Conflicts of interest, gifts, bribes and improper payments

Luvata employees must avoid activity that leads to a conflict of interest – that is the personal giving or receiving of favours, benefits or gifts that could be seen to influence objective decisions when conducting business for Luvata. This includes, but is not limited to, accepting and giving of personal gifts or hospitality to or from Luvata stakeholders, (other than gifts of nominal value [Note 3] or reasonable hospitality given in the ordinary course of business). Gifts other than those of nominal value may not be accepted without full disclosure to and prior relevant clearance from the employee's supervisor. It is the responsibility of every employee to disclose for management consideration any kind of relationship with other employees, clients and suppliers that could cause a conflict of interest or dangerous working relationship

Luvata and its employees will not pay or offer to pay bribes or make any other improper payments in order to obtain or retain business. This prohibition includes any payments related to government contracts or activities that are strictly prohibited under national laws, the UN Convention Against Illegal Payments and other laws. No political contributions may be made, directly or indirectly, by any Luvata Group company without prior management approval. Luvata employees must not profit nor assist others to profit from opportunities that are discovered through the abuse of corporate information or position. Luvata employees must not compete with the Luvata Group. Luvata employees are also expected to respect local laws relating to taxation of personal gifts.

Luvata has adopted and may adopt additional policies related to conflicts of interest and other matters, for example, in the U.S., the *Conflicts of Interest and Confidentiality Policy*. Compliance with these additional policies is required under this code.

Workplace practices

Luvata employees are expected to respect and encourage Luvata's values and Behavioural Principles at work. Luvata will strive to provide a safe and healthy workplace for employees, free

of harassment or discrimination. Luvata is committed to equality of opportunity in all its employment practices, policies and procedures, and will not discriminate on the basis of a legally protected status, including, without limitation, race, sex, colour, religion, age, national origin, disability, or veteran's status. Luvata continues to invest in the personal and professional learning and growth of its employees. Luvata will encourage its employees to lead balanced personal and professional lives.

Each Luvata Group company may have or adopt in the future certain additional employment-related policies and rules. Compliance with such additional employment-related policies is required under this code.

Environment

Luvata's employees should aim to reduce the environmental impact of all their activities. Luvata is aware that every decision and action can have an impact on the planet and all its other inhabitants. Today's progress should not be at tomorrow's expense. The Group encourages this mentality throughout its own operations and those of its supplier network. Luvata will use the highest levels of discretion in treating all living things in a dignified manner.

Luvata encourages sustainability and supports initiatives that promote environmental responsibility. Compliance with legislation is fundamental but, where we believe it to be right, we will surpass minimum legal obligations to satisfy our own convictions.

Although it is sometimes necessary to sacrifice opportunities for the good of the environment, Luvata believes that good business can exist hand-in-hand with environmental consciousness. For example, more efficient production processes are less wasteful, consume fewer resources and are less polluting. This is good for the environment and good for business.

Suppliers

Luvata will do its utmost to work only with subcontractors or suppliers who adhere to international human rights and environmental laws and practices. Luvata strives to be aware of the ethical performance of its suppliers and will take immediate and thorough steps in cases where the ethical performance of a supplier comes into question. Luvata requests that its suppliers avoid raw material procurement from any source where there are clear human or animal rights violations, or where the method of procurement or distribution is illegal.

The Behavioural Principles

Above all, Luvata is committed to employing people of the highest integrity, discretion and moral substance. For that reason, Luvata promotes seven Behavioural Principles to underpin its working culture:

- Communicate clearly and openly (whether the news is good or bad)
- Be long-term relationship driven (listen to your customers, colleagues and suppliers, and understand their needs)
- Support change and innovation (and encourage good ideas to become realities)
- Be backers, believers and developers of people (they are our greatest asset)
- Set clear goals, track progress and deliver results.
- Adopt a can-do attitude (be courageous and ambitious in all you can do)
- Be result-oriented and bottom-line focused (in your day-to-day actions).

Implementation

Compliance with this code extends to all matters, including decisions relating to trade, investment, subcontracting, supplying, business development, and all other business and employment relationships. Although difficult questions of interpretation may arise in specific instances, particularly the balance of local customs, Luvata will do its utmost to resolve any issues quickly and fairly.

A compliance officer for each Luvata Group company has been appointed. Questions about the application or meaning of any provisions of this code are to be directed to superiors or the compliance officer responsible for the applicable Luvata-Group company. If an employee becomes aware of any apparent violation of this code, the additional policies adopted by Luvata under this code, or any law, rule or regulation, it is that employee's responsibility under this code to report the apparent violation to their supervisor or the compliance officer. In the case of serious allegations regarding potential violations of this code, a fair and comprehensive investigation will be conducted by an impartial representative from the line management closest to the issue with the assistance of relevant corporate personnel. If a violation of this code has or may have a financial impact that is not insignificant in nature, the matter shall be reported to the Chief Financial Officer and the Corporate Legal Counsel.

Acts or omissions inconsistent with this code will be promptly corrected and are subject to disciplinary action up to and including termination of employment.. No employee will suffer any penalty or retribution as a result of a good faith reporting of misconduct or suspected violations of the law or the code.

Notes:

[Note 1] The term 'stakeholders' refers to employees, customers, suppliers, shareholders, governmental and non-governmental organisations, the communities in which Luvata does business, and other parties that have influence over or are influenced by Luvata.

[Note 2] This code is equally applicable to employees, officers and directors of the Group. Any waiver of the code for executive officers or directors may be made only by the Board of Directors or the Executive Management Team.

[Note 3] Nominal value is defined as €100, though local and national laws take precedent if stricter. Stricter regional or national policies may be adopted where appropriate.