

Code of Conduct of the Hidrostal Group

Foreword

Ethics and integrity form an important part of our corporate culture. Business activities are assessed and measured not only based on performance but also in terms of the principles by which the results are achieved. It is important for economic success and moral conduct not to come into conflict with each other. Both aspects are requirements for sustainable corporate development, and this applies equally to our companies, our business partners and our customers.

The following Code of Conduct contains the main rules that guide our actions. It is based on rules and principles that we have been following for a long time. The Code of Conduct continues our previous practice and confirms our high ethical standards.

The following main rules provide guidance and advice in the context of day-to-day work in our company. All employees are responsible for compliance with these rules, regardless of their position or place of work. We thank you for your strict adherence to this Code of Conduct in your day-to-day work.

If you have any questions or suggestions regarding this Code of Conduct, please contact your supervisor, the management or the Board of Directors.

With this in mind, we will join together in implementing the following main values in our actions.

Mark Stähle,
Chairman of the Board of Directors
Hidrostal Holding AG

Gerd Preissler,
CEO
Hidrostal Holding AG

1. Compliance with the law

We comply strictly with applicable laws and regulations. These form the basis for our Code of Conduct.

2. Fair competition

We abide by fair competition as determined by a free market economy, thereby ensuring that our work within the Hidrostral Group as well as the work of our external business partners and customers is honestly rewarded.

We do not enter into any agreements with competitors and business partners outside the Hidrostral Group that prevent open and independent competition. In particular, we do not enter into agreements regarding resale prices, we do not abuse a dominant market position and we review any critical obligations in advance (e.g. exclusivity, non-compete obligations, joint ventures).

3. Avoidance of conflicts of interest

We avoid situations that might lead to a conflict between the personal and family interests of employees and the interests of the company.

In particular, all activities that compete with the interests of the company are to be avoided. The company's business opportunities are not used to the personal benefit of employees.

4. Confidentiality and data privacy

We protect the company's confidential business, technical and financial information as it is a very valuable asset. We comply with data privacy laws and respect confidential information belonging to third parties.

Confidential information should only be communicated within the company, and in particular to third parties only if necessary and required for commercial reasons, whereby third parties should normally sign a confidentiality agreement.

When using the internet and e-mail in particular, special attention must be paid to confidentiality and data protection, though without blocking the exchange of information.

5. Protection of property and know-how

We treat company property and know-how with care and use it only for business purposes, subject to exemption by the supervisor. We protect the company's property and know-how from misuse.

6. No bribery, no corruption

We reject any form of active or passive bribery as well as corruption.

We do not accept or receive any kind of favours (gifts, invitations, trips, cash, benefits, etc.) beyond customary business hospitality.

Sponsorship and charitable donations are permitted within the framework of local rules.

7. Environment and sustainability

We act in such a way that any negative impact on the environment is minimized. We comply with laws

and regulations in the area of environmental protection.

We see ourselves as partners of companies that think and act sustainably. We regard the responsible and sustainable handling of economic, social and material resources as a central aspect of our work.

8. Health and safety

The health and safety of our employees, business partners and customers is very important to us. We comply with statutory and internal health and safety regulations.

We strive to contain risks and take the best possible precautions to prevent accidents and occupational disease.

9. Prohibition of child labour and compliance with youth protection regulations

Child labour is not tolerated. No persons may be employed who are younger than 15 years (children) or below the statutory minimum age of employment in countries where this is higher than 15 years.

All legal restrictions regarding the employment of persons under the age of 18 (young people) must be complied with.

10. Prohibition of discrimination and harassment

We do not tolerate discrimination or harassment based on age, gender, nationality, race, religion, sexual orientation or disability.

We maintain a respectful and fair relationship with each other and with third parties.

11. Fair working conditions

We take our responsibility towards fair working conditions and comply with all provisions under labour law.

We pay wages and salaries at all our locations and agencies at least in accordance with statutory or collectively agreed minimum wages.

We adhere to the working hours stipulated by law or collective agreements.

We offer equal hiring and training opportunities to all employees, regardless of age, gender, nationality, race, religion, sexual orientation or disability.

12. Transparency

We are committed to transparent action. By means of the necessary transparency, we try to identify and avoid potential conflicts at an early stage.

13. Role model function

As employees and in particular as superiors, we set an example in our conduct both within the company and externally. We are aware that we are perceived as a part of the company on a day-to-day basis, including all our actions and statements, and we behave accordingly.

14. Business partners outside the Hidrostal Group

As far as we are able to influence this, we strive that our business partners outside the Hidrostal Group, in particular customers, resellers, sales representatives, agents, etc., likewise comply with this Code of Conduct, the accompanying regulations (policies) and our other company principles.

15. Adherence to the Code of Conduct

The principles set out in this Code of Conduct and its accompanying policies are main elements of our business culture which all employees are committed to comply with, even if they are more rigorous than the law.

No third parties are used to evade these rules.

All employees are responsible for compliance with the principles, and it is the responsibility of supervisors to ensure at all times that the principles are complied with.

Violation of these principles results in disciplinary action by the company. The nature and extent of the sanctions depend on the degree of violation.

16. Reports, questions, comments and confidentiality

Employees who discover violations of laws, the Code of Conduct, accompanying regulations (policies) or other company principles should contact their supervisor, the management or the Board of Directors.

The same applies to questions or comments or if it is unclear whether a specific behaviour is permissible or not.

All reports, questions or comments are treated confidentially. Persons who report incidents are protected. Retaliatory action against employees who report violations in good faith will not be tolerated and will be penalized accordingly.

17. Review of the Code of Conduct

This Code of Conduct and the accompanying regulations (policies) are reviewed at regular intervals and in case of special incidents, and they are modified as necessary. Any modifications are communicated promptly to employees and the company's business partners.
