

Code of Conduct & Business Ethics

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Introduction

Our **Code of Conduct & Business Ethics** combined with our rules of corporate governance and our policies, provide the framework for our corporate operations. It is in line with ISO 26000 and the 10 principles of the UN Global Compact, which aims to align businesses with human rights, labour, environmental care and anti-corruption principles. The principles of our Code of Conduct and Business Ethics are based on the OECD guideline for multinational enterprises.

Our **Code of Conduct & Business Ethics** contains fundamental principles, rules and core values which form the framework for our corporate actions. This set of standards describes the behavior we expect of our people, as well as the way we conduct our business with our partners and third parties.

ElvalHalcor conducts its business in a framework of relevant laws, regulations and internal policies. However, we recognize that this may not govern all behavior. We feel it is important for all our customers, suppliers and our own people, as well as other stakeholders, to understand exactly what we stand for and how they can expect us to conduct ourselves.

The combination of our Code of Conduct & Business Ethics and Corporate Principles provide an excellent foundation for creating the trust that plays a key role in our sustainable business success.

Objective

To establish a **Code of Conduct & Business Ethics** that further promotes ethics, honesty, transparency and professionalism throughout our Company. We adhere to our Code of Conduct & Business Ethics with all stakeholders as well as local and international commitments and law.

Scope

The **Code of Conduct & Business Ethics** and its related procedures & measures are applicable to all employees, senior executives, officers and directors of ElvalHalcor and its subsidiaries.

We also encourage subcontractors, suppliers, sales agents, consultants and other business partners to respect the Global Compact principles as well as to adopt the principles included in our Code of Conduct & Business Ethics.

1. Our business principles

Integrity - Corporate citizenship

We respect local and international commitments, law and regulations and act with a high sense of ethics. We acknowledge our obligation to operate safely, protect the environment and support local communities. We invest and actively contribute to the well-being of people, whether they are inside or outside the Company.

Commitment

We are proud and take personal responsibility to deliver results of high standards, while building long term relationships with our customers and suppliers. We focus on health & safety and we provide a working environment that empowers our people to be productive, result-oriented as well as manage their personal development with passion and integrity.

Focus on results

We focus on delivering results of high standards to our customers in an efficient and reliable way. We are decisive and adopt a can-do attitude in order to maximize productivity and business excellence while simultaneously maximizing shareholders' value.

Technological leadership & innovation

We believe in technical expertise in order to constantly deliver high quality and value-added solutions. We develop a learning environment, invest in R&D, technological advancement and state-of-the-art equipment and know-how while promoting innovative thinking, keeping the Company ahead of the competition.

Team work

We feel proud by being cooperative and working collaboratively, thus supporting each other towards common goals, whether one is a team member or a team leader. We choose to be part of a team and to solicit and utilize the skills, ideas and opinions of all team members. We act in favor of the Company and feel collectively responsible.

Meritocracy

We act with fairness and transparency in all our relationships. We acknowledge people's personality and skills and place them where they can best contribute and be recognized. We focus on saying and doing things with consistency and integrity.

2. Integrity and ethical standards

ElvalHalcor is committed to integrity. We conduct business with integrity and believe our business growth and success should rest on the excellence of our products and services. Bribery or any other type of corrupt practices are absolutely prohibited throughout our operations. We cannot tolerate corruption, money laundering, bribery or other illegal or unethical business activity. Our performance and competitiveness are strengthened solely through lawful conduct.

Gifts, Invitations, and other gratuities

When it comes to gratuities in the form of gifts or invitations, we strictly ensure that no appearance of dishonesty or incorrect behavior can arise. We do not tolerate gratuities that can raise doubt about our integrity or appear to influence business decisions.

Sponsorships & donations

In line with our corporate social responsibility, we make sponsorships and donations to promote education, culture, social or humanitarian causes, sports and environmental friendly behavior.

Ban on corruption

Corruption is banned by international conventions, national laws, and internal guidelines. In compliance with the anti-corruption and anti-bribery law of the countries where it operates, ElvalHalcor does not tolerate any form of bribery among employees, business partners or any business practice that could create the impression of improper influence.

Money laundering

We do not tolerate money laundering or illicit finance and comply with all relevant laws and regulations in every jurisdiction where we conduct business. We undertake the international battle against money laundering and adopt applicable measures to comply with the relevant provisions.

Fraud prevention

We are determined to maintain a culture of honesty and opposition to fraud and corruption and, thus, we are committed to set out the ways in which employees or other stakeholders can voice their concerns about suspected fraud or corruption.

Management has the primary responsibility for preventing, monitoring and rectifying fraud and potentially fraudulent behavior and the Audit Committee has an oversight role over controls. Management establishes, implements and monitors the appropriate functions, mechanisms, policies, procedures and controls designed to assess, prevent and remediate fraud and fraudulent behavior. Our divisions and departments are expected to implement the procedures and controls and report any misconceptions regarding their implementation and efficiency.

3. Legal compliance

All employees, officers, directors and other persons acting on behalf of the Company are expected to comply with the laws, rules and governmental regulations that apply to its businesses and to adhere to the standards and restrictions they impose. All employees are personally responsible for upholding the law and adhering to internal guidelines in their working environment. Company's top priority is to respect statutory provisions and internal guidelines, as well as to ensure the resulting lawful and correct behavior. In cases of conflict between law and the principles contained in this code, the law shall prevail.

4. Conflicts of interest

Employees and members of the Board of Directors of the Company shall conduct their private and other external activities and financial interests in a manner that does not conflict or appear to conflict with the interests of ElvalHalcor.

Should such a conflict of interest arise, it must be reported immediately by the person subject to the conflict to his/her immediate supervisor. Moreover, all employees should disclose to a supervisor any relationship with persons or firms with whom ElvalHalcor does business which might give rise to a conflict of interest. Such relations include a relationship by blood or marriage, partnership or investment.

5. Conduct toward business partners and third parties

The Company's dealings with its business partners are characterized by fairness. ElvalHalcor shall not offer customers, potential customers, governments, agencies of governments, or any representatives of such entities, any rewards or benefits in violation of either applicable laws or reasonable and generally accepted business practices. Company's employees must not accept payments, gifts, or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in business decisions.

We also expect our business partners to adhere to the law, generally accepted standards of social responsibility, and our basic principles of integrity.

6. Dealing with information

Data Protection

In all business processes, we guarantee the protection of rights to privacy, in conformance with applicable law. Any confidential information, trade secrets or other proprietary information about our companies, contracts, projects, financial position, customers, suppliers and partners, must be treated as Confidential Information. Such information shall not be disclosed to persons or organizations outside the Company nor disclosed to employees without proper authority.

Our employees are required for the duration of their employment with ElvalHalcor and after termination of such employment not to disclose confidential information to any third party and to use the utmost discretion when dealing with privileged information.

ElvalHalcor is a publicly listed company and is therefore subject to specific regulations regarding disclosure of information and insider trading.

Insider information

Insider information is all non-public information that investors would consider significant to their investment decisions. Such insider information must be treated with strict confidentiality. It must not be made available to third parties. Acquiring or selling, or recommending the purchase or sale of securities based on insider information is prohibited.

IT security

The availability and integrity of our IT systems is fundamental. Personal and business-related data is protected against unauthorized access, loss, or manipulation using all of the technical and organizational means available. This is performed in to consideration of applicable National law.

7. Protection of Company Property

Employees are required to handle Company property in a responsible manner and to protect ElvalHalcor assets against loss, damage, theft, abuse and unauthorized use. Employees are also required to respect the physical and intangible assets of our business partners.

8. Fair Market Behavior

We are committed to free enterprise and fair competition. Our competitive position is based solely on our business success factors, especially our innovative strength, quality, efficiency, reliability and fairness. Therefore, we must comply with antitrust laws when dealing with our competitors, business partners and customers.

All our employees are obliged to comply with the requirements of antitrust and competition laws. ElvalHalcor bans any behavior that is aimed at, or results in, the hindrance, restriction, or distortion of free and fair competition.

9. Human rights and workplace practices

We respect and support internationally recognized human rights. Within its sphere of influence, ElvalHalcor supports and respects the protection of internationally proclaimed human rights and ensures that it is not complicit in human rights abuses. This includes the prevention of child and forced labour, adherence to the principles of non-discrimination in the workplace, the right of freedom of association & assembly and the right to collective bargaining.

Non-discrimination

ElvalHalcor hires, assesses and manages in a manner that does not discriminate with regard to gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social or ethnic origin. Workplace diversity at all levels is encouraged.

Equality and equal opportunities

We do not tolerate any discrimination of race, gender, religion, age, nationality, social or ethnic origin, disability, belief, sexual orientation, or political and trade union engagement. These principles apply to the recruitment of new employees, to employees with an employment contract and to the professional promotion of our employees. The only decisive factors of employment are performance, experience, personality, efficiency, skills and qualifications.

Forced or child labour

We reject any form of forced labour and child labour. All work performed in ElvalHalcor must be voluntary. No form of forced, compulsory or child labour is tolerated at ElvalHalcor. The minimum employment age is 18.

Harassment

We work together toward solutions that benefit our business and our stakeholders. Harassment (including all forms of sexual harassment and harassment based on other legally protected categories), bullying, rude or disrespectful behavior and lewd comments are not allowed, and ElvalHalcor prohibits any acts or threats of violence while conducting business on or off Company property.

10. Occupational Health and Safety

ElvalHalcor secures that all employees and business partners working at the Company's facilities are provided with a healthy and safe working environment in accordance to internationally recognized standards (OHSAS 18001). The Company controls hazards and takes all necessary precautionary measures against accidents and occupational diseases. All workers are systematically provided with proper and regular training to ensure that they are adequately educated on health and safety issues.

11. Environmental Protection

Our goals are to minimize environmental impact, continuously improve our environmental performance and promote environmental responsibility in our culture. The Company takes a precautionary approach towards environmental challenges by undertaking initiatives to promote greater environmental responsibility, by encouraging the development and incorporation of environmentally friendly technologies. The Company acts and is certified in accordance to internationally recognized environmental standards (ISO 14001). We routinely audit, follow up and report on the Company's environmental performance, with particular emphasis on evaluating the potential risks of existing and future products and operations.

12. Stakeholder Communication

ElvalHalcor encourages an ongoing dialogue with its stakeholders. Our Company's long term profitability and sustainability is dependent on proactive and constructive dialogue with relevant stakeholders. We will openly display our rationale in order to strengthen the dialogue with each stakeholder group and thus expect the same attitude from our stakeholders.

We are committed to a two-way and on-going communication with all our stakeholders in order to identify and record their needs and expectations. Development of mutual trust relations with stakeholders makes a significant contribution to meeting the Company's Sustainability objectives.

13. Accounting and Reporting

The integrity of financial reporting is crucial to ensure the proper management of the Company as well as fair and accurate financial disclosures. All financial transactions by the Company are always reported in accordance with generally accepted accounting practices, and accounting records show the nature of all transactions in a correct and non-misleading manner. ElvalHalcor provides disclosure that is transparent, truthful, relevant, comprehensive and timely.

Both internal and external data acquisition, records, and reports must be truthful, correct, and complete. We expect our employees and officers who prepare accounting records to exercise the utmost care in all processes as well as to observe international standards. This particularly includes complying with generally accepted accounting principles.

14. Responsibility of managers and employees

It is the responsibility of ElvalHalcor managers to communicate and demonstrate the content as well as the spirit of this document within their business units, and to encourage employees to reveal behavior that may be non-compliant with these principles. Explicit or implicit approval of questionable actions will not be tolerated.

Special training courses for all employees are regularly offered on certain subjects (such as product liability, anti-trust, labour and employment, and environmental law) and in selected critical areas (such as sales and purchasing).

Furthermore, the Code of Conduct & Business Ethics is published and distributed to all employees, and posted on the intranet and the company's website. The Code of Conduct & Business Ethics is also incorporated into training in order to deepen its understanding.

15. Reporting irregularities

All employees have the right to draw their supervisor's attention to circumstances that appear to indicate a violation of the Code of Business Conduct & Business Ethics. Managers or members of the Board of Directors should consult directly with the Audit Committee when such an indication appears. The above notification may also be made anonymously in accordance with the relevant policies and procedures in place. Audit Committee receives all reports related to violations of this Code. Persons reporting violations in good faith will not be subject to retaliation. Reports shall be investigated and, where appropriate, remedial and enforcement action shall be taken. Employees are encouraged to raise any concerns regarding violations in the implementation of this policy, including harassment, intimidation or discriminatory behavior to employees, serious health and safety risks that could threaten the health and safety of employees, the general public or customers.

16. Monitoring and code amendments

Each operating unit is responsible for compliance with the provisions of this Code of Conduct & Business Ethics, as well as with other internal regulations within its area of responsibility. Internal Audit Function has the unrestricted right to receive information and to conduct audits, unless legal stipulations or works agreements require otherwise.

This Code of Conduct & Business Ethics has been adopted by the Board of Directors of ElvalHalcor and can only be amended or waived by the Board. Any amendments or waivers shall be accordingly disclosed.