

# Code of Conduct



## Code of Conduct of the Eberspächer Group

## Management Foreword

As a global partner of the automotive industry, Eberspächer contributes to environmentally sustainable, safe and comfortable mobility through reliable and innovative solutions in the areas of Exhaust Technology, Climate Control and Automotive Electronics.

Ever since Jakob Eberspächer founded his first craftsman's workshop in 1865, the name Eberspächer has stood not only for excellent products but also for the values of a family business that has been owner-managed for five generations. We have enshrined these values together with our employees in our mission statement.

Obeying the law and legislation, complying with internal regulations and observing basic ethical standards always and everywhere (compliance) are the basis of our economic success.

We acknowledge our social responsibility to our employees, business partners and the community at large, and our responsibility to protect the environment and to preserve natural resources.

In doing so, we strive not only to contribute to the sustainable development of our company and of the community at large, but above all to win and retain the trust of all our employees and business partners.

This Code of Conduct summarizes the most important principles of our business activities. It provides our employees with guidelines for their day-to-day dealings with colleagues, suppliers, clients and competitors and supports employees when faced with legal or ethical issues.

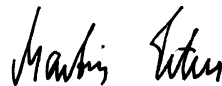
Every employee is duty-bound to read and understand this Code of Conduct and to actively implement it in their everyday work. We share joint responsibility for compliance and for conducting ourselves with integrity.

In order to meet the numerous local and global requirements, the Eberspächer Group has implemented a worldwide Compliance Organization to which all employees are required to give their active support.

Esslingen, June 2019



Heinrich Baumann



Martin Peters



Dr. Thomas Waldhier



Dr. Jörg Schernikau

# I. Statement of Principles

## 1. Eberspächer's Identity

It is part of our identity to place people at the forefront of our business activities. In doing so, we ensure strict legal compliance of our actions while observing basic ethical principles. We face up to our social and environmental responsibility (corporate governance).

### 1.1 Sustainable Development

In line with our slogan "Driving the mobility of tomorrow", it is essential that people's needs are met, not only today but into the future. The preservation of the environment for future generations is of particular importance to us. Therefore, the Code of Conduct should also form the basis for the sustainable development of the company.

### 1.2 Human Rights and Non-Discrimination

Respect for human rights, the protection of personal rights and respect for each other's privacy and individuality are key basic principles at Eberspächer.

As part of our global business, we work successfully with people from different countries and cultures, irrespective of ethnic, national and social origin, gender, color, age, language, disability, religious, political or other opinion, or sexual identity. We value diversity. We do not tolerate discrimination or harassment based on the aforementioned.

## 1.3 Compliance

Strict adherence with all laws and legal requirements applicable to our business internationally and in the respective countries is our top priority. This also applies to voluntary obligations, company policies and other regulations.



# I. Statement of Principles

## 1.4 Value Orientation

We feel committed to the values set out in Eberspächer's mission statement, such as respect, tolerance and loyalty, as well as the principles formulated concerning dealing with our customers and suppliers or the quality of our products. They form the ethical framework of our business and social behavior. We expect all Eberspächer employees to demonstrate a legally and ethically sound attitude, which is the foundation of our culture of trust, and an alignment of their actions with the principles of this Code of Conduct.

## 1.5 Environmental and Social Responsibility

As a partner to the automotive industry, Eberspächer contributes to environmentally sustainable, comfortable and safe mobility through innovative solutions. The obligation to people and the environ-

ment is therefore core to our business model. We are actively working to reduce the environmental and climate impact of vehicles and take both the conservation of resources as well as recycling of raw materials into account. We fulfill our social responsibility, in particular towards employees, business partners and the community, in a variety of ways.

## 1.6 International Standards

Conventions and recommendations of national and international organizations such as the "United Nations Global Compact", the "UN Guidelines on Business and Human Rights" or the "OECD Guidelines for Multinational Enterprises" are important guidelines for Eberspächer.



## 2. Obligations of the Code of Conduct and Implementation

The principles of Eberspächer's identity are defined in detail in this Code of Conduct. It is binding not only for all members of company management and employees, but also for all other persons engaged by Eberspächer worldwide.

### 2.1 Guidance

This Code of Conduct combines the most important principles for lawful and compliant behavior, and moral and ethical behavior in business as well as in dealing with colleagues. It provides guidance for daily work and is designed to support and promote correctness, integrity and responsibility.

### 2.2 Obligation

It is the task of every executive to comprehensibly inform their employees of the validity and content of this Code of Conduct and to urge them to adhere unconditionally to all the rules therein. In addition, Eberspächer assists all employees in implementing this Code through training and practical guidance.

Failure to comply with the Code could result in significant economic damage and loss of reputation for Eberspächer, jeopardizing the company's sustainable development. Thus, the company does not tolerate any breach of the principles of this Code of Conduct.

Every employee must therefore take responsibility for complying with all pertinent laws, rules and standards of good conduct. In the case of culpable violation, disciplinary measures and the assertion of claims for damages must be expected, regardless of any ongoing official proceedings.

The provisions of this Code of Conduct constitute a minimum standard. Where stricter regulations are binding, they are not restricted by this Code of Conduct.

This Code constitutes an internal statement of conduct that does not establish a basis for claims by any third party.

### 2.3 Supplemental Guidelines

The Code is defined in more detail and supplemented by internal guide-lines on selected topics. All policies must be in accordance with this Code. This also applies to guidelines already in effect at the time this Code comes into force.

## II. Conduct in Business Operations

### 1. Fair Competition, Prohibition of Cartels

Free, unlimited and fair competition is the basic principle of the market economy and the core of our corporate culture. We support all efforts to promote a free market and open competition worldwide. It is in line with our business policy to focus exclusively on performance, customer orientation and the quality of our innovative products. We do not tolerate any behavior by our employees that contravenes national and international rules of fair competition and antitrust.

#### 1.1 Prohibited Business Conduct

Any anti-competitive behavior, in particular any behavior relevant to antitrust considerations, is to be refrained from.



For example, the following actions are prohibited:

- Discussions and agreements with competitors about competitively sensitive information such as prices, price elements or technical developments, for example at trade fairs or at association events, or their dissemination to competitors
- The allocation of customers, markets, areas or projects with competitors
- The communication with competitors renouncing competition or making sham offers in tenders
- The binding stipulation of authorized dealers' sales prices
- The unlawful exploitation of a dominant market position
- The demonstration of unfair preference or obstruction of suppliers in the competition for orders

► Further details are regulated by the Eberspächer Competition and Antitrust Guidelines.

#### 1.2 Involvement of the Legal Department

As assessment of legal issues relevant to competition may be difficult, the corporate legal department must be consulted in all such cases.

## 2. Prohibition of Corruption

**We compete for orders through innovation, quality and the price of our products and services. Our relationship with officials and elected representatives is characterized by respect for and loyalty to the law. Any form of corruption is prohibited.**

### 2.1 Corruption and Bribery

No employee of Eberspächer may, in the context of his employment, demand, accept, obtain or even let promise any benefits from business partners, their employees, intermediaries or other persons, either for themselves or third parties, to which they have no legal right (“corruption in the course of business”).

Eberspächer does not tolerate any unlawful offering or granting of benefits to business partners, their employees, officials or elected representatives, agents or other persons in connection with the mediation, award, approval, execution or payment of orders within or outside official procedures or other relationships to authorities. It is irrelevant whether this occurs directly or indirectly, for example via intermediaries or relatives, (“commercial bribery”, “bribery of public officials”, “granting of advantage”).

Even the appearance of corrupt behavior is to be avoided. Therefore, in dealing with Eberspächer business partners, any grants must be reviewed critically, in particular:

- Disproportionate entertainment expenses
- Unusual or disproportionate invitations or any invitations not directly connected with a business visit
- Money or material gifts

Particular caution should be exercised when dealing with elected representatives, civil servants, officials or other public bodies with regard to granting benefits.

► Further details and relevant limits are regulated by the Eberspächer Hospitality and Gifts Guideline.

### 2.2 Consultants and Intermediaries

Agreements with consultants, agents or other intermediaries may only be made in writing. Fees, commissions and other remuneration must be reasonably proportionate to the documented services provided. They are to be aligned with customary remuneration rates. Arrangements that are capable of circumventing internal regulations or granting or obtaining undue advantages are prohibited.

## II. Conduct in Business Operations

### 3. Donations and Sponsoring

Eberspächer is committed to its social responsibility and, as part of its sustainability strategy, is involved in social projects as well as in the fields of science, culture, education and sport through donations and sponsoring. However, this must be carried out in strict accordance with applicable law.

#### 3.1 Donations

Donations are voluntary contributions, for which Eberspächer does not expect or receive anything in return. As far as they are permissible, they also must have a local connection. They must not create the appearance of influence or be likely to damage the reputation of Eberspächer or its employees. They must not be abused for corrupt purposes.

Donations to political parties, party-like organizations, elected representatives and officials as well as candidates for such are prohibited.

- ▶ The procedure and relevant financial limits are regulated by the Eberspächer Donations and Sponsorship Guideline.

#### 3.2 Sponsorship

Sponsorship services are incentive-oriented contributions. They require the conclusion of a sponsoring contract and must be related to the core business of Eberspächer or its locations.

- ▶ The procedure and relevant financial limits are regulated by the Eberspächer Donations and Sponsorship Policy.





#### 4. Compliance with Tax, Export and Anti-Money Laundering Regulations

**As an international company, strict compliance with national and international tax regulations, trade regulations and anti-money laundering laws is imperative for Eberspächer.**

##### 4.1 Taxes

Eberspächer is committed to complying with all national and international tax and customs regulations and obligations in the countries in which we operate. We reject any form of inadmissible circumvention of relevant requirements and misuse of agreements.

▶ Further details are regulated by the Eberspächer Group Tax Guideline.

##### 4.2 Export Control and Customs

We respect all national and international regulations that restrict or forbid the import, export or domestic trade in goods, technology or services. We comply with foreign trade legislation, customs regulations and any resulting approval procedures.

▶ Further details are regulated by the Eberspächer Export Control Guideline.

##### 4.3 Money Laundering

Eberspächer supports the international fight against money laundering and takes the legal obligations very seriously.

▶ Further details are regulated by the Eberspächer Anti-Money Laundering Guideline.



## II. Conduct in Business Operations

### 5. Selection of Business Partners

The selection of business partners is carried out diligently and according to objective criteria. Business partners are obliged to adhere to the values of Eberspächer.

#### 5.1 Selection Process

The selection of business partners by Eberspächer (e.g. suppliers, service providers, sales agents, distributors, project partners, consultants) is made impartially on the basis of offers assessed based on predetermined objective criteria. Any subjective preference or disadvantage is prohibited.

#### 5.2 Business Partner Code of Conduct

Eberspächer expects its business partners worldwide to act in adherence with the guidelines of the Business Partner Code of Conduct, including respect for people and the environment, the need for strict legal compliance, combating corruption and ensuring the integrity of competition.

This can be ensured through a contractual obligation to our Business Partner Code of Conduct or by means of evidence of a pre-reviewed code of conduct that incorporates the same principles.

► Further details are regulated by the Eberspächer Business Partner Code of Conduct.

### 6. Documentation and Reporting

**Business transactions must be correctly documented and reported.**

All business transactions that must be documented in accordance with internal or external regulations are to be recorded correctly, appropriately, comprehensively and promptly in the respective system provided and must show author and date of creation. Documentation should be produced electronically and retained in accordance with statutory and internal regulations and retention periods.

All employees are obliged to submit truthful and complete verbal and written reports.



## III. Employees and Leadership Culture

### 1. Leadership Culture

**Sustainable corporate success is based particularly on reliable and committed employees. Eberspächler is acutely aware of the great responsibility it has to its employees.**

**The leadership culture at Eberspächler is based on common values, the promotion of performance and personal responsibility as well as fairness in their dealings with each other.**

We believe that innovation is always driven by dedicated, intelligent people who are passionate, committed and think outside the box. We therefore give our employees the space and opportunity to take on personal responsibility, individually or in a team, to contribute creativity and to exploit potential. We are committed to flat hierarchies.

To this end, we rely on the common values that we have defined in detail in our mission statement.

We promote the professional and personal development of everyone employed by Eberspächler, invest in the qualifications of our employees and value work-life balance. Performance and commitment receive particular encouragement and appreciation.

We cultivate an open-minded and fair working relationship. Problems, conflicts and undesirable developments can be addressed openly by our employees.

Our management should actively promote the fulfilment of these principles and set an example through exemplary personal behavior. They should always nurture an appreciative and responsible approach to the employees and have an open ear for their concerns.

## III. Employees and Leadership Culture

### 2. Fair Working Conditions and Safety at Work

**Eberspächer promotes fair working conditions and high standards of safety at work.**

#### 2.1 Working Environment

We place value on appropriate working conditions for our employees worldwide, that meet the relevant legal conditions, provide fair remuneration and comply with labor law. We respect the legitimate representation of the interests of our employees.

We comply with the core labor standards of the International Labor Organization (ILO) and prohibit any form of forced, slave or child labor. This applies to Eberspächer's entire value chain.

### 2.2 Health and Safety

Our employees' health and their safety in the workplace are a high priority for us. Eberspächer adheres to the relevant regulations on health protection, safety at work as well as fire and environmental protection (HSE). We continuously strive to operate according to applicable regulations and to avoid risks to the health and safety of our employees across all facilities and in all processes.



### 3. Avoiding Conflicts of Interest

It is of great importance to Eberspächer to ensure that employees do not become involved in any conflicts of interest with the company.

#### 3.1 Principle

Potential personal conflicts of an employee with the interests of Eberspächer must be promptly disclosed to the relevant HR department.

Special care is required in the cases listed below.

#### 3.2 Employees as Competitor of Eberspächer

The operation of a company which is in direct or indirect competition with the Eberspächer Group or the holding of a direct or indirect participating interest in a competing company, or working for a company such as this are prohibited for Eberspächer employees.

Only the investment (as a minority shareholder) in a publicly listed company which is in competition with Eberspächer is exempted from this prohibition.

If a person closely associated with the employee (close relative, spouse, partner) has such a connection with a competitor, this relationship must be disclosed to the relevant personnel department in order to assess such conflicts of interest.

#### 3.3 Employees as Business Partners of Eberspächer

If an employee operates a company with which the Eberspächer Group has business relations, is involved with or carries out activities for such a company, this must be reported and approved by the responsible Compliance Officer.

Due to possible conflicts of interest, such business relationships between a person close to the employee (see 3.2) and Eberspächer must be reported to the relevant HR department.

#### 3.4 Private Orders from Employees Placed with Eberspächer Business Partners

No employee may place private orders with suppliers or service providers to the Eberspächer Group if this could result in unlawful benefits.

#### 3.5 Social Commitment by Employees

Eberspächer values the social, civic or charitable commitment of its employees. However, this must be carried out in such a way that conflicts with the interests of Eberspächer are ruled out.





## III. Employees and Leadership Culture

### 4. Confidentiality, Data Protection and Information Security

At Eberspächer, the principle of confidentiality applies when dealing with commercial information. Eberspächer is committed to the security and protection of sensitive and personal information.

#### 4.1 Confidentiality of Trade Secrets

Every Eberspächer employee is subject to a confidentiality obligation in relation to the internal affairs of the company with respect to third parties unless previously published or lawfully made available to the third party. This applies primarily to all types of business and trade secrets, relationships with our business partners and personal data. The private use of information acquired in the course of doing business is prohibited. The obligation of confidentiality continues to exist after the end of the employment relationship.

#### 4.2 Protection of Personal Data

Eberspächer attaches great importance to the respect of privacy and personal rights. This includes the correct handling of personal data of employees, customers and business partners. Every employee of Eberspächer is obliged to collect, process and use personal information in strict adherence with relevant data protection regulations as well as internal guidelines.

#### 4.3 Secure Information Exchange

Eberspächer recognizes the risks involved in the electronic exchange of information as part of its worldwide business activities. The security of the information and the exchange of information is therefore of great importance to Eberspächer in all business activities. High technical and security standards are applied in order to secure and protect business data against unauthorized access by third parties.

► Further details are regulated by the Eberspächer IT Security Guideline.

### 5. Care of Company Property

**The company property of Eberspächer must be properly handled.**

Eberspächer requires that employees handle all tangible and intangible assets which constitute the basis of our business carefully and properly. In addition to buildings and equipment, this also includes operational materials, products, financial resources, information systems, software and industrial property rights (e.g. patents, brands and designs). Any damage must be reported.

Private use and removal of company property is prohibited without express permission.

Unlawful acts may be pursued under criminal or civil law and may lead to consequences under employment law.



## IV. Implementation of the Code of Conduct

### 1. Compliance

The principles and values set out in this Code of Conduct form the basis of the ongoing and sustainable economic, social and ecological development of the Eberspächer Group. They serve not only to minimize and control business risk, but also to codify Eberspächer's responsibility to people and the environment (compliance). Eberspächer expects from all employees the implementation of and strict compliance with this Code. To assist its employees, the company has implemented a worldwide Compliance Organization.

#### 1.1 Responsibility for Compliance

The responsibility for legal and regulatory compliance, for integrity in business dealings and the knowledge of and compliance with this Code lies with each Eberspächer employee. Unlawful acts and rule violations not only threaten Eberspächer's sustainable economic success, but even threaten the social existence of our employees and are thus never in the interests of the company. Therefore, violations are not tolerated by the company management and are punished accordingly.

### 1.2 Compliance Organization

The Compliance Organization coordinates all compliance activities of the Eberspächer Group and supports employees worldwide in the management of compliance risks through information, advice and training. It is a permanent contact for all issues related to compliance, headed by the Chief Compliance Officer (CCO) and the Chief Compliance Counsel (CCC), as well as a Compliance Committee and for each business division a subordinate Division Compliance Officer (DCO). Local Compliance Officers (LCO) in all legal entities are assigned to the Division Compliance Officers.

### 2. Reporting of Legal Violations

Any employee can notify their relevant Compliance Officer or a member of the Compliance Committee of any breach of the rules or legal violations without suffering disadvantage as a consequence. Eberspächer treats compliance-relevant information confidentially. The identity of whistleblowers will be protected to the extent permitted by law and will be disclosed only with express permission.

Contacting the Compliance Organization  
Information, questions and suggestions relating to compliance issues can be sent to [compliance@eberspaecher.com](mailto:compliance@eberspaecher.com)

[go.eberspaecher.com/compliance](https://go.eberspaecher.com/compliance)

### Contacting the Compliance Organization

Information, questions and suggestions relating to compliance issues can be sent to [compliance@eberspaecher.com](mailto:compliance@eberspaecher.com)

Eberspächer Group  
Eberspächerstraße 24  
73730 Esslingen  
GERMANY  
Phone: +49 711 939-00  
Fax: +49 711 939-0634  
[www.eberspaecher.com](http://www.eberspaecher.com)

