



Integrity Code

Table of contents



Our Integrity Code outlines the behavior expected from colleagues and executives among each other as well as in their dealings with customers, suppliers, business partners and with regard to environmental issues.

1 Key messages from the Tognum Integrity Code	04	4 Dealing with authorities and other business partners	09	6 Commitment to high ethical standards	12	10 Tognum social responsibility principles	16
2 General principles	06	1 Connections to authorities	09	7 Quality	13	11 International antitrust and trade laws	18
1 The <i>Global Compact</i> and the Tognum social responsibility principles	06	2 Relationships with suppliers, dealers, customer and other business partners	09	8 Internal control	14	12 Compliance with the Tognum Integrity Code	19
2 General rules of conduct	06	3 Meal invitations	09	1 Protection of assets and information	14	1 Contacts	19
3 Applicability	08	5 Conflicts of interest	10	2 Internal control systems / reports / records	14	2 Sanctions	19
1 Employees responsibility	08	1 Outside activities and donations	10	9 Protection of the environment	15		
2 Obey the law	08	2 Share ownership	10				
		3 Representing the company	10				

01 Key messages from the Tognum Integrity Code

Tognum defends internationally recognized human rights, protects the health and safety of its own employees and the principles of co-operation and equal opportunities in the spirit of partnership.



- » Tognum prescribes a clear set of rules and acceptable behaviours when it comes to relationships with business partners, competitors, governments and authorities and, for example, when representing the company or for the observance of international trade laws (see chapter 4, 5 and 11).
- » Tognum defends internationally recognised human rights, protects the health and safety of its own employees and the principle of co-operation in the spirit of partnership and is an equal opportunities employer (see chapter 2 and 10).
- » Tognum has established internal monitoring systems for the protection of the company and to guarantee the observance of laws and internal regulations (see chapter 8).
- » Tognum strives to constantly improve the quality of its products and services and advocates long-term environmental protection (see chapter 7 and 9).
- » Tognum is against discrimination, exploitative working conditions and corruption (see chapter 6 and 10).
- » Management staff members as well as the instances named under Chapter 12 should be contacted for any questions and for explanation of the possible consequences of not abiding by this Integrity Code.

02 General principles



1 The *Global Compact* and the Tognum social responsibility principles

The *Global Compact* is an initiative of the UN Secretary General that mobilizes private industry support of such fundamental principles as respect for human rights and protection of jobs and the environment. Through agreements between the United Nations and private industry, the *Global Compact* creates a global framework for responsible action in support of these principles.

The principles declare the company's commitment to preserve internationally recognised human rights and to uphold the principle of equal opportunity in employment and refrain from unlawful discrimination. They encompass, within the context of applicable laws, adherence to the principle of "equal pay for work of equal value" as well as the rejection of exploitative working conditions.

The principles also express Tognum's concern for the protection of the health and safety of its employees in workplaces around the world.

Tognum is convinced that social responsibility is an important factor for the lasting success of the company. It is both a result of and a precondition for running a business profitably in the long term.

The social responsibility principles apply throughout the world. Various different cultures and the diversity of the value systems in different societies were taken into consideration in their creation, because equal opportunities are the basis for successful international co-operation. This means that all employees can be appointed, supported and allowed to develop according to their competencies, abilities and performance, without discrimination on grounds of sex, background or religion.

2 General rules of conduct

2.1 Rules of conduct affecting all employees of the company

All employees contribute to a corporate culture that is characterized by cooperative working relationships. Tolerance and respect towards each other are some of the fundamental convictions of the management and the employees. Moreover, each employee is committed to responsible and ethical behavior.

The dignity of each individual is to be respected. Mutual esteem is based on inner conviction and a willingness to take action. This also means that problems in the workplace are discussed and resolved together. Only in this way can an open, tolerant and co-operative environment develop.

Respect in all dealings with others is part of co-operation in a spirit of partnership. Discrimination on grounds of race or ethnic origin, sex, religion or world-view, disability, age or sexual orientation represents a violation of the principles of co-operation in a spirit of partnership, as set down in this document.

It is the responsibility of all employees to defend the principles of co-operation in a spirit of partnership, in particular by respecting the personality and dignity of all employees. Employees should judge their behavior by these basic principles.

Tognum expects all its employees, both management and non-management, to contribute to a positive atmosphere through their behavior towards each other. The opportunity to get to know

other cultures and ways of thinking through co-operation is enriching for all employees. It also helps to motivate employees, and is the basis for sustainable business success.

2.2 Rules of conduct for management

Management personnel should support a tolerant and fair environment by their own good example. This will help to ensure respect for the personality and dignity of all employees. Through their open-minded dealings with employees, they create a working atmosphere that is conducive to the open exchange of ideas. Through courtesy, tolerance and mutual consideration, they cultivate harmonious and productive dealings with other people.

In the context of their managerial role, managers must guard against unacceptable behavior. They act as the mediator in corresponding conflicts.

2.3 Rules of conduct when dealing with third parties

All employees are expected to treat others as they themselves would expect to be treated. This will result in a fairer, more respectful relationship with customers and other external persons having business relations with the company.

Equal opportunities and appreciation of employees are equally important in our advertising and how we portray ourselves in internal and external publicity material.

03 Applicability

1 Employee responsibility

Each employee has a responsibility to be familiar with and comply with the letter and spirit of the Integrity Code and the company's policies and guidelines, and to communicate these with his colleagues.

Also, where applicable, compliance is required with employment contracts, work's rulebook and standards of conduct.

Protecting Tognum's reputation means abiding by the Integrity Code around the clock. Even off the job, employees are perceived by others as representatives of Tognum.

The nature of some of the company's objectives may require standards of conduct more specific than those set forth in this Integrity Code. In those cases, supplemental standards for certain business units, regions or individual operations may be developed.

2 Obey the law

The basic policy underlying the Tognum Integrity Code is the company's commitment to conduct its business in full compliance with applicable law and is binding for all employees of the Tognum Group.

Tognum and its Group Companies have implemented additional policies which are also binding for the respective employees. The most restrictive regulations - Tognum Integrity Code, company policies or national laws - are always applicable.

04 Dealing with authorities and other business partners

Gifts and favors may only be granted, or, accepted, if the value and nature of such gifts and favors exclude the possibility that they may have an effect on forthcoming decisions.

1 Connections to authorities

Payments or loans of corporate or personal funds or transfers of anything else of value by Tognum (or a Tognum company) to a government official or employee for the purpose of obtaining, retaining or directing business to Tognum or other persons are prohibited.

2 Relationships with suppliers, dealers, customers and other business partners

Employees must avoid personal interests or financial activities that conflict, or appear to conflict, with Tognum's interests or that influence, or appear to influence, their judgement or actions in performing their duties as employees.

2.1 Gifts and favors

Tognum employees should never request or solicit offers for entertainment, meals, gifts or other gratuities, or personal services or favors from business partners.

2.2 Events and business meals

Business meals as the guest of a business partner may be accepted if they are offered voluntarily, have a legitimate business purpose and are an integral part of the work agenda. Employees have a responsibility to inform their supervisors on an ongoing basis about the frequency and nature of meals and entertainment paid for by business partners.

2.3 Financial assistance

Solicitation or acceptance of personal financial assistance of any kind from a supplier, dealer or a customer is prohibited.

2.4 Gifts and personal benefits

Gifts and personal benefits may only be offered or accepted when the value and type of gift can be ruled out as a decisive factor in any decision. If employees have questions (e.g. in an international setting where rejection of the gift would be considered culturally discourteous) they should review the matter with their supervisor or any of the other contacts referred to in chapter 12.

3 Meal invitations

Invitations to representatives of governments and other authorities, suppliers, customers and other business partners must be made exclusively in a business context. The laws, customs and business practices of the country in question must always be taken into account in this matter.

05 Conflicts of interest

In principle, Tognum encourages employees to commit to public functions such as serving on boards of community, government, educational, civic or other non-profit organizations.

1 Outside activities and donations

Employees may not serve on boards of directors of companies operated for profit without Tognum's approval.

Employees may not engage in recurring private business activities that interfere with their Tognum duties and may not, without prior approval, work or otherwise perform services for hire for business partners.

In their personal capacities, employees may participate in community, government, educational and civic organizations and may serve on the boards of directors of private clubs, educational institutions, charities and hospitals, provided that such participation or service does not interfere with their duties as Tognum employees.

2 Share ownership

Tognum employees and their immediate family members may not hold directly or indirectly, any undisclosed share ownership interest in business partners or other concerns having current or proposed business relationships with Tognum. Excepted are ownership interests that do not influence the performance of duties of Tognum employees.

3 Representing the company

Employees who participate in or serve on the boards of community, government, educational, civic or other non-profit organizations as representatives of the company must obtain the prior approval from the human resources department responsible.

Members of Tognum management are periodically asked by outside concerns to participate in interviews, give speeches or write articles expressing the views of the company or discussing its activities. Every employee has the right to free speech. However, employees should ensure that both the occasion and content of any interview, speech or article are consistent with the company's interests and programs, and have been approved by the appropriate superior.

Any honorariums are to be paid or made payable to Tognum. Any exceptions require the express permission of management.



06 Commitment to high ethical standards

07 Quality



Tognum and the companies of the Tognum Group respect ethical standards in all its business activities and do not tolerate unethical or corrupt practices by its employees or on the part of our business partners.

Tognum's commitment to quality and quality improvement processes is essential to its growth and prosperity. Employees should strive to exceed customer expectations, both internal and external, and continuously improve the quality of Tognum products and services.

08 Internal control

09 Protection of the environment

Tognum's policy is to maintain effective internal control systems to ensure compliance with laws and corporate policies.

1 Protection of assets and information

Employees may use company assets only for purposes related to their Tognum job responsibilities. Employees have a responsibility to protect Tognum property against loss, theft or wilful destruction.

Confidential information (non-public information about the company or its products) is to be held in strict confidence during, as well as after, an employee's term of employment.

Employees must follow the company's use, access and security guidelines for software and information technology, e-mail, internet, intranet, extranet and voice mail systems. Moreover, personal data protection rights, where applicable, must be strictly observed.

2 Internal control systems / reports / records

Tognum's policy is to maintain effective internal control systems to ensure compliance with laws and corporate policies, protect company assets, and assure appropriate authorization for company transactions and other corporate activities.

The company prepares external reports that fulfill all relevant international business and legal requirements, including financial statements that fairly present the company's financial position.

To achieve this standard, employees are expected to maintain accurate and complete internal records of all company business activities and arrange for appropriate authorization and documentation of transactions and commitments with business partners. In particular, employees are required to report business expenses in an accurate and timely manner. Company records are the sole property of Tognum and should be created and maintained in a manner consistent with applicable policies of the respective Tognum company.



Tognum is dedicated to protecting the environment for current and future generations and to complying with all applicable environmental laws and regulations. The company expects and encourages the active support and participation of its employees

in pursuing new products and manufacturing technologies that promote resource conservation, facilitate recycling, eliminate pollution, and preserve the natural environment.

10 Tognum social responsibility principles



Tognum acknowledges its social responsibility and the principles that form the basis of the *Global Compact*. Tognum supports the United Nations' initiative and is convinced that social responsibility is an important factor for the long-term success of the company. Heeding this responsibility, however, requires that Tognum is competitive and remains so in the long term. Taking social responsibility is indispensable for a value-based company. The following principles, that are guided by the conventions of the International Labor Organization, have been implemented by Tognum world-wide.

Human rights

Tognum respects and supports compliance with internationally accepted human rights.

Forced labor

Tognum condemns all forms of forced and compulsory labor.

Child labor

Tognum supports the elimination of exploitative child labor. Children must not be inhibited in their development. Their health and safety must not be adversely affected. Their dignity must be respected.

Equal opportunities

Tognum undertakes to uphold equal opportunities with respect to employment, and to refrain from discrimination against employees based on gender, race, disability, national origin, religion, age or sexual orientation unless national law expressly provides for selection according to specific criteria.

Equal pay for equal work

Within the scope of applicable law, Tognum respects the principle of "equal pay for work of equal value", e. g. for men and women.

Relations with employees and employee representatives

Tognum acknowledges the right to form trade unions. The trade unions and the company will comply with basic democratic principles and thus they will ensure the employees can make a free decision. Tognum respects the right to collective bargaining.

Co-operation with employees, employees' representatives and trade unions will be constructive. The aim of such co-operation will be to seek a fair balance between the commercial interests of the company and the interests of the employees. Even where there is disagreement, the aim will always be to work out a solution that permits constructive co-operation in the long term.

It is the aim of the company to include, inform and involve the employees. Conduct towards and communication with employees shall be characterized by respect.

Working conditions

Tognum is opposed to all exploitative working conditions.

Protection of health

Tognum ensures health and safety at the workplace to a level no less than required by national legislation and supports the continuous improvement of working conditions.

Remuneration

Tognum honors the right to reasonable remuneration in line with the local job market and, if applicable, the legally established minimum wage.

Working hours

Tognum guarantees compliance with national provisions and agreements regarding working hours and regular, paid holidays.

Training

Tognum supports training of employees with the aim of promoting good performance and high quality work.

11 International antitrust and trade laws

12 Compliance with the Tognum Integrity Code

Tognum is committed to complying fully with all applicable antitrust and trade laws and related laws pertaining to fair pricing, fair competition and consumer protection.

Tognum is committed to complying fully with all applicable anti-trust and trade laws and related laws pertaining to fair pricing, fair competition and consumer protection. These laws regulate Tognum's relations with its competitors, suppliers and dealers, distributors and retail customers. Tognum is also committed to complying fully with antibribery, export control, customs and antiboycott laws. Antitrust and trade laws are complex and affect

all aspects of Tognum's business activities. The penalties for non-compliance can be severe and could include personal liability and imprisonment. If employees have questions about how these laws and directives relate to their job responsibilities, they should contact the organizational unit responsible for legal, sales export policy, intellectual property rights (refer to Chapter 12).

1 Contacts

If employees are unsure about the right thing to do, they can discuss it with their supervisor or their local Personnel Department. If this does not lead to a clarification of the issue, or if a violation of the compliance rules is suspected, the employees may turn to any of the following contact persons (who will treat the issue on a confidential basis if requested).

[The current contact persons are listed in the attachment.](#)

2 Sanctions

Violations of the Tognum Integrity Code may result in disciplinary action, up to and including discharge, and legal proceedings.

All supervisors and management personnel are responsible for ensuring that all employees are familiar with the contents of the Integrity Code and that they obey the rules.

The corporate audit department will examine compliance with these principles in its inspections and will include them in its audit criteria, in co-operation with the departments concerned.

Tognum reserves the right to amend terms of the Tognum Integrity Code.

This Code comes into force on publication.

Amended per December 2010

Tognum AG

88040 Friedrichshafen | Germany

www.tognum.com

