

Code of Conduct for Suppliers of TROX

1. Preamble:

TROX is the leader in the development, manufacturing and sale of components and systems for the air conditioning and ventilation of rooms. Founded in 1951 TROX has 31 subsidiaries in 29 countries on all 5 continents, 16 production facilities and further importers and representatives. Thus, TROX is present in more than 70 countries.

As the TROX GROUP, we are aware of our social responsibility. We commit ourselves to values like integrity and fairness in all procurement processes and expect the same from our suppliers.

It is binding for the supplier and its associated companies (further called the supplier), its management as well as its employees and is herewith agreed to be the basis for all business relations with the TROX GROUP.

The ethical guidelines are amongst others based on the principles of the UN Compact, the ILO-Conventions, on the general declaration of Human Rights of the United Nations, the UN-conventions regarding the rights of children and prevention of any discrimination of women as well as the OECD guidelines for international corporations. The following sections 2 to 5 represent minimum standards and shall prevent situations, which could question the integrity of the company as well as its employees.

The supplier respects the principles of the Global Compact and its management works towards the achievement of the objectives mentioned therein.

2. General Principles, Law and Order

The supplier commits to upholding its social responsibility in all business dealings.

In all its business activities and decisions, the supplier commits to respecting the applicable legal system with its laws, guidelines and other regulations of the countries in which it is active as well as the above mentioned international regulations. Business partners are to be treated fairly. Contracts are to be upheld. In particular intellectual property rights will be respected and software will be licensed correctly.

3. Corruption / Anti-Trust Law

a) Corruption

In dealing with business partners (customers, suppliers) and state institutions, the interests of the company and the private interests of employees on both sides are to be kept strictly separate. Actions and (purchasing) decisions are to be taken free of considerations not concerning the business and personal interests.

The respective applicable anti-corruption laws are to be upheld. In any case the following are to be considered:

Criminal Acts in Dealings with Public Officials

The granting of personal advantages (in particular benefits such as payments and loans, including the giving of smaller gifts over a longer period of time) by the supplier and their employees to public officials (such as civil servants or public employees) with the objective of gaining advantages for the supplier or oneself and / or for third parties, is not permitted.

Criminal Acts in Business Dealings

Personal benefits in exchange for a favoured position in business dealings may not be offered, promised, granted or approved. Nor may personal benefits be demanded or accepted in dealings with business partners. The supplier must require from its employees that they will not allow any such benefits to be promised to them.

In the course of business dealings, the management and employees of the supplier are not allowed to offer, promise, demand or grant gifts, payments, invitations or services that are provided with the intention of influencing a business relationship in an unlawful way or jeopardizing the professional independence of the business partner. Neither the management nor the employees of the supplier are allowed to accept such benefits, if offered to them with aforementioned intention during business dealings. This generally does not apply to gifts and invitations that can be considered as normal business practice with regard to hospitality, and that are in accordance with the anti-corruption laws and regulations applicable.

TROX GROUP employees should not be granted any personal benefits!

If the supplier has published guidelines that regulate the donation of presents and invitations, we kindly ask for an indication.

The supplier shall designate a person who can be contacted when employees are in a conflict of interest or are uncertain whether a conflict of interest exists or could arise.

b) Dealings with Competitors (Anti-trust Law)

The supplier respects fair competition. Thus the signing company adheres to national and international laws and regulation that protect and promote competition.

In dealing with competitors, these provisions in particular prohibit collusion and other activities (e. g. cartels or monopolies) aimed at illegally influencing prices or conditions, dividing up sales territories or customers or using prohibited means to limit free and open competition. Furthermore, these provisions prohibit agreements between customers and suppliers by which customers are to be enjoined in their economic freedom to autonomously determine their pricing and miscellaneous conditions when reselling (determination of pricing and conditions).

Given the fact that it can be difficult to distinguish between prohibited cartels and legitimate collaboration, the supplier shall designate a person who can be contacted in case of doubt.

4. Principles promoting Social Responsibility

a) Human Rights

The supplier respects and supports obeying the internationally recognized Human Rights.

b) Discrimination

The supplier commits to opposing all forms of discrimination. This applies in particular to unfair treatment on the basis of gender, race, disability, ethnic or cultural origin, religion or world view, age or sexual orientation. Further the supplier shall not accept behaviour (in speech, gestures or physical contact) of its employees that exerts sexual force to others, threatens or exploits others.

c) Health Protection

The supplier guarantees safety and health protection for workers at their workplace within the scope of national provisions. The supplier supports continuous progression towards improvement of the working environment.

d) Fair Working Conditions

The signing company respects its employees' right of association, appropriate payment; meets minimum wages as well as set working hours for its employees according to for these matters applicable laws and regulations.

e) Forced Labour

The supplier rejects any form of forced labour.

f) Child Labour

The supplier respects the regulations of the United Nations on Human Rights and children's rights. In particular, the supplier commits to complying with the Convention concerning the minimum age for admission to employment (Convention No 138 of the International Labour Organization) as well as the Convention concerning the prohibition and immediate action for the elimination of the worst forms of child labour (Convention No 182 of the International Labour Organization). If a national regulation concerning child labour provides for stricter measures, these shall have precedence.

g) Environmental Protection

The supplier is committed to sustainably upholding the goal of environmental protection for current and future generations. National and international laws, guidelines and resolutions that were passed for the protection of the environment are to be obeyed. The supplier aims for the permanent reduction of pollution that might be caused by its internal and external processes and will introduce an environmental management system if necessary.

h) Conflict minerals

TROX expects all partners to make the greatest possible efforts to provide their services without using raw materials, which are used by armed groups that violate human rights to directly or indirectly finance themselves. Partners must not supply TROX with any goods that contain columbitetantalite (coltane), cassiterite (tin ore), wolframite (tungsten ore), tin, tungsten, tantalum or gold ("conflict minerals") from sources used to finance or support armed groups in the Democratic Republic of Congo or its neighbours ("covered countries") pursuant to Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Furthermore, the provisions of the EU Regulation on Conflict Minerals shall be observed.

All partners are required to inform TROX in writing when concluding any contracts for the sale of goods to TROX if these goods contain conflict minerals. The conflict raw material including the country of origin and name of the smeltery processing the material are to be named in the notification. If the conflict mineral comes from a "covered country", the supplier must confirm that its purchase was neither used directly nor indirectly to finance or support armed groups in these countries and cite a basis for its confirmation.

TROX reserves the right to withdraw from corresponding orders in case conflict minerals are used.

i) Company Secrets

The supplier places its employees under the obligation to safeguard trade and company secrets. Confidential information, as well as confidential documents may not be given nor, in any other way, made accessible to third parties, unless proper authorization has been granted. Publicly available information is exempt from this confidentiality.

5. Supply Chain

The supplier shall apply the principle of non-discriminating selection of its suppliers.

The supplier will also call upon its suppliers and other subcontractors to uphold the basic principles of this Code of Conduct (Section 2 to 4) while fulfilling the contractual duties. The supplier is further called upon to recommend to its suppliers to in turn call upon their suppliers to follow this Code of Conduct. The supplier is responsible for its supply chain.

TROX reserves the right to control the compliance with this Code of Conduct for Suppliers of TROX upon appropriate pre-announcement. TROX encourages its suppliers to introduce their own binding Code of Conducts for ethical behaviour.

Any violation of the duties mentioned in this Code of Conduct for Suppliers of TROX will be considered as a material breach of contract by the supplier.