

Code of Conduct

PFISTERER Holding AG

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Preamble

The PFISTERER Group is a family-owned company with a rich heritage of a stable corporate culture based on ethical principles of behaviour in business transactions. Premised upon this corporate culture that is driven by fairness and integrity, this code of conduct sets forth obligatory guidelines for the actions of the management board, executive personnel and employees of the PFISTERER Group (hereinafter referred to as the employees). These are not detailed regulations, but a guide to everyday business.

This code of conduct documents the position of the PFISTERER Group and it looks upon itself as a signal to all of our business partners. The PFISTERER Group enables its employees, business partners and competitors to act with integrity and fairness in compliance with the laws and without having to fear any disadvantages.

Our code of conduct is in line with our growth-oriented strategy and organisation and it is binding for all employees of PFISTERER Group all over the world. No form of illegal or unfair competitive practices will be tolerated and PFISTERER reserves itself the right to impose the appropriate sanctions wherever this is not complied with.

The Management Board and executive personnel on all levels obligate themselves to provide an active example of integrity in their everyday business behaviour whilst guaranteeing that this code of conduct is implemented and complied with. All superiors shall conveniently advise and instruct their employees. If there are dubious actions, they are the first persons to get in contact with. No employee will have to suffer personal or professional disadvantages if he or she should reject granting benefits. PFISTERER will accept any competitive disadvantages through not granting such benefits.

It is always the philosophy of the PFISTERER Group to win orders with its outstanding performance, in particular with its innovation, quality, flexibility and proximity to the customer.

Standard of behaviour

1. Guideline

The cornerstone of the success of our family-owned company is its firm values: reliability, pioneering ingenuity, quality consciousness and independence.

Reliability

Our employees and all of our business partners can rely on the fact that our actions are dictated by firm ethical principles. For us, acting ethically means premising trustworthy relationships on fair and decent conduct and cultivating them in the long haul.

Pioneering Ingenuity

Research and development are the driving forces behind our success. We invest a lot of time and effort in developing and advancing our products and services - and that is how we guarantee our competitiveness. This is the reason why we categorically reject unfair competitive practices. We respect the intellectual property of others and we expect this both from our employees and our business partners.

Quality

PFISTERER is iconic for quality. Our quality consciousness not only dictates our technical and commercial processes. It also concerns compliance with laws and regulations. Considering the PFISTERER Group's global expansion, this concerns both national and international standards.

Independence

As a family-owned company with a rich heritage, we act with a free hand and are independent of the capital market. We take on the challenge of competition by fair means since PFISTERER Group's products and strategy provide compelling arguments. This is the reason why accepting or giving benefits contradicts our corporate philosophy.

We want to protect our company and our employees from illegal and unethical behaviour and be a fair and reliable contractual party to our business partners and clients. This is the reason why we will not tolerate any behaviour that violates our integrity or could have a detrimental effect on our reputation.

The principles of behaviour below constitute regulations for obedience to the law, for preventing corruption and how to deal with conflicts of interest, the company's property, trading company secrets and sponsoring/donations. These are binding principles of behaviour that each and every employee has to comply with. These principles are a guide for everyday business activities while detailed and specific regulations can be derived from the instructions for acting in the pertinent processes. Finally, there are internal regulations and work instructions for accepting an awarding all kinds of gifts, for working together with sales intermediaries and for the type and scope of secondary activities requiring approval of employees at the PFISTERER Group.

2. Acting in conformity with the law

All employees have to comply with the applicable laws and regulations. The standards set forth by the countries they are in shall be applied when they are involved in foreign transactions. Beyond this, the pertinent international regulations (such as those on trade restrictions) shall be obeyed. If applicable legal norms are violated, there shall not only be consequences in terms of criminal law and liability, but actions may be taken in conformity with employment law.

3. Prohibition of corruption and handling all kinds of benefits

The PFISTERER Group targets developing and maintaining a competitive edge over other market players. However, this competitive edge is only brought about by the pillars of our strategy - innovation, quality, flexibility and proximity to the customer. We stringently reject all kinds of prohibited arrangements and corruption.

Our business partners and their agents may not promise, offer or grant any unacceptable personal benefits in their business activities.

The same applies to the procurement department. It is prohibited to accept, demand or take promises for unacceptable benefits from business partners.

This also applies to business entertainment and invitations to events going beyond the normal and legally allowed customs. One should be especially reticent with civil servants and other officeholders at home and abroad. Finally, employees should refrain from all actions that might arouse the appearance of unacceptable influencing.

Unacceptable gifts may not be given indirectly, such as through brokers or agents.

This may especially be unacceptable if the type and scope of personal benefit can have an unacceptable influence on the business decisions of the recipient of benefits.

No employees will suffer personal or professional detriment if he or she, as is their duty, should reject granting any request of gifts and PFISTERER should have to accept any competitive disadvantages.

Please get in contact with your superior in case of doubt on the acceptability of taking or awarding any kind of gift or in cases of conflict of interest.

4. Avoiding conflicts of interest

The PFISTERER Group targets a professional business relationship to all market players that is driven by commercial principles. Mixing up private and business interests between the employees of the PFISTERER Group and its customers, suppliers, consultants and any other persons involved in the business process with a potentially adverse effect on the working behaviour of our employees or justified interests of the PFISTERER Group may cause conflicts of interest. This is the reason why it is always disapproved of.

Private and business interests are particularly mixed up in cases where employees place orders to companies with family or friendly ties or where employees have holdings in the business partners of the PFISTERER Group.

Beyond this, interests may be mixed up with the secondary activities of employees of the PFISTERER Group.

Any conflict of interest developing in the employee's working behaviour should be revealed and secondary employment has to be approved in advance.

5. The property of the company and third parties

Every employee is obliged to protect the property of PFISTERER Group from damage, loss or misuse.

The company's property may not be used for non-operational purposes and all exceptions have to be approved by the employee's superior in advance.

The property of third parties (such as of business partners) that the employees of the PFISTERER Group have access to shall be treated with the same care. It may only be used for operational purposes to the agreed to and necessary scope.

We reserve ourselves the right to take criminal and civil law action in all cases of intended illegal personal enrichment.

6. Preserving trade and company secrets

One of the four strategies for success that the PFISTERER Group has applied to gain a competitive edge over other market players is its pioneering ingenuity. The PFISTERER Group has a justifiable interest in all facts, circumstances and processes with reference to the company (in particular ideas and inventions) only being made accessible to the persons entitled to them. All employees are obliged to preserve the trade and company secrets as the company's intellectual property.

7. Consultancy agreements

The PFISTERER Group works with commercial agents and consultants in sales and for other purposes.

Commissions and remunerations paid to these consultants and commercial agents should be in appropriate rate to the services performed. That means that no commissions or fees may be agreed that might be seen as inappropriate.

Contracts with consultants and commercial agents and similar agreements may not be used to make payments in favour of employees or other agents of customers or officeholders.

8. Sponsoring/Donations

The PFISTERER Group never participates in political activities either directly or indirectly. Donations to political organisations or persons in the form of money, material assets or services shall require the approval of the responsible management.

Sponsoring and gifts to other non-political parties shall also require the approval of the responsible management and may not be used to circumvent other regulations in the code of conduct.

Implementation and Organisation

All employees of the PFISTERER Group are obliged to implement the principles of behaviour formulated here in their everyday work and executive personnel has to act as a model for others. The management board is responsible for implementing the code of conduct and the compliance programme it is based on while clearly delegating management responsibility.

Executive personnel, workers and contracted agents will be given training tailor-made to their needs and activities or provided with information on how to implement the code of conduct and compliance programme.

Detailed business process instructions guarantee behaviour with integrity in each individual business situation. The executive personnel are available to answer all questions on the code of conduct and any conflicts of interest and they, in turn, can get in contact with the management board.

This code of conduct and the compliance programme apply to all companies in the PFISTERER Group and agents are also obliged to follow these principles and rules. We will make our other business partners aware of our code of conduct.

This programme will be checked for effectiveness and appropriateness on a regular basis and the management board will report to the supervisory board once a year on the effectiveness of the programme and on a near-time basis with any special incidents (such as serious violations of compliance rules).