

SUPPLIER CODE OF CONDUCT AND ETHICS

Introduction

We at ANDRITZ are committed to integrity, respect, reliability and sustainability as core values of the way we do business and which we have already set forth in our own Code of Business Conduct and Ethics. We are aware that our ability to meet our own compliance standards and those of our customers depends to a large extent on how we work together with our suppliers. Consequently, we expect our suppliers to adhere to a set of rules in order to ensure that we work on the basis of the same values and principles.

This ANDRITZ Supplier Code of Conduct and Ethics (“**Supplier Code**”) thus sets forth the minimum requirements for all suppliers to conduct business with ANDRITZ. It shall form part of all contracts entered into between members of the ANDRITZ GROUP and their suppliers.

1. Organizational requirements and management responsibility

ANDRITZ requires from its suppliers that they install and maintain adequate compliance procedures in order to enable effective compliance with this Supplier Code or the supplier’s own equivalent policy or code of conduct.

- As a minimum, the supplier’s procedures shall comprise: (i) identification of one or more individuals with senior management authority accountable for the implementation of the compliance management system (compliance officer or company director); (ii) identification of key compliance risk areas; (iii) policy setting by implementation of written instructions to employees concerned; (iv) systematic compliance training programs; (v) procedures for monitoring the effectiveness of the compliance system and for imposing sanctions in the event of infringement and (vi) sanctioning any violations of compliance regulations.
- We also request the supplier to communicate this ANDRITZ Supplier Code to those of his employees concerned with the ANDRITZ business. In addition, the supplier must request the same or equivalent compliance standards from the suppliers and business partners he uses or intends using to deliver supplies or services to ANDRITZ.

2. Human rights and fair working conditions

ANDRITZ expects its suppliers to support and protect human rights in the supplier’s workplace and business activities and to ensure that working conditions are in line with the law and with internationally applicable standards and conventions (such as ILO, OECD or UN Global Compact Initiative). In particular, the supplier shall:

- not be complicit in human rights violations within his sphere of influence;
- recognize and respect the employees’ right of free association and to collective bargaining;
- not engage in or benefit from any form of forced or involuntary labor;
- not engage in or benefit from any form of child labor, and in particular not employ any workers below 15 years of age (below 14 years of age in certain developing countries) or a higher minimum age according to national legislation in line with ILO Convention 138 on Child Labor;
- not practice any form of discrimination in hiring and employment practices on the grounds of race, color, ethnic origin, religion, nationality, gender, sexual orientation, age, physical ability, health condition, political or social opinion, union membership, or marital status;
- pay all workers at least the minimum wage required by law or applicable industry regulations (such as collective bargaining agreements or the like);
- ensure that employment conditions, including vacation, working time, and leave periods, are consistent with mandatory standard laws or applicable industry regulations;
- ensure that the workplace is safe and contains no health hazards, establish appropriate organizational structures and procedures for the effective management of health and safety risks, and train employees on these procedures. Suitable procedures and plans shall be developed and published.

3. Environmental responsibility and sustainability

ANDRITZ expects its suppliers to manage their operations in a responsible manner with a view to fulfilling the environmental requirements defined in the applicable laws, regulations, or permits.

We expect our suppliers to meet or exceed the requirements set forth in the applicable environmental laws and regulations. The supplier is responsible for managing, measuring, and minimizing the environmental impact of his facilities. Specific focus areas include air emissions; waste reduction, recovery, and management; water use and disposal; and greenhouse gas emissions. In particular, the Supplier shall:

- obtain and maintain the required permits and licenses and comply with the reporting requirements set forth therein;
- endeavor to avoid or reduce waste or emissions resulting from his business activities and dispose of waste in a legal and responsible manner;
- install an environmental management system (e.g. ISO 14001 or equivalent) at his worksites to make sure that measures are implemented to protect the environment and to be compliant in all processes concerned;
- report any environmental incidents to the manager of the site where the incident occurred and, if necessary, to the applicable ANDRITZ business unit manager when working for ANDRITZ.

4. Business integrity

ANDRITZ requires its suppliers to conduct business in compliance with legal requirements and to adhere to internationally agreed standards of business ethics. In particular, the supplier shall:

- **comply with all applicable laws and regulations** in the country where he carries out his business activities;
- **not engage in or tolerate any form of corruption, bribery, extortion or embezzlement.** In particular, suppliers shall not directly or indirectly engage in or tolerate any form of granting a payment or anything of value in favor of government officials and employees of business partners with the purpose of influencing decision-making in violation of the law. Suppliers' compliance management systems must comply in substance with the U.S. Foreign Corrupt Practices Act, the U.K Bribery Act, and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. This means that suppliers may not offer, promise, give, or authorize any sort of bribe or kickback in order to obtain or retain business or any improper business advantage;
- **comply with antitrust and fair competition laws.** In particular, it must be ensured that suppliers do not discuss topics that could violate, or appear to violate, competition laws by price-fixing; terms of sale; bid-rigging; division of markets, territories or customers; tying and bundling products; using deceptive trade practices; or abusing a dominant market position;
- **avoid conflicts of interest,** in particular, by disclosing any financial interest that an ANDRITZ employee may have in the supplier and by not offering or granting directly or indirectly any benefit to an employee of ANDRITZ with a view to obtaining business from ANDRITZ. Suppliers may not influence or attempt to influence ANDRITZ employees or their family members by providing them with gifts, favors, entertainment, personal benefits, or preferential treatment that is beyond a modest and/or reasonable dimension and which can clearly be considered a culturally acceptable display of business manners or hospitality. However, no gift or favor should be bestowed that could be interpreted as being intended or is intended to influence the objective decision-making process by our employees;
- **comply with insider trading rules.** ANDRITZ AG is a publicly traded company on the Vienna Stock Exchange. While working with us, you may occasionally have access to non-public "inside" information about ANDRITZ and the companies with which we do business. If such non-public information about ANDRITZ or its business partners would be considered by a reasonable investor in deciding whether to buy, sell or hold stock of these companies, it is considered to be material non-public (or "inside") information. Buying or selling securities, such as stock or options, on the basis of inside information is a violation of the law on securities and is strictly prohibited.

5. Export control

ANDRITZ requires its suppliers to comply with export control laws and to respect export sanctions or bans. If necessary, the supplier shall obtain any export permits required and/or assist ANDRITZ in obtaining its export licenses.

Our customers, stakeholders and public authorities expect us to comply with international trade laws. This extends to our compliance with the various export and import controls that apply to our work. We expect our suppliers to do the same. As a supplier of ANDRITZ, you should follow the various export and import controls that govern your work. If you engage in trade activities, ensure you know and follow the rules and regulations that apply to your job. In addition, suppliers must abide by international trade sanctions.

6. Intellectual property rights, trade secrets, and data protection

ANDRITZ requires its suppliers to respect third-party intellectual property rights and trade secrets and to protect our own or our customers' intellectual property rights, trade secrets, and personal data, which you as supplier may become aware of in the course of contract execution with ANDRITZ.

7. Supplier's commitment and contractual obligations

The undertaking by suppliers to comply with this Supplier Code shall form the basis of our business relationship. This Supplier Code shall form part of any agreement entered into by you as supplier with any company of ANDRITZ (ANDRITZ AG and its affiliates), regardless of whether it is expressly incorporated into a contract by reference or not.

- However, when entering into a contract with us, the supplier may be asked again to reconfirm his compliance with this Supplier Code.
- We require our suppliers to pass on equivalent supplier compliance standards to their own suppliers in order to ensure that the supply chain conforms to the compliance values set forth herein.
- The supplier shall be held responsible to us for ensuring compliance with the Supplier Code by his employees, company representatives, as well as the subcontractors and any business partners the supplier is using to supply products and/or services when doing business with ANDRITZ.

8. Reporting, monitoring, and sanctioning

If you as a supplier become aware of a violation of this Supplier Code, you shall report such violation to us (see item 9 below for our compliance contacts). Depending on the gravity of the violation, adequate corrective measures may be requested by ANDRITZ from the supplier, including the termination of cooperation with an employee or sub-supplier of the supplier. For as long as the requested remedies are not implemented, ANDRITZ may withhold payments that would otherwise be due to the supplier. If the requested remedy is not able to prevent or repair harm to ANDRITZ or if the breach of the Supplier Code is considered to be a major breach of contract, ANDRITZ shall be entitled to terminate the contract relationship with the supplier immediately. Such termination is irrespective of the supplier's obligation to remedy damages or losses incurred by ANDRITZ.

Regular monitoring is an important element of our supplier compliance program. The supplier may, therefore, be invited to complete a supplier compliance questionnaire in order to give more details on his compliance management system. We may possibly wish to have a face-to-face meeting and an on-site audit to verify important elements of the supplier's compliance system and eventually to define a compliance organization target together with the supplier. This is part of our efforts to continuously improve our supplier compliance management system. The supplier shall, therefore, agree to support such compliance checks and audits and not unreasonably withhold any relevant information that we require to assess the quality of his compliance management system. Reasonable confidentiality restrictions (non-disclosure) may be agreed upon for such audits, however the supplier shall agree that such data may be disclosed to the customers for whom we intend to use his supplies or services.

9. Compliance contacts at ANDRITZ

The right course of action may sometimes be difficult to determine. If you are unsure what to do in a particular situation or have any other questions, please first seek guidance from your company's internal resources. For the purposes of implementing this Supplier Code, you are invited to contact the following resources at ANDRITZ:

- **Group Supplier Compliance:** suppliercompliance@andritz.com
- **Group Compliance Department:** Particularly if you wish to report any violations, please also report them to compliance@andritz.com in addition to informing your contact person at ANDRITZ.
- **ANDRITZ Compliance Helpline in the US** [for US suppliers and suppliers to our US affiliates only]: In addition to your company's own reporting resources, you may use: 1-866-9ANDRITZ. The ANDRITZ Compliance Helpline is an external telephone service that is available 24 hours a day, 7 days a week within the US only. Operators are available for the various languages spoken by our suppliers and their employees. You may report concerns anonymously where allowed by local law, although maintaining anonymity may limit our ability to fully investigate your concerns.

Let us join forces in our efforts to make compliance become a tool for enhancing business opportunities and gaining a competitive edge in ethical business practices!

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