



GROUP POLICY

ANDRITZ Code of Conduct and Ethics

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ENGINEERED SUCCESS



TAKE RESPONSIBILITY. LIVE COMPLIANCE!

THE ANDRITZ CODE OF CONDUCT AND ETHICS

INTRODUCTION

Compliance and Ethics form the foundation of the way we do business. We at ANDRITZ are committed to integrity, respect, reliability and sustainability as cornerstones of our actions.

While we value the passion, partnership, perspective and versatility of our employees to drive our business, compliance is the basis of our actions. Compliance is more than conducting our business at all times in full respect of the laws applicable. It equally includes adherence to our own values, corporate rules and principles, which are applicable to our business by way of self-regulation or which result from best business practices. Compliance concerns every one of us individually. Therefore all directors, employees and other stakeholders acting on behalf of ANDRITZ share the same values and principles as set forth in our Code of Conduct and Ethics. Special topics are subject to further policies.



1 RESPECT FOR OTHERS, HUMAN RIGHTS, FAIR WORKING CONDITIONS

We treat each other with respect, dignity and fairness. This includes protecting human rights in our business activities and ensuring healthy working conditions in line with laws and internationally applicable standards. We therefore endeavor to enhance compliance with best practices (such as those set forth by ILO, OECD Guidelines for Multinational Enterprises, UN Global Compact Initiative or the Global Reporting Initiative). We thus are committed to

- **not be complicit in human rights violations** within our sphere of influence;
- **not practice any form of discrimination** in hiring or 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 or any other basis prohibited by applicable law;
- not engage in or benefit from any form of **forced or involuntary labor**;
- not engage in or benefit from any form of **child labor**;
- recognize and respect the employees' **right of free association** and to collective bargaining;



- ensure that the **workplace is safe** and contains no health hazards;
- pay all workers at least the **minimum wage** required by law or applicable industry regulations;
- ensure that **employment conditions**, including vacation, working time, and leave periods, are consistent with mandatory standard laws or applicable industry regulations.

2 ENVIRONMENTAL AND SOCIAL RESPONSIBILITY, SUSTAINABILITY

We manage our operations and factories in a responsible manner with a view to fulfilling or exceeding the environmental requirements defined by applicable laws, regulations or permits. We manufacture products that are designed to be safe, to respect, and to further the protection of our environment and the climate. We assess the environmental and social impact of our products and projects in cases, which we define as critical or as required by law.

We take responsibility for managing, measuring and minimizing the environmental or social impact of our facilities, products and projects. Specific focus areas include reduction of air emissions (especially greenhouse gas emissions), waste reduction, recovery and management, as well as water use and disposal. That includes

- obtaining and maintaining the required **permits and licenses** and complying with the reporting requirements set forth therein;
- endeavoring to **avoid or reduce waste or emissions** resulting from our business activities and disposing of waste in a legal and responsible manner;
- installing an **environmental management system** (e.g. ISO 14001 or equivalent) at our worksites to make sure that measures are implemented to protect the environment and to be compliant in all processes concerned;
- **reporting any environmental incidents** to the manager of the site where the incident occurred and, if necessary, to the applicable ANDRITZ business unit manager

3 BUSINESS INTEGRITY

We are committed to conducting our business with integrity and in compliance with legal requirements by adhering to applicable laws and international standards of business ethics. Thus

- **we comply with all applicable laws and regulations** in the countries where we conduct business;
- **we do not engage in or tolerate any form of corruption, bribery, extortion or embezzlement**, in particular, we do 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. In particular, our acts are compliant with the principles set forth by OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and corresponding other local laws prohibiting bribery. This means that our employees, directors and those acting on behalf of ANDRITZ do not offer, promise, give, or authorize any sort of bribe or kickback in order to obtain or retain business or any improper business advantage;
- **we comply with antitrust and fair competition laws**, in particular, our employees, directors and



those acting on behalf of ANDRITZ 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;

- **we avoid conflicts of interest**, in particular, by disclosing any financial interest that an ANDRITZ employee may have in a supplier, and by not accepting or asking for, directly or indirectly, any benefit from a supplier of ANDRITZ with a view to granting business with ANDRITZ. We do not allow third parties and suppliers to 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 cannot clearly be considered a culturally acceptable display of business manners or mere hospitality. Otherwise, no gift or favor shall be accepted that could be interpreted as being intended or is intended to influence the objective decision-making process by our employees, directors or those acting on behalf of ANDRITZ;
- **we comply with insider trading rules.** ANDRITZ AG is a publicly traded company on the Vienna Stock Exchange. While working with any company of the ANDRITZ GROUP, 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 “insider”) information. Buying or selling securities, such as stock or options, on the basis of insider information is a violation of the law on securities and is strictly prohibited. Disclosure of insider information is therefore prohibited, unless required by law (usually done in form of public announcements by the Group Management).
- **we do not engage in a political activity on behalf of ANDRITZ.** We respect the right of each of us to participate in political activities; however, any decision to be involved in such activity is entirely a personal and voluntary one. At all times we must make it clear that our political views are our own personal views and not those of the Company. Strict limits on corporate political activity mean that employees may not make any direct or indirect political contribution on behalf of ANDRITZ or with company funds. In general, as a company, we do not engage in donations or sponsoring. Requests for exceptions for special cases will be directed to the ANDRITZ AG Executive Board for approval and must follow legal regulations.
- **we will not be complicit in money laundering schemes.** We need to remain alert with regard to payments relating to our business that come from unidentified sources or unrecognized bank accounts, or bank accounts unrelated to the paying party, or that are not aligned with amounts we are expecting to receive in payment.

4 EXPORT CONTROL

We comply with export control laws and respect export or trade sanctions or other bans when applicable to our business. If necessary, we will obtain export permits required. 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 the various places and countries we work in.



5 INTELLECTUAL PROPERTY RIGHTS, TRADE SECRETS

Among the Company's most valuable assets is its intellectual property. We appreciate that is the same for our business partners. We are committed to protecting our own intellectual property rights and trade secrets and to respect third-party intellectual property rights and trade secrets. This implies taking adequate technical measures to avoid unintended disclosure of intellectual property or trade secrets and requiring confidentiality undertakings from business partners who need to have access to the foregoing on a need-to-know basis for the execution of their supplies to our company.

6 PROTECTION OF COMPANY ASSETS AND ACCURACY OF COMPANY BOOKS & RECORDS

We take responsibility to manage our company's assets with care and to protect them against loss, theft, damage or misuse. We will not tolerate fraud, theft, embezzlement, improper diversion, or other improper use of company assets. It is incumbent on all of us to exercise care and to avoid loss. This includes taking appropriate steps to secure equipment, supplies, and other properties against theft or unauthorized use and to report suspicious activities or persons to Compliance as soon as observed. Being a publicly traded company imposes particularly high obligations upon ANDRITZ related to the accuracy of its books and records. Meeting these record-keeping requirements and maintaining appropriate internal control standards are key requirements for maintaining the confidence of our shareholders and authorities that our company's books and records are correct and complete in order to reflect the state of our assets in a transparent manner.

7 DATA PRIVACY AND DATA PROTECTION

We respect the privacy of our employees' and business partners' personal data and intend to collect and retain personal data only as required to operate efficiently and as permitted by law. Access to personal data is restricted to those employees who have appropriate authorization and a legitimate business need. Many countries where we do business have privacy or data protection laws requiring the responsible handling of personally identifiable information, including the transmission of data across country borders or to third parties. We are committed to handling personal data with care and to safeguarding and protecting such information to ensure it is not lost, misused, accessed without authorization, disclosed, altered or destroyed.

8 SUPPLIER COMMITMENT

Because ANDRITZ expects nothing less from its suppliers than it does from its own employees, officers, directors, and others acting on its behalf, ANDRITZ has adopted a Supplier Code of Conduct wherein we ask our suppliers to comply to standards equivalent to those set forth in this Code. Adherence to the terms of the ANDRITZ Supplier Code or equivalent forms the basis of our business relationship with our suppliers. We also demand



from our suppliers to pass on equivalent supplier compliance standards to their own suppliers in order to ensure that our supply chain conforms to the compliance values set forth in our Supplier Code of Conduct.

9 TONE FROM THE TOP, MANAGEMENT RESPONSIBILITY

ANDRITZ is committed to maintaining an effective compliance management system at all levels of its organisation, which is adequate for its type and size of organisation. This is a joint effort between the business and the Group Compliance function. We therefore expect our directors and managers to fully support our compliance program in words and deeds, and to act as a role model for compliance for their teams. For our compliance program to remain effective we are committed to carrying out regular compliance risk assessments, to further developing our policies, rules and procedures to more effectively address actual business situations, to carrying out regular trainings, to undertaking audits, and to sanctioning non-compliant behaviour.

10 REPORTING, MONITORING AND SANCTIONING

If you become aware of a violation of this Code or other compliance policies, you are asked to report such violation to us (see below for our compliance contacts). Retaliation against any individual who, in good faith, reports a violation or who participates in the investigation of alleged violations, is strictly forbidden. However, such protection does not cover an individual who files a report or provides information that he or she knows is false, files a bad faith retaliation claim or participates in illegal conduct. The Group Compliance function, the Group Internal Audit function and the Group HR function have the mission to cooperate in the investigation of reported violations. Depending on the gravity of the violation, adequate corrective measures may be requested by ANDRITZ from its employees, directors or other stakeholders. This Code of Conduct and Ethics shall form a basis and part of the terms of employment of any employee or director employed at ANDRITZ. In the event of serious breaches of this Code ANDRITZ shall be entitled to terminate the contractual relationship with the employee or the director.

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 or any suspected violation to report, please seek guidance and use our company's available resources:

- **ANDRITZ Whistleblowing Service Speak UP!** - Speak UP! is an internet-based whistleblower system providing a platform for reporting of suspected compliance-related misconduct to the Group Compliance department. Speak UP! is available (internally and externally) to anyone with a justified interest in ANDRITZ. Speak UP! also allows to process information anonymously, however, that will make it more difficult for us to investigate your concerns. Speak UP! enables you to set up a personal mailbox (which can also be anonymous if so requested) that can be used for further communication with and feed-back from the Compliance Department. Speak UP! is operated in a high-security data center and allows secure communication with the latest standards. Speak UP! web address: <https://andritz.secureveal.com>.
- **Group Compliance Department:** compliance@andritz.com



- **The Intranet homepage** (connect.andritz.com/gcc) of Group Compliance function contains the contact details of the Compliance Officers, further compliance-related policies and training material.
- **The Internet homepage** (www.andritz.com/compliance) of the Group Compliance function contains the link to Speak UP!, compliance policies and further compliance-related materials.

RELEASE

This Group Policy was released by the entire ANDRITZ GROUP Executive Board.

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