



 KÄSSBOHRER GELÄNDEFahrZEUG AG

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Code of Conduct

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Preface by the managing board

Kässbohrer Geländefahrzeug AG is a global corporation that maintains a trusting partnership with its staff, customers, suppliers and business partners. Our day-to-day business is characterized by responsible actions, with the objective of meeting our customers' requests and standards. We want to maintain our position as both the market and technology leader and expand upon it.

Since we operate on a global scale, we are subject to legal regulations that have become ever more complex and demanding. With the present Code of Conduct, we want to provide all of our staff across the group with a framework for their daily actions in order to assist them to avoid legal, ethical, and moral conduct. This framework is based upon our five corporate objectives.

For our staff and the company as such, violations of the law and of standards incur the risk of substantial financial damage and the loss of our positive reputation within the industry.

With this Code of Conduct, the executive committee wants to protect its staff and provide a tool to work within these ever more complex legal conditions.

For ease of reading, the present text uses the customary masculine form of speech for personal nouns and pronouns. However, this does not imply any discrimination against the female and diverse genders, but is intended to be understood as gender-neutral for the sake of linguistic simplification.

Managing board of Kässbohrer Geländefahrzeug AG



1 Objective, Scope, Implementation

1.1 Objective

The present Code of Conduct is to provide guidance and awareness of the basic legal, moral and ethical standards for our domestic and international staff.

1.2 Scope

The Code of Conduct applies to the entire company, i.e. to all staff at Laupheim and at all branches and subsidiaries and to all executives and the executive committee.

1.3 Implementation

All staff are responsible for implementation of the Code of Conduct within their authority and by their actions. Executives serve as representatives and role models.

All employees are expected to perform their duties conscientiously while protecting the image and reputation of KÄSSBOHRER. Customers, suppliers and colleagues are always to be treated with respect and honesty. Behavior that leads to unlawful actions, damages KÄSSBOHRER's reputation or could cause a potential conflict of interest is to be avoided.

All employees are requested to report any indications of misconduct or violations of the Code of Conduct. With reference to the requirement of fair cooperation, a corresponding suspicion should always be able to be sufficiently substantiated by facts. Accusations made on the spur of the moment carry the risk of false suspicion, with irreparable consequences for the wrongly accused.

A violation of the Code of Conduct may result in serious consequences for the employee, up to and including termination.



Kässbohrer Geländefahrzeug AG, Laupheim, Germany



Subsidiary Micheldorf,
Austria



Subsidiary Kuchl,
Austria



Subsidiary Altdorf,
Switzerland



Subsidiary Bozen,
Italy



Subsidiary France,
Tours en Savoie



Subsidiary USA,
Reno, Nevada

2 Corporate Objectives

2.1 Customer Satisfaction

The customer is our primary focus. Our goal and objective is to provide 100% satisfaction, care, and the willingness to be of service – these are the key areas we have to focus on in our dealings with our customers. We impress them with our unrivalled technical expertise and our customer orientated products. We make our customers feel that they can rely on us. In any situation. These guiding principles are the foundation for all our company processes and internal communications.

2.2 Market Leadership

Being the best creates its own obligations. As the global market leader in the ski industry as well as beach cleaning and special all-terrain vehicles, we set high standards for everything we do. Our focus is on top quality products, constant new and further technical developments and on stable-value, highly practical products. We seek to constantly improve our market position and secure our long-term success by concentrating on our ability to innovate, our expertise, our understanding of market requirements and by providing top quality service.

2.3 Technology Leadership

Tried and trusted technology. We drive our innovations constantly forward by keeping the customer uppermost in our mind and by maintaining due regard for cost effectiveness and quality. That is why we subject new technologies to extensive testing and experimentation

both within the company and with our customers before we build them into our vehicles.

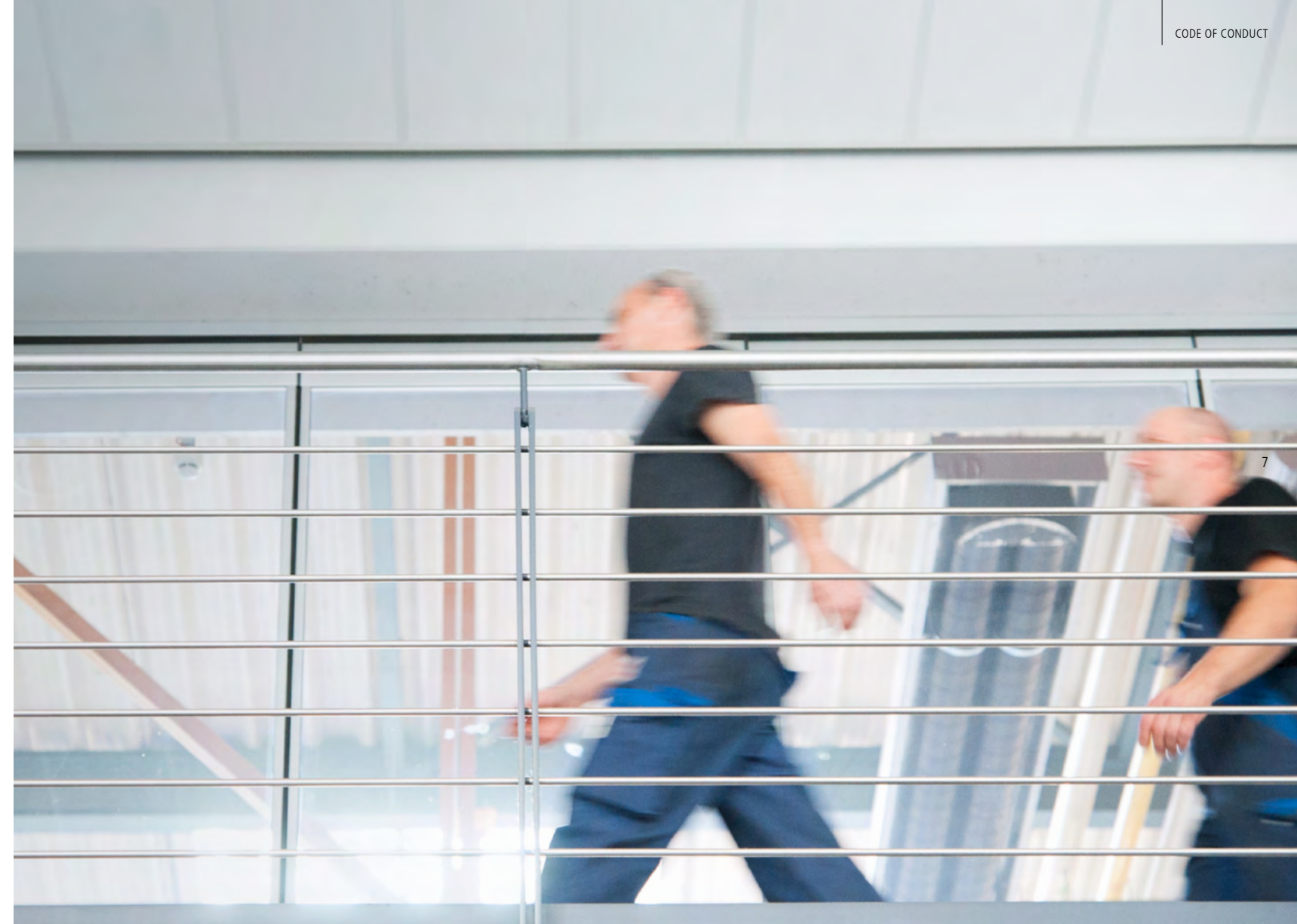
Quality and safety are decisive success factors for our vehicles and technologies. Kässbohrer therefore takes into account all specifications and standards in this regard, from the purchase of raw materials to the delivery of the products. Every employee performs the tasks assigned to him or her with high quality standards. If safety concerns arise, appropriate measures are initiated.

2.4 Responsibility

Responsibility begins now. We accept responsibility and follow this principle through in all our dealings as a company. As an employer, we hold our employees to high standard. We take steps on an on-going basis to promote, extend and strengthen the team ethic within our company. We safeguard the interests of our company. As a technology orientated company we undertake to use resources sparingly and to respect the need for sustainability in the context of the environment.

2.5 Profitability

Profitability as a means to secure the future. We have a common objective. Everyone in our company makes a contribution towards generating profit – which helps to finance our continuing growth and our technological leadership. We seek constantly to improve our technical processes. The best development processes combined with unambiguous communication produce process efficiency.



3 Social and Business Responsibility

3.1 Compliance with the law

Compliance with the law is expected. In case of non-compliance, we, the company and, staff, incur the risk of being penalized. This can have a substantial impact on us and damage or even destroy our image in the market and among our business partners.

3.2 Compliance with social standards

The company is committed to meeting these basic social standards:

- ☛ Appropriate wages and salaries
- ☛ Respect for employees' health and well-being
- ☛ Continuous training or education
- ☛ Regional ties
- ☛ Fair dealings with each other
- ☛ Equal opportunities for all staff

The company works constructively with employee representatives and trade unions and strives to achieve a fair balance of interests. Even in the event of contentious disputes, the aim is to maintain sustainable constructive cooperation in the long term.

3.3 Health and Safety

Kässbohrer pays attention to the health and safety of all employees, visitors and other persons affected by its operations..

All foreign subsidiaries must comply with the locally applicable laws and regulations pertaining to health and safety in the workplace.

At all workplaces, the company takes measures to prevent accidents and injuries and ensures that Occupational Health and Safety regulations are being complied with.

The company also ensures that its products cannot cause any harm as part of the development and production process.

3.4 Staff conduct

All of our staff will contribute to a corporate culture that is characterized by fair and professional cooperation. All of our staff and the management in particular, know that their conduct represents the company and thus shapes its reputation externally and our culture internally. Tolerance, mutual respect, and trust is the foundation of each members basic convictions.

In addition, all staff will demonstrate responsible and appropriate behavior. We must respect any individual's personality and dignity. Mutual respect is based upon inner conviction and readiness to act. This also means should a problem arise at the workplace, it is addressed and resolved. That is the only way to create a positive working environment, characterized by openness, tolerance and fairness.

Employees must not post derogatory statements regarding colleagues, business partners and shareholders on social media websites. Social media websites include communication platforms such as Facebook, Instagram, LinkedIn, Twitter, YouTube, Wikipedia and blogs.

3.5 Environmental protection and sustainability

Kässbohrer will manage its company in a sustainable and environmentally friendly way:

- ☛ Compliance with applicable environmental protection laws and regulations in the entire group.
- ☛ Use of eco-efficient technologies (engines) and materials and substances in a responsible manner showing respect for the environment.
- ☛ A smaller environmental footprint by reducing our energy and water consumption, emissions and waste per unit produced.

3.6 Use of the company's property

Kässbohrer property may only be used for company purposes. All staff must protect the company's property against loss, theft or abuse. All staff must handle objects and materials with care and in an economical manner.

3.7 Human rights

The company undertakes to comply with the principles of the European Convention on Human Rights and the UN Charter and to observe and respect human rights as fundamental values. This applies in particular to the prohibition of child and forced labor, the prohibition of all forms of human trafficking and modern slavery, and the equal treatment of employees. As part of our employer commitment, we support equality and inclusion, and we do not tolerate any kind of (unlawful) discrimination, harassment or violence. Furthermore, we use our business relationships to prevent or mitigate human rights abuses in the course of our business activities to the extent within our control. We do not tolerate slave labor, forced labor or child labor among our business partners in the same way. All employees are required to report any suspicious circumstances.

4 Compliance Regulations

4.1 Conflicts of interest

Employees must act in the best interests of Kässbohrer and may not derive a personal advantage from business activities.

A conflict of interest exists when an individual personally benefits, financially or otherwise, from an action which does not serve the company's interest.

Employees should inform their direct supervisors of potential conflicts of interest and clear up all personal conflicts of interest, before making a corresponding business decision.

The dual control principle applies in the company: Legally binding obligations, such as contracts with third parties and employment contracts entered into on behalf of the company, may not be signed by one person alone. Agreements must be made in writing and always signed by two persons authorized for the transaction.

4.2 Confidentiality

Kässbohrer's business secrets and critical data must never be disclosed and always have to be treated as strictly confidential. A disclosure of confidential information to third parties (the public and the media) is only permitted if the disclosing person is authorized to do so and such disclosure is in Kässbohrer's interest.

4.3 Improper interference and accepting of gifts

Kässbohrer does not permit any granting of undue advantages or bribery or payment of bribes or other corrupt behaviors. One must assume these always have the objective of getting or maintaining a business advantage. Gifts and other benefits may only be given or accepted if permitted by law and if complete transparency can be ensured. Issuing/giving and accepting invitations or gifts are acceptable if this is an infrequent occurrence, not of an unusual kind and in line with the business relationship.

Please refer to the appended "Instructions on giving/granting/issuing and accepting gifts, advantages and invitations".

All of Kässbohrer's purchasing decisions are solely based upon objective, comprehensive product and service quality and bid price criteria. The offer of gifts, benefits or other favors made to Kässbohrer decision-makers should always be rejected or discussed with one's superior. If a decision-maker accepts a gift, this must have no bearing upon his or her decision. The executive committee must be notified of any accepted advantage or gift. Gifts of money are never permitted.

If possible, at least two offers should be obtained for purchasing decisions.

4.4 Donations and sponsoring

The company has issued a donation policy, providing guidance for all staff.

Kässbohrer Geländefahrzeug AG and all companies within the group will never make donations to political parties or party-affiliated foundations or facilities.

4.5 Dealings with authorities and public agencies

Kässbohrer will always behave properly when dealing with authorities, public agencies and other offices.

Influencing public officials with in kind gifts or cash as well as accepting gifts is strictly prohibited.

4.6 Competition and anti-trust law

No staff may ever come to agreements with competitors, suppliers or other companies regarding anything that may impact the competitive situation.

This prohibition particularly includes customer, quantity, regional or price agreements and unfair competition of any other kind, calls for boycotts or unfair discrimination.

To ensure fair competition, only legally legitimate means may be used. The company and its national companies comply with local competition laws and guidelines. All employees are required to comply with them. Employees must not make false statements about competitors or make disparaging public comments about a competitor's activities, products or services. In addition, it is prohibited to steal or misuse competitors' trade secrets. Any information gathered about competitors must come only from legitimate and public sources (e.g., websites, seminar materials, IMS). Information about competitors should also be referenced.

4.7 Foreign business and export controls

All staff dealing with services and goods will always comply with all export and internal regulations and economic sanctions, export control and import laws. The group's sales staff has to observe the "important internal bulletin regarding compliance with customs and foreign-business regulations" of January 2013 and the "application form export control for embargo countries ex Laupheim".

The company has appointed a foreign business officer.

4 Compliance Regulations

4.8 Business partner due diligence

Business relationships with untrustworthy business partners may result in costs incurred in connection with investigations by the authorities, fines, exclusion from public RFPs and a damaged reputation.

Kässbohrer will monitor and evaluate current and future business partners to ensure compliance with laws and regulations.

4.9 Tax law and legislation

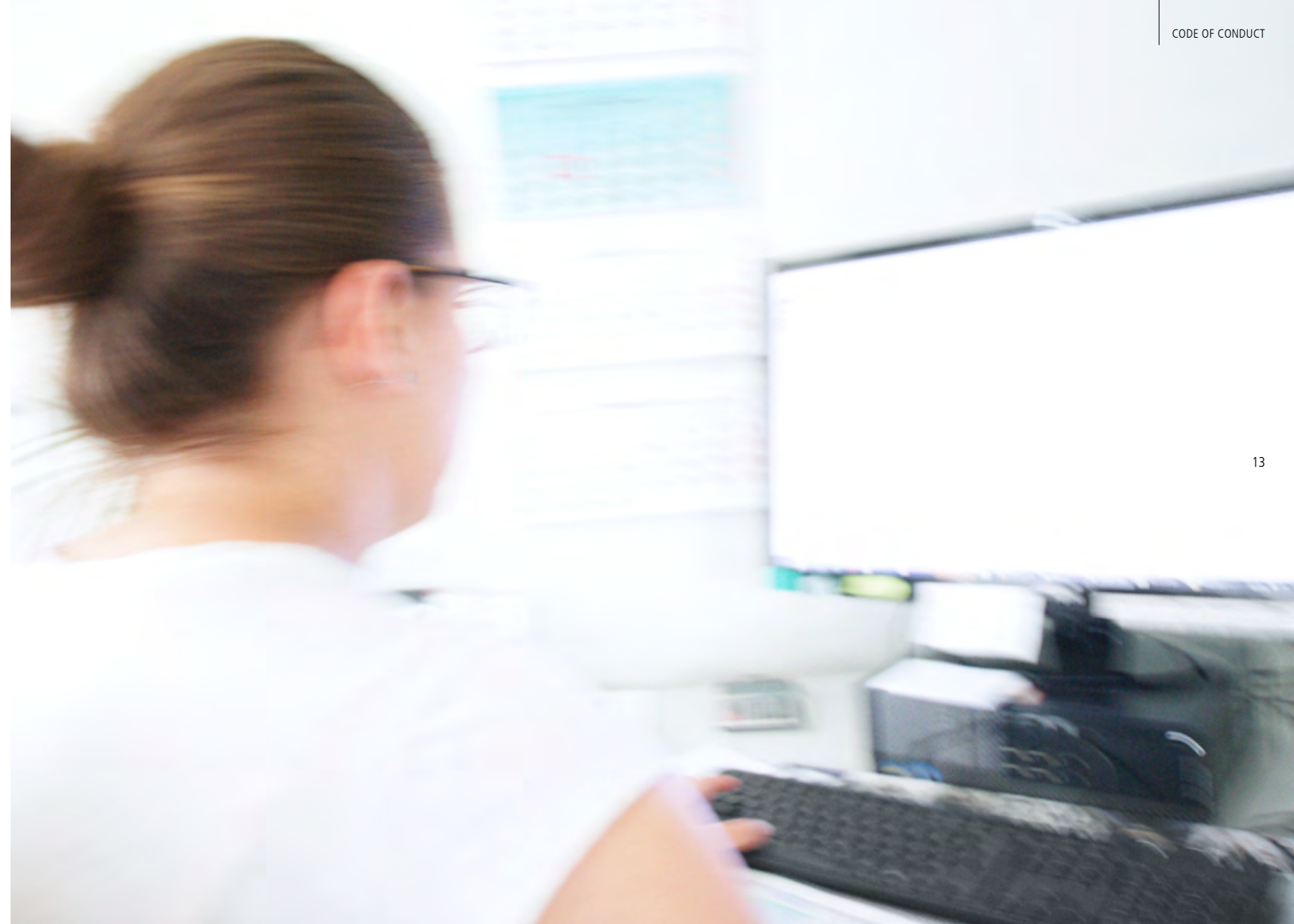
All employees involved in tax procedures and processes must comply with all tax regulations.

Business processes are defined taking into account current legislation.

The company's compliance guidelines, as amended from time to time, which discuss the risk areas listed here in more detail, must be observed.

The guidelines are published in the Insight for all employees.

Employees are required to participate in the associated training courses.



5 IT Security and Privacy

5.1 IT security

Kässbohrer ensures to an appropriate, complete and proper security of our digital data assets and IT systems.

All staff will contribute to prevention of internal and external abuses of IT resources and meet our security standards.

Superiors will be informed of any security breach without delay.

The latest applicable IT policy applies.

5.2 Privacy

To prevent any infringement of personal rights, Kässbohrer takes measures to treat all personal data with utmost care and to protect them against abuse. The collection, processing and use of personal data are done in a strictly confidential manner, in full compliance with all applicable laws and regulations.

5.3 Assets and Confidential Information, Protection of Trade Secrets

Tangible and intangible assets as well as confidential information of Kässbohrer are to be used exclusively to achieve the company's objectives and must be protected at all times. The use of Kässbohrer's confidential information for other business matters or personal purposes is prohibited. All company assets must be returned to Kässbohrer upon termination of employment. The obligation to protect Kässbohrer's confidential information remains valid even after an employee leaves the company. Employees must never disclose confidential information to third parties outside Kässbohrer without first obtaining management approval or entering into a confidentiality or non-disclosure agreement with the third party. A confidentiality agreement must be concluded with all outside parties who may receive confidential information while dealing with Kässbohrer. This applies, among others, to cooperation partners, consultants, financial institutions, external lawyers as well as PR and advertising agencies. Templates for such agreements are available from the legal departments. Confidential information must never be discussed in public places, on the Internet (e.g. Facebook) or in other places that allow third parties to gain knowledge of it without being noticed. Confidential information is any information that is not publicly available and is of value to Kässbohrer. This may be written, electronic or other forms of information.

This includes, for example:

- Details of Kässbohrer's business relationships and contracts.
- Sales figures and other financial information
- Marketing plans and strategies
- Records of customers
- Supplier lists
- organization charts
- Payment-related data
- Data on supplier sales
- Detailed site protection information
- Contact lists, telephone directories
- Project plans

This duty of confidentiality also applies to documents and information entrusted to us by third parties. We may disclose confidential information only when required by law or authorized for business purposes. In all cases of this nature, we must inform our direct supervisor or the person responsible for the confidential information before making the disclosure. Outsiders who receive information of this nature generally sign a non-disclosure agreement.

6 Questions and Reporting of Breaches

6.1 Contact

All matters and questions by staff regarding this Code of Conduct and its observance should first be discussed with their superiors. If that is not possible, for whatever reason, or seems to be inappropriate, staff can approach the executive committee directly.

Any possible breach of the Code of Conduct should be reported to the superior and/or the executive committee. Information can also be submitted anonymously or reported to the ombudsman via the whistleblower system.

The ombudsman is an external lawyer who helps with the assessment of compliance violations and protects you because he can grant you anonymity even vis-a-vis the company if you should desire so. Contact with the ombudsman is free of charge for you. All information is treated confidentially.

6.2 Consequences

Unless the accusations were deliberately false and slanderous, no one may ever be penalized for filling such a report, even if it later turns out that the suspicion was unsubstantiated.

6.3 Training - we know the rules!

Every employee is responsible for learning about the relevant laws, regulations and guidelines, which includes this Code of Conduct. All managers are responsible for ensuring effective communication and monitoring compliance. We will organize training and communication and provide appropriate materials and documents for this purpose. In all business situations where the legal requirements or this Code of Conduct appear incomplete or unclear, we use sound judgment and common sense. In cases of doubt, we speak with our supervisors or seek advice from the Legal Department.





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K COMPOSITES