



EJOT Compliance Guideline

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Preface



Chief Compliance Officer Winfried Schwarz

Dear employees,

The compliance guideline serves as our ethical and legal compass. It contains important rules for our behaviour within the EJOT Group and our interaction with business partners and the general public.

This code applies to all business activities of the EJOT Group worldwide. It takes into account the diversity of cultures and the values of all our employees around the world and it represents our globally operating family-owned company's pledge to its social responsibility.

EJOT® The Quality Connection. This slogan has made us successful and has established EJOT as a reputable company in the industrial fasteners segment. We want to provide our customers with the best possible performance and to be a reliable partner for our suppliers. To maintain and further strengthen this position in the future, it is imperative that all employees act impeccably and responsibly.

Shareholders, company management and the advisory board expect the compliance guideline to be strictly followed by all employees.

Chief Compliance Officer
EJOT Holding GmbH & Co. KG

A handwritten signature in black ink, appearing to read 'W. Schwarz', written in a cursive style.

Winfried Schwarz

I. General Principles

1. Basic Understanding

EJOT is aware of its role in society and its responsibility to business partners, shareholders and employees. Clear principles are intended to maintain value oriented, ethical and legally compliant company management, in order to meet this responsibility in all business activities.

2. All Employees

In all business activities and decisions, all employees are obligated to observe the respective applicable laws as well as all other relevant regulations in countries where EJOT operates. This applies particularly to the observance of the export and import regulations as well as the regulations for dealing with conflict minerals. Business partners must be treated fairly. Contracts are followed, changes in general conditions must be taken into account.

3. Generally Applicable Values and Principles

EJOT bases its activities on generally applicable ethical values and principles, in particular integrity, honesty, respect for human dignity and non-discrimination. Business partners must be treated fairly with respect and trust in all activities. The reputation of the EJOT Group must be respected and promoted. The products developed and distributed by EJOT are based on these standards. The company property must be protected.

Conflicts of interest between business matters and private affairs are to be avoided. Among other things, securing unlawful advantages for oneself is prohibited. With donations care is taken that they only go to charitable organizations. Compliance with occupational safety, environmental protection, information security and data privacy provisions is required. Participation in any form of money laundering is prohibited. Compliance violations must be reported to the responsible Compliance Officer promptly.

Every superior is obligated to evaluate his or her employees based solely on their performance, and to ensure compliance with this guideline in his or her area of responsibility.

EJOT supports the commitment of its employees in political advocacy.

II. Social Responsibility

1. Human Rights

EJOT respects and supports the observance of internationally recognised human rights. In particular, EJOT complies with human rights according to the UN charter of human rights (Universal Declaration of Human Rights, Resolution 217 A (III) adopted by the General Assembly on 10 December 1948).

2. Non-Discrimination Rule

EJOT within the scope of the respective applicable laws and regulations rejects discrimination in any form. This applies in particular to disadvantaging employees based on race, ethnicity, gender, religion, ideology, disability, age or sexual identity.

3. Occupational Safety and Protection of Health

EJOT guarantees occupational safety and the protection of health in the workplace within the scope of the applicable national regulations. EJOT supports continuous further development to improve the working environment.

4. Work Conditions, Prohibition of Forced and Child Labour

EJOT honours the right to freedom of association and assembly for employees within the scope of the respective applicable laws and regulations. EJOT complies with employment standards regarding the maximum allowable hours of work and compensation, especially in regards to the level of compensation, according to the applicable laws and regulations. Employees shall be protected against corporal punishment and physical, sexual, mental and verbal abuse. Employee privacy is respected.

The prohibition on forced labour of any kind is observed. In particular, the accord on forced or compulsory labour from 1930 (Accord 29 of the International Labour Organisation) and the accord on the prohibition of forced labour from 1957 (Accord 105 of the International Labour Organisation) are complied with.

EJOT observes the regulations for the prohibition of child labour, especially the accord on the minimum age for employment from 1973 (Accord 138 of the International Labour Organisation) and the accord on the prohibition of and immediate measures for the elimination of the worst forms of child labour from 1999 (Accord 182 of the International Labour Organisation). If a national regulation on child labour calls for stricter measures, these take precedence.

5. Environmental Protection

EJOT is committed to the protection of natural resources for current and future generations. Laws and regulations that were passed to protect the environment must be observed.

6. Communication

The EJOT Compliance Guideline has undergone a stakeholder analysis. EJOT maintains open and dialogue-oriented communication with employees, customers, suppliers and other interest groups and stakeholders about the requirements imposed by this compliance guideline and its implementation.

III. Fair Competition

1. Prohibition of Corruption

EJOT rejects corruption and bribery. In dealing with business partners and government institutions, the interests of the company and the private interests of employees on both sides are strictly separated. Decisions are made free of irrelevant considerations and personal interests. Compliance with the respective criminal laws regarding corruption is mandatory. EJOT and its employees are not permitted to grant personal benefits to domestic or foreign office holders (such as officials or public service employees) with the objective of obtaining advantages for the company, themselves or third parties.

Personal benefits as consideration for unfair preferential treatment in business transactions between companies may neither be offered, promised, granted nor approved. In dealings with business partners, personal benefits of value as consideration for unfair preferential treatment in business transactions may neither be demanded nor accepted. The executive and employees of EJOT are not permitted to offer, promise, demand, grant or accept gifts, payments, invitations or services in business transactions with the intent to unfairly influence a business relationship or where there is a risk of compromising the independence of the business partner. This is generally not the case with gifts and invitations that are within the scope of normal hospitality, conventions and manners in the course of business.

Every employee must keep its private interests and the interests of EJOT strictly separate. Even the appearance of a conflict of interests must be avoided. Placing orders with related persons (e.g. spouses, relatives, friends and private business partners) is not permitted. Furthermore, it is not permitted to place orders with companies where related persons work or in which related persons hold a stake of 5 % or more. Part-time work for competitors and business partners is not permitted.

Exceptions can only be approved by the responsible manager. Employees who want to invest or already hold 5 % or more directly in a competing company must report this situation to the Compliance Officer. The Compliance Officer will investigate whether there is a conflict of interests.

2. Competitors

EJOT respects fair competition. Compliance with the applicable laws to protect and promote competition is mandatory, especially the applicable cartel laws and other laws that regulate competition. In dealing with competitors, these regulations in particular prohibit collusion or other activities to unfairly influence prices or terms, illegally assign sales territories or customers, or illegally impair free and open competition. Furthermore, these regulations prohibit unfair agreements between customers and suppliers intended to restrict the freedom of customers to autonomously determine their prices and other terms and conditions of resale (determination of prices / terms and conditions).

The differentiation between prohibited cartels and permissible cooperation can be problematic. Contact the Compliance Officer in such cases.

3. Trade Secrets

EJOT honours and protects the business and trade secrets of others. Confidential information and documentation must not be disseminated or made accessible to third parties without authorisation, unless authority has been granted, the information is publicly available or in compliance with an enforceable decision by a public authority or court.

IV. Area of Application, Implementation and Suppliers

1. Area of Application

This compliance guideline applies to all companies in the EJOT Group worldwide.

2. Implementation and Compliance

EJOT shall make this compliance guideline known to all its employees and take suitable steps in order to ensure that it is followed.

3. Suppliers

EJOT shall provide this compliance guideline to its immediate suppliers, promote compliance with the contents by its suppliers to the best of its ability and ask suppliers to ensure compliance. Furthermore, EJOT shall recommend to its immediate suppliers that they in turn recommend for their suppliers to follow a compliance guideline.

4. Consequences of Non-Compliance

Non-compliance may have the following consequences for employees:

- Warning
- Termination
- Third-party claims for compensation
- Monetary penalties
- Imprisonment

Non-compliance may have the following consequences for EJOT:

- Third-party claims for compensation
- Costly court proceedings
- Monetary penalties
- Image impairment

5. Contact Person and Compliance Officer

Do you have questions or concerns?

- Speak to your superior or the responsible specialist department.
- If clarification is not possible, the Compliance Officer is available as your contact person.
- The Compliance Officer may be contacted directly at any time. Confidentiality and anonymity can be assured by request.

If a compliance violation becomes known to you, you are obligated to inform the Compliance Officer promptly.

Contact Chief Compliance Officer:

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