

CODE OF CONDUCT

SUPPLIERS AND
BUSINESS PARTNERS



MARQUARDT

TABLE OF CONTENTS

FOREWORD	3
SCOPE OF APPLICATION	4
CONDUCT REQUIREMENTS AND PRINCIPLES	5
Respect for universal human rights	7
Ensuring equal opportunities and equal treatment	7
Environmental compliance	8
Product conformity and safety	8
Occupational safety, health protection and working hours	9
Minimum wage	9
Avoidance of conflicts of interest	11
Compliance with the prohibition of corruption	11
Dealing with gifts, hospitality and invitations	11
Dealing with public institutions	11
Involvement of business partners with intermediary or representative functions	12
Prohibition of money laundering and financing of terrorist organisations	12
Customs, taxes and export control	13
Ensuring fair and free competition	13
Sensitivity in purchasing and procurement	14
Prohibition of insider trading and treatment of business information	14
Dealing with company assets	14
Information security and intellectual property protection	14
Consideration of data protection	15
Security in the supply chain	15
Employee representation	15
TRAINING AS WELL AS CONTROL AND CHANGE RESERVATION	16
CONSEQUENCES OF VIOLATIONS OF THE MARQUARDT "CODE OF CONDUCT FOR SUPPLIERS AND BUSINESS PARTNERS"	17
HELP AND CONTACT	18

Marquardt is an independent, globally active and family-run company with a long history and different business areas. As a result, Marquardt has a corporate responsibility towards its employees, business partners, society and the environment.¹ In Marquardt's understanding the entire Marquardt Group must comply with applicable laws, respect basic ethical values and act sustainably at all times and in all places.

By participating in various formats (memberships, working groups, etc.) on the subject of compliance and sustainability (corporate responsibility) and by anticipating fundamental principles in the areas of human rights, labor standards, environmental protection and anti-corruption, Marquardt has imposed and committed itself comprehensively to legally compliant behavior by means of binding guidelines and instructions. Always acting responsibly is the highest premise.

In times of increasing risks for companies, for society and for the environment, Marquardt demands this understanding from all its suppliers and business partners. These requirements are substantiated by the following basic principles.

Your management

Riethem-Weilheim / August 2020

¹ | In the following, only the masculine form is used for reasons of better legibility.
| It refers to persons of all genders (m / f / d).

SCOPE OF APPLICATION

Marquardt is a family-owned multinational company that has been successfully asserting itself on the market since 1925.

The sustained success and good reputation of Marquardt is essentially characterized and influenced by the fact that everyone at Marquardt, both the management and all employees, as well as all business partners,² always behave with integrity, transparency and legal creativity. Accordingly, Marquardt and its employees, as well as its business partners and other parties involved, are made aware of the corporate and social responsibility for the economic, ecological and social effects of human activity.

That is why Marquardt's common goal in terms of sustainability and compliance is **to take responsibility for itself and its actions.**

Not least for this reason, Marquardt also expects an identical declaration of responsibility from all its business partners who supply Marquardt with goods, materials or services, as well as from other business partners and their employees, by committing themselves to the basic principles of the "Marquardt Code of Conduct for Suppliers and Business Partners" as set out here.

If the business partners in turn employ third parties, such as subcontractors, within the scope of an extended business and supply relationship with Marquardt, Marquardt expects that the business partners will also ensure in this relationship that these third parties undertake to comply with the requirements of this "Marquardt Code of Conduct for Suppliers and Business Partners" defined below.

² | For the sake of clarity, the term "counterparty" is used consistently in the following.
| This also includes suppliers and customers.

CONDUCT REQUIREMENTS AND PRINCIPLES

SOCIAL RESPONSIBILITY

Marquardt considers social responsibility to be the responsibility for compliance and, in addition, the responsibility for society and the environment as such. In this respect, this results, among other things, in the natural obligation to comply with the respective applicable laws. Consequently, both Marquardt and all its business partners are obliged in their business decisions to comply with the applicable legal system and to act only within its boundaries.

Marquardt expects all business partners to be aware of their social responsibility within the scope of their professional activities, which includes the well-being of people and the protection of our natural resources. In detail, the following principles result.

01

RESPECT FOR UNIVERSAL HUMAN RIGHTS

Business partners of Marquardt must respect, protect and promote the respective applicable and internationally accepted laws and regulations for the protection of human and children's rights as fundamental and universally valid guidelines in all areas in which they can exert influence. In this context, Marquardt's business partners must ensure at all their locations and within their sphere of influence that all forms and uses of child, forced and compulsory labor are excluded and that they are not complicit in human rights violations. In addition, the business partners must observe the standards set out in ILO Conventions 138 and 182 on the legal minimum age for the employment of children. The same applies to human trafficking and all forms and uses of (modern) slavery, involuntary prison labor, debt bondage and other forms of forced labor.

02

ENSURING EQUAL OPPORTUNITIES AND EQUAL TREATMENT

Anti-discrimination in the form of equal opportunities and equal treatment are central elements for fair, unprejudiced and open interaction with people. Business partners of Marquardt must therefore guarantee equal opportunities and demand and promote respectful and peaceful cooperation, diversity and tolerance. Marquardt is convinced that maximum productivity, competitiveness and innovation, creativity and efficiency can be achieved by treating people in the company with respect and without prejudice.

Furthermore, they must respect and uphold neutrality and impartiality with regard to the different gender forms, sexual orientation, religious beliefs, political convictions – provided these are based on tolerance of those who think differently and liberal democratic principles –, world views, ethnic or social origins, skin color, age and any disabilities or illnesses.



03

ENVIRONMENTAL COMPLIANCE

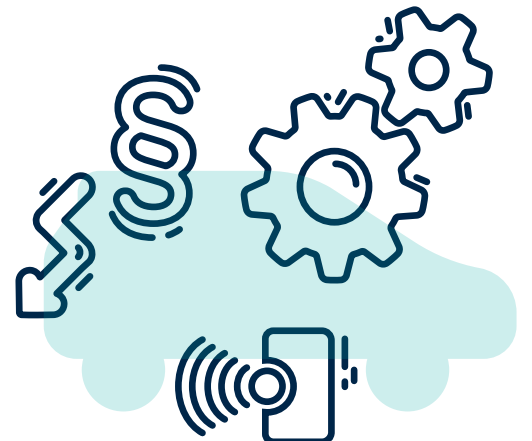
Leadership in innovation and the highest standards of environmental awareness go hand in hand. Marquardt therefore consistently pursues its self-imposed environmental protection goals, which are based on the Marquardt environmental strategy. Marquardt expects its business partners to be an equally responsible member of society, as every business enterprise bears responsibility for the environmental compatibility and sustainability of the products and services it offers in line with its product and service portfolio. Marquardt therefore sees its business partners as having a duty to always use ecologically compatible materials and technologies in accordance with the current state of the art and to minimize environmental pollution in the long term. This includes not least the resource-saving handling of naturally occurring resources. They must therefore ensure compliance with environmental protection laws and recognized environmental regulations and use natural resources sparingly and in an environmentally friendly manner in order to make a sustainable contribution to reducing energy consumption, waste and CO₂ emissions.

Business partners with production sites also maintain appropriate environmental management systems, such as ISO 14001 or the EMAS Regulation of the European Union, or are at least developing in this direction. Ideally, they should also have implemented an energy management system in accordance with the globally applicable ISO 50001 standard.

04

PRODUCT CONFORMITY AND SAFETY

Marquardt is represented with its products on all important markets in the automotive supplier industry as well as in the switch and application area, so that many people worldwide come into contact with Marquardt products every day. Therefore, the risks, disadvantages and hazards resulting from the use of the products for the health and safety of customers and end users as well as the environment as a whole must be avoided as far as possible. Business partners must comply with the standards, legal and official regulations applicable to their products, such as the requirements of REACH and RoHS or the Dodd-Frank Act, as well as product safety standards and the labelling and packaging of products. Furthermore, the business partner has implemented a responsible chemicals management system. Should unforeseen deviations from the required requirements occur, the business partners must immediately initiate suitable countermeasures.



05

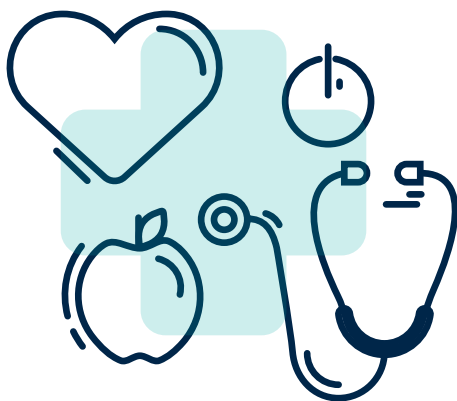
OCCUPATIONAL SAFETY, HEALTH PROTECTION AND WORKING HOURS

On the basis of an appropriate internal health and safety policy, Marquardt's business partners must comply with and ensure compliance with the applicable regulations on health and safety at work for their employees. The health, performance and related personal satisfaction of employees must be continuously maintained and promoted by suppliers and business partners by improving working conditions and processes as well as through a variety of preventive and health promotion measures. In addition, the working time must in any case comply with the respective national legal regulations or permissible minimum standards of the respective national economic sector.

06

MINIMUM WAGE

Marquardt's business partners undertake to ensure that their employees are paid an appropriate remuneration which at least meets the legal requirements. If no statutory or collective bargaining agreements exist, business partners must base the remuneration of their employees on remuneration and benefits that are customary in the location and industry, which will ensure an appropriate standard of living for the employees.



CORPORATE RESPONSIBILITY

The responsibility for compliance and for society also gives rise to corporate responsibility, in which integrity, transparency and fairness are key factors that must be taken into account by all parties involved in day-to-day business. In detail, the following principles result from corporate responsibility.

07

AVOIDANCE OF CONFLICTS OF INTEREST

Conflicts of interest exist when private interests collide or could potentially collide with company interests. If, in this context, personal interests are placed above those of the company with which an employment relationship exists, this can be detrimental to the company. Marquardt expects its business partners to respect and ensure that possible conflicts between personal and business interests are avoided as far as possible. For this reason, the decisions of business partners or their employees must be made exclusively on the basis of objective criteria and free of the influence of personal concerns and relationships.

09

DEALING WITH GIFTS, HOSPITALITY AND INVITATIONS

Business partners do not grant employees of Marquardt, either directly or indirectly, benefits that are outside of an appropriate and appropriate framework and/or that violate legal regulations, also to avoid a conflict of interest. This applies in particular to gifts, hospitality and/or invitations to events. Nor may employees of business partners ask for or accept such inappropriate gifts.

08

COMPLIANCE WITH THE PROHIBITION OF CORRUPTION

Corruption is defined as the misuse of entrusted decision-making power or influence in the public or private sector to obtain a (private) advantage or benefit. Corruption is always a serious offence, in particular because it can lead to decisions being taken for reasons that are inappropriate and align to the interests of the company. Business partners must strictly and unconditionally prohibit corruption, and therefore bribes, kickbacks, improper gifts or other improper payments or benefits are neither granted nor accepted from customers, government officials or other third parties. Contributions to third parties or from third parties outside the legal boundaries may not be tolerated.

10

DEALING WITH PUBLIC INSTITUTIONS

If business partners of Marquardt maintain any business relations with governments, authorities or public institutions, they will strictly comply with all valid, applicable legal requirements in this regard. If they participate in public tenders, the respective legal requirements and the rules of free and fair competition must be observed. If a (potential) business partner is excluded from public tenders, Marquardt must be notified of this before a contract is awarded.

11

INVOLVEMENT OF BUSINESS PARTNERS WITH INTERMEDIARY OR REPRESENTATIVE FUNCTIONS

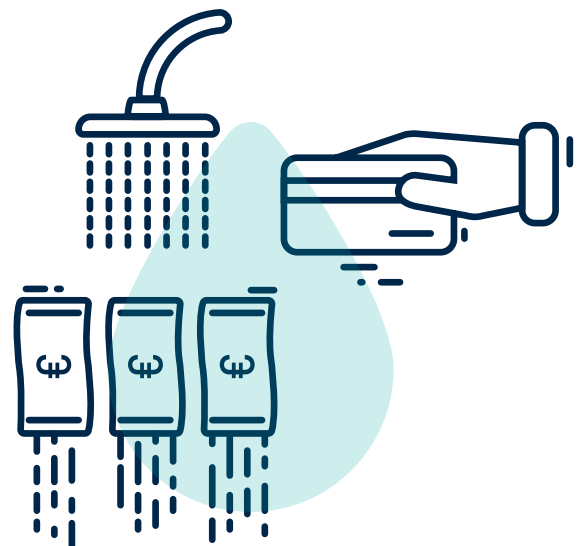
If Marquardt's business partners call in external consultants, in particular those with an intermediary or representative function, to initiate or process a business relationship, the applicable legal regulations must be observed. In particular, the business partners must ensure that the remuneration to be paid to the consultants is not misused as a means of corruption and is only paid for consultancy and brokerage services that have actually and demonstrably been provided. An important characteristic for this is an appropriate relationship between the remuneration to be paid and the performance or work to be performed.

12

PROHIBITION OF MONEY LAUNDERING AND FINANCING OF TERRORIST ORGANIZATIONS

Money laundering occurs when illegally acquired funds or other illegally obtained assets are introduced into the legal economic cycle while concealing their origin. Terrorist financing occurs when financial or other resources are spent and provided to support terrorist organizations, groups or offences.

Therefore, Marquardt's business partners should assign and post both incoming and outgoing payments directly to the corresponding services. Furthermore, they must ensure that no applicable legal provisions against money laundering or terrorist financing are violated and that business relationships are only maintained with (sub-) companies whose reliability and integrity the business partners of Marquardt are convinced of.



13

CUSTOMS, TAXES AND EXPORT CONTROL

Marquardt's business partners who operate globally and maintain cross-border supply and business relationships recognize that cross-border trade in particular is subject to certain restrictions, licensing requirements, prohibitions or other monitoring measures as a result of export controls. In this respect, business partners undertake to comply with all applicable regulations for the import and export of their goods, services and information as well as customs, foreign trade and tax law.

14

ENSURING FAIR AND FREE COMPETITION

Marquardt's business partners unconditionally respect the competition and antitrust laws applicable worldwide to protect fair and free competition. The business partners are aware that cartels and other distortions of competition in a market can cause harm to competitors, suppliers or customers, in particular Marquardt, and above all to end consumers. Therefore, Marquardt's business partners do not enter into any anti-competitive agreements, neither in writing nor verbally, for the benefit of all market participants, or coordinate any other competition-relevant behavior with competitors, suppliers or customers and do not abuse any dominant position that may exist.



15

SENSITIVITY IN PURCHASING AND PROCUREMENT

Marquardt's business partners must always select all of their subcontractors or downstream business partners with whom they maintain business and supply relationships carefully and according to objective, factual criteria and in accordance with the principles of this "Code of Conduct for Suppliers and Business Partners", and must also explain the principles contained in this "Code of Conduct for Suppliers and Business Partners" to them and ensure compliance with them.

16

PROHIBITION OF INSIDER TRADING AND TREATMENT OF BUSINESS INFORMATION

Marquardt's business partners are committed to the prevention of so-called insider trading, which means that internal and mostly non-public information is not used or passed on for the purchase or sale of shares, other securities or financial instruments. Consequently, they undertake to treat (insider) information relevant to the stock exchange price always in accordance with capital market regulations. Business information, such as data and reports on business activities or similar, must always be published truthfully and in accordance with the applicable laws.

17

DEALING WITH COMPANY ASSETS

Tangible and intangible assets of Marquardt must also always be respected by business partners and must not be used for non-business purposes. They must also ensure that their employees and other third parties involved in the business relationship with Marquardt who deal with business assets or other operational resources of Marquardt treat these with care and neither damage nor misuse them, in particular not for private purposes or contrary to the interests of Marquardt.

18

INFORMATION SECURITY AND INTELLECTUAL PROPERTY PROTECTION

Business partners of Marquardt agree to always respect patents, trade and business secrets as well as know-how of Marquardt and/or other third parties and not to publish or pass on such know-how to third parties without the express prior written consent of Marquardt.

CONDUCT REQUIREMENTS AND PRINCIPLES

TRAINING AS WELL AS CONTROL AND CHANGE RESERVATION
CONSEQUENCES OF VIOLATIONS OF THE CODE OF CONDUCT

19

CONSIDERATION OF DATA PROTECTION

To protect privacy, both international and national special legal regulations exist for the handling of personal data and information of employees, customers, suppliers and other affected parties. Marquardt's business partners must comply with these applicable, valid data protection laws. Furthermore, personal data is exclusively used for the intended purpose, in accordance with the principles of data avoidance and data economy and in compliance with the legal regulations.

20

SECURITY IN THE SUPPLY CHAIN

Business partners of Marquardt must ensure that all operating and processing locations where products intended for Marquardt are manufactured, processed, stored and/or loaded or where services are provided for Marquardt are protected against unauthorized access by third parties within the framework of an integrated, reliable and secure supply chain. This applies in particular with regard to standards in IT and data security.

21

EMPLOYEE REPRESENTATION

All of Marquardt's business partners are openly committed to cooperate with trade unions and employee representatives in a trustworthy, interest-based and transparent manner. They respect the fundamental right of all employees to participate in such associations or even to form such associations. If this right is revoked or restricted by local laws, legal alternatives to employee representation should be supported.



TRAINING AS WELL AS CONTROL AND CHANGE RESERVATION

In order to ensure the implementation of the basic principles and compliance with this “Code of Conduct for Suppliers and Business Partners”, business partners are required to provide their employees with appropriate verifiable and continuous training.

Marquardt reserves the right, in justified individual cases, to have the compliance of business partners with the basic principles laid down in this “Code of Conduct for Suppliers and Business Partners” checked by experts and/or itself on site. Counterparty representatives may be present at any time during such a review. Also, such an inspection will only take place after prior notice and during regular business hours and in compliance with the applicable law, in particular in accordance with the laws on business secrets and data protection. In any case, however, Marquardt reserves the right to request compliance with the basic principles of this

“Code of Conduct for Suppliers and Business Partners” by means of a self-assessment form (also by commissioned third parties, such as EcoVadis or NQC) or to have this confirmed by the business partner.

References to the validity of legal regulations have only clarifying meaning. Even without such a clarification, the statutory provisions shall therefore apply, unless they are directly amended or expressly excluded in this “Code of Conduct for Suppliers and Business Partners”.

Marquardt is entitled to amend this “Code of Conduct for Suppliers and Business Partners” at any time and without giving reasons. The business partners will be informed about future changes in individual cases directly and/or by electronic message.

CONSEQUENCES OF VIOLATIONS

OF THE MARQUARDT “CODE OF CONDUCT FOR SUPPLIERS AND BUSINESS PARTNERS”

In some cases, Marquardt is also obligated to its business partners to comply with the same basic principles as set out in this “Marquardt Code of Conduct for Suppliers and Business Partners” and to pass these on along the supply chain and to ensure compliance with them.

As a result, it is at Marquardt’s sole discretion to terminate the business or supply relationship with a business partner by extraordinary termination if such a business or supply relationship should violate the basic principles set out above. Notwithstanding the foregoing, Marquardt reserves the right to take alternative measures if and to the extent that the business partner concerned can plausibly prove that it has immediately remedied the violation in order to avert the aforementioned consequences and has implemented suitable countermeasures to avoid future violations.

HELP AND CONTACT

Should questions arise regarding this “Marquardt Code of Conduct for Suppliers and Business Partners” or should further information be required, a written request can be sent at any time to compliance@marquardt.com.

E-MAIL compliance@marquardt.com