

Code of Conduct
for
Suppliers and service Providers
of the
BHTC - Group

Table of Contents

Introduction from the Business and Purchasing Management	2
1. Working Conditions	3
1.1. Free Choice of Employment.....	3
1.2. No Child Labour.....	3
1.3. Working Hours.....	3
1.4. Wages and Employee Benefits	3
1.5. Human Treatment.....	3
1.6. Prohibition of Discrimination	3
1.7. Freedom of Association.....	4
2. Health and Safety	4
2.1. Health and Safety at the Workplace.....	4
2.2. Emergency Preparedness.....	4
3. Environment	4
3.1. Environmental Protection.....	4
3.2. Hazardous Substances	4
3.3. Restrictions regarding Substances in Products	4
4. Business Ethics	5
4.1. Law-Binding Behavior	5
4.2. Integrity.....	5
4.3. Prohibition of Improper Advantages	5
4.4. Fair Competiton (Antitrust Law)	5
4.5. Avoiding Conflicts of Interests	5
4.6. Protection of Confidential Information, Data Protection.....	5
4.7. Export / Import Legislation	5
4.8. Disclosure of Information	5
4.9. Intellectual Property.....	6
4.10. Responsible Procurement of Raw Materials.....	6
Declaration of the Business Partner.....	7

Introduction from the Business and Purchasing Management

As an internationally operating automotive supplier of high-tech products, it is our duty to ensure that we provide services of the highest level in every respect.

Basis of the cooperation with our suppliers and service providers ("**Business Partners**") is the common understanding that products and services of the group companies of BHTC (hereinafter also "**BHTC**") are created in a value chain that fully meets international standards. The fulfillment of the corresponding social and ecological standards by our Business Partners is the basis for the fact that we are able to meet the daily challenges we face in a sustainable and responsible way for the benefit of our company and our customers.

For this reason, we summarized our expectations towards Business Partners with regard to working conditions, health, safety, environment and business ethics in this Code of Conduct for Suppliers and Service Providers ("**Code of Conduct**"). The fulfillment of the principles set out therein is an integral part of supplier selection and supplier evaluation at BHTC. BHTC reserves the right to terminate business relationships with Business Partners, provided that they do not comply with the principles defined in this Code of Conduct.

This Code of Conduct is based on the principles of the "United Nations Global Compact" and the standards of conduct set out in the conventions of the International Labor Organization (ILO), the Code of Conduct of the Electronics Industry (EICC), and the Guiding Principles of the European Automotive Working Group on Supply Chain Sustainability and AIAG (Automotive Industry Action Group). In the event that agreed provisions or applicable legislation provide for more extensive regulations, these shall prevail.

This Code of Conduct applies worldwide to all Business Partners of BHTC. By signing or including this document in the business relationship, the Business Partners undertakes to act responsibly and adhere to the principles set out therein. In addition, our Business Partners are expected to ensure that their suppliers and service providers also orientate themselves on the principles of this Code of Conduct and comply with the underlying standards.

Lippstadt, April 2017

For the Behr-Hella Thermocontrol GmbH


Thomas Schulte
CEO

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Peter Schmidt
Director Purchasing

1. Working Conditions

The Business Partner agrees to safeguard the human rights of its employees and to treat them with dignity and respect. This refers to all employees including part-time and temporary workers, student interns, full-time employees and any other form of manpower.

1.1. Free Choice of Employment

There shall be no forced labor, slave labor or any other comparable form of labor. All labor must be voluntary and employees must be free to end their labor or their employment relationship at any time.

1.2. No Child Labour

The employment of children is prohibited. Those below 15 years of age (depending on national law below 14 years of age), children of school age or those that have not yet reached the minimum age for employment in the respective country shall not be employed. Employees under 18 years of age shall not perform work that could endanger their health or safety. Insofar as there is the possibility of a corresponding risk, there shall be special measures put in place to protect these children /young persons.

1.3. Working Hours

The weekly hours of work shall not exceed the respective statutory maximum. The weekly hours of work including overtime should not exceed 60 hours. Emergencies and extraordinary circumstances constitute an exception. Each employee shall be entitled to at least one day off after working for six consecutive working days.

1.4. Wages and Employee Benefits

Alongside economic circumstances, the requirements for business development and productivity, the remuneration paid to employees (employees and their family members) shall accord with all applicable national laws on remuneration, which includes laws on the minimum wage, overtime and statutory welfare benefits. Such remuneration shall furthermore enable the employees to participate in social cultural and political life.

1.5. Human Treatment

Employees shall not be subjected to disproportionate stringency or treated in an inhumane manner. This includes sexual harassment, sexual abuse, physical reprimand and physical and mental abuse. It also applies to the threat of such treatment.

1.6. Prohibition of Discrimination

The Business Partner agrees not to tolerate any unlawful harassment or discrimination within its workforce. The Business Partner's recruitment and employment practices, such as for advancement and remuneration or access to training opportunities, shall not discriminate against employees on the basis of race, ethnic origin, skin color, nationality, age, appearance, gender, sexual identity, ethnic background, disability, pregnancy, religious or political conviction, trades union membership or family status.

1.7. Freedom of Association

In line with the relevant national legislation, the Business Partner grants employees the right to form and join associations and to safeguard their interests.

2. Health and Safety

The Business Partner acknowledges that a safe and healthy work environment contributes to improvement in the quality of goods and services and to motivation of the workforce.

2.1. Health and Safety at the Workplace

The Business Partner shall ensure that it has organization systems, processes and/or measures in place in order to comply with national health and safety legislation.

The Business Partner shall identify, assess and take measures to eliminate potential safety risks. The employees shall be informed of potential safety risks and instructed on proper, safe behavior and the corresponding safety measures to be implemented. Should such measures not afford adequate hazard management, the employees shall be provided with suitable personal protective equipment.

2.2. Emergency Preparedness

Potential emergency situations and events shall be identified and evaluated. Their impact shall be minimized by implementing emergency plans and reporting procedures.

3. Environment

The Business Partner acknowledges that environmental responsibility is an integral part of product manufacture. Production processes shall be designed to prevent negative impacts on the environment and natural resources shall be conserved.

3.1. Environmental Protection

The Business Partner confirms that it has implemented systems, processes and/or measures and has obtained the necessary approvals in order to comply with statutory national environmental regulations. The employees shall be instructed on how to avoid environmental risks.

3.2. Hazardous Substances

Chemicals and other materials, that pose a hazard to the environment if released, shall be identified and managed in such a way that ensures their safe handling, transport, storage, use and recycling or disposal.

3.3. Restrictions regarding Substances in Products

The Business Partner shall abide by all applicable national laws and regulations and customer specifications regarding the prohibition or restriction of specific substances. This includes mandatory labeling for recycling and disposal.

4. Business Ethics

The Business Partner and its representatives shall uphold high ethical standards in order to fulfil their social responsibilities and be regarded as successful in the market. The following principles shall apply:

4.1. Law-Binding Behavior

The Business Partner agrees to comply with all applicable national laws and other regulations in the context of its business operations at any time.

4.2. Integrity

All business interactions shall be governed by high standards of integrity. The Business Partner shall not have any tolerance towards bribery, corruption, extortion, fraud and embezzlement and shall prohibit them in any form. All business processes must be transparent and properly reflected on Business Partners' business records.

4.3. Prohibition of Improper Advantages

Bribes or other means of obtaining an illegal or improper advantage shall not be offered, accepted as a promise or received. Procedures shall be put in place to monitor and implement these requirements in order to ensure adequate compliance with anti-corruption laws.

4.4. Fair Competition (Antitrust Law)

The Business Partner shall respect fair competition and conduct every business activity in compliance with the applicable antitrust legislation and provisions.

4.5. Avoiding Conflicts of Interests

Decisions shall only be taken on the basis of objective, business-related considerations and not influenced by personal interests.

4.6. Protection of Confidential Information, Data Protection

Business secrets and personal information shall only be used to the extent to which they are necessary and permitted and they shall be protected appropriately. The applicable laws on data protection and information security as well as corresponding official regulations must be observed.

4.7. Export / Import Legislation

Applicable legislation and regulations relating to export and import control as well as customs shall be adhered to.

4.8. Disclosure of Information

Information on the company's business activities, structure, financial situation and performance shall be disclosed in accordance with the applicable provisions and usual business practices in the sector. The falsification of records and misrepresentation of conditions and practices in the supply chain are not acceptable..

4.9. Intellectual Property

Intellectual property rights shall be respected; transfer of technology and knowhow must be done in a manner that protects intellectual property rights.

4.10. Responsible Procurement of Raw Materials

The Business Partner shall adopt appropriate measures which ensure to the best of its knowledge and belief that raw materials used in the manufacture of its products (e.g. tantalum, tin, tungsten, gold, etc.) do not directly or indirectly serve as means to finance or support armed groups that commit serious human rights violations. The Business Partner shall exercise due diligence with respect to the origin and chain of custody of such minerals and shall disclose these precautionary measures to BHTC upon request.

