

Code of Conduct



Why do we need a Code of Conduct?

Dear Employees:

Dedicated, motivated, loyal employees with integrity are a company's most valuable asset. Without these positive qualities there is no innovation, no creative solutions, no success with customers, and ultimately no success for the company!

For us to continue our successful forward momentum we need the dedication and commitment of all employees. Equally important as motivation, a positive attitude, and corporate thinking, however, is proper conduct in daily interactions with our customers, our business partners, and our colleagues in the workplace. Experience shows that anyone who behaves inappropriately or outside of the defined norms, whether in personal life or in the name of the company, can inflict damage on the team, the business unit or even the entire Conzzeta Group. This is so even if done in good faith.

To protect our employees and the interests of the company, Conzzeta has developed a Code of Conduct which applies across the entire Conzzeta Group. This "Code of Conduct" provides binding definitions of our fundamental rules of business behavior. It likewise describes how the company and its employees are to properly conduct themselves with respect to customers, suppliers, investors, fellow employees, and even with respect to society and the state.

What does this mean specifically for our behavior in the marketplace?

There are clear consequences for Conzzeta, the business units and the Group companies that can be derived from this “Code of Conduct,” as illustrated by the following examples:

- We strive for advantages in the marketplace or for market leadership in defined segments of the market, but not with bribery, market manipulations, or unfair business practices.
- We strive for cost leadership, but not to the detriment of the environment, human health or safety.
- We strive tirelessly for innovation, but not with careless compromises in terms of quality or by infringing on patents.
- We strive to increase the value of our company and the well-being of our shareholders and employees, but not through the exploitation of insider information, through taking unfair advantage of weaknesses, or with compromises to the detriment of the environment.
- We know that the same laws and regulations do not apply in all parts of this world. We conduct ourselves properly in less developed countries, seeking to set an example and to be a “good citizen.” In doing this, we desire to interpret the regional and local laws to the benefit of the weak and the environment and thereby support positive developments in these countries.

Anyone who is uncertain in the assessment of his or her behavior can pose the following question to him or herself:

“Would I do this action, even if it were to be disclosed in the media the next morning?”

The Group Executive Committee is counting on your willingness, and desire, to critically examine your own behavior again and again in reference to this Code of Conduct. Anyone who is uncertain in the assessment of his or her behavior can pose the following question to him or herself: "Would I do this action, even if it were to be disclosed in the media the next morning?"

In case of uncertainty in making a decision or suspicion of possible misconduct after making a decision, you must consult with your supervisor or other competent person in your company. The Compliance Officer of your business unit and the Group General Counsel will also support you if you have questions or uncertainties. Make use of these opportunities! Silence and doing nothing are always bad alternatives and are not in the company's interests.

We thank you for your attentive review of the Conzzeta Code of Conduct and your consistent implementation of it in your professional life.

Zurich, January 1, 2016



Michael Willome
Group CEO



Ernst Bärtschi
Chairman of the Board of Directors



Code of Conduct of Conzzeta Group

Introduction

Conzzeta and its business units will be successful over the long term if they adhere to basic values and trustworthy behavior. All of our partners, whether they be employees, customers, suppliers, creditors and others must be able to rely on our fair and lawful behavior. For that reason, definitive business rules are set forth herein which are binding across the entire Conzzeta Group.

The competent bodies within the Group companies shall enact this Code of Conduct, giving due consideration to local laws. It shall be distributed to all employees in a supervisory function and made known to all remaining employees in a suitable, binding form.

All executives shall provide a good example by going forward with implementation and maintenance of the Code of Conduct. In their conduct, the employees shall be guided by their judgment in the context of the law, business objectives, and decency.



1. Complying with Commitments

We keep our obligations and commitments to all of our counterparts and we promise nothing with which we do not intend to comply. Our word is our bond. Should the fulfillment of an obligation or commitment not be possible, we will approach the affected party openly and of our own accord, seeking a solution that is satisfactory to all parties.

2. Compliance with Laws and Regulations

We comply with laws, regulations and other binding norms without reservation. In borderline cases, we cease an activity or decline a transaction. All employees, and especially supervisors, are required to educate themselves about the laws and regulations within their sphere of activity. Following, some particularly sensitive areas are listed:

Environment, Safety and Health

We observe the legal regulations and technical norms in the areas of environment, safety and health. When carrying out our business activities we seek to preserve natural resources and the environment. In their activities, our employees must take the necessary precautions in order to protect the environment.

All of us are responsible for guaranteeing safety, health and personal integrity in the workplace by adhering to health and safety regulations and practices. All employees must strictly observe applicable legal regulations and internal regulations and ensure that the health of the employees, the customers, their employees and the public at large is not endangered. Employees who observe noncompliance with safety provisions, improper handling of hazardous materials or any other endangerment of health or workplace safety are required to inform their supervisors and, if necessary, the workplace safety officer.

Group companies demand compliances with these safety, health and ethical standards from their suppliers, as well. As part of their activities, they make sure that the suppliers properly comply with employment and workplace conditions.



Fair Competition and Antitrust

We treat our contract partners, and above all our customers and suppliers, fairly. No employee shall gain for himself or herself, or for the company, any undue competitive advantage by means of manipulation, deception, misuse of entrusted confidential information or by means of any other unfair conduct.

Agreements in restraint of trade can lead to large fines, demands for compensation of damages by the injured party (e.g. the customer) and, in certain countries, to criminal prosecution of the persons responsible. Group companies and their employees shall comply with the respectively applicable national and international antitrust and competition laws. Agreements with competitors on prices or other business conditions, the limitation of production, delivery or purchase amounts or the allocation of customers or markets must be particularly avoided. The mere exchange of confidential information between competitors is likewise forbidden. In cooperating with distributors or dealers, agreements with respect to resale prices or other conditions of sale to be applied by them are not permitted. Furthermore, exclusive contracts and distribution, development or licensing contracts with clauses that restrict competition shall be concluded only after prior legal consultation.

Finance and Accounting

Conzzeta, its business units and the Group companies observe the legal regulations and internal instructions with respect to accounting, finance planning, financial auditing and reporting consistently and at all times. All information necessary for financial management shall be properly recorded, prepared and archived. In particular, no funds or other items of property may be accepted or used which are not properly recorded on the books of the relevant Group company and in compliance with local laws. The use of company funds or other items of property belonging to the company for private purposes shall not be permitted.

Taxes and Fees

All applicable laws governing taxes and fees in the respective countries must be observed. Group companies may in no way provide assistance to their employees or their business partners to evade taxes.

Group companies shall pay all social security contributions and taxes prescribed by law and/or agreed to under employment contracts in accordance with local laws. Evasion of these provisions by means of the classification of employees as independent contractors, agents or “freelancers”, when this does not reflect the true state of affairs, is forbidden.



Export Control Regulations and Trade Restrictions

Compliance with the export control regulations to be observed for certain products and countries is mandatory. If there is doubt as to whether or not a product, software or a technology is subject to export control, contact must be made with the competent authorities in the exporting country. The sales companies within the business units are obliged to carefully produce the documents associated with an application for export license, and to obtain and declare the necessary information completely.

The export of goods, technologies, software or services which are not normally subject to export controls may be restricted or completely prohibited with respect to specific countries or to specific persons (so-called embargoes) based on United Nations or European Union sanctions or national sanctions (e.g., by China, the USA or Switzerland). Embargoes must be complied with without limitation. If in doubt, contact the Group General Counsel.

Insider Trading and Public Disclosures

Employees may not use confidential information, the disclosure of which could significantly influence the price of Conzzeta shares (share-price relevance) to buy or sell Conzzeta shares or financial instruments, or disclose the same to third parties, before such information is disclosed to the general public. This shall apply as well to the shares of third-party publicly-traded companies with which Conzzeta or a business unit is involved in important negotiations. The members of the Board of Directors of Conzzeta AG, the employees of Conzzeta Management AG and other selected persons are subject to additional trading restrictions.

The public disclosure of financial figures, financial results and other significant business information shall take place exclusively through the Group CEO, the Group CFO or the Head of Investor Relations in accordance with the applicable rules of the stock exchange. All inquiries in this regard by the media, financial analysts, proxy advisors and the like shall be forwarded to the Head of Investor Relations.



Bribery and Corruption

We refrain from every form of bribery and conduct our business in a fair manner. In this, we rely on the quality of our products and services and the technical knowledge and consulting expertise of our employees. No public official, officer or employee of a government agency or of a public or private company may – whether directly or through third parties, e.g. agents or advisors – be offered any advantage to induce him or her into a wrongful or illegal transaction.

Employees who are offered the prospect of personal advantage by suppliers, agents or advisors in exchange for concluding a transaction are required to decline the offer and to inform their supervisor.

Data Protection and Protection of Privacy

Group companies protect personally-identifiable data and the privacy of employees. Compliance with the data protection laws applicable in individual countries (protection of personally-identifiable data) shall be mandatory. This likewise applies to data belonging to customers, suppliers or other contract partners which are disclosed as part of the business relationship.

3. Intellectual Property and Trade Secrets

Intellectual Property

We respect the rights of third parties to their intellectual property and simultaneously strive to protect our rights to our own ideas and work products. Patents, designs, copyright and trademarks confer a competitive advantage on the business units over competitors and are accordingly protected and defended against infringement by third parties.

Group companies ensure that all of their work products and the intellectual property associated therewith (e.g. copyright, trademarks and patent rights) belong to the employer unless required otherwise under mandatory statutory provisions.

Trade Secrets

In addition to the ideas and work products protected by intellectual property rights, the business units and Group companies possess a great deal of confidential information and know how such as research and development data, construction plans, technical drawings, calculations, price lists, customer lists, formulations, production methods, software source codes, business plans and strategies. These items of information



are the property of the company. They must be protected from unauthorized access, treated as confidential and may not be used for private purposes. Disclosure to third parties is permitted only as part of business transactions authorized by the management of the affected Group company and must be protected through the conclusion of nondisclosure agreements.

The obligation to treat trade secrets as confidential shall continue to exist even after termination of the employment relationship.

The Group companies shall take measures against the unauthorized disclosure and misuse of trade secrets.

4. Business-Relevant Records

Creation of Business-Relevant Records

All company records, especially such as obligate the company, shall be produced with care and must correspond to the truth. Misleading, harmful or unprofessional statements are not permitted.

With the exception of insignificant daily business transactions, declarations which bind the company shall be signed or approved when using an ERP system by two persons authorized to do so (the four eyes principle). The four eyes principle must also be observed when making payments. When using electronic communication means such as email, the four eyes principle must be taken into account in other ways, to be established by the Group companies.

Records Management

All business-relevant records (company books, accounting records, business correspondence including emails, development and quality assurance materials, contracts, personnel files, etc.) must be preserved in accordance with internal guidelines and the legal provisions applicable in the individual countries.



5. Personal Conduct

Cooperation

Success comes about through cooperation. We are committed to offering a working environment marked by equality of opportunity and which is free from discrimination and harassment. Therefore, we expect loyal and appropriate conduct from all employees toward the firm, coworkers, business partners and their employees. Pejorative, malicious or intimidating conduct, disparaging remarks regarding coworkers based on their ethnicity, race, religion or sexual orientation, sexually harassing conduct, discrimination, and all other invasions of privacy will not be tolerated. Supervisors who observe such conduct are required to intervene against it.

Gifts and Invitations

We conduct our business with integrity and transparency and not on the basis of preferential treatment that we have obtained for ourselves by means of personal benefits. Therefore, the offering or acceptance of sums of money, monetary benefits or items of value in dealings with public officials or customers, suppliers or other business partners is prohibited. Only the acceptance or giving of occasional gifts of minimal value (promotional gifts, small tokens) is permitted. In terms of invitations to business events it must be noted that they must be within reasonable bounds, that is, proportional to the occasion and not connected with more extensive private invitations or travel. This applies both when we are the host as well as when our employees are invited, e.g. by suppliers.

Personal Advantages and Conflicts of Interest

One's position in the company or the property of the company (company funds, assets and resources) may not be exploited for personal enrichment or for the enrichment of third parties under any circumstances.

Business decisions and actions in the name of the company must be oriented toward the interests of the company only and may not be motivated by personal interests or relationships. Conflicts of interest which may arise through the intersection of tasks and responsibilities within the company and the private sphere or through close relationships with customers, suppliers or other contract partners or their employees, must be disclosed.



Best choice

Bystronic

6. Questions Concerning this Code of Conduct

We maintain a culture of openness and transparency across the entire Group. With certain issues treated in this Code of Conduct, it is easy to distinguish correct from incorrect or right from wrong and to act accordingly. In our day-to-day business, however, we are also confronted with questions and fact patterns in which the legally correct or appropriate conduct is not always obvious from a business ethics point of view. In addition, this Code of Conduct cannot cover all questions that could arise in daily business operations. If it is unclear how to proceed in a specific case, the topic should be openly discussed so that a broadly-supported solution may be sought and damage to the company be averted.

For uncertainties or doubts about the correct way to proceed, employees should turn to their supervisor or, when he or she is not the appropriate contact person for that, then to the competent department head in their organization or the managing director. The Compliance Officer of the business unit or the Group General Counsel are also available to answer questions in connection with this Code of Conduct and its implementation.

7. Sanctions

Disciplinary or other measures may be taken against employees who violate this Code of Conduct. These may include termination of employment.



8. Reporting Violations

All employees are entitled and encouraged to turn to their supervisors, without necessarily having to reveal their names, whenever they feel themselves wrongfully treated or if they observe, or strongly suspect, a violation of this Code of Conduct. If the supervisor is not the appropriate person, e.g. because he himself (or she herself) has violated the principles of this Code of Conduct, the next-higher supervisor or, depending on the topic, the appropriate department head or the managing director, should be informed. Reports may also be directed toward the Compliance Officer of the business unit at

compliance@bystronic.com or +41 (0)62 956 33 33
compliance@mammut.ch or +41 (0)62 769 81 81
compliance@foampartner.com or +41 (0)55 253 63 63
compliance@schmid-rhyner.ch or +41 (0)44 712 64 00
compliance@bystronic-glass.com or +49 (0)7234 60 10

or to the Group General Counsel (generalcounsel@conzzeta.ch or +41 (0)44 468 24 44).

Reports can also be made to the law firm of Baker & McKenzie via the email address conzzeta.compliance@bakermckenzie.com. Reports will be forwarded anonymously, i.e. without naming the sender, to the Compliance Officer of the relevant business unit or, if necessary, to the General Counsel. The person reporting must, however, be aware that resolution of anonymously-reported fact patterns may be difficult.

Reports will be treated confidentially unless this makes resolution of the reported incident impossible. Reports made in good faith concerning incorrect behavior will not lead to disadvantages in employment. The intentional abuse of the reporting system or the untruthful denouncement of other persons will not be tolerated and will result in disciplinary and other measures, as necessary.

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