

CODE OF CONDUCT

**GSR Ventiltechnik
GmbH & Co. KG**

PREAMBLE

We are very mindful of our role as a responsibly active member of society and of our responsibility to customers, business partners, shareholders, and employees. We take these responsibilities very seriously. We are therefore committed to the principles of conduct that such an awareness compels us to embrace. These principles form the basis for our entrepreneurial activities and social conduct.

Our company's management and employees are guided in their actions by the principles of personal responsibility, honesty, loyalty, and respect for the environment and their fellow human beings. The management bears a special responsibility for ensuring that these principles are upheld.

Our employees and management are united in a shared striving for entrepreneurial success. In keeping with the principles appropriate to a medium-size company, the aim of our activities is to generate a return that is sustainable and reflective of our entrepreneurial potential. We wish to maintain the strengths and competitive advantages we have worked to achieve over the years and to gauge our standards of quality and performance by the best possible results at all times.

In our pursuit of a successful future for our company, we base our expectations on

- a management that acts responsibly and in an exemplary fashion
- the skills, energy, and hard work of our employees
- reliable social and political conditions
- and the opportunities afforded by scientific and technological progress.

This Code of Conduct is intended to encourage all members of our company to act responsibly and to take responsibility for their own actions. The purpose of the statements that follow is to provide them with guidance to that end.

SCOPE OF APPLICATION AND PRINCIPLES

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The Code of Conduct applies to our company as a whole and to all of its parts. Foreign subsidiaries may allow for differences in national practices when implementing the Code of Conduct if doing so is not to the detriment of our company's fundamental principles.

Through its conduct, our company seeks a broader dissemination of the principles embodied in the Code of Conduct. Companies that maintain business relations with our company are therefore encouraged to adhere voluntarily to the rules of our Code of Conduct.

The Code of Conduct provides the basis for other company rules, which may allow for the distinctive characteristics of various industries or countries as long as they conform to the principles set forth herein. It applies both to the company's internal affairs and to all areas in which employees are perceived as its representatives.

Our senior management and other executives are expected to set an example by their observance of the Code of Conduct. They are required to ensure compliance with the Code of Conduct in their areas of authority. Violations of the Code of Conduct will not be tolerated. The conduct of senior management personnel and other executives is subject to particularly strict standards of assessment.

LAWFUL CONDUCT

GENERAL PRINCIPLES

Our actions are governed by integrity. Observance of law and statute is a prime imperative for our company. Every employee is required to comply with the provisions of law that bear upon his or her activities. And this applies to any legal system under which he or she may happen to work.

It is the responsibility of each and every employee to know which provisions of law are applicable to his or her activities. For its part, our company will do everything necessary to inform employees of the applicable laws and regulations and will instruct employees on what they must do to comply with them.

The parameters of our entrepreneurial activities are defined not only by international or national law, but also by a large number of societal, cultural, and social norms. Our company includes consideration of these often unwritten rules in its decision-making and deliberative processes, and it endeavors to operate in harmony with them.

CORPORATE INFORMATION

Developments within our company are in certain ways matters of public interest. Our employees, too, have a stake in the fundamental direction and performance of our company. We therefore make information available to internal and external target groups for a variety of reasons. As a company, we make every effort to respond appropriately at all times to the various demands for information.

Our company is committed to accurate and truthful reporting to, in particular,

- the company's governing bodies
- its employees
- its business partners
- and the public.

EXTERNAL RELATIONS

GENERAL PRINCIPLES

Our company conducts its business by means that are legally and ethically beyond reproach. The management of our company expects the same of each of its employees. The principle of legally and ethically irreproachable conduct is one that the company insists its business partners, suppliers, and customers uphold as well.

The company's interests and the private interests of its employees must be kept strictly separated. A conflict of interest occurs when private interests clash in some way with the interests of the company, even if it is only the appearance of such a conflict that is created.

GIFTS

Monetary gifts may be neither requested or accepted from nor offered or granted to third parties. This rule applies without exception, and to office holders in particular, including those in foreign countries or international organizations.

Other types of gifts from suppliers, customers, or other business partners may not be requested. Such gifts – whether in the form of occasional gifts, hospitality, or other perquisites – may be accepted only when they are consistent with generally customary business practices and cannot influence business decisions. Gifts of this kind may be granted only as a customary recognition of business partner loyalty, and only if they cannot be perceived as an improper attempt to exert influence.

CONDUCT TOWARDS CUSTOMERS

Our company offers its customers a broad range of products and services. Its guiding purpose is to fulfill the customer's needs with suitable and efficient solutions. This includes continual review of our portfolio of services and proactive adaptation of those services to new market requirements. Our company endeavors to ensure that all customers are treated fairly.

CONDUCT TOWARDS OUR OWNERS

Our company regards its capital as the prerequisite and fundamental basis for its entrepreneurial activities. Therefore, upholding our corporate values and achieving a market-rate return on investment are, along with transparency and responsibility towards our owners, key objectives of our company.

CONDUCT TOWARDS SUPPLIERS

In our relations with suppliers, we are careful to ensure compliance with the rules of our Code of Conduct. We do not engage in business relations with suppliers who are publicly known to engage in conduct contrary to the fundamental principles of our Code of Conduct.

CONDUCT TOWARDS CONSULTANTS

We enter into consulting contracts only with individuals or companies which by virtue of their qualifications are demonstrably able to contribute to the development of our company. The amount by which a consultant is compensated must bear a reasonable relation to the value of the services performed and the personal qualifications of the consultant.

In many countries, the use of intermediaries, agents, or consultants (collectively referred to below as "intermediaries") is an essential and indispensable means for a successful market launch. On the other hand, such third parties can be used also as a means to disguise illegal payments and circumvent prohibitions against corruption.

The mere impression of impropriety must be avoided whenever contracts are made with intermediaries. The following principles must be observed when selecting or engaging intermediaries:

- Consulting contracts are made only with individuals or companies which by virtue of their qualifications are demonstrably able to contribute to the development of concrete projects.
- Consulting contracts must be in writing and describe the agreed services in detail.
- The amount of compensation must bear a reasonable relation to the value of the service.
- Payments to intermediaries must be made by non-cash means and, as a rule, only after the agreed services (or parts thereof) have been performed.

CONDUCT TOWARDS THE PUBLIC

All communications from our company must be complete, objective, accurate in content, understandable, and timely. Our company respects the professional independence of journalists and media. We therefore do not pay for editorial articles. Only authorized individuals are permitted to disclose to the public, the media, or other third parties information that concerns our company or any of its existing subsidiaries.

POLITICAL CONDUCT

Our company maintains a position of political neutrality and makes no donations to political parties or to organizations or foundations that have close ties to political parties. We do not employ anyone who holds public office or occupies a legislative seat as his or her main occupation. We also do not enter into consulting contracts or similar remunerative agreements with members of this group of people.

Nevertheless, our company expressly recognizes that it bears a shared responsibility for furthering public welfare. We therefore welcome the involvement of our employees in civic life and in democratic political or societal causes – particularly those of a charitable or social nature. Employees who become involved in this realm act as private persons. Our company pursues no societal interests through the involvement of its employees in such activities.

COMMITMENT TO SOCIAL RESPONSIBILITY

A sense of responsibility towards society and the environment is a significant factor in the sustainable success of our company. With its products and services, through its investments, and in its capacity as an employer, our company plays a structurally and macroeconomically vital role. It operates with full awareness of its responsibilities on international, national, regional, and local levels and as an organic part of the associated communities.

Our company is cognizant of its special responsibility as an agent of social development, especially at the regional and local levels – be it through providing training opportunities in excess of its own needs, by launching initiatives, particularly in the social, ecological, or cultural domains, through the voluntary involvement of our employees, or through other suitable measures. With this in mind, our company welcomes the commitment of its employees to social causes as long as it appears reasonable under the given circumstances and there is no possibility of conflict with the company's own interests.

SPONSORSHIPS AND INITIATIVES TO PROMOTE THE GENERAL WELFARE

Our company regards sponsorships and initiatives to develop regions and local communities as important instruments by which to exercise social responsibility. These are in essence programs of material and financial support for general welfare causes that are fundamentally aimed at the public at large. Sponsorships must not be associated with any expectation of counterperformance.

INTERNAL RELATIONS

WORKPLACE SAFETY AND HEALTH PROTECTION

Our company is working continually to improve workplace safety and to protect the health of its employees. Each employee bears joint responsibility for protecting people and the environment in the workplace. All appropriate laws and regulations must be complied with. Every executive is obligated to instruct and support his or her employees in the exercise of this responsibility. In case of violations or accidents, the responsible authorities must be notified immediately.

EQUALITY OF OPPORTUNITY AND MUTUAL RESPECT

We respect the dignity and individuality of each employee. Personal interactions take place in an atmosphere of mutual respect, fairness, team spirit, professionalism, and openness. Executives lead by example and, in conflict situations especially, prove themselves to be competent intermediaries.

We promote equality of opportunity and diversity within the company. We regard both as indispensable prerequisites for an excellent reputation and entrepreneurial success. No employee or job applicant may be discriminated against on the basis of his or her sex, race, nationality, age, religion, sexual orientation, or disability. Decisions concerning the selection, training, or promotion of employees are made exclusively according to job-related criteria.

Outstanding performance is the prerequisite for entrepreneurial success. For this reason we promote within the company those persons of talent who have both the professional expertise and the social skills it takes to make a contribution to the sustainable success of our company.

We offer our employees opportunities for further professional and personal development and encourage them to take advantage of such opportunities.

We endeavor to help our employees achieve a healthy balance between entrepreneurial concerns and their private lives. Particular emphasis is placed on the compatibility of career and family life.

SIGNIFICANT FINANCIAL INTERESTS

A significant financial interest is defined as any equity interest greater than 1% in a company. The management of our company must be informed immediately of any significant equity interest held by an employee in a competitor, customer, or supplier of our company or in any other company with which the employee is in contact for purposes of his or her work for our company.

PARALLEL WORK FOR COMPETITORS AND SECONDARY EMPLOYMENT

Members of our company are prohibited from working directly or indirectly for a company that competes directly or indirectly with our company. In exceptional cases, the competent supervisor may authorize such work in advance with the approval of the company's management.

As members of the company, employees are not permitted to exploit for their own or any third party's benefit business opportunities that present themselves to the company.

Secondary employment is defined as another job with a third-party company, particularly as an executive board member or managing director, as a supervisory, administrative, or advisory board member, as an employee, or in some other capacity (for example, as a consultant).

Unless otherwise permitted, taking a secondary job with a customer, supplier, or other company with which the employee is in contact for purposes of his or her work for our company is allowed only with the prior approval of our company's management. Taking a secondary job that may adversely affect an employee's work performance is permitted only after prior consultation with the company management. In all other cases, the employer must be notified when the employee takes an additional job.

ADHERENCE TO THE CODE OF CONDUCT/ REPORTING SYSTEM

GENERAL PRINCIPLES

Every employee must receive a copy of the Code of Conduct. This requirement is intended to make living by the Code a practical reality within the company and a part of every employee's everyday work experience.

Executives in particular are called upon to actively promote observance of the Code. This includes ensuring that all employees assigned to them are familiar with the Code of Conduct.

All employees should refer any questions they may have concerning this Code and its rules to their superiors or the appropriate departments for clarification.

REPORTS TO THE OWNER

The company's management will annually and on its own initiative report to the owner on the implementation of the Code of Conduct.

REPORTS TO THE SUPERVISORY BOARD

The full Management Board of INDUS will devote its attention to the current issues at its recurrent Board meetings and report on them to the Supervisory Board at regular intervals.

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