

General Business Principles of the Diehl Group

(Code of Conduct)

Preliminary Remark

Dear Colleagues,

Diehl carries out its business activities both in agreement with the laws and regulations of public authorities in the countries where its employees work and in accordance with the principles described here. All employees on all hierarchical levels, as well as the executive bodies, are to comply with them without exception. Unfair or even illegal practices are not compatible with our business principles.

We therefore attach importance to a working environment in which employees address compliance issues openly and discuss them with their superiors as well as with the Compliance Organization. Our goal is to sensitize all employees to compliance in their daily work by means of sustainable communication.

The Executive Board

1. Proper business practices

Diehl bases all its business activities on the principles of integrity and fairness. All business documents must be in accordance with both national laws and Diehl's own guidelines. No assets are permitted which are not recorded in the company's books.

1.1 Prohibition of bribery / corruption

Diehl forbids every kind of bribery and corruption. No employee may offer, provide, or accept bribes. Bribery is a criminal offense. This includes bribery in business transactions, as well as bribery of any holder of office or granting of advantage and facilitation payments. In particular, any direct or indirect offer, promise, provision, or acceptance of inappropriate benefits, whether material or of any other kind, for the purpose of acquiring orders or procuring unlawful advantages is forbidden to all employees (corruption).

1.2 Competition / prohibition of cartels

All employees must comply with the legal regulations governing antitrust laws and business competition that are applicable in each case.

In particular, employees may not enter into or propose any agreement:

- with competitors regarding the trade in goods or services with third parties;
- with customers regarding prices or conditions of supply under which the customer will resell Diehl products or services to third parties.

1.3 Business relations

Relationships with other companies and between employees and their business partners – e.g., with suppliers and customers and with governmental offices and their employees, etc. – must be characterized by transparency, especially in the areas of purchasing and sales. This also applies to relationships with former employees and, in particular, to the family members of employees who directly or indirectly supply goods or services to the Group.

Based on our compliance guidelines, due diligence checks are carried out on specific business partners.

Employees who are involved in contractual negotiations with authorities must be familiar with the guidelines governing the process of submitting business offers in each respective country and may not violate them.

Diehl competes for orders by fair and legal means and carries out contractual negotiations in compliance with all legal provisions.

1.4 Observation of export and import control laws

Employees involved in the import or export of goods, services or technical information must know and observe the relevant regulations. Furthermore, they have to ensure that the import or export documents are complete.

Where the export of products and technical data to a particular country is regulated, the employees must obtain the necessary licenses and other state permits prior to the export.

1.5 Money laundering prevention

Diehl complies with the legal regulations on money laundering prevention.

1.6 Avoidance of conflicts of interests

All employees must avoid any situation which could result in a conflict between their own personal interests and the interests of Diehl. A conflict of interest can result when an employee takes a course of action or pursues interests which can hamper him or her in objectively and effectively carrying out his or her duties and meeting his or her responsibility to Diehl.

1.7 Proper handling of invitations, gifts and other benefits

Gifts and other benefits may be accepted or granted only after approval by the respective company superior and / or the Corporate Compliance Officer (CCO) and only under the condition that the gifts or benefits do not contravene laws or guidelines, are within proper limits, and are not intended to influence decisions in a dishonest manner. The question of whether gifts or invitations are appropriate is to be decided according to normal business practices and with due consideration, if necessary, for the special customs of each individual country. Every appearance of dishonesty and incorrect behavior is to be avoided.

1.8 Business secrets and protection of intellectual property

Every employee is obliged to treat business information about Diehl or its business partners that is not public knowledge with confidentiality and to protect it from unintentional disclosure.

One of Diehl's most significant assets is its intellectual property. This includes patents, business secrets, trademark rights and copyrights. It is Diehl's Group policy to exercise all rights to economically significant intellectual property, and to use, maintain, protect and defend them in a responsible manner. Diehl respects the intellectual property of other natural persons and legal entities and uses the relevant information, computer programs or processes only in accordance with the respective license agreements or within the framework of the legal provisions.

1.9 Data protection

Personal data is collected, processed and utilized only insofar as this is permitted by law, serves legitimate purposes and is necessary for the fulfillment of duties. All employees must handle and protect personal data in accordance with applicable laws.

Diehl uses security measures of a technical and organizational nature to protect personal data against manipulation, loss, destruction or against access by unauthorized third parties. These security precautions are continuously improved in line with the state of developments.

2. Employees / colleagues

2.1 Preservation of human dignity

The personal dignity, privacy and personality rights of each individual are to be respected. Employees may not be subject to corporal punishment or physical, sexual, psychological or verbal harassment or abuse.

2.2 Non-discrimination

Cultural differences are recognized and respected. All employees shall be fundamentally assessed only on the basis of the abilities and qualifications required for the job, including the issues of recruitment, promotion, remuneration, additional benefits, further training and qualification, dismissal and termination of the employment contract.

2.3 Health & safety

All employees are guaranteed working conditions meeting the requirements of occupational health and safety, with the relevant statutory regulations representing the minimum standards to be applied. Appropriate measures are taken to prevent accidents at work and occupational diseases.

3. Social environment / public relations

3.1 Working hours

The working hours shall conform to the statutory regulations or the regulations applicable in the relevant branch of industry, whichever are more stringent.

3.2 Remuneration

Wages and salaries, including payment for overtime and bonus payments, must be in line with the relevant laws and regulations.

3.3 Freedom of association

Diehl respects the employees' right to freedom of association and collective bargaining.

3.4 Prohibition of child labor

Child labor in any form is prohibited. If no higher age limit is prescribed by law, no person of school age or under 15 years of age may be employed (exceptions in accordance with the Agreement on ILO Convention No. 138).

3.5 Prohibition of forced labor and human trafficking

Forced labor, slavery and human trafficking of any kind are prohibited. This includes involuntary prison labor, servitude and similar forms of labor (in accordance with ILO Conventions 29 and 105).

4. Environmental protection

All employees are obliged to observe the regulations and standards regarding environmental protection. Environmental impact is to be minimized and environmental protection continuously improved.

5. Observance of the business principles

Superiors and managers have a special role model function and ensure that their employees are familiar with the content of the aforementioned business principles. The managers implement preventive measures in their area in order to prevent violations. All employees at all hierarchical levels, as well as the executive bodies, are themselves responsible for compliance with the aforementioned business principles. Notwithstanding further civil and/or criminal consequences, violations can be punished with disciplinary measures.

5.1 Compliance training courses

In all countries in which the Diehl Group is active, compliance training courses (on-site events and e-learning) are held regularly for employees at all hierarchical levels. The contents of these compliance training courses are the explanations of the "General Business Principles of the Diehl Group",

with a focus on corruption prevention / competition law. For certain positions, e.g., sales and purchasing, training courses tailored to these areas are also conducted.

5.2 Compliance Organization

In order to anchor compliance in the Diehl Group and to enforce the "General Business Principles of the Diehl Group", the Executive Board and Supervisory Board have established a Compliance Organization. The Corporate Compliance Officer (CCO) heads the Group's Compliance Organization.

In order to regularly review our business processes with regard to compliance with these principles, and to identify compliance problem areas and to investigate identified violations, a Compliance Committee has been set up to which members of the Executive Board also belong. Moreover, the CCO regularly reports to the Executive Board.

The Compliance Organization at Diehl is supplemented by a neutral external ombudsman (lawyer) who is obliged to maintain strict confidentiality. Diehl employees and third parties can turn to the ombudsman as a neutral body in confidence if they have observed improper business practices in companies of the Diehl Group.

Diehl encourages its employees to report suspicious cases in order to prevent damage to the company. The identity of employees who report a possible violation will be treated confidentially. Similarly, no employee may be sanctioned or otherwise disadvantaged as a result of having made such a report.

The contact details of the CCO, as well as of the ombudsman, are published on the Internet (www.diehl.com / Group / Company / Compliance). The CCO may be consulted on all relevant matters.