

Eindhoven, March 14th 2017

Chassis Brakes International's Business Code of Conduct

Introduction

Our aim is to conduct business practices which are governed by integrity, honesty, fair dealing and full compliance with all applicable laws. At no point, we will accept non-compliance with effective legislation and regulations as a business instrument.

In our understanding, compliance refers to the ability of a company and its employees to adhere to regulations and internal guidelines within a legal framework. The aim is to avoid liability claims and other legal or factual disadvantage from the outset and to ensure that appropriate procedures are in place for dealing with them.

This Code reflects the company's perception of compliant business and defines how Chassis Brakes International's employees shall conduct themselves as representatives of Chassis Brakes International and address their responsibilities to the Company, to each other, customers, suppliers, governments and the environment.

With its idea of compliance, Chassis Brakes International sets out a standard duly in line with today's best practices.

1. Occupational Health and Safety, Fire and Environmental Protection

Chassis Brakes International provides a healthy and safe workplace for all of its employees and takes particular care to treat our natural resources and environment gently and responsibly.

Accordingly all of our employees must take care to keep our products and workplace safe, in order to support a safe and healthy work environment ensuring protection against physical, emotional, occupational, psychological, environmental or other types of consequences of failure, damage, error, accidents and harm.

2. Compliance with Laws, Rules and Directives

All employees are personally responsible to comply with the law in their field of work. Adherence to and compliance with all applicable laws and regulations must never be compromised. Irrespective of any sanctions provided by law, actions contrary to this rule shall lead to disciplinary action.

3. Respecting the Accounting Accuracy

We ensure that not only financial accounts, but also records such as quality reports, time records, and expense reports are handled accurately and timely.

Employees with financial reporting responsibilities shall provide information that is accurate, complete, objective, relevant and understandable, according to the Chassis Brakes International's accounting standards.

4. Avoiding Harassment and Discrimination

Personal dignity, privacy and personal rights of every employee are to be maintained. We ensure that a workplace free from discrimination and harassment is respected.

Chassis Brakes International will not accept any type of discrimination whether on the basis of origin, nationality, religion, race, gender, age or sexual orientation, or tolerate in any kind of verbal or physical harassment based on any of the above or any other reason.

Uncivil treatment, including any sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse of workers will not be accepted.

5. Avoiding Conflicts of Interest

A conflict of interest occurs when an employee's personal activities or relationships interfere with his or her objectivity in doing what is best for Chassis Brakes International. This practice must not occur within Chassis Brakes International.

5.1 Families and Relatives

If an employee, his spouse or partner, or a close family member holds an interest or serves in a senior position in another company and is likely to be in a position to influence the business relationship between Chassis Brakes International and that company, there is a potential conflict of interest. In such cases, transactions with that company must not be conducted by this employee without the prior written consent of the executive management responsible.

The principle of fair employment will apply to all aspects of the employment. Therefore, immediate family members and partners of employees may be hired as employees or consultants only if the appointment is based on qualifications, performance, skills and experience and provided that there is no direct or indirect reporting relationship between the employee and his or her relative or partner. However such recruitment should be avoided.

5.2 Shareholdings, Secondary Employment and Other Outside Activities

Secondary employment is allowed only upon prior consent of the executive management responsible.

Employees must not engage in sideline activities for or invest in companies (except buying shares in listed companies) that are competitors, suppliers, or customers of Chassis Brakes International unless they obtain the prior written consent of the executive management responsible.

5.3 Engaging business partners for private purposes

If employees' work entails direct involvement in the awarding or settlement of orders, and there is consequently a potential for a conflict of interest, they must obtain the prior written consent of the executive management responsible before engaging the services of a Chassis Brakes International's business partner for private purposes. This provision does not apply to goods and services generally available.

6. Confidentiality of Information

6.1. Disclosure of Information to Outsiders

Employees must ensure protection of the Company's non-public information at All times, including outside of the workplace and working hours. The obligation to maintain secrecy shall remain effective even after termination of the employee's employment.

Confidential information of the company may only be used as the basis for the creation of records and files, if their creation serves the interests of Chassis Brakes International. This information must not be disclosed to third parties. The aforementioned information can be disclosed to someone outside of the Company when disclosure is required for business purposes. Even then, appropriate measures, such as execution of a confidentiality agreement, to prevent misuse of the information must be considered.

6.2. Disclosure of Information to Insiders

Non-public information must not be disclosed to others inside the Company unless they have a business reason to know, and communications have been classified according to the Information Protection Guideline.

6.3. Personal Data

The company respects the common standards of data privacy laws and guarantees a sensitive and sensible handling of all data.

At the level of its employees, privacy must be maintained when personal data is used, and the security of all personal data must be ensured.

6.4. Third Parties' Information

Chassis Brakes International respects third parties' interest by protecting their confidential information. Therefore, third parties' shared confidential information with Chassis Brakes International must be protected as per Chassis Brakes International data. Employees shall also protect confidential information obtained during their previous employment.

7. Insider information

Insider information is knowledge concerning the company and its activities that is not available to the public and could have relevant impact on the stock price when it becomes publicly known. Employees are forbidden to acquire securities, to sell them, or to recommend their purchase or sale on the basis of insider information.

Insider information (e.g. release of a new product) must be treated in strict confidence and therefore must never be disclosed to third parties. Insider information may only be disclosed to employees or external consultants in an official business context if the recipients require the respective information in order to perform their work, and have undertaken to treat the information in strict confidence.

8. Anti-trust and fair competition

We believe in the importance of free competition. Therefore, all employees have a duty to observe the rules of fair competition as defined by applicable law. In particular, competitors are not permitted to exchange information or reach agreements on the allocation of territories or customers,

prices or components of prices such as terms and conditions of sale and warranty, supply relationships or the conditions governing them, production capacities, or the terms and conditions of offers.

Anticompetitive conduct such as exchange of information concerning market strategies and investment strategies or written or oral agreements to this effect will not be tolerated.

All employees, especially those who are in regular contact with competitors (e.g. marketing, sales and purchasing), have a responsibility to ensure that they are familiar with applicable competition laws.

Anti-trust commitments (whether or not also involving bribery or corruption - refer paragraph 9 below) are not acceptable as means of winning any business. In such case we prefer to abstain from the business, maintaining our integrity while still reaching our goals instead of infringing any law.

9. Criminal Compliance

We consider criminal compliance as a crucial aspect of our business and therefore strictly refuse any acts offending against criminal laws such as extortion and bribery. Bribery is an act of distributing money or giving gifts or any other means of tangible or intangible kind to unfairly influence the behaviour of the recipient within the business. Bribery constitutes a crime and therefore, employees who allow customers or suppliers to influence them unfairly, or themselves seek unfairly to influence customers or suppliers will be subject to disciplinary action.

When dealing with public officials (e.g. representatives of public sector entities), special rules apply within the legal systems that are relevant for our business activities. For this reason, any attempt of influencing them by promising or giving a financial or other advantage and any acts that may arise the impression to do so must strictly be omitted.

Agreements or supplements to agreements referring to the acceptance of bribes or preferential treatment in connection with the brokering, award, delivery, settlement, or payment of orders are prohibited.

Attempts of bribery or corruption by suppliers or customers to unfairly influence the decisions of Chassis Brakes International's employees must be reported to the management who will take immediate and appropriate action. It is forbidden to agree to any benefits if it can be assumed that provision of such benefits is, in whole or in part, intended as payment of a bribe. Agents or other intermediaries engaged by Chassis Brakes International in order to acquire orders or permits must enter into a contractual obligation not to offer or receive bribes. Respective contracts shall include a clause providing for the right of termination without notice in cases of bribery or corruption.

10. Business with Third Parties

Business with third parties (e.g. customers and suppliers) must be documented via a formal agreement. Arrangements such as bonus payments or cost subsidies for advertising and sales promotion must also be formally contracted. All employees must comply strictly with the internal regulations governing the application of the principle of double signature (four eyes principle) and the separation of functions.

The selection of suppliers must be made respecting the competitive merit, based on a comparison of the price, quality, performance, and suitability of the products or services offered.

11. Gifts, Meals, Entertainment and Donations

11.1 Gifts, meals, entertainment

Gifts, entertainment, meals or other favours may also be regarded as bribes (refer above-mentioned paragraph 9) and should therefore not be given or taken to and from business partners (e.g. suppliers or customers) if by doing so your ability to make objective business decisions in the best interest of Chassis Brakes International might be influenced. Therefore, extreme caution must be taken when accepting and offering gifts and other benefits (such as attending events without any direct business relevance), including invitations from and to suppliers or customers. Even though permitted we refrain from any acts of hospitality conflicting with our business partners' directives.

Vis-à-vis public officials any of such favours must be reported and agreed with a superior taking into account the strict legislation and regulations that apply in this context (refer above-mentioned paragraph 9).

In case of doubt, the prior written consent of the executive management responsible shall be obtained.

11.2 Donations

The allocation of donations must not be motivated by self-interest and shall be clearly distinguished from sponsorship. The rules governing the award of donations are established exclusively by the board of management of Chassis Brakes International or the executive management of the operating units.

12. Product Quality and Safety

Preventing defects is a top priority for us. We care for our customer's satisfaction by high quality and safety standards. Quality and safety policies drive every step of product design, manufacturing and marketing across our businesses. We are driven to avoid defects. However, in case they arise, we take timely action to eliminate them in compliance with our contractual obligations.

13. Reporting of illegal acts

All employees must feel free to report to their superiors any suspicion or indication of non-compliance with the Code of Conduct. This notification may also be made anonymously. In every region, pre-assigned persons may be contacted or consulted (compliance regional officers). A compliance hotline will be made available for employees to report potential violations of the Code of Conduct. Reports shall be investigated and, where appropriate, remedial and enforcement action shall be taken.

The Code cannot address every potential compliance deviation, so use your conscience and common sense. When you are unsure, seek guidance.

14. Monitoring

All Chassis Brakes International's locations must comply with the Business Code of Conduct and All other internal regulations within their area of responsibility. The Corporate Compliance Officer has an unrestricted right to receive information and to conduct inquiries, unless legal stipulations or works agreements regulate otherwise.

Supervisors are expected to demonstrate a good example, encouraging an environment of open and honest communication where employees feel comfortable to raise their concerns. In addition, they are responsible for ensuring that no violations of the law and this Business of Code of Conduct occur in their area of responsibility which could have been prevented or impeded by appropriate supervision.

Supervisors must make it clear that violations of the law are prohibited and will lead to disciplinary action, irrespective of an employee's position in the company.

Corruption and the infringement of anti-trust and anti-bribery laws will not be tolerated within Chassis Brakes International. The Chassis Brakes International management will follow a zero tolerance policy.