



Worldwide Business Conduct Policy

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STATEMENT OF PURPOSE

This Worldwide Business Conduct Policy applies to all officers, employees, and directors of CentroMotion and its subsidiaries and business units worldwide. The overall purpose of this policy is to foster within the Company the highest principles of business ethics and integrity and compliance with applicable legal requirements.

This policy does not necessarily cover every issue or circumstance that may arise, but it sets out basic principles to guide all Company personnel carrying out ethical business practices. More detailed guidance is included in a number of additional policies of the Company that supplement this policy and that also apply to all Company officers, employees and directors, locally and worldwide.

WORLDWIDE APPLICATION

This policy applies to all full and part-time Company employees at all operations worldwide and shall be translated into the local language where necessary to ensure that it is understood by all employees. Employees at operations outside of the U.S. should observe local laws where local laws are more restrictive than or take precedence over the rules set forth in this policy. The Company expects its consultants, contractors and other third parties with whom it has business relationships to adhere to these standards as well.

GETTING HELP AND REPORTING VIOLATIONS

Employees who believe that this Policy may have been violated should report the incident to their immediate supervisor as soon as possible. If for any reason an employee finds it difficult to report his or her concerns to a supervisor, the incident should be reported to the Human Resources manager of the facility or any member of the Executive team. Contact information for these employees may be found in the Company directory.

The Company will try to maintain the confidentiality of any disclosures, but employees must recognize that legal requirements and the best interests of the Company may sometimes prevent this. In all events, the Company will not tolerate retaliation against any employee who raises a good faith concern regarding compliance with this Policy or other Company policies or provides information in good faith to an inquiry or investigation. Any such retaliation is a violation of this Policy and any employee who believes he or she is retaliated against for taking one of these actions is encouraged to report the matter immediately to HR or Executive Committee including CEO/CFO.

PENALTIES

This policy will be vigorously enforced in the best interests of the Company. Conduct contrary to this policy shall be considered to be outside of the scope of employment of Company employees. Failure to comply with the requirements set forth in this policy shall result in appropriate employee sanctions and disciplinary actions, including sanctions and disciplinary actions in accordance with the terms of any applicable collective bargaining agreement. This may include termination of employment. In some cases the Company may have an obligation to call violations of this policy to the attention of appropriate

law enforcement authorities where a violation of this policy may also be a violation of the law. The CEO and CFO must approve waivers of this Policy for noncompliance by members of Executive team. Waivers for non-executive employees must be approved by the CEO or other appropriate supervisor designated by the CEO.

EMPLOYEE CERTIFICATIONS

Each manager shall review this policy with all employees for whom he or she has direct operational responsibility and with new employees as they are hired and annually thereafter. The manager shall have each employee sign a certificate certifying that the employee has received a copy of the policy and that the employee understands the policy and agrees to comply with it. The executed certificate shall be returned to the operating unit Human Resources Department where it will become a part of each employee's permanent file.

NOT A CONTRACT

This policy is not intended to and does not create an employment contract, express or implied. Among other things, this means that this policy does not guarantee or create a right to employment or continued employment of any duration, term or period of time. The rights of the Company to modify terms and conditions of employment and to terminate the employment of any employee shall not be diminished or affected in any way by this policy. With respect to an employee who has been employed on an at-will basis, this policy shall not alter the at-will employment relationship; and both the Company and the employee shall continue to be free to terminate employment at any time, for any reason, with or without notice.

No provision of this policy is intended to conflict with any agreement between the Company and any labor union. If the terms of this policy conflict with any such agreement, the agreement between the Company and the labor union will prevail. Additionally, no provision of this policy is intended to change any work rule that applies to members of labor unions at any of our facilities.

The current edition of this policy is posted on the Company's intranet. CentroMotion may amend this policy (and any supplemental policies) in its sole discretion from time to time in writing. It is each employee's responsibility to review the policy and any supplemental policies from time to time to ensure compliance.

ETHICAL BUSINESS PRACTICES

CentroMotion will comply with applicable laws and regulations from all levels of government wherever we do business. We expect all Company business to be conducted in accord with the highest standards of business and personal ethics. CentroMotion discourages any conduct by employees that would compromise CentroMotion's reputation with the community, with customers and with competitors because CentroMotion employees are often perceived as the Company's "ambassadors".

All employees of the Company are expected to engage in honest, lawful and ethical business practices. The following topics present ethical concerns:

Fraud: Company employees shall not participate in dishonest methods or schemes for the purpose of obtaining personal or business advantage or reward, including methods involving fraud, deceit, theft, or methods which depart from fundamental standards of honesty and good faith.

Bribes and Kickbacks: Company employees shall never offer or accept, directly or indirectly, anything of value (such as a bribe or kickback) to or from a customer or government official to influence or reward an action (A business courtesy, such as a gift, contribution or entertainment, should never be offered or accepted under circumstances that might create the appearance of an impropriety.)

Gifts: Company employees and members of their immediate families shall not accept, directly or indirectly, any service, payment, loan, discount, entertainment, travel, vacation, pleasure trip or gift from suppliers of materials or services to the Company, other than those which the supplier customarily offers to the general public on substantially equivalent terms.

Political Contribution: No Company funds or other assets shall be offered or contributed to candidates for public office or used for any political purposes whatsoever, whether or not permitted under local laws. Meetings and plant tours with candidates and lawmakers conducted in compliance with applicable campaign finance laws are permitted, however.

Records Retention: Company employees shall retain records in accordance with the Company's records retention policy. Documents concerning matters which are the subject of litigation or government investigation shall be retained and not destroyed while the matter is pending. This also applies to electronic data including emails and other computer files.

CONFLICTS OF INTEREST

All employees of the Company have a duty to work on behalf of the Company's best interests. While the Company recognizes and respects the right of employees to take part in financial, business and other activities outside their jobs, these activities must be free from conflicts with their responsibilities as Company employees.

Any time a conflict appears, or an employee is concerned a conflict exists or might develop; the employee must discuss the matter with his or her immediate supervisor or operating unit Human Resources department.

ANTITRUST COMPLIANCE AND FAIR COMPETITION

All employees must comply with antitrust and competition laws throughout the world. These laws protect the free enterprise system and encourage vigorous, but fair, competition. Planning or acting

together with any competitor to fix prices or to agree about the nature, extent or means of competition in any market is against Company policy and in violation of antitrust laws. Antitrust laws may also in some circumstances prohibit agreements to boycott, to allocate products, territories, or markets, and to limit the production or sale of products. Using illegal or unethical means to obtain competitive information or gain a competitive advantage over a competitor is prohibited. All employees must exercise caution when attending trade association functions to ensure that all interactions with competitors in the trade association's legitimate business activities comply with antitrust and competition laws and Company policy.

Antitrust laws are vigorously enforced. Failure to comply with antitrust or competition laws could result in heavy fines and imprisonment. These laws are complex and employees should always seek guidance from Executive Leadership when confronted with business decisions or interactions involving questions of antitrust or competition laws.

TRADE SECRETS AND PROPRIETARY INFORMATION

Employees shall safeguard the Company's trade secrets and proprietary and confidential information. Proprietary and confidential information includes any information which is not generally known to the public and which would be useful or helpful to competitors or other adverse parties. Examples often include financial data, sales figures, new product information, manufacturing methods, customer and supplier lists, information concerning corporate acquisitions or divestitures, capital investment plans, supplier prices, engineering data and drawings and certain personnel information. Trade secrets and proprietary or confidential information shall not be disclosed to anyone outside the Company except in conjunction with a written non-disclosure agreement. Employees with access to such information should only disclose it to others within the Company on a "need-to-know" basis. Employees should also be alert to inadvertent disclosures which may arise in social conversations or in communications with the employees of suppliers and customers. Employees shall similarly safeguard the trade secrets and proprietary and confidential information of customers, suppliers and others.

PRODUCT SAFETY AND RELIABILITY

It is the policy of the Company to provide products and services that are safe and reliable for their designed use. To assure the full realization of this policy, employees shall strive to:

- ensure that the Company's products are designed, manufactured, distributed, and serviced in accordance with accepted safety guidelines and the laws and regulations of the country in which they operate;
- include adequate protective devices for hazards associated with the designed or reasonably foreseeable use of the product;
- purchase quality components from vendors with appropriate warranties;
- avoid excessive claims in advertising, public relations, and outside publications;
- advise the appropriate personnel immediately upon notification of an accident involving one of the Company's products; and

- comply with the Company's procedures for notifying customers and remedying problems with products that are detected post-sale.

EQUAL EMPLOYMENT OPPORTUNITY

The Company values and respects the diversity of its employees and the communities in which it operates. It is the policy of the Company to recruit, hire, train and promote the most qualified candidates, regardless of race, color, sex, sexual orientation, age, religion, national ancestry, disability or marital or veteran status. The Company shall also recruit, employ, train and advance persons in accordance with applicable local law.

All employment and advancement decisions shall be in accordance with the EEOC and APP policies, or local requirements where applicable.

Any employee who becomes aware of a violation of this policy should promptly bring it to the attention of the appropriate manager or Human Resources representative.

HARASSMENT

The Company is committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Therefore, The Company expects that all relationships among persons in the organization will be business-like and free of bias, prejudice and harassment.

The Company has developed this policy to ensure that all its employees can work in an environment free from unlawful harassment, discrimination and retaliation. The Company will make every reasonable effort to ensure that all concerned are familiar with these policies and are aware that any complaint in violation of such policies will be investigated and resolved appropriately.

Any employee who has questions or concerns about these policies should talk with the Director of Human Resources.

These policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related social activities or discussions. In other words, no one should make the mistake of engaging in discrimination or exclusion to avoid allegations of harassment. The law and the policies of The Company prohibit disparate treatment on the basis of sex or any other protected characteristic, with regard to terms, conditions, privileges and perquisites of employment. The prohibitions against harassment, discrimination and retaliation are intended to complement and further those policies, not to form the basis of an exception to them.

Retaliation

The Company encourages reporting of all perceived incidents of discrimination or harassment. It is the policy of The Company to promptly and thoroughly investigate such reports. The Company prohibits retaliation against any individual who reports discrimination or harassment or participates in an investigation of such reports.

Sexual harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, “sexual harassment” is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example: a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment, b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual, or c) such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive working environment.

Title VII of the Civil Rights Act of 1964 recognizes two types of sexual harassment: a) quid pro quo and b) hostile work environment. Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual’s body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, marital status, citizenship, genetic information, or any other characteristic protected by federal, state or local law, or that of his or her relatives, friends or associates, and that: a) has the purpose or effect of creating an intimidating, hostile or offensive work environment, b) has the purpose or effect of unreasonably interfering with an individual’s work performance, or c) otherwise adversely affects an individual’s employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group that is placed on walls or elsewhere on the employer’s premises or

circulated in the workplace, on company time or using company equipment by e-mail, phone (including voice messages), text messages, social networking sites or other means.

Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or by someone not directly connected to The Company (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Reporting an Incident of Harassment, Discrimination or Retaliation

The Company encourages reporting of all perceived incidents of discrimination, harassment or retaliation, regardless of the offender's identity or position. Individuals who believe that they have been the victim of such conduct should discuss their concerns with their immediate supervisor, any member of the Executive Committee or Human Resources. See the complaint procedure described below.

In addition, The Company encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and to request that it be discontinued. Often this action alone will resolve the problem. The Company recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

Complaint Procedure

Individuals who believe they have been the victims of conduct prohibited by this policy or believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, human resources, or a member of the leadership team.

The Company encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, while no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

The Company will maintain confidentiality throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed.

Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately. Responsive action may include, for example, training, referral to counseling or disciplinary action such as a warning, reprimand, withholding of a promotion or pay increase, reassignment, temporary suspension without pay, or termination, as The Company believes appropriate under the circumstances.

If a party to a complaint does not agree with its resolution, that party may appeal to The Company's Executive Leadership.

False and malicious complaints of harassment, discrimination or retaliation (as opposed to complaints that, even if erroneous, are made in good faith) may be the subject of appropriate disciplinary action.

We trust that all employees will act in a responsible and professional manner to establish a pleasant working environment free of discrimination and harassment.

See Human Resources for state addendums.

EMPLOYEE PRIVACY

The Company is committed to providing privacy protection of employee data maintained by the Company. Employee data will be used for the sole purpose of supporting company operations and providing employee benefits. The Company will comply with all local data protection regulations.

The Company has put safeguards in place to ensure that personal data is protected from unauthorized access and disclosure, including limiting access to such data only to those employees with a legitimate business purpose. All employees are responsible for ensuring compliance with this employee privacy policy and GDPR.

SAFETY AND HEALTH

The Company is committed to providing a safe, healthful and injury-free workplace for our employees, contractors and the surrounding community. Health and safety shall be a priority consideration in the planning and execution of all work activities at Company facilities.

The Company expects that each facility located within the U.S. shall meet or exceed all applicable Occupational Safety and Health Administration (OSHA) standards and shall ensure that safe and

healthful working conditions exist for all employees at that facility. The operating managers of facilities located outside of the United States shall meet or exceed all applicable standards in those jurisdictions and shall ensure that safe and healthful working conditions exist for all employees at such facilities. Unsafe conditions observed by employees shall be promptly reported to the operating manager and disciplinary action may be applied.

ENVIRONMENT

The Company recognizes the importance of preserving the environment, conserving global resources and protecting human health. Each employee shall strive to ensure that the Company conducts its business activities in an environmentally responsible manner by:

- complying with all environmental laws and regulations in all of the countries in which we operate;
- undertaking continuous improvement of operations to enhance pollution prevention, minimize waste production, increase recycling, and efficiently use non-renewable resources;
- integrating environmental considerations in the planning and execution of all work activities and corporate processes, including strategic planning;
- conducting environmental audits to evaluate conformance with this policy and applicable environmental laws and regulations;
- improving waste minimization programs through waste reduction, recycling and disposal of waste in an environmentally sound manner; and
- using production processes that minimize environmental impacts. Managers have a special obligation to be aware of environmental, health and safety requirements and standards and to advise senior management of any issues which come to their attention. Independent contractors, suppliers and business partners should be informed of our policy and should assist and support the Company in achieving our environmental, health and safety goals.

All complaints received from any governmental agency alleging noncompliance with any environmental law or permit should be promptly reported to the leader of the Safety function or Human Resources.

EXPORT CONTROLS

The Company shall comply with applicable trade laws throughout the world. The laws of various countries, including the United States, impose requirements and restrictions on the Company in conducting international business and trade. Among other things, these laws may require the submission of accurate information regarding importations and exportations to government authorities. They may also restrict or prohibit the importation or exportation of certain goods, services, or technology depending on the nature of the items involved, the parties to the transaction, the ultimate destination, or the end use. In addition, the laws may require government approval prior to a particular importation, exportation, or transfer of technology, goods, or services between countries or citizens of different countries. It is the Company's policy to understand and comply with these laws in its business activities in all respects. Failure to comply with these laws can result in civil and criminal penalties for

the company and individual employees, officers and directors. It can also result in seizures of merchandise and prohibitions on the ability to do business.

The Company must be familiar with the companies and people with whom it does business. Reasonable due diligence and screening of customers and new business partners, including vendors, service providers, agents, consultants, and distributors, is critical to ensure compliance with laws that regulate international trade in goods, services, and technology. The Company expects that employees will take necessary steps to become familiar with the Company's business partners and customers and implement safeguards to comply with international trade laws.

PAYMENTS TO GOVERNMENT OFFICIALS

U.S. law prohibits the making or offering of any monetary payment, gift or other thing of value to government officials, government employees, political parties or candidates for foreign political office for the purpose of obtaining or retaining business with a person, business concern or government agency. This law applies to the Company's non-U.S. based subsidiaries as well. In addition, many countries are now parties to an international treaty to combat the bribery of public officials.

Under no circumstances shall the Company or any employee make a payment to a government employee or official or political candidate for the purpose of obtaining or retaining business. Payments to distributors, sales agents, consultants or representatives with the knowledge or with reason to believe that any portion of such payments will be passed along to a government employee or official or political candidate are also prohibited. Requests for commissions or payments that are unusual or unreasonable in amount should be reviewed by the CFO.

In some countries, industries such as mines and utilities are government-owned. Officers, directors, and employees of these industries are considered government employees, and cannot be offered payments, gifts or other valuable consideration in order to obtain or retain business.

INTERNATIONAL BOYCOTTS

U.S. law prohibits CentroMotion or any of its U.S. or foreign subsidiaries from refusing to do business with any person or company based upon race, religion, sex, or national origin and from providing information concerning these matters to third parties. We are also prohibited from providing information about relationships that the Company may have with a boycotted country. Any document received by the Company which contains any boycott language, whether pursuant to a specific contract or not, and whether or not the Company responds, should be identified and reported to Supply Chain Leadership. Examples of boycott language include:

- "Certify that these goods are not of Israeli origin."
- "Certify that these goods are not shipped on a blacklisted vessel."
- "Certify that you have no dealings with Israel."
- "Certify that you have no operations in Israel."

The mere receipt of a request for such information must be reported to U.S. government agencies. No information in response to any such requests may be furnished, either orally or in writing.

ELECTRONIC COMMUNICATIONS TOOLS

The Company provides electronic communication tools and computer systems to assist employees in the conduct of the Company's business. These tools are provided for business-related purposes only, such as to communicate with other employees, customers and suppliers, to research relevant business topics, and to obtain useful business information.

All messages, files, software or other material composed, sent, received or stored on Company computer and communication systems are and remain the property of the Company, and are not the private property of any employee.

No employee shall have an expectation of privacy as to his or her use of Company electronic communication tools. The Company reserves the right to monitor e-mail and voice mail messages and Internet use, and to access and inspect any and all files stored on individual computers, removable media and the Company network. The use of user ID's and passwords are for security and employee identification and authentication only and do not grant any right of confidentiality or privacy to any employee nor prevent Company access.

Unauthorized use of the Company's computer systems, including e-mail and Internet access, is strictly prohibited. Employees should also review and comply with the Company's "Information Technology Policy". An employee who violates this policy is subject to revocation of e-mail privileges, electronic communication tools or Internet access and discipline, up to and including discharge.

ANTI-CORRUPTION POLICY

Purpose

CentroMotion is committed to conducting its worldwide operations in accordance with ethical standards by following U.S. and non-U.S. laws and regulations, including the U.S. Foreign Corrupt Practices Act ("FCPA") and all other anti-corruption laws across the world. The purpose of this policy is to describe

guidelines that will help the Company's employees, directors, officers, and other representatives working on the Company's behalf comply with ethical and legal standards. This policy also explains anti-corruption standards that the Company's third parties (including distributors, agents, service providers, customers and others with whom we do business) should consult and to which they should follow.

The Company does not tolerate any form of bribery to or from public officials or private citizens or commercial organizations paid directly or indirectly. This rule applies to all employees regardless of where we are doing business. Individuals or businesses that provide products or services on behalf of the Company, such as distributors or consultants, also should not make or accept a bribe on the Company's behalf.

Overview of Anti-Bribery Laws

The FCPA is a U.S. law that prohibits giving anything of value to a foreign government official in order to influence the official to do any of the following:

- Engage in any governmental act or decision
- Use his or her influence to affect a government decision
- Assist the Company in obtaining new or keeping existing business

It is also a crime under the local anti-bribery laws of many countries to pay or accept bribes. It is the employee's responsibility to be aware of local anti-bribery laws and to comply with them. Any employees who have any concerns or questions about these issues should seek guidance from CentroMotion's Chief Executive Officer or your supervisor.

Policy Provisions

1. **Anti-Corruption** – The Company, its employees, officers, directors, and those acting on behalf of the Company will not bribe or make improper payments to any person and will follow all U.S. and non-U.S. anti-corruption laws and regulations.
 - a. **Bribery of a Government Employee:** Employees will not directly or indirectly offer "anything of value" (defined below) to any government employee, knowing or suspecting that the item of value would be used to persuade the government employee to use his or her influence to obtain or retain business for the Company or to any other person or entity.
 - b. **Anything of Value** is defined as cash in any amount, gift cards, commissions, kickbacks, rebates, or loans. Also included in the definition are payments for travel, services, contractual rights or interests, other business advantages and entertainment that are excessive or not customary to a particular business transaction. See additional discussion below on which of these items are allowable and not considered excessive.
 - c. **Commercial Bribery:** Employees will not directly or indirectly offer "anything of value" to any employee, agent or representative of another company with the intent to influence a business decision. Employees also may not request, accept or agree to receive "anything of value" to influence our decision making process.

2. **Books and Records** – The Company will maintain complete and accurate books and records and proper internal controls. All transactions will be recorded in accordance with U.S. Generally Accepted Accounting Principles and CentroMotion’s Finance Policies and Procedures. No undisclosed or unrecorded amounts are allowed for any reason. Personal funds may not be used to accomplish what is otherwise prohibited by Company policy.
3. **Travel Expenses** – At times, we might be asked to pay for a government official’s, customer’s or business partner’s travel, lodging and related expenses. CentroMotion may only agree to this if the travel is for a legitimate business purpose and the cost is reasonable.
4. **Meals and Entertainment** – Meals associated with legitimate business activities are generally allowed, for example providing lunch for a government official or a business partner who is visiting a CentroMotion office for a meeting is unlikely to be seen as corruption. However, entertainment expenses can more easily be questioned. While meals are a common forum for business discussions, the connection between entertainment and business activities is more subjective. It is important that entertainment and meals offered by CentroMotion are not a disguised way of giving an improper personal benefit to the recipient.
5. **Gifts** – Giving gifts can be thought to be bribery in some situations. Local laws in many countries do not allow this. Even where local law allows it, we must always be cautious before giving any gifts on CentroMotion’s behalf.

While CentroMotion’s Business Travel & Expense Policy, located on the intranet site, allows inexpensive gifts to be given or received, we are required to ensure that it does not appear to be improper to give or accept the gifts. No gift may be given or accepted, regardless of size if it could reasonably be expected to change the outcome of a business transaction or gain any other advantage for the Company.

6. **Political and Charitable Contributions** – Contributions by the Company or on the Company’s behalf to a government employee or charitable organization are not allowed unless approved in advance by the Chief Executive Officer.
7. **Facilitation Payments** – Facilitation payments are defined as small payments made to a government employee to make them more quickly perform a routine act within their job duties. Facilitation payments may include payments for permits, licenses or payments to receive utility service, mail service or to load, unload or inspect cargo. Company employees and those acting on behalf of the Company are not allowed to make any facilitation payments on behalf or for the benefit of the Company.
8. **Agents** – The Company may conduct business through the use of distributors and others acting on the Company’s behalf (collectively “Agents”). In many cases, the Company may be liable for improper acts or payments made by Agents. The procedures below detail the requirements for relationships between the Company and its Agents:
 - a. **3rd Party Due Diligence** – In many cases, the use of a local sales agent, consultant, distributor or joint venture partner is an essential part of doing business in a foreign country. Generally, an agent is a person engaged specifically for the purpose of gaining or

retaining business. Prior to engaging an agent, the Company shall conduct an appropriate level of due diligence to analyze potential risks. Due diligence should include the following where available:

- i. Checking public sources of information such as press reports
- ii. Checking with business references provided by the potential agent
- iii. Interviewing the agent
- iv. Obtaining other information from institutions such as banks, accounting firms, and lawyers in the agent's country of operation

All third-party contractors must be identified and selected on the basis of objective and written evaluation criteria. For example, an agent should be selected on the basis of identifiable commercial and technical competence and not because they are the relative of an important government official.

- b. **Government Employees** – No government employee should be retained as an agent unless prior approval is received from the Chief Executive Officer.
- c. **Written Contracts** – No agent may act on the Company's behalf unless a written agreement between the Company and the agent is in place. Any agreements will include provisions which define the scope of the agent's duties, the terms of payment, and the agent's compliance obligations.
- d. **Payments** – All fees paid to agents must be for actual services rendered. No payments can be made to an agent in cash, with a check written payable to "cash" or with a check written in the name of another entity. All payments must be supported with detailed invoices that completely and accurately describe the services provided and expenses incurred.

Reporting & Enforcement

1. **Compliance** – Failure to follow the FCPA or other anti-corruption laws can have severe consequences for both the Company and Company employees. Violations can result in:
 - a. Significant financial penalties against the Company, our directors, officers and Employees
 - b. Imprisonment for those individuals who engage in such behavior
 - c. Significant damage to the Company's reputation and ability to conduct business

Fines imposed upon individuals cannot be directly or indirectly paid by the Company or any business. Violation of this policy or applicable laws by Company personnel will result in immediate termination. Violation of this policy or applicable laws by an agent to the Company will result in the immediate termination of the relationship.

2. **Reporting** – All Company employees or agents whose duties would likely lead to exposure to anti-corruption laws are expected to become familiar with and comply with this policy. Periodic certifications of compliance with this policy will be required, as will participation in training sessions as instructed by management. Any transaction, regardless of significance, must be

reported immediately to the Company's Chief Executive Officer. Failure to report known or suspected wrongdoing may, by itself, subject Company personnel to disciplinary action, including termination.

3. **Questions** – Any questions regarding this policy or non-compliance concerns should be communicated to the Company's Chief Executive Officer or your supervisor.
4. **Responsibility** – All employees are responsible for following this policy and working with other employees to continually monitor the Company's compliance. Management serves as the role model for supporting the policy and is responsible for monitoring the level of compliance with this policy within the area of their responsibility.

CentroMotion Anti-Money Laundering and Sanctions Compliance

Introduction

CentroMotion, including its subsidiaries, ("CentroMotion") is committed to compliance with locally applicable anti-money laundering ("AML") laws, together with all applicable economic and trade sanctions programs, including U.S. sanctions implemented and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") or the equivalent in any other jurisdiction in which CentroMotion conducts business (collectively, "Economic Sanctions").

Statement of Policy

To support this commitment, CentroMotion has implemented and maintains risk-based policies and procedures, set out here, reasonably designed to ensure that (a) CentroMotion conducts all business activities in compliance with applicable AML laws, and (b) CentroMotion does not engage in or facilitate a violation of Economic Sanctions (the "Anti-Money Laundering and Sanctions Program").

All personnel of CentroMotion, including employees, directors and officers, and other persons authorized to act on behalf of CentroMotion are expected to refrain from involvement in prohibited activities and comply with the Anti-Money Laundering and Sanctions Program. Involvement in violations of Economic Sanctions or AML laws – even if inadvertent – could result in potential civil and criminal penalties (not only to CentroMotion but also for the individuals involved) and damage to CentroMotion's reputation. Non-compliance with the Anti-Money Laundering and Sanctions Program also may subject the individual(s) involved to internal disciplinary action, including fines and termination of employment.

Risk Assessment

CentroMotion designs, manufactures and assembles system-critical motion, actuation and control components for sale through its brands. CentroMotion offers products related to highly-engineered power transmission, hydraulic actuation, mobile Human-Machine Interface and emission control systems and solutions. CentroMotion owns thirteen manufacturing facilities globally and sells its products in over 50 different countries. CentroMotion's business activities focus on building and maintaining long-term, ongoing relationships with its customers and suppliers. As a result, CentroMotion gathers information on an ongoing basis about its counterparties to ensure that risk assessments remain accurate.

From an AML perspective, CentroMotion's business activities generally present low risks of non-compliance because CentroMotion does not provide financial services and product offerings present low risks of being used in furtherance money laundering.

CentroMotion's sanctions risks are moderate in recognition of the number of global markets in which it conducts business and the array of industries, including higher risk industries (e.g., energy), that purchase the company's products.

CentroMotion recently has been established as a standalone business enterprise. Previously, CentroMotion relied on affiliate compliance resources, no longer available, to mitigate these AML and sanctions risks. Accordingly, CentroMotion has now established this Anti-Money Laundering and Sanctions Program to ensure that the identified risks are appropriately mitigated by internal controls.

Overview of Anti-Money Laundering Requirements

No CentroMotion officer, director, employee, or agent may engage in money laundering in any form or any context. CentroMotion strictly prohibits money laundering and is committed to full compliance with all applicable AML laws. CentroMotion does not engage in financial activities and as such leverages their anti-corruption and trade compliance program to prevent money laundering. CentroMotion will reassess its AML policy if it begins to engage in financial activities or its business model changes substantively.

Overview of Sanctions Requirements

As a U.S. company, CentroMotion must comply with U.S. sanctions as described below. The United States and other countries maintain economic and trade sanctions targeted at individuals, entities, and jurisdictions engaging in activities believed to pose a threat to foreign policy or national security objectives. Sanctions may be aimed at certain countries (e.g., Iran, Cuba, North Korea) or persons and entities (e.g., terrorist organizations and drug traffickers); sanctions may restrict all dealings with a sanctioned jurisdiction/entity or may be more targeted and restrict only certain types of conduct. Sanctions can take various forms and may require companies such as CentroMotion to refrain from doing business with certain entities and person, to refrain from exporting or importing certain goods or services, and to comply with travel bans or other restrictions. To the extent that CentroMotion conducts activities outside the United States, CentroMotion may face compliance obligations under sanctions regimes maintained under those jurisdictions.

Sanctions Compliance Procedures

All CentroMotion employees who engage with suppliers or customers or other counterparties will remain alert for possible sanctions risks. This requires remaining vigilant for the red flags found in [Appendix A](#) (these are a limited example and more "red flags" may exist)

Such vigilance must be enhanced whenever dealing with a counterparty that has a connection with jurisdictions against which the United States maintains sanctions restrictions. See [Appendix B](#) for list of sanctioned countries. (This list will be updated as necessary and posted to our employee communication intranet.) To mitigate potential sanctions related risks, CentroMotion will screen each new supplier,

customer or other counterparty, including any third party agents, located or based in a jurisdiction listed in [Appendix B](#) prior to entering into a contract with such party to determine if it is on a list of restricted persons maintained by the United States (e.g., OFAC's SDN List) (collectively, the "Sanctions Lists") or otherwise subject to restrictions under Economic Sanctions. To be clear, doing business with listed countries is not prohibited in all cases.

Additionally, CentroMotion will similarly screen other third parties if CentroMotion believes its dealings with that party present risks of non-compliance with Economic Sanctions, including if CentroMotion identifies one or more red flags described in [Appendix A](#).

Analysis of Potential Matches

Below, each step of the required screening process is outlined. Please note that on completion of Step 1 in the Sanctions Screening Procedures, tracking and records are kept in the screening software system. Please use the screening software system for this process. If you do not have access please contact the Trade Compliance team for access.

1. Compare the name of the individual or entity with the names of individuals and entities on the Sanctions Lists.
 - If the name is not listed then you do not have a valid match.
 - If the name appears to be listed, then continue to [step 2](#) below.
2. If you have a name that appears to match the name of an individual or entity on a Sanctions List, you should determine how much of the listed entry's name matches against the name of the individual or entity you are screening and compare the complete Sanctions List entry with all the information you have on the matching name, such as a full name, address, nationality, passport, tax ID, place of birth, date of birth, former names and aliases.

Determine if given the information you have compared with the Sanctions List's information, a potential match exists.

- If the details do not match, then you do not have a valid match.
 - If there is a potential match, then continue to [step 3](#) below.
3. Within 24 hours of a potential match, Trade Compliance, or his or her designated representative, should review the potential match and make a determination as to whether the match is valid or note otherwise. This procedure should be confirmed by a

member of the Trade Compliance team. Please connect with that team for confirmation.

- If the match is valid, the match will be escalated for appropriate review (*see below, "Reporting of Matches"*).
- *No funds, goods or services may be provided or transferred to or from a third party that is a valid match, without first obtaining guidance from legal counsel.*
- The determination will be documented and kept on file within the screening software system.

Reporting of Matches

On determination that a match is valid, the match information along with all relevant information should be sent to the Trade Compliance team. CentroMotion will file any required report with the relevant government agency (*e.g.*, OFAC) and take any other mandatory actions.

- **CentroMotion may not transact business or engage in any activity with any individual or entity found to be a match with an individual or entity on a Sanctions List.**

Thus, on finding a match, CentroMotion must not engaged in any further dealings with the matched individual or entity. CentroMotion also may have obligations to seize and "block" any funds in its possession that are the property of a person subject to Economic Sanctions.

Record Retention

All completed Sanctions Screening Certificates must be retained for a period of at least five years after completion. Sanctions Screening Certificates that relate to suppliers will be maintained by the Screening Software System; Sanctions Screening Certificates that relate to customers will also be maintained in the Screening Software System.

In the event that a potential or existing customer or vendor is identified as a sanctioned person, a copy of relevant documents and materials related to the determination of a match, including the Sanctions Screening Certificate, and any subsequent action shall be retained by CentroMotion in the Screening Software System for five years.

Third Party Agents

Improper conduct by a third party agent of CentroMotion acting on CentroMotion's behalf may be imputed to CentroMotion itself in many circumstances. Accordingly, all agents of CentroMotion must comply with these procedures when acting on behalf of CentroMotion. An agent, for this purpose, is any person with the authority to act on behalf of CentroMotion (*e.g.*, a sales agent with authority to

contract on CentroMotion's behalf); an agent is not a third party service provider (*e.g.*, manufacturing consultant).

When CentroMotion considers retaining a third party agent, the employees responsible for the potential retention are expected to conduct pre-retention due diligence to determine the potential compliance risks presented by the third party. This diligence should include a sanctions screening to verify that the potential agent is not the target of any Economic Sanctions and review available information regarding the potential agent to identify money laundering concerns (*e.g.*, negative news linking agent to criminal activity, etc.). Other factors to consider when evaluating the AML or sanctions risks presented by a potential agent include where the agent's services will be provided, the nature of those services, the background, experience and credentials of the agent, and the potential for the agent to interact with Government Officials on behalf of CentroMotion (corruption is a predicate crime to money laundering). Any concerns identified in diligence should be reviewed with the CFO.

Each third party agent retained by CentroMotion must sign a written contract that specifies the nature and scope of services to be provided and that includes compensation and payment terms. The contract also must include a sanctions and AML compliance provision. The content of that provision may vary depending on the risks presented, but always should include a representation by the third party agent that it will comply with (i) Economic Sanctions, as relevant to CentroMotion's obligations; (ii) applicable AML laws; and (iii) CentroMotion policy. The CentroMotion employees with responsibility for the retention must review each such contract with a third party agent to ensure compliance with this policy as well as oversee the relationship and promptly report any instances of noncompliance to the Human Resources.

Appendix A – Red Flags

The following are red flags to watch for in relation to compliance with this Anti-Money Laundering and Sanctions Program:

Purchase/Shipping Red Flags

- The customer or its address is similar to one of the parties found on Sanctions Lists.
- The customer or purchasing agent is reluctant to offer information about the end-use or end-user of the item.
- The product's capabilities do not fit the buyer's line of business (*e.g.*, a large order from a business that lacks an apparent use for the product).
- A freight forwarding firm or export company with no apparent connections to the purchaser is listed as the product's final destination.
- The shipping route is abnormal, non-economic, or circuitous for the product and destination.
- Packaging is inconsistent with the stated method of shipment or destination.
- The end-destination is or may be a country or jurisdiction in *Appendix B*.
- The customer is willing to pay well in excess of market value for the product.
- Firms or individuals from foreign countries other than the country of the stated end-user place the order.
- "Fragile" or other special markings on the package are inconsistent with the product described.

Payment Red Flags

- Customer requests payment to different beneficiary without providing a satisfactory and reasonable explanation of the relationship between the parties.
- Customer refuses or otherwise declines to provide requested information on its beneficial owners or control persons.
- Vague, non-specific description for payments made in entries.
- Documents conceal the true identify of an in-country representative or agent.
- Payment descriptions that do not correspond to the appropriate account.
- General purpose or miscellaneous accounts that can be used to hide improper payments.
- Over-invoicing or false invoices.
- Unrecorded accounts or transactions.
- Misstatement of transactions, *e.g.*, recording a payment to the wrong payee.

Third Party Service Provider Red Flags

- Third Party refuses to certify compliance with anti-money laundering or sanctions requirements.

- Third Party does not appear to be qualified to perform the duties for which it is engaged to assist the company.
- Third Party is related to a government official.
- Requests for commissions to be paid in an unrelated country, to another third party, in cash or untraceable funds, or in other unusual forms (*e.g.*, very large success fees).
- Third Party provides no information or inadequate information regarding nature of services provided or to be provided.
- Third Party has had previous compliance issues.

Appendix B – Sanctioned Countries and Regions

As of November 2019, the following countries and regions are subject to some form of Economic Sanctions:

- Balkans
- Belarus
- Burma
- Burundi
- Central African Republic
- Cuba
- Democratic Republic of the Congo
- Iran
- Iraq
- Lebanon
- Libya
- Mali
- Nicaragua
- North Korea
- Somalia
- South Sudan
- Sudan
- Syria
- Ukraine, including the Crimea region claimed by Russia
- Venezuela
- Yemen
- Zimbabwe

* This list should be periodically reviewed and updated, as relevant.

See <https://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx> for U.S. Sanctions.