

Preface by the Management Board

Dear Employees,

The Management Board of PWO AG considers compliance with all laws, including anti-corruption and antitrust laws, internal regulations, and ethical standards, an irrefutable principle.

Kickback affairs and bribery scandals within notable companies and ever stricter regulations on economic activity have prompted the Management Board to open up an in-depth dialog about the topic of compliance.

Like any other company, we are obligated to comply with applicable laws and regulations. The purpose of this Code of Conduct is to emphasize that certain topics are particularly important to us.

Specifically, we strive to avoid conflicts of interest when working together with our business partners. We also attach great importance to social and fair dealings with and between our employees¹. However, we also want to ensure that no sanctions are imposed on our company as a result of potentially transgressive actions of individuals.

This Code of Conduct is also intended as a set of procedural guidelines for all employees to support them in their daily work. Supplemental guidelines and training sessions are provided to raise awareness for certain issues and make it easier for employees to deal with them. They are to enable employees to feel more secure when dealing with certain legal issues, without entering into a dubious "gray zone" or even render themselves liable to prosecution.

This Code of Conduct applies to all PWO AG employees. Our subsidiaries have comparable regulations in place.



Dr. Volker Simon



Bernd Bartmann



Johannes Obrecht

¹ The term "employees" is used herein as a gender-neutral term. It also includes all executive managers and other staff, such as interns.

1. What does “compliance” mean?

In the context of economy, the term “compliance” effectively means “to act in accordance with the company-relevant standards.” Compliance reference points include domestic and international laws, ordinances, and other federal standards, as well as internal company guidelines.

Compliance represents a company’s and its management’s goal to structure its corporate governance in such a way that liability risks are recognized and prevented early. This applies to the company’s liability as well as to that of its management; for example, in the case of a listed stock corporation (“Aktiengesellschaft”), the liability of the Management and Supervisory Boards, as well as that of management and all employees.

2. Abidance by laws, ordinances and regulations

Abidance by the laws, ordinances and regulations that govern our business activity worldwide is PWO AG’s highest goal and the basic prerequisite for successful and sustainable growth.

PWO AG does not tolerate any breach of laws, regulations and provisions, either by our employees or by our products and services.

3. Treatment of business partners and third parties

We treat our business partners and any third parties respectfully and fairly. We act with honesty towards our competitors and do not breach any regulations protecting fair competition. Only fair competition has the right to flourish freely.

PWO AG and its employees adhere to anti-corruption laws and openly speak out against bribery and corruption.

Likewise, PWO AG complies with all antitrust laws and resolutely opposes any conduct that is in beach of antitrust laws.

In return, PWO AG expects its business partners, specifically suppliers, customers and service providers, to conduct themselves in an equally lawful manner.

4. Treatment of Employees

We are obligated to provide our employees with special protection and care. PWO AG is committed to compliance with protective labor law regulations and the creation of a working environment that meets or exceeds the generally applicable standards of occupational health and safety.

We are opposed to discrimination in the workplace on principle, and advocate fair treatment for our employees.

PWO AG complies with the provisions of the General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz - "AGG"), which stipulates that no person may be disadvantaged, harassed, or excluded on account of their race or ethnicity, gender, religion or ideology, disability, age, or sexual identity.

5. Observance of human rights

PWO AG is committed to upholding human rights and resolutely opposes child labor and forced labor.

6. Avoidance of Conflicts of Interest

It is very important to PWO AG to ensure that its employees are not confronted with any conflicts of loyalty or interest in carrying out their work activities.

Conflicts of interest lead to biased decisions, which can cause significant damage to a company. We avoid conflicts of interests and, in cases where such conflicts might occur, we disclose the relationships involved in a transparent and comprehensible fashion.

7. Treatment of information, company secrets, and data

All PWO AG employees are obligated to observe secrecy regarding any company or business secrets entrusted or otherwise made known to them, including those of suppliers, customers, and other third parties, as well as any affairs or concerns pertaining to PWO AG and its employees which are to be treated confidentially.

8. Data Protection

PWO AG respects and protects the personal data and the privacy of individuals.

Personal data may be collected, processed, and used by PWO AG, as well as its individual employees, only in accordance with the conditions of the applicable data protection regulations.

9. Use of social media networks

In addition to opportunities, the use of social media (particularly social networks such as Facebook) is also associated with many risks. In this context, a suitably responsible approach is absolutely essential.

10. Use of company property

Company property may be used only for business-related or other company-approved purposes permitted by law; it must not be used for any illegal purpose.

11. Principle of sustainability

As a company operating in the automotive supplier industry, we always work towards saving raw materials and energy and use the legally permissible or intended substances and materials that do not pose any hazards to health or the environment.

PWO AG is committed to recognizing and managing environmental risks in a timely manner. We promote the development of new products that contribute to the mitigation or prevention of social, economic, and ecological risks.

12. Capital market regulations

Managers' transactions

The German Securities Trading Act (WpHG) and the EU Market Abuse Regulation (MAR) demand under certain circumstances that persons who hold managerial roles at PWO AG must report any transactions involving their own stock within three business days – both to PWO AG and directly to the Federal Financial Supervisory Authority (BaFin).

This applies if such persons have regular access to insider information and make material business decisions and if the total amount of transactions by the end of the calendar year reaches or exceeds EUR 5,000.00.

The same applies to spouses, common-law spouses, dependent children, and other relatives who, at the time the relevant transaction was made, had been cohabiting in the same household with such persons for at least one year.

Likewise, a person who holds a managerial role at PWO AG must not conduct any business on his/her own behalf or on behalf of any third parties, either directly or indirectly, in connection with PWO AG stock during a consecutive period of 30 calendar days prior to the announcement of an interim financial report or an annual financial report which PWO AG is obligated to publish.

Insider trading

Insider trading of stock is generally prohibited by law.

According to Article 7 MAR, insider information is precise information not publicly known, which either directly or indirectly concerns one or multiple issuers or one or multiple financial instruments and which would, if it were made public, have a significant effect on the value of these financial instruments or the value of any related derivative financial instruments.

PWO AG is legally obligated to keep a register listing persons who are considered insiders (so-called "list of insiders").

13. Sanctions and consequences of infractions

PWO AG employees who violate the compliance regulations face consequences under labor law, which may involve termination of employment without notice. If an employee commits a regulatory or criminal offense, PWO AG reserves the right to press charges with the relevant authorities.

A person in breach of the Code of Conduct cannot claim to have acted in the best interest of the company. In the long term, such infractions always cause damage to the company.

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