Code of Conduct
Klöckner & Co SE

klöckner & co

Guido Kerkhof

CHAIRMAN OF THE MANAGEMENT BOARD

Dear Colleagues:

Our goal is to lead Klöckner & Co successfully and sustainably into the future as an innovative company with a clear customer focus. In doing so, we are aware of our responsibility for the environment, the public, for our employees and our shareholders.

Continuous economic and social change, in an agile market environment characterized by digital and ecological transformation, are the challenges we face.

This requires a few core values that guide our decisions and actions:

- Responsibility and Credibility,
- Sustainability and Safety, as well as
- People Empowerment.

These core values include Compliance, i.e., that we adhere to laws, internal regulations, self-imposed voluntary commitments, and ethical principles, in particular Respect and Appreciation. Without exception. Illegal and unethical conduct is not acceptable - always and everywhere in the world!

Our Code of Conduct is the compass that guides us to set the right course even under troubled weather conditions. This requires a determined attitude of integrity, especially from our managers but also from each individual employee.

It is important to me that you all understand that our Code of Conduct is not just a means to avoid penalties and fines. Rather, it is important that all of us are convinced of its fundamental ethical values and principles and that we all behave accordingly.

It is up to all of us, and I trust that you will join.

Guido Kerkhoff

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1 Reputation, Management and Responsibility

At Klöckner[1] we are conscious of our role in society and our responsibilities to our business partners, shareholders, employees and the general public. We are committed to clear principles and value-oriented, ethical and lawful company management.

[1] For the purposes of this Code Klöckner & Co SE and its direct and indirect subsidiaries shall be referred to collectively as "Klöckner" or the "Company."

HOW TO USE THIS CODE

This Code contains fundamental principles and rules for implementing our standards which we apply throughout our entire Group as well as in our dealings with our business partners and the general public.

It is impossible to anticipate every question you may have or situation you might face, so in addition to the Code, we also have other resources that can be of help. These additional resources are listed throughout the Code. As always, the Company relies on you to use good judgment and to seek help when you need it.

Since Klöckner operates in several countries, we need to be especially aware of different laws and customs that apply. While we respect the norms of our customers, business partners and co-workers, all employees must at a minimum comply with the standards and principles in this Code unless they are inconsistent with local law, in which case you should seek guidance from your National Compliance Officer – *Contact Details National Compliance Offices*

Who Needs to Follow our Code

This Code applies to all employees, officers and members of the Company's Management Board. Our business partners serve as an extension of Klöckner and they are expected to follow the spirit of the Code, as well as any applicable contractual provisions, when working on behalf of Klöckner.

Supervisors[2] who oversee the work of our business partners are responsible for ensuring that they understand our ethics standards. If a business partner fails to comply with our ethics and compliance expectations and their related contractual obligations, it may result in the termination of their contract.

[2] The term "Supervisor" is used throughout the Code to refer to an employee who, though not necessarily a Manager, leads others within his or her organization.

1.1 Employee Responsibilities

Each of us must take responsibility for acting with integrity, even when this means making difficult choices. Meeting our responsibilities is what enables us to succeed and grow, today – and in the future.

- All employees must respect and comply with Company policies, this Code, the laws and other binding regulations of the legal system within which they operate.
- Always act in a professional, honest, and ethical manner when acting on behalf of the Company.
- Know the information in the Code and policies, paying particular attention to the topics that pertain to your job responsibilities.
- Complete all required employee training in a timely manner and keep up-to-date on current standards and expectations.
- Report concerns about possible violations of laws, regulations, or the Code to your Supervisor or, if necessary, to your National Compliance Officer.
- Cooperate and tell the whole truth when responding to an investigation or audit and never alter or destroy records in response to an investigation or when an investigation is anticipated.

Remember: no reason, including the desire to meet business goals, should ever be an excuse for violating laws, regulations, the Code or Klöckner policies.

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I am a supervisor and I am not clear what my obligations are if someone comes to me with an accusation – and what if it involves a senior leader?

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No matter who the allegation involves, you must report it without exception. We provide several avenues for reporting concerns. If for any reason you are uncomfortable making a report to a particular person, you may talk to your National Compliance Officer or the Corporate Compliance Office in Germany.

1.2 Additional Responsibilities of Klöckner Leadership

The members of the Management Board and all supervisors are required to set an example and bear particular responsibility for actively implementing this Code. Klöckner supports the work of the employee representatives and promotes this work through open discourse in the spirit of a cooperative partnership.

Our Management Board and supervisors assume a special role in the implementation of, and compliance with, our basic principles.

Supervisors are responsible for ensuring that no violations of laws occur within their areas of responsibility, which could have been prevented through appropriate supervision and organization. They are expected to exemplify the highest standards of ethical business conduct. In particular, the duties of our supervisors include:

- Lead by example.
- Practice a leadership style that emphasizes working with team members, guiding and encouraging them to reach the desired goals and results.
- Set clear, measurable, ambitious and realistic objectives.
- Support employees in their development and empower them to achieve their goals.
- Issue precise, complete and binding instructions to employees, particularly with regard to compliance with statutory provisions.
- Monitor compliance with statutory provisions and internal guidelines on an ongoing basis.
- Ensure clear and unambiguous communication between supervisors and employees.
- Be proactive. Look for opportunities to discuss and address ethics and challenging situations with others.
- Create an environment where everyone feels comfortable asking questions and reporting potential violations of the Code and policies. Respond quickly and effectively to concerns that are brought to your attention.
- Ensure that our business partners understand their ethics and compliance obligations.

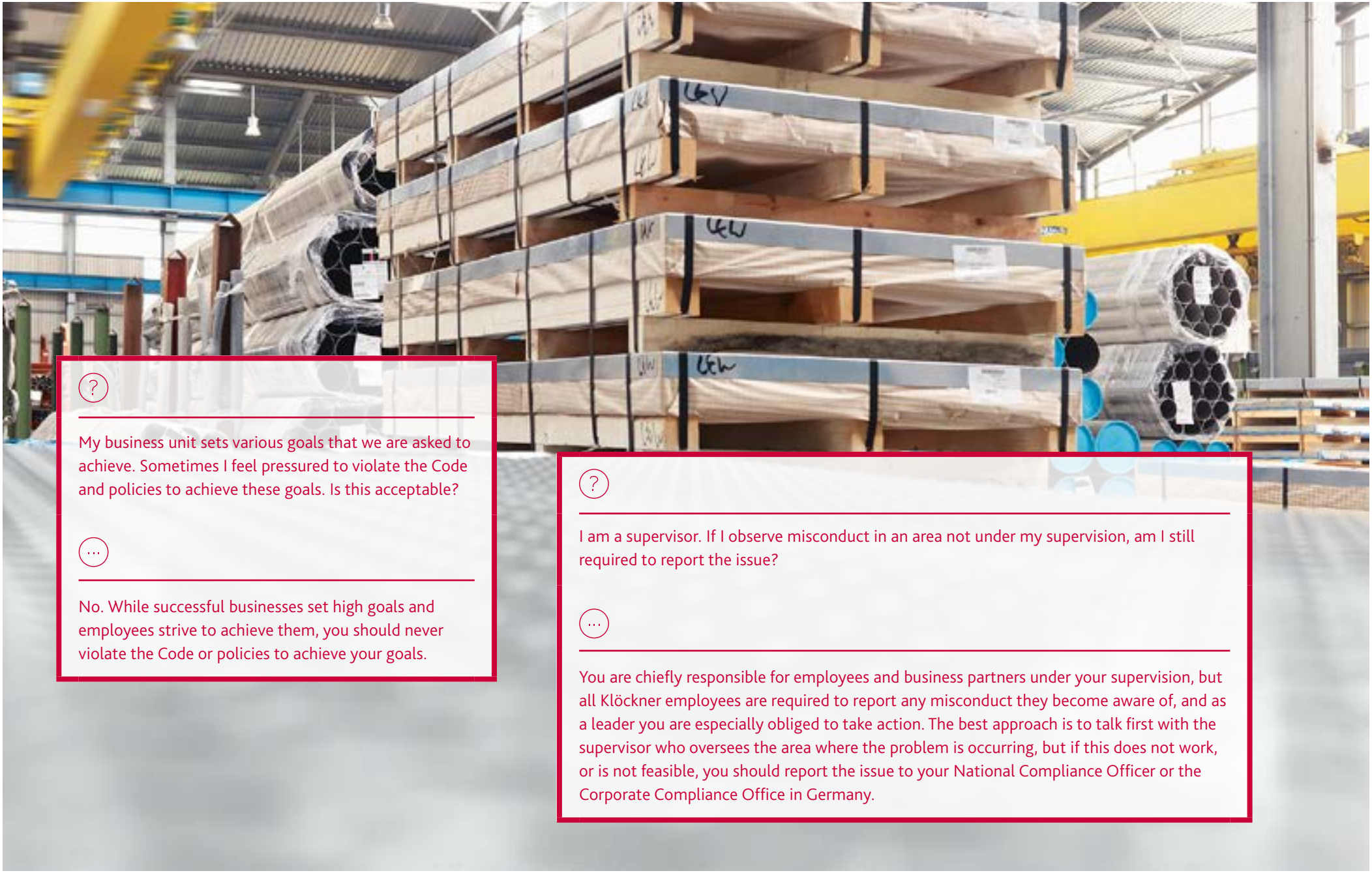
MAKING THE RIGHT CHOICE – GUIDELINES FOR ETHICAL DECISION-MAKING

Making the right decision is not always easy. There will be times when you will be under pressure or unsure of what to do. Always remember when you have a tough choice to make, you are not alone. Your colleagues and management are available to help, and you have other resources to turn to including the Code, our policies, guidelines, and your National Compliance Office.

When faced with a tough decision it may help to ask these questions:

- Is it legal?
- Is it consistent with the Code and policies?
- Is it based on a thorough understanding of the risks involved?
- Will I be able to look myself in the mirror and justify the decision to myself?
- Would I still be comfortable with the decision if it appeared in the newspaper?

If the answer to any of these questions is no, stop and speak up.



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My business unit sets various goals that we are asked to achieve. Sometimes I feel pressured to violate the Code and policies to achieve these goals. Is this acceptable?

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No. While successful businesses set high goals and employees strive to achieve them, you should never violate the Code or policies to achieve your goals.

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I am a supervisor. If I observe misconduct in an area not under my supervision, am I still required to report the issue?

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You are chiefly responsible for employees and business partners under your supervision, but all Klöckner employees are required to report any misconduct they become aware of, and as a leader you are especially obliged to take action. The best approach is to talk first with the supervisor who oversees the area where the problem is occurring, but if this does not work, or is not feasible, you should report the issue to your National Compliance Officer or the Corporate Compliance Office in Germany.

1.3 Asking Questions and Reporting Violations

If you see or suspect any illegal or unethical behavior, or you have a question about what to do, speak up and ask for help.

It is always best to discuss the matter with your supervisor, but if that is not possible, or you would rather talk to someone else, you have several options:

- **First:** You may talk with any other supervisor or member of management.
- **Second:** You may also contact National Compliance Officer or the Corporate Compliance Office in Germany, when you have confidentiality concerns or you believe management cannot assist you.
- **Third:** If you prefer, at any time you can use the following resources: *Whistleblower Hotline*

Anonymous reports may be submitted where allowed by local law. We will make every reasonable attempt to ensure that your concerns are addressed appropriately. You should only provide information that is correct to the best of your knowledge.

Klöckner has an opportunity to improve every time you ask a question or raise a concern. When you take action, speak up and report questionable conduct, you are protecting your colleagues and our reputation. Remember, an issue cannot be addressed unless it is brought to someone's attention.

WHAT TO EXPECT WHEN YOU USE THE ETHICS HOTLINE

The Ethics Hotline and the web portal are available 24 hours, seven days a week. Trained specialists from an independent third party provider of corporate compliance services, will answer your call, document your concerns and forward a written report to the Corporate Compliance Office, as appropriate, for further investigation.

After you make a report, you will receive an identification number so you can follow up on your concern. Following up is especially important if you have submitted a report anonymously, as we may need additional information in order to conduct an effective investigation. This identification number will also enable you to track the resolution of the case; however please note that, out of respect for privacy, the Company will not be able to inform you about individual disciplinary actions.

Any report you make will be treated in a confidential manner by all individuals involved with reviewing and, if necessary, investigating.

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Our supervisor typically does nothing when concerns about potential misconduct are brought to her attention and I believe she has made things difficult for co-workers who have raised issues. Now I have a problem. A co-worker is doing something that I believe to be ethically wrong. What should I do?

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Take action and speak up. We do not wish to create a culture of mistrust but you are required to report misconduct. While starting with your supervisor is often the best way to efficiently address concerns, if you do not believe that it is appropriate or do not feel comfortable doing so, you should talk to your National Compliance Officer.

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What if someone misuses the Ethics Hotline and falsely accuses someone of wrongdoing?

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Experience has shown that the Ethics Hotline is rarely ever used for malicious purposes, but it is important to know that we will follow up on calls and web reports. Anyone who intentionally uses the Ethics Hotline in bad faith to spread falsehoods or threaten others, or with the intent to unjustly damage another person's reputation, will be subject to disciplinary action up to and including termination.

1.4 Our Non-Retaliation Policy

You can report ethical violations in confidence and without fear of retaliation. Klöckner will **not tolerate any retaliation** against an employee because they ask questions or make reports of possible violations of the Code or policies.

1.5 Accountability and Discipline

All employees must expect disciplinary consequences if they break laws or other legal binding regulations. You should also expect sanctions if you breach internal rules or country specific guidelines of the affiliated company such as the corporate policies.

Violations of laws or regulations may result in legal proceedings and penalties including, in some circumstances, criminal prosecution.

1.6 Waivers and Exceptions

Executive officers will regularly reassess this Code and recommend changes to the Management Board for approval. In very limited circumstances, the Company may find it appropriate to waive a provision of the Code.

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Our Responsibilities to One Another

To maintain our commitment and to attract and keep talented individuals it is vital that we continue to have a supportive, professional and respectful work environment. Maintaining this environment not only helps Klöckner succeed, it also creates the setting for each of us to thrive and to reach our full potential.

2.1 Discrimination and Harassment

Our Commitment

Our colleagues, job applicants and business partners are entitled to respect and should be judged on the basis of their qualifications, demonstrated skills and achievements.

We respect different cultures and ethical and religious backgrounds and are committed to the principle of equality, irrespective of race, gender, age, origin, skin color, disability, nationality, sexual orientation, gender identity, religion or any other legally protected characteristics or activities.

Information that supports or incites racial hatred, glorification of violence, criminal offenses, has content that is sexually offensive in the cultural context in question or is otherwise legally protected may not be retrieved or distributed within our Company under any circumstances.

We make sure to:

- Treat others respectfully and professionally.
- Promote diversity in hiring and other employment decisions.
- Do not discriminate against others on the basis of any other characteristic protected by law or Company policy.
- Never tolerate sexual harassment including requests for sexual favors, or other unwelcome verbal or physical conduct of a sexual nature.
- Demonstrate professionalism. Do not visit inappropriate internet sites or display sexually explicit or offensive pictures.

We watch out for:

- Comments, jokes or materials, including emails, which others might consider offensive.
- Inappropriate bias when judging others. If you supervise others, judge them on performance. Avoid introducing unrelated considerations into your decisions. Use objective, quantifiable standards.
- Verbal or physical conduct by any employee that harasses another, disrupts another's work performance, or creates an intimidating, offensive, abusive, or hostile work environment. Such will never be tolerated.

To learn more:

- Discuss any questions, concerns about discrimination or harassment with your local Human Resources Representative.

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One of my co-workers sends e-mails containing discriminating and derogatory comments about certain nationalities. They make me uncomfortable, but no one else has spoken up about them. What should I do?

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You should notify your supervisor. Sending such communication violates our values as well as our policies pertaining to the use of e-mail and our standards on diversity, harassment and discrimination. By doing nothing you are condoning discrimination and tolerating beliefs that can seriously erode the team environment that we have all worked to create.

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While on a business trip, a colleague of mine repeatedly asked me out for drinks and made comments about my appearance that made me uncomfortable. I asked him to stop, but he would not. We were not in the office and it was 'after hours' so I was not sure what I should do. Is it harassment?

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Yes it is. This type of conduct is not tolerated, not only during working hours but in all work-related situations including business trips. Tell your colleague such actions are inappropriate and must be stopped, and if they continue you need to report the problem to your local Human Resources Representative.

2.2 Employee Rights

Employment with Klöckner is voluntary. Forced labor, all types of involuntary labor and child labor are unacceptable and prohibited. Furthermore, in observance of the applicable ILO conventions 138 and 182, we will not employ anyone under the age of 15. (If anyone under the age of 18 is employed, we will ensure that their health and safety are not jeopardized.)

We comply with all relevant regulations and rules on working time, breaks, vacation and compensation.

Klöckner acknowledges the right of employees to form and join unions and employee representative groups on a democratic basis. Employees will not be discriminated against or favored as a result of membership in a union or employee representative group. The rights of unions to conduct activities will be recognized within the applicable national laws.

2.3 Safety and a Hazard-free Work Environment

Our Commitment

We consider the health of all our employees and stakeholders to be the asset of paramount importance and strive for doing our utmost to protect this asset.

Thus, we are committed to providing a healthy and safe work environment for colleagues, subcontractors and other visitors to our facilities. Unlawful possession of a firearm, weapon or explosive is not permitted in the workplace.

It is management's responsibility to ensure that appropriate procedures and protective measures are in place. It is the responsibility of all employees to follow safe working practices to protect themselves, colleagues and others.

We are proactive and speak up if there is a potential safety or health problem. The more we communicate, the better we can respond to any unsafe or unhealthy working conditions. Look out for fellow employees' safety!

We make sure to:

- Observe the safety rules and practices that apply to our job.
- Only undertake work that we are qualified to perform.
- Stop work if we consider it unsafe.
- Report any accident, injury, illness, or unsafe condition immediately. We never assume that someone else has reported a risk or concern.
- Know the emergency procedures that apply where we work.

We watch out for:

- Unsafe practices or work conditions.
- Lax or missing enforcement of security standards, such as facility entry procedures.

To learn more:

- Discuss any questions, concerns about health and safety with your supervisor.

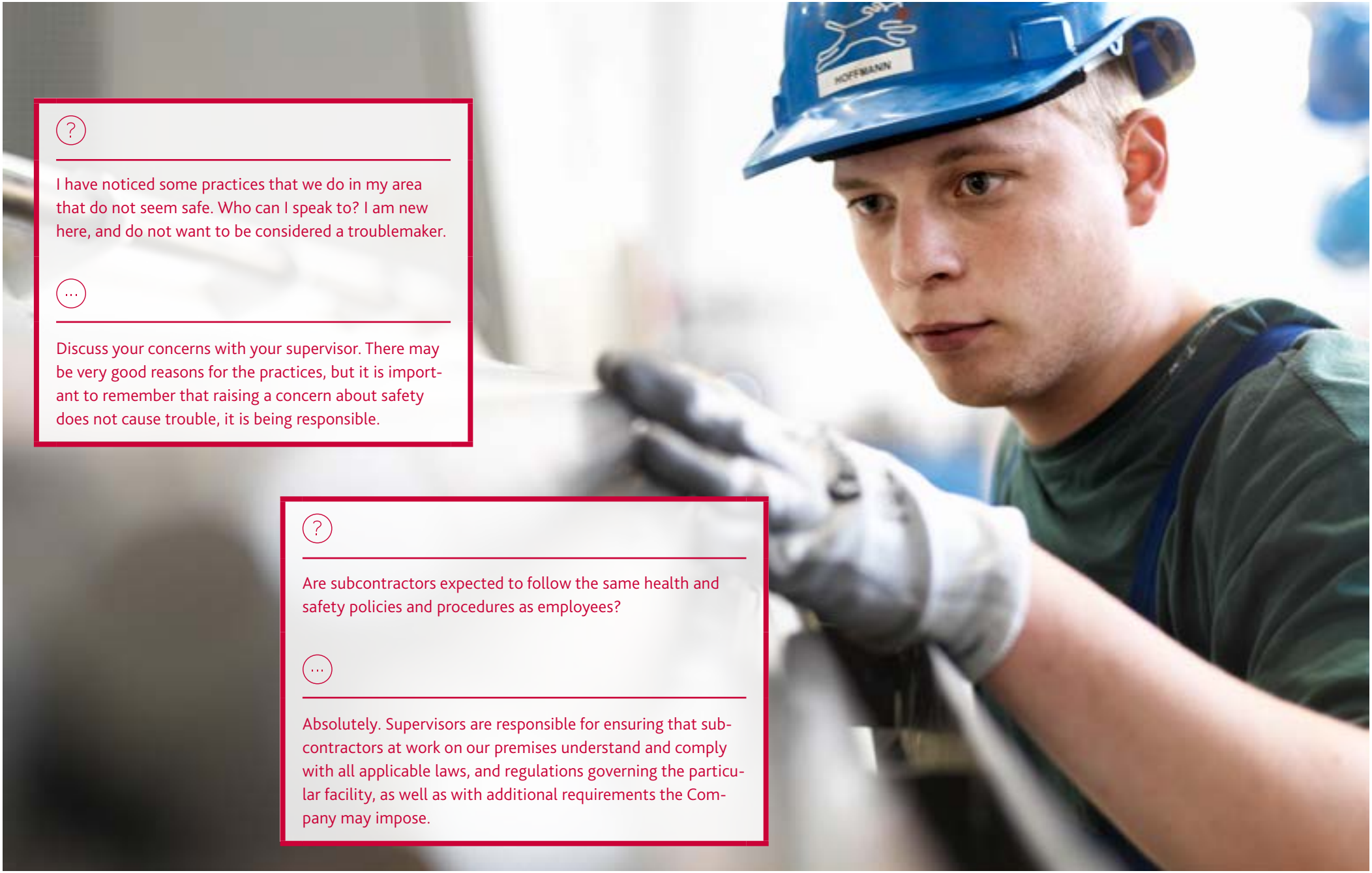
Preventing Workplace Violence

Violence of any kind has no place at Klöckner. We will not tolerate the following:

- Intimidating, threatening or hostile behavior.
- Causing physical injury to another.
- Acts of vandalism, arson, sabotage or other criminal activities.
- Offensive comments regarding violent events or behavior.

Alcohol and Drug-Use Policy

- While at work or on Company business, we are never to be impaired, and we are to always be ready to carry out our work duties. While conducting Klöckner business, we do not use, possess or be under the influence of illegal drugs, prescription drugs or any substance that could interfere with a safe and effective work environment or harm the Company's reputation.



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I have noticed some practices that we do in my area that do not seem safe. Who can I speak to? I am new here, and do not want to be considered a troublemaker.

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Discuss your concerns with your supervisor. There may be very good reasons for the practices, but it is important to remember that raising a concern about safety does not cause trouble, it is being responsible.

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Are subcontractors expected to follow the same health and safety policies and procedures as employees?

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Absolutely. Supervisors are responsible for ensuring that subcontractors at work on our premises understand and comply with all applicable laws, and regulations governing the particular facility, as well as with additional requirements the Company may impose.

2.4 Privacy and Data Protection

Our Commitment

We at Klöckner are aware of the fact that the protection of privacy is critically important and personal data has to be handled with due care.

Many of us have access to personal data related to our colleagues and others. We must therefore ensure that we comply with applicable laws. This is especially important as in some legal systems, such as in the EU, strict laws and regulations apply with regard to the collection, processing and use of employees' personal data and that of third parties including customers and business partners.

We only collect, process or use personal data when this is necessary for specified, clear and legitimate business purposes.

The processing and use of data must be transparent for the persons affected and their rights to obtain information, make objections or corrections, and request blocking and deletion of personal data must be protected.

We make sure to:

- Learn about the types of information which are given heightened protection by the law and Company policy (such as personally identifiable information, like social security numbers and bank account numbers) and protect them through appropriate means (such as encryption or other types of limited access).
- Not access, discuss or share personal data unless there is a legitimate business reason to do so and we have evaluated whether or not this is in compliance with the applicable laws.
- Only share confidential employee information and any other personal data within the Company or with a third party if we have made sure that it will be appropriately protected and is in compliance with the laws.
- Immediately report to your Local Data Protection Contact (LDPC) any loss or inadvertent disclosure of employee or other personal data.

We watch out for:

- Unintentional exposure of personal data in public settings such as on phone calls or while working on your laptop.
- Unlawful collection, processing and use of personal data
- The loss of control of personal data. When sending personal data across borders or to third parties, make sure that the transmissions are for legitimate business reasons and that they comply with local law.

To learn more:

- Discuss any questions, concerns about employee privacy and data protection with your National Compliance Officer.

3

Our Responsibilities to Our Customers and Business Partners

Our business partners make significant contributions to our success. To create an environment where our business partners have an incentive to continue to work with us, they must be confident that they will be treated lawfully and in an ethical manner.

3.1 Working with Our Business Partners

Our Commitment

We believe in working with business partners who share our commitment to high standards of ethical business behavior. If you are in a leadership position at Klöckner and oversee our business partners, you should communicate to them our standards for high performance in ethics and compliance.

Our policy is to purchase supplies and select business partners based on need, quality, service, price, terms and other relevant conditions.

We make sure to:

- Respect and reasonably protect the confidential and proprietary information of business partners.
- Make supplier-related decisions in the best interest of Klöckner, not for any personal benefit or gain.
- When appointing advisors, brokers or other business partners, ensure that they are committed to our standards and be especially vigilant to ensure that they are committed to combating corruption.

We watch out for:

- Signs that our business partners are violating applicable law or regulations. Insist on honest accounting of time and materials and acceptance of deliverables on time that meet our standards.
- Any situation that may appear to involve a conflict and remove yourself from making or influencing a purchasing decision.

To learn more:

- Discuss any questions, concerns about supplier relations with your National Compliance Officer.
- If you have questions about due diligence regarding third parties or intermediaries, refer to our corporate guideline on the engagement of intermediaries. There is also a corporate guideline on gifts, invitations and discounts as well as on the combating corruption in business transactions in place.

We are committed to ethical and lawful company management and expect the same of our business partners. We expect compliance with the following basic principles:

- Compliance with applicable laws
- No participation in corruption
- Respect of human rights
- Prohibition of child labor
- Compliance with the legal minimum wage and legal working hour regulations
- Safeguarding occupational health and safety of employees
- Promotion of environmental protection

3.2 Competitive Intelligence

Our Commitment

Information about competitors is a valuable asset in today's competitive business environment. When collecting business intelligence, employees and others who are working on our behalf, should always follow sound and ethical commercial practices.

We must never engage in fraud, misrepresentation or deception to obtain information. While Klöckner employs former employees of competitors, we recognize and respect any valid legal obligations of those employees not to use or disclose the confidential information of their former employers.

We make sure to:

- Obtain competitive information only through legal and ethical means, never through misrepresentation.
- Do not contact a competitor to obtain their confidential information.
- Make sure that third parties acting on our behalf live up to our standards.

We watch out for:

- Retaining papers or computer records from prior employers in violation of laws or contracts.
- Improper use of confidential information of competitors.
- Improper use of job interviews as a way of collecting confidential information about competitors.
- Asking new employees to discuss confidential information from their previous employer.

To learn more:

Discuss any questions, concerns about collecting business intelligence with your National Compliance Officer.

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I am a supervisor and one of my employees who recently joined Klöckner from a competitor has with her a customer list and price list of the competitor. She says she plans to use it to our advantage. Should I just ignore this and let her do it?

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No. If an employee retains competitor information it can result in legal action by the competitor. You must tell her not to use the list and to destroy it. You must report this to the National Compliance Officer.

3.3 Conflicts of Interest

Our Commitment

A conflict of interest may exist whenever we have a competing interest that may interfere with our ability to make an objective decision for Klöckner. Each of us is expected to use good judgment and avoid situations that can lead to even the appearance of a conflict which can undermine the trust others place in us and damage our reputation.

We make sure to:

- Avoid conflict of interest situations whenever possible.
- Always make business decisions in the best interest of Klöckner.
- Discuss with your supervisor any situation that could be perceived as a potential conflict of interest.
- Think ahead and proactively address situations that may put your interests or those of a family member in potential conflict with Klöckner.

We watch out for:

Situations including the following, which are common examples of potential conflicts of interest:

Corporate Opportunities

If you learn about a business opportunity because of your job, it belongs to Klöckner first. This means that you should not take that opportunity for yourself unless you get approval from your National Compliance Officer. Examples may include: taking advantage of real estate opportunities that you learn about through work, or placing private orders with companies with which we have business dealings in the hope of obtaining discounts or special considerations.

Friends and Relatives

On occasion, it is possible that you may find yourself in a situation where you are working with a close friend or relative who works for a customer, supplier, competitor, etc. Since it is impossible to anticipate all situations that may create a potential conflict, you should disclose your situation to your supervisor.

Outside Employment

To ensure that there are no conflicts and that potential issues are addressed, you always need to disclose and discuss outside employment with your supervisor and local Human Resources Representative. If approved, you need to ensure that this outside activity does not interfere or detract from your work. Working for a competitor, customer or supplier is never allowed.

Personal Investments

Management must be notified in writing of any significant financial investments in a competitor, customer or supplier by an employee or a close family member of an employee. A significant investment is any direct or indirect investment amounting to 5% or more of the capital of the competitor, customer or supplier.

To learn more

- Discuss any questions, concerns about conflicts of interest with your supervisor or the National Compliance Officer.

3.4 Gifts and Entertainment

Our Commitment

In the right circumstances, a modest gift may be a thoughtful "thank you," or a meal may be an appropriate setting for a business discussion which strengthens a professional relationship. However, if not handled carefully, the exchange of gifts and entertainment can look like a conflict of interest, especially if it happens frequently or if the value is large enough that someone could reasonably think it is influencing a business decision.

We make sure to:

- Only provide and accept gifts and entertainment that are reasonable complements to business relationships.
- Never accept gifts of any kind from a business partner with whom we are involved in contract negotiations and never accept gifts of cash or cash equivalents.
- Understand and comply with the policies of the recipient's organization before offering or providing gifts, favors or entertainment.

We watch out for:

- Situations that could embarrass the Company, including entertainment at sexually oriented establishments.
- Business partners that appear to be privately held but are actually considered government entities.
- Gifts, favors or entertainment that may be reasonable for a privately owned customer but not for a government official or agency.
- Third parties or agents who are thought to be valuable primarily for their personal ties rather than for the services they are to perform or who request compensation out of proportion to their services.

To learn more:

- Discuss any questions, concerns about gifts and entertainment with your National Compliance Officer.

See our *Guideline "Gifts, Entertainment and Rebates"*

GIFTS AND ENTERTAINMENT OF PUBLIC OFFICIALS

No employee may directly or indirectly offer, promise or grant unjustified privileges to public officials or allow themselves to be offered, promised or granted such privileges, or approve such privileges.

You must always make sure you know whether you are dealing with a government-related entity. This is not always obvious. Businesses such as airlines, oil companies and utility providers and transportation may be owned or controlled by a government, in whole or in part, and subject to special rules. When in doubt, discuss the situation with your supervisor or your National Compliance Officer.

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When I was traveling, I received a gift from a business partner that I believe was excessive. What should I do?

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You need to report it to your supervisor who will inform the National Compliance Officer as soon as possible. We may need to return the gift with a letter explaining our policy. If a gift is perishable or impractical to return, another option may be to distribute it to employees or donate it to charity, with a letter of explanation to the donor.

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During negotiations with a potential new business partner, they mentioned that they had a complimentary registration to a local business seminar. They are unable to attend and asked if I would like to go in their place. I had been thinking of attending the seminar anyhow, since the subject of the seminar applies to my work. There is no personal gain to me, it would be good for Klöckner, and it would be a shame to waste the registration, I planned on saying 'yes.' Now I wonder if that would be the right decision.

…

You should decline the offer. If you are involved in negotiations, you must never accept any gifts while the negotiation process is on-going. Accepting gifts during negotiations can give the appearance of a 'quid pro quo' and is always inappropriate.

4

Our Responsibilities to Our Shareholders and the Marketplace

We have a commitment to transparency and responsible business practices. We always keep in mind our obligations to our shareholders and we remain guided by our values and our respect for the laws governing our operations everywhere we do business.

4.1 Creating and Managing our Business Records

Our Commitment

Business partners, government officials and the public need to be able to rely on the accuracy and completeness of our disclosures and business records. Accurate information is also essential within the Company so that we can make good decisions.

Our books and records must be in compliance with accepted accounting rules and controls. Employees with a role in financial or operational recording or reporting have a special responsibility in this area, but all of us contribute to the process of recording business results and maintaining records. All documents, such as financial reports, accounting documents, sales reports, expense vouchers and environmental and security-related reports, must supply the relevant facts appropriate to the nature of the business transaction in a clear and timely manner. We will not tolerate breaches of accounting rules, fraudulent accounting or incorrect documentation.

We make sure to:

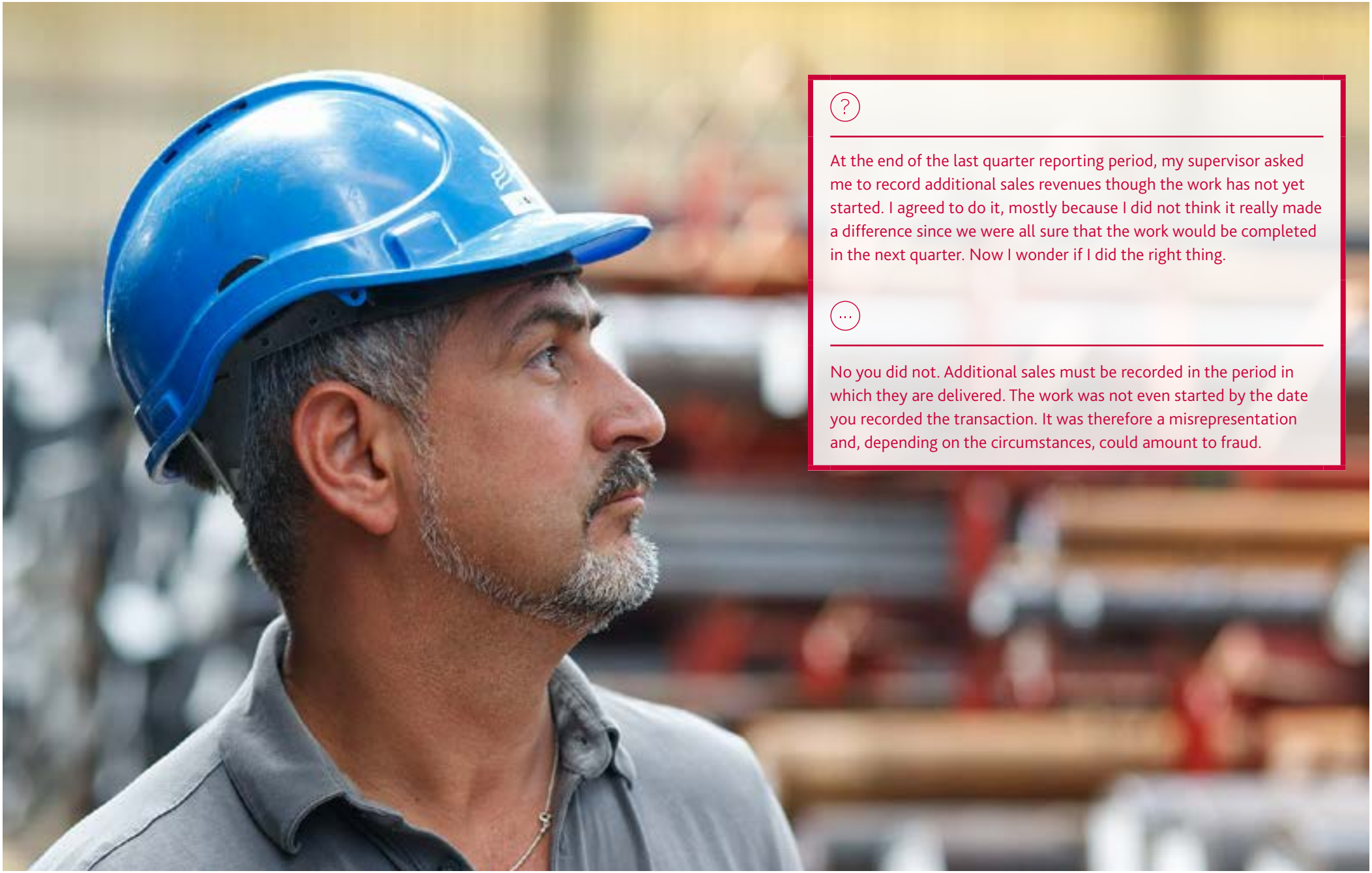
- Create accounting and business records that accurately reflect the truth of the underlying event or transaction.
- Record transactions as prescribed by our system of internal controls.
- Write carefully and clearly in all our business communications, including emails. Write with the understanding that someday they may become public documents.
- Retain, protect and dispose of records according to applicable policies. Records subject to legal hold notices, document preservation requests or regulatory requirements may be subject to additional protections.

We watch out for:

- False claims on an expense report or time sheet.
- Financial entries that are not clear and complete or that hide or disguise the true nature of any transaction.
- Undisclosed or unrecorded funds, assets or liabilities.
- Interference with the auditing of financial records.

To learn more:

- Discuss any questions, concerns about our records management and disclosure processes with your supervisor or with your National Compliance Officer.



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At the end of the last quarter reporting period, my supervisor asked me to record additional sales revenues though the work has not yet started. I agreed to do it, mostly because I did not think it really made a difference since we were all sure that the work would be completed in the next quarter. Now I wonder if I did the right thing.

…

No you did not. Additional sales must be recorded in the period in which they are delivered. The work was not even started by the date you recorded the transaction. It was therefore a misrepresentation and, depending on the circumstances, could amount to fraud.

4.2 Protecting Our Assets

Our Commitment

We are entrusted with Company assets and are personally responsible for protecting them and using them with care. Company assets include: facilities, supplies, vehicles, IT systems, tools, as well as trade secrets and confidential or proprietary information, Company manuals, samples, forms, plans, customer lists, information and files, databases, software and all other data, documents, writings, copies and information in any format used or relied upon in our employment, unless otherwise allowed by Country labor law involving wages, hours and working conditions.

All employees are expected to work efficiently during working hours and make the best use of the time and resources provided.

Company assets should be used for legitimate business purposes and should not be used for non-Company business.

We make sure to:

- Only use Klöckner assets for legitimate business purposes. The use of Company property for purposes other than conducting the Company's business is not permitted under any circumstances.
- Do not use Klöckner equipment or information systems to create, store or send content that violates Company policies, such as discrimination, harassment, threats of violence or inappropriate websites.
- Do not share passwords or allow other people, including friends and family, to use Klöckner resources.
- Avoid any use of Company assets that might cause loss to the Company or damage to the assets.
- Respect the copyrights, trademarks and license agreements of others when dealing with printed or electronic materials, software or other media content.
- Only use software that has been properly licensed. The copying or use of unlicensed or "pirated" software on Company computers or other equipment to conduct Company business is strictly prohibited. If you have any questions about whether or not a particular use of software is licensed, contact the Chief Information Officer.

We watch out for:

- Company property that is not secured when not in use.
- Use of Klöckner equipment or resources for personal purposes without approval.
- Unknown individuals without proper credentials in our facilities.
- Lax enforcement of electronic access control cards.
- Sharing passwords.

To learn more:

- Discuss any questions, concerns about protecting Klöckner assets with your National Compliance Officer.
- Klöckner has taken precautions as part of the IT security concept and has issued a separate guideline to limit the risk of loss, theft or unauthorized modification of data as well as the risk of technical and human failure.

4.3 Confidential Information

Our Commitment

One of our most valuable assets is information. Each of us must be vigilant and protects Klöckner's proprietary and confidential information. This means keeping it secure, limiting access to those who have a need to know in order to do their job, and avoiding discussion of proprietary and confidential information in public areas.

The obligation to preserve Klöckner's confidential information continues even after employment ends.

We make sure to:

- Use and disclose confidential information only for legitimate business purposes.
- Properly label confidential information to indicate how it should be handled, distributed and destroyed.
- Protect intellectual property and confidential information by sharing it only with authorized parties.
- Only store or communicate Company information using Klöckner's information systems.

We watch out for:

- Never discuss confidential information when others might be able to overhear what is being said – for example on planes, elevators and when using mobile phones.
- Be careful not to send confidential information to unattended printers.

To learn more

- Discuss any questions, concerns about confidential information with your supervisor or your National Compliance Officer.

4.4 Communicating with the Public

Our Commitment

Klöckner needs a consistent voice when making disclosures or providing information. It is important that only authorized persons speak on behalf of the Company. We must maintain the highest standards of conduct, objectivity and transparency. We are committed to honest, professional and legal communications to colleagues, business partners, and the public.

We make sure to:

- Forward any inquiry to comment on behalf of the Company from the media, analysts and similar sources to your responsible Public Relations Representative immediately via your supervisor.
- Never speak publicly on issues involving the Company without prior authorization.

We watch out for:

- Any suggestion you speak for the Company in your personal communications, including in emails, blogs, message boards and social networking sites.
- Invitations to speak "off the record" to reporters or others who ask you for information about Company affairs.

To learn more:

- Klöckner has issued a communications guideline which must be observed by all employees of the Company.
- Discuss any questions, concerns about communicating with the public with your supervisor or your responsible Public Relations Representative.

USING SOCIAL MEDIA

Be careful when writing communications that might be published online. If you participate in online forums, blogs, newsgroups, chat rooms, or bulletin boards, never give the impression that you are speaking on behalf of Klöckner and before you hit the 'send' button think carefully.

When using social media:

- Never comment on confidential and non-public Company information such as the Company's current or future business performance or business plans.
- Be fair and courteous, and never post content that may be viewed as malicious, obscene, harassing, defamatory or discriminatory.
- If you read an on-line comment about Klöckner that you believe is wrong, do not respond; instead, contact your National Compliance Officer or Public Relations Representative so that appropriate steps can be taken.

5

Our Responsibilities to the Public

Human dignity and personal rights are very important to us. We work together with governments and local communities and do our part as responsible corporate citizens to contribute to sustainable growth, while providing employment and creating opportunities for others.

5.1 Social Responsibility, Human Rights and Sustainability

We respect internationally recognized human rights.

We acknowledge the right of employees to form and join unions and employee representative groups on a democratic basis. Employees will not be discriminated against or favored as a result of membership in a union or employee representative group. The rights of unions to conduct activities will be recognized within the applicable national laws.

We contribute actively to the communities where we do business. While each of us is encouraged to become involved in the life of our community by supporting causes and events, it is important to remember that we should not pressure others to contribute to or participate in our preferred charitable organizations.

We have a responsibility to protect the environment and we strive toward responsible use and procurement of natural resources.

Klöckner will not knowingly provide any direct or indirect support to non-state armed groups or security forces that illegally control or tax mine sites, transport routes, trade points, or any upstream actors in the supply chain.

We will never accept and forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons.

We expect the parties in our supply chain to follow the same principles.

5.2 Political Activities

Our Commitment

Employees have the right to voluntarily participate in the political process including making personal political contributions. However, you must always make it clear that your personal views and actions are not those of the Company.

In addition, you must never use Klöckner funds, assets or resources to support any political candidate or party unless specifically authorized by your National Compliance Officer.

We make sure to:

- Receive all necessary approvals before using any Company resources to support political activities.
- Ensure that your personal political views and activities are not viewed as those of the Company.
- Do not use Klöckner resources or facilities to support your personal political activities.

We watch out for:

- Interactions with government officials or regulators that could be seen as lobbying. Such interactions must be discussed in advance and coordinated with your responsible Public Relations Representative or your National Compliance Officer.
- Direct or indirect pressure placed on another employee, customer or business partner to contribute to, support, or oppose any political candidate or party.
- Any political or charitable contributions that could be perceived as attempts to gain favor or to exert improper influence.
- All conflicts of interest that can arise as a result of our political activities, including possible conflicts, if we hold or are campaigning for political office.

To learn more

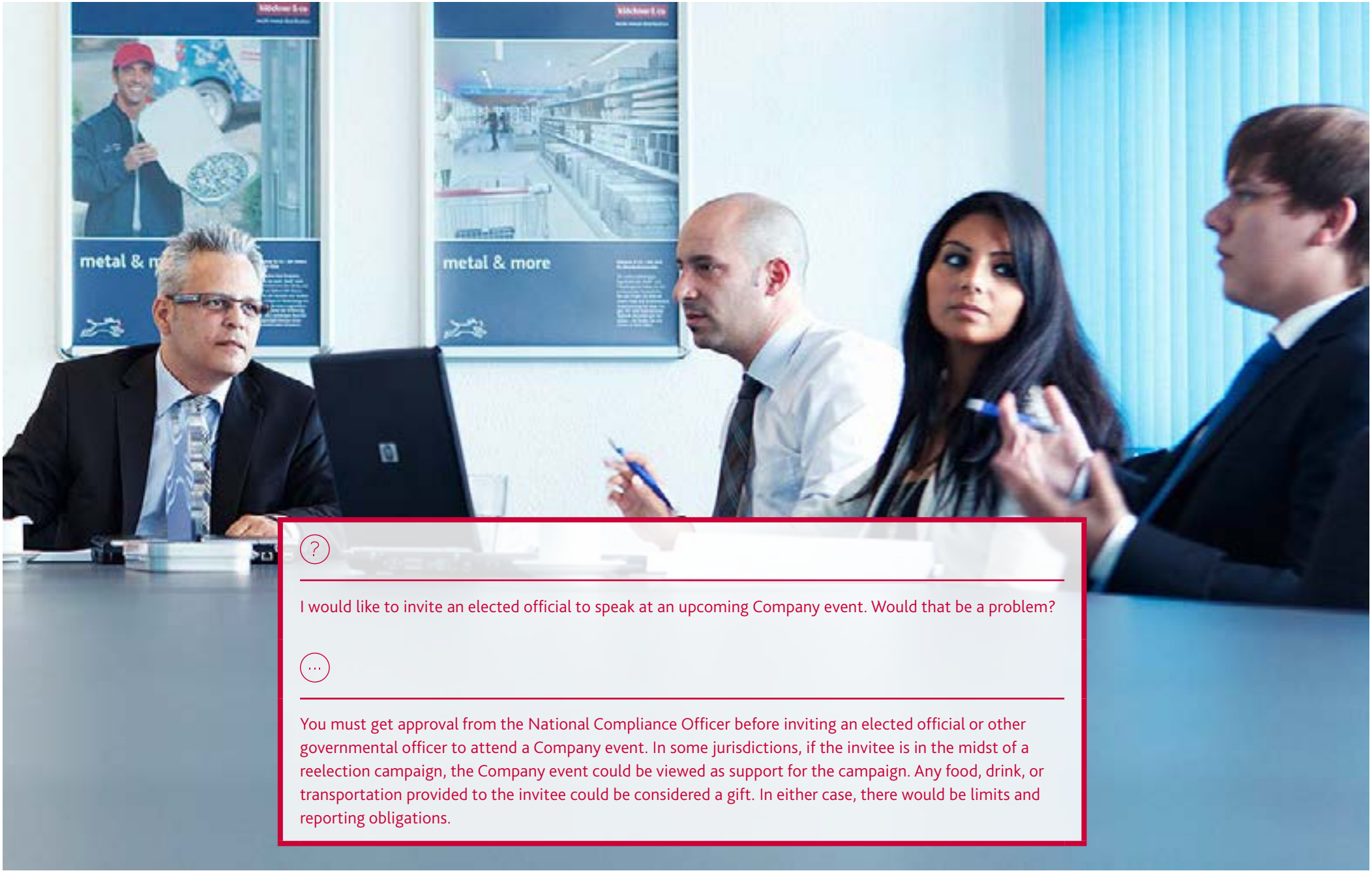
- Discuss any questions, concerns about political contributions or political activities, with your National Compliance Officer.

DONATIONS AND SPONSORSHIPS

We do not make donations to political parties, individual persons, profit-oriented organizations or organizations whose objectives are contrary to the principles of our company management or could be harmful to our reputation.

As a responsible member of society, Klöckner makes donations to education and science, sport, art and culture as well as to social and humanitarian projects.

All donations must be transparent, i.e. the identity of the recipient and the intended use of the donation are known and the reason for the donation and the purpose for which it is to be used are legally justifiable. All sponsorship must be transparent and must always be based on written contracts that are underpinned by a legitimate business purpose.



?

I would like to invite an elected official to speak at an upcoming Company event. Would that be a problem?

...

You must get approval from the National Compliance Officer before inviting an elected official or other governmental officer to attend a Company event. In some jurisdictions, if the invitee is in the midst of a reelection campaign, the Company event could be viewed as support for the campaign. Any food, drink, or transportation provided to the invitee could be considered a gift. In either case, there would be limits and reporting obligations.

5.3 Insider Trading

Our Commitment

We comply with securities laws and do not trade in the securities of any public company – including Klöckner – when we are in possession of non-public, material or price-sensitive information.

"Material or price sensitive information" includes any information that a reasonable investor would consider important when deciding whether to buy, sell or hold a share. This can include news about acquisitions, financial results, important management changes, commencement or termination of major contracts as well as news about the financial, operational or environmental performance of a company.

Violations of insider trading laws can result in significant penalties for the Company and for the individuals involved.

We make sure to:

- Never share non-public information with others unless it is essential for Klöckner-related business.

We watch out for:

- Requests by friends or family for information about companies that we do business with or have confidential information about. Even casual conversations could be viewed as illegal "tipping" of inside information.
- TIPPING – We are very careful when you have this type of information to make sure you do not share it with anyone, either on purpose or by accident. Giving this information to anyone else who might make an investment decision based on your inside information is considered "tipping" and is against the law regardless of whether you benefit from the outcome of their trading.

To learn more:

See our *Insider Guideline*

If you have additional questions about Insider Trading, contact your National Compliance Officer.

5.4 Fair Competition and Anti-trust

Our Commitment

Klöckner's basic principles require all employees to act in accordance with the prevailing laws on fair competition. Fair competition is a requirement for free market development for the benefit of the common good. All employees are obliged to comply with the rules on fair competition.

We make sure to:

Anti-trust laws are complex and compliance requirements can vary depending on the circumstance, but in general, the following activities must be avoided and reported to your National Compliance Officer:

- COLLUSION — when companies secretly communicate or agree on how they will compete. This could include agreements or exchanges of information on pricing, terms, or allocations of markets, or agreements not to compete.
- BID-RIGGING — when competitors or service providers manipulate bidding so that fair competition is limited. This may include comparing bids, agreeing to refrain from bidding or knowingly submitting noncompetitive bids.
- TYING — when a company with market power forces customers to take products or services that they do not want or need.
- PREDATORY PRICING — when a company with market power sells a product or service below cost so as to eliminate or harm a competitor, intending to recover the loss of revenue later by raising prices after the competitor has been eliminated or harmed.
- Never share the Company's confidential or competitively sensitive information with a competitor of the Company.
- Never take advantage of anyone through manipulation, abuse of privileged information, misrepresentation of facts, or any other intentionally unethical or illegal action.

To learn more:

- Discuss any questions, concerns about fair competition and anti-trust with your National Compliance Officer.
- See our *Guideline "Complying with Antitrust Laws"*

?

I received sensitive pricing information from one of our competitors. What should I do?

…

You should contact the National Compliance Officer without delay and before any further action is taken. It is important that from the moment we receive such information we demonstrate respect for antitrust laws and we make clear that we expect others to do the same. This requires appropriate action that can only be decided on a case-to-case basis and may include sending a letter to the competitor.

5.5 Anti-Corruption and Bribery

Our Commitment

All countries in which we do business prohibit the bribery of their own public officials and many also prohibit the bribery of others whether or not they are government officials. Our standard is clear: we do not pay bribes or kickbacks, at any time for any reason. This applies equally to any person or firm who represents the Company.

It is especially important that we carefully monitor third parties acting on our behalf. We must always be sure to perform due diligence and know our business partners, and all third parties through whom we conduct our business. We must know who they are and what they are doing on our behalf. Third parties must understand that they are required to operate in strict compliance with our standards and to maintain accurate records of all transactions.

We make sure to:

- Never give anything of value inconsistent with local laws and regulations to any governmental official. If you are not sure what the local laws are, the safest course of action is to not give anything of value.
- Understand the standards set forth under anti-bribery laws which apply to your role at Klöckner
- Accurately and completely record all payments to third parties.

We watch out for:

- Apparent violations of anti-bribery laws by our business partners.
- Agents who do not wish to have all terms of their engagement with Klöckner clearly documented in writing.

To learn more:

- Discuss any questions, concerns about anti-corruption and bribery with the National Compliance Officer.
- See our *Guideline "Combating Corruption in Business Transactions"*

KEY DEFINITIONS – BRIBERY, CORRUPTION AND FACILITATION PAYMENTS

Bribery means giving or receiving undue reward (or offering to do so) to influence the behavior of someone in government or business in order to obtain business or financial or commercial advantage.

Corruption is the abuse of an entrusted power for private gain.

Facilitation payments are typically small payments to a low-level government official that are intended to encourage the official to perform his responsibilities.

5.6 Global Trade

Our Commitment

We honor the trade and import and export control laws of all countries in which we operate. We expect all of our business partners to do the same.

At times, export control laws in certain regions may conflict. To avoid problems, consult the Corporate Compliance Office in Germany as early as possible about local laws on exporting products, services and technology.

Many countries prohibit dealing with specifically identified countries or persons acting on their behalf. Consult the Corporate Compliance Office in Germany if you have any questions or concerns.

We make sure to:

- Obtain all necessary licenses before the export or re-export of products, services or technology.
- Report complete, accurate, and detailed information regarding every imported product, including its places of manufacture and its full cost.

We watch out for:

- Shipping and transferring dual-use products or technical data and technology to someone in another country.
- Transporting Company assets that contain certain technology, such as a computer an associate takes on a business trip to another country.

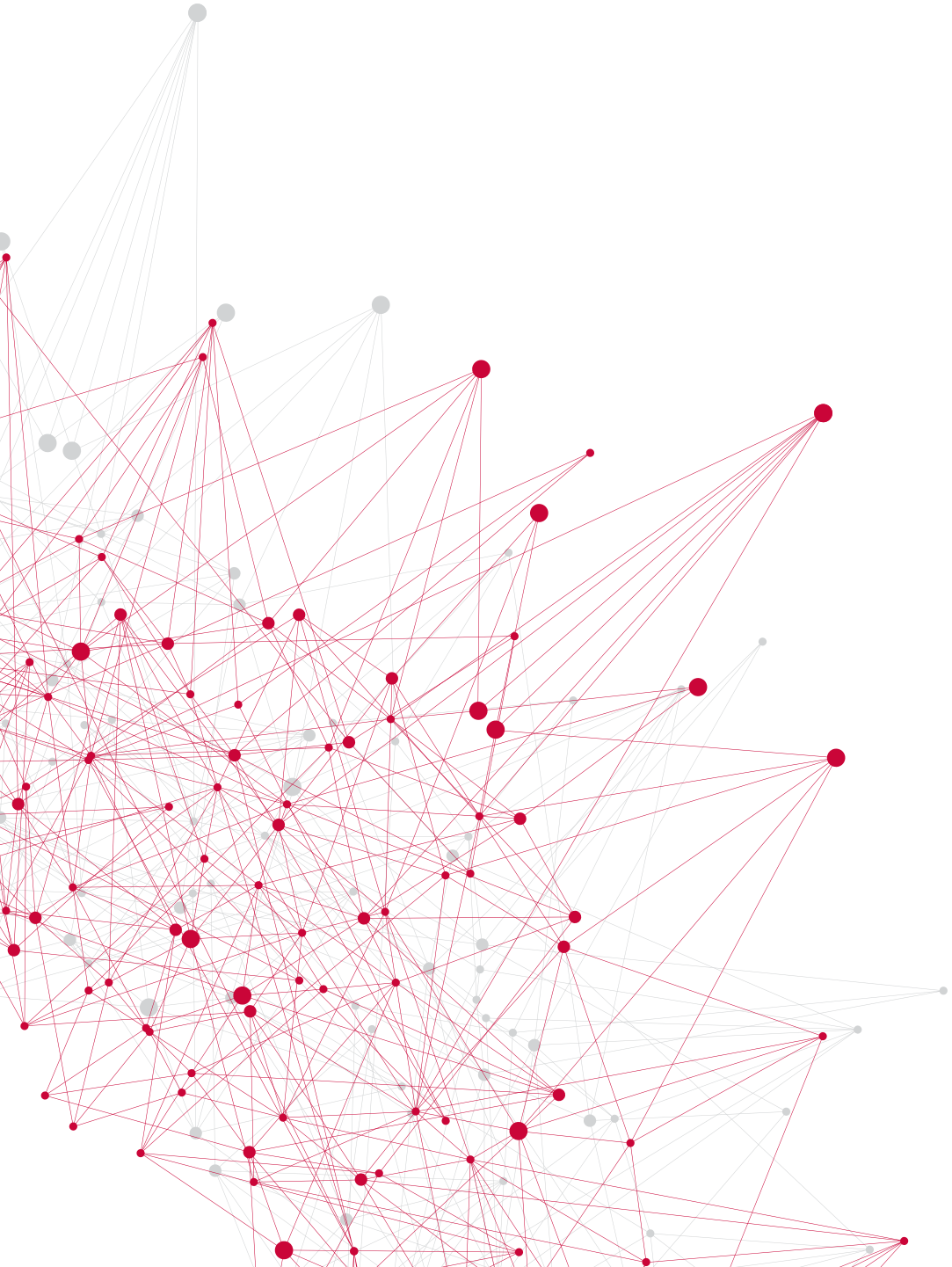
To learn more:

- Discuss any questions, concerns about global trade with your National Compliance Officer.

ANTI-MONEY LAUNDERING

Money laundering is a global problem with far-reaching and serious consequences. It is defined as the process of converting illegal proceeds so that funds are made to appear legitimate, and it is not limited to cash transactions.

Involvement in such activities undermines our integrity, damages our reputation, and can expose the Company and individuals to severe sanctions. Report any suspicious financial transactions and activities to your National Compliance Officer and if required, also report to appropriate government agencies.

Resources

FOR INFORMATION ABOUT	
Avoiding Insider Trading	*Click here*
Combating Corruption	*Click here*
Complying with Antitrust Laws	*Click here*
Gifts, Invitations and Discounts	*Click here*
Whistleblower Hotline	*Click here*
Contact	*Click here for Contact Information for the National Compliance Offices*