

Guideline Code of Conduct

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1. Introduction

Track Machines Connected (TMC) is engaged in the business of providing development and manufacturing of software for various railway track machines, their fleet management including associated analytics as well as railway infrastructure digitalization.

Delivery in time, quality and budget is important for TMC and the reputation of the company is and will be built on the achievement of commitments on those key performance indicators. In the relatively small railway market, a positive reputation is important and a fundamental pillar for the success of entities working in this environment. TMC is a member of a group of companies under family-ownership – this aspect as well obliges TMC for an undoubted reputation at all stakeholders.

To protect this reputation this Code of Conduct has been released. It provides you as an employee of TMC with important rules and principles of conduct. The Code of Conduct at hand is a guideline that aims to support you in complying with laws, regulations and company principles. Every employee must comply with laws and all TMC internal guidelines.

2. Scope

This guideline applies to all employees of TMC at any site and at any time. It is written for TMC employees and directly addresses them, making everybody responsible for compliancy to this Code of Conduct.

This guideline is an overriding document. Therefore, no regional or local guidelines deviating from this can be approved or implemented without approval of the Managing Director, who is accountable for interpretation of this document.

In case of references of an employee to manager reference or a reference to the line organisation the current version of the TMC organisational chart as published shall be used to determine this relationship. The first management level is understood as all direct reports into the Managing Director with employees also reporting into them.

TMC reserves the right to update and to vary this policy from time to time without giving any reason.

3. Revision history

Version	Date	Author	Changes made
1.00	01.01.2020	Jochen Nowotny	Creation, review, approval and release
1.10	10.01.2020	Jochen Nowotny	Correction of miswording in section 5

4. Observations of acts against this guideline

In case any TMC employee independent of position and role has some doubt on a process or activity happening within TMC that might be against this guideline, even if unproven or even if explained being correct, either the Managing Director shall be informed or an information shall be

provided to compliance@tmconnected.com. Both ways are without any consequences for the employee and with full guarantee of protection and confidentiality of name and purpose.

Further, in case of any questions on the regulations of this guideline the Managing Director or first management level shall be contacted without delay.

5. Code of Conduct for TMC

Respectful conduct

We are a team with a high degree of internal communication. The basis of our collaboration is a comprehensive and respectful exchange of information.

As a TMC employee, you represent the company and shape the company's public image. Your conduct is professional, enabling you to support your decisions to the best of your knowledge and belief at all times. You respect the customs, traditions, and social values of the cultural areas you are dealing with.

The fair and equal treatment of people is of utmost importance to TMC. Motivation and commitment give each and every individual the opportunity to advance within the company. We hire staff because of their professional competence and not because of their nationality, religion, age, gender, sexual orientation, health condition, political convictions or trade union membership. We take a clear stand against child labour, forced labour, harassment and discrimination. We support the freedom of assembly.

The personal dignity and privacy of every individual must be respected. Any violation, regardless of its form, will not be tolerated. Managers are seen as role models and have particular responsibility.

Health & safety

We take direct personal responsibility and look after each other. Please report dangerous conditions immediately to enable us to take action and to prevent accidents at work.

To prevent our employees and our company from damage and to ensure productivity, the consumption of alcohol is only allowed outside work hours or for special events upon agreement of first management level. This prevents improper conduct and ensures that the ability to act, take decisions and concentrate is impaired at no time.

Working conditions

We create fair working conditions for our employees and comply with legal provisions on collective labour agreements, minimum wage, working conditions and working safety as well as the Core Labour Standards of the International Labour Organisation (ILO).

Environment

Environmental awareness in all areas of production and operation is important to us. In particular, we comply with the regulations applicable to the handling of hazardous substances, handling and disposal of waste, water and waste water management, as well as emissions and their effects. In addition, we optimise our use of resources.

Business partners

We are in close contact with our suppliers and customers and expect integrity, ethical conduct and compliance with our Code of Conduct for Business Partners.

Corruption

We take a clear stand against all forms of corruption as it may impair our ability to take objective and fair decisions. We expect TMC employees and our business partners to comply with all forms of anti-corruption legislation.

- Interaction with public officials

All over the world, business activities with public officials are strictly regulated. The term public officials refers to officials, public employees, civil servants, or persons in a sovereign capacity. The term also includes relatives of public officials. We place utmost importance on honest and proper ethical conduct towards public officials. The compliance with legal regulations governing collaboration is required at all times.

- Interaction with business partners

We follow a proper business policy not only when it comes to business relationships with public authorities but also with the private sector. We are convinced that business decisions must be based on objective criteria. For this reason, any conduct that could give the impression of exerting undue influence on a business partner's decisions is prohibited. The compensation of consultants must be reasonable and must not be used to provide third parties with undue or improper advantages.

- Interaction with political parties

As a non-political company, independence is crucial to us. Therefore, it is not allowed to support political parties or party officials using company funds and/or to provide services for political purposes on behalf of TMC. Of course, TMC employees may engage in political activities using your own resources in your leisure time.

Competition

We are committed to fair competition. The violation of competition legislation and anti-trust legislation can have serious consequences for both our company and employees. The strict compliance with national and international legislation and regulations regarding competition and anti-trust is a central element of our business policy. We expect TMC employees to be familiar with the regulations regarding their area of responsibility.

- We respect the competition with regard to our customers

The relationship with our customers is built on trust and mutual respect. This is crucial to ensure that we can be successful together. The fair treatment of our customers is the core principle of our conduct. For this reason, we are strictly against anticompetitive measures and the misuse of market positions.

- We respect the competition with regard to our suppliers

We take purchasing decisions on the basis of objective criteria.

- We respect the competition with regard to our competitors
We do not make arrangements with competitors and we do not coordinate our market conduct with them. This is particularly true for pricing, limitation of production and sales, the participation in tenders and the allocation of markets and customers. We are proud of the outstanding innovations which form the basis of our products and which set TMC apart from the competition.
- We respect the competition when participating in events
Attending events of trade associations and specialist associations provides an excellent opportunity for professional exchange. We ensure compliance with anti-trust legislation and only participate in events of reputable associations.

Export control

There are worldwide regulations, such as embargoes against certain countries or sanctions against individuals or companies. In addition to high penalties, the violation of export restrictions can have severe consequences for future business activities. We are aware of our responsibility. We place great importance on the compliance with such regulations and check the lawfulness of exports, particularly in risk-prone countries and with materials from conflict regions.

Conflicts of interest

Conflicts of interest arise if personal interest is incompatible with the interests of the company. To protect our company from negative consequences, conflicts of interest must be prevented. The Managing Director must be informed of such conflicts in writing.

Prevention of money laundering

We fulfil our obligation to prevent money laundering. We call on every employee to have unusual financial transactions checked by the Managing Director, particularly when such transactions involve cash and could give rise to the suspicion of money laundering.

Tax legislation

We comply with the applicable tax legislation and issue invoices that specify the underlying transaction correctly to ensure that we do not participate in tax evasion or tax fraud.

Protection of company assets & confidential treatment of information

To further improve on our position through our know-how, it is of the utmost importance that all employees treat the company's property, intellectual property rights, and confidential information with particular care. This aims to prevent loss, theft, misuse or damage. Company assets are used to fulfil our business objectives. The private use of company assets requires the express written consent.

Protection of intellectual property

We must protect our intellectual property and prevent its disclosure to unauthorised third parties. At the same time, we undertake to respect trade secrets and the intellectual property rights of others.

Information & data protection

We comply with data protection laws and regulations. Information and data obtained by our employees in connection with their work are treated as confidential. In the event that company information has to be submitted to third parties, a non-disclosure agreement is considered appropriate.

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