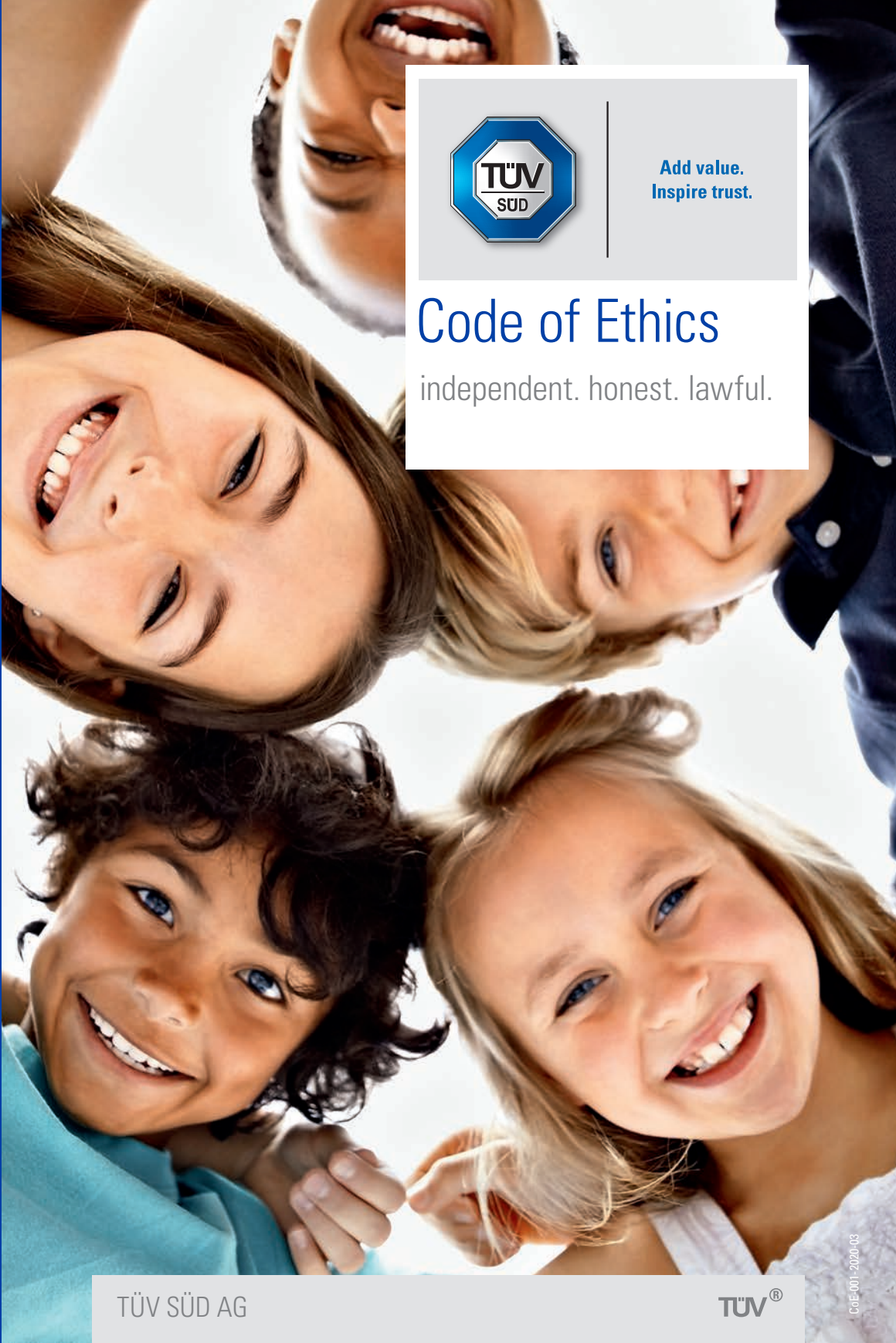


Add value.
Inspire trust.

Code of Ethics

independent. honest. lawful.

TÜV SÜD AG

TÜV®

CoE-001-2020-03

Scope of Applicability

The TÜV SÜD Code of Ethics is binding for all TÜV SÜD[1] employees[2] worldwide.

All TÜV SÜD employees shall receive the TÜV SÜD Code of Ethics as an electronic copy (via e-mail as a PDF file) or as a printed version in a language that they are familiar with. In addition to this, the TÜV SÜD Code of Ethics is always available on the TÜV SÜD Intranet and Internet for ease of reference.

All TÜV SÜD executives shall ensure strict observance of the TÜV SÜD Code of Ethics among their members of staff and aim to be role models for their employees. No employee should suffer any disadvantage as a result of complying with the TÜV SÜD Code of Ethics.

In detail:
The TÜV SÜD Compliance Organization is goverend by the corporate guideline CG-CC-008.

[1] "TÜV SÜD" refers to TÜV SÜD AG as well as all associated companies under §§ 15 ff. AktG (German Stock Companies Act).

[2] For ease of readability, the masculine form is used in the naming of persons. All statements apply equally to women and men.

Ladies and Gentlemen,
Dear Colleagues,

Add value. Inspire trust. That is our claim and promise to our customers. In order to live up to this promise, the technical excellence of our services, as well as our independence, integrity and lawfulness in our daily work, are required.

To achieve added value for our clients, we support and certify companies and their products worldwide in accordance with an extensive range of technical standards. Our success largely depends on our clients' confidence in our independence and integrity. Therefore, TÜV SÜD's public reputation among our clients and business partners is one of our most valuable assets.

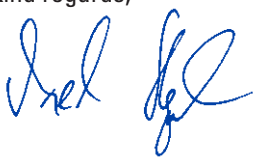
Independence, integrity and lawfulness are also the core principles of the TÜV SÜD Code of Ethics. To ensure worldwide compliance, it is of particular importance for us that members of the TÜV SÜD Group adhere to the same principles of our Code of Ethics all over the world.

For TÜV SÜD's company culture, it is essential that our management staff act as role models and actively live up to and communicate the principles of our Code of Ethics.

The TÜV SÜD Code of Ethics follows current compliance standards, and it forms the core of our TÜV SÜD Compliance Program. Considering this, please make yourself familiar with its contents and adhere to the Code of Ethics in your daily work.

As employees of TÜV SÜD, we all contribute to represent the principles of our Code of Ethics within our daily work!

Kind regards,



Prof. Dr.-Ing. Axel Stepken
Chairman of the Board

TÜV SÜD Compliance Principles

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01

We operate lawfully

DISTRICT SCHOOLS
BUS SERVICE,
-3461

TÜV SÜD operates lawfully

All applicable legislation must be observed in all business decisions and operations both at home and abroad. Sustainable business for everyone's benefit can only be achieved with fair competition and strict conformity with the law. Corruption, cartels, embezzlement and fraud distort competition and increase costs, which may cause significant fines, reputation damage and, ultimately, could also endanger the employment at TÜV SÜD.

In view of this, we refuse to conduct unfair and/or dishonest business practices and carry out our business in a manner that is free of bribery and corruption.

It should be noted that breaches of the law will not be tolerated and may result in disciplinary action.

02

We avoid conflicts of interest

TÜV SÜD avoids conflicts of interest

Independence, integrity and transparency of our services are the foundation of our customers' trust in us.

However, a conflict of interest can severely damage that trust. A conflict of interest can arise when the private interests of a TÜV SÜD employee could or do conflict with the interests of TÜV SÜD. For instance, if a TÜV SÜD employee has a shareholding in a supplier, customer or competitor of TÜV SÜD, or an employment of any kind with a third party this may lead to a conflict of interest.

Example

You are an expert with TÜV SÜD Auto Service. Your cousin wants to make an appointment with you for a general inspection. How do you react?

> Inspection and valuation services for friends and related parties can lead to conflicts of interest. You should therefore decline to provide the services yourself and transfer the matter to an unprejudiced colleague.

Example

You have an acquaintance in your sports club who owns a print shop and approaches you about possible orders for his business.

> Such business relationships are not generally prohibited. But they always must be at arm's length, i.e. concluded at market conditions without any preferential treatment for personal reasons. Please contact our Central Procurement department, which will invite additional offers from other suppliers.

In detail: Read our guideline CG-CC-002 on avoiding conflicts of interest and corruption, and comply with it.

03

We do not tolerate corruption

TÜV SÜD does not tolerate corruption

Corruption distorts competition with the business world and causes damage to both individuals and society. Corruption can also result in actions being made under criminal and civil law for TÜV SÜD employees as well as for TÜV SÜD. This could include anything from a prison sentence to fines. Corruption is strictly prohibited in all countries in which TÜV SÜD operates, and any violations of such are therefore not in the “beneficial interest of the company.” This continues to apply to all employees, regardless of their nationality.

What is bribery?

Offering, promising or giving any financial or other advantage (directly or through a third person) to another person, intending the advantage to induce the person to perform improperly an activity (e.g. granting of a permission or awarding a contract, etc.), or to reward the person for the improper performance of such activity. The same applies if the acceptance of the advantage would itself constitute the improper performance of the activity.

Gifts, hospitality

Small promotional gifts of little value, or invitations to a joint business meal or business event for the purpose of establishing cordial customer relations are usually acceptable. It should always be ensured, however, that gifts fit in with hospitality, politeness and local customs, and that the giving or receiving of gifts does not compromise the independence of either ourselves or our business partners. Even the appearance of such compromising should be avoided for the sake of our business image. Gifts and invitations must always be reasonable and proportionate, and seek to improve the image of TÜV SÜD, better to present our services, or establish cordial relations.

Example

As a TÜV SÜD expert, you are working with a customer who has tasked you with checking particular products for conformity with limits on pollutants. During a visit to the customer's site, their employee in charge gives you a crate of wine as a thank you for the good working relationship. You are certain that you will not be influenced by this, especially as you do not drink wine.

> This gift must be refused citing our internal guidelines. First, the value of a crate of wine exceeds normal business practice; and second, by accepting the crate of wine you could give the impression of improper influence, even if you yourself believe that you will not be influenced.

Consultants, agents, service providers

In various countries, TÜV SÜD involves consultants or agents for establishing and managing business relationships within that region. These can represent a high risk of corruption, since they are not subject to the TÜV SÜD Guidelines as external parties. If these consultants or agents choose to use the fee paid to them to obtain contracts through bribery or other forms of corruption, TÜV SÜD may be held liable for this corrupt behavior under particular circumstances. In order to avoid this situation, such consultants and agents must be carefully vetted and supervised. The same applies to other service providers working for and/or on behalf of TÜV SÜD.

Example

Transparency International publishes an annual Corruption Perceptions Index (CPI) that ranks countries globally in terms of how corruption is perceived there.[1] The CPI score can be between 0 (highly corrupt) and 100 (very clean).

TÜV SÜD bids for a contract in a country with a CPI score below 45. You have heard that participation in the tender process is completely futile unless TÜV SÜD is advised by a local agent who is familiar with the local customs and culture. The agent will ensure that through its contacts, TÜV SÜD is taken into consideration during

[1] See Corruption Perceptions Index: http://www.transparency.org/

the tendering process. The fee for this is success-dependent, and you want to involve the local agent so that TÜV SÜD benefits from their influence and receives, or at least has the chance of obtaining, the contract.

> If the influence on the decision-maker is exerted by non-objective means, i.e. the agent does not just promote the good work of TÜV SÜD, but provides the decision-makers with an undue advantage for preferring TÜV SÜD, this represents criminal behavior. In such a case, you may not commission the agent. Since a CPI below 45 indicates an increased corruption risk in this country, you must investigate the agent for conformity with the TÜV SÜD specifications before hiring them (compliance due diligence). This is the only way to establish whether the agent might represent a risk for TÜV SÜD. If the investigation reveals no risks, the commission can take place by means of a contract in conformity with TÜV SÜD requirements (model contract).

In detail: Read our guideline CG-CC-007 on contracts with business partners and third parties, and comply with it.

Donations

Donations serve to support charitable organizations and are part of the social responsibility of TÜV SÜD. Nevertheless, the granting of donations may be problematic if, for example, a business relationship exists between the recipient and TÜV SÜD.

Example

A public official is the chairperson of a foundation for children's health. TÜV SÜD is in contact with the public official in connection with providing approvals for the performance of vehicle tests. The public official declares that he would grant the approval, but would like a generous donation from TÜV SÜD to the foundation for children's health.

> The donation is inadmissible in this case, because it is connected with an administrative decision. This applies even though the donation is not to the public official personally, but to a non-profit institution, since the corruption ban also includes donations to a third party.

In detail: Read our guideline CG-CC-002 on avoiding conflicts of interest and corruption, and comply with it.

04

We play fair

TÜV SÜD plays fair

Fair and free competition between companies is the guarantor for freedom of business behavior and effective consumer protection. Fair and free competition is protected by antitrust laws, which forbid cartels and abuse by market-dominating companies. Mergers of companies are also subject to merger controls under certain conditions.

A cartel exists when several companies coordinate their behavior on the market to restrict or eliminate competition. For instance, if there are agreements in place between competitors about prices, quantities, territories or customer groups.

A position of market domination is abused when the possibilities for economic behavior of other companies – competitors, customers or suppliers – are significantly affected, without objective justification, by the behavior of the market-dominating company.

Example

At a trade fair, you are talking with various competitors during the lunch break. One of the competitors mentions that their company is considering raising their prices next year by five percent. Another competitor replies that this won't work in the current economic climate and that his company will therefore not raise its prices at all. You know that raising prices has also been considered at TÜV SÜD, but that this is not planned for the coming year. You remember hearing that "one should not discuss prices with competitors", and consider how you should behave.

> Make it quite clear to those you are talking with that you will not participate in a discussion of market relevant information, and leave the group without delay. Even if you just listen passively or prices are not raised, this can be deemed as participation in a cartel or unlawful exchange of information with competitors, and TÜV SÜD can be fined heavily.

In detail: Read the TÜV SÜD leaflet on antitrust rules of conduct for association meetings and our guideline CG-CC-003 on anti-trust laws, and comply with it.

05

We handle information carefully

TÜV SÜD is committed to correct and truthful reporting

The exchange of information and the use of our know-how are part of our daily commercial activity. It is important to handle information correctly and transparently in order to protect it, our company and our customers.

Records and financial integrity
Internal and external transparency, as well as correct and truthful reporting, is the standard of our entrepreneurial action and behavior.

In detail: Read our guideline CG-CC-005 on record keeping and data storage, and comply with it.

TÜV SÜD protects its own and third party's trade secrets and other confidential information

Confidentiality

As a provider of technical services, TÜV SÜD possesses valuable know-how as well as comprehensive trade secrets, which are the basis for the successful business operations of TÜV SÜD. The unauthorized disclosure or otherwise making this knowledge accessible can lead to severe losses for TÜV SÜD, and result in sanctions under criminal or civil law. Therefore it is inadmissible. In order to secure our own and third-party information from unauthorized disclosures, we must adopt special precautionary measures when handling confidential information.

Example

You are asked by a person you do not know to urgently provide them particular information (e.g. by telephone or e-mail). The person claims to belong to an important office (e.g. police, official authority or major customer). The person plausibly asserts that they have been in contact with the company who owns the information (perhaps with names) on this topic. You know that you should not provide the information requested to unauthorized persons and consider how you should behave.

> This type of attack is known as “social engineering” and serves to gain unauthorized access to internal information. Always pay close attention to whom you transfer information. You should always request written authority from the company in question before disclosing anything. If you are still in any doubt, refuse to provide the information and consult your superior.

TÜV SÜD provides for information security

Information security

Information technology and data processing play a key role for task fulfillment at TÜV SÜD. All important strategic and operational functions and tasks are significantly supported by information technology. But information technology and data processing also present risks concerning the security of the data.

Example

You are just about to leave on vacation when it occurs to you that your replacement needs access to particular company data. To be able to solve the problem quickly, you consider whether to give your personal password to your colleague standing in for you while you are away.

> Never give your personal passwords to others, not even your superior or IT staff. Inform your colleague that the required access rights should be applied for through the normal channels. Never make a note of passwords in plain text or in easily visible places (e.g. under the keyboard, the mouse pad or on the back of the PC).

In detail: Read the TÜV SÜD leaflet on information security and our guideline CG-CC-009 on classification of information, and comply with it.

TÜV SÜD collects, processes, and uses personal data in compliance with the applicable data privacy laws

Data privacy

Electronic information exchanged via Internet, Intranet, e-mail, etc., is part of our daily business. This electronic information exchange can also include personal data such as name, address or date of birth. The handling of personal data is regulated in many countries by data privacy laws in order to protect the individual's privacy and right to determine what and when personal information is disclosed. In general, it is necessary to obtain the consent of the person affected for the collection, processing or use of their data. If the data is intended to be transferred abroad, further requirements must be observed (e.g. ensuring an appropriate data privacy level by using model contracts).

Example

You work for a TÜV SÜD subsidiary in Italy and are supervising a project whose purpose is to combine all customer data in TÜV SÜD in order to increase the chances of cross-selling. The program is intended to provide worldwide access for all TÜV SÜD subsidiaries to all customers, including contacts and their telephone numbers.

> You should immediately involve a TÜV SÜD Data Privacy Officer or Compliance Officer to ensure that you do not infringe any data privacy laws during the project. There are many data privacy aspects to consider here: First, it must be checked as to whether it is permitted under data privacy law for customer data of one TÜV SÜD subsidiary to be processed (i.e. stored, transferred or similar) by another TÜV SÜD subsidiary. Second, model contracts in compliance with European Commission rulings must be agreed with the affected TÜV SÜD companies for the transfer of personal data to data processors established in third countries.

06

We follow export control and customs laws

TÜV SÜD follows the export control and customs regulations in all countries in which we do business

As a worldwide operating enterprise, TÜV SÜD is subject to various national and international foreign trade regulations. These treaties and laws regulate the import, export and/or transfer (which can also take place electronically) of goods, technologies, services, capital and currency over particular international borders right up to the complete banning of trade with particular countries (embargo). Any trading restrictions and bans can arise from the character or purpose of use of the goods or services, the country of origin or country of use, or the business partner. The export of goods with both civilian and military uses (so-called dual use goods) also requires approval. Export controls cover exchanges between TÜV SÜD subsidiaries too.

Example

You are contacted by a German manufacturer to certify signaling technology for the extension of the Teheran Metro. You don't think that such an activity would be subject to the Iran embargo, but are not sure.

> In addition to the normal export control regulations, there are various bans and approval requirements. This also affects supporting services and training courses that are directly or indirectly linked with a ban or listed goods. Consequently, certifications of the facilities can also be affected, particularly if the facilities themselves or a component are included in the Iran embargo. You should therefore immediately contact a member of the Legal department and resolve this issue before you accept the order.

In detail: Read the manual on foreign trade export control and our guideline CG-CC-004 on export control and customs laws, and comply with it.

07

We observe occupational health and safety standards

TÜV SÜD observes occupational health and safety standards

The protection of our employees is of primary importance for TÜV SÜD, since our employees are essential for us as a provider of technical services.

Example

You work in a small TÜV SÜD branch which is used exclusively by TÜV SÜD. You have noticed that an emergency exit in your branch is regularly blocked by boxes. When you point this out to the branch manager, he tells you that there is another emergency exit which is not blocked. You are certain that the fire regulations require that all emergency exits be freely accessible but you do not want to be offensive or penalized by the branch manager and consider whether you should let the matter drop.

> Do not be satisfied with the dismissive attitude of the branch manager. Compliance with fire regulations can save lives, and non-compliance can involve penalties in serious cases. The branch manager may not be correctly informed. If a further mention of the correct management of this topic brings no success, contact the Safety Officer or the branch manager's superior.

08

We manage assets carefully

TÜV SÜD manages its own and third-party assets carefully

Tangible and intangible assets of TÜV SÜD (e.g. cash, machinery, know-how, patents and trademarks) constitute TÜV SÜD's business assets, which may only be used for business purposes. The same applies for the property of TÜV SÜD business partners, with whom TÜV SÜD employees come into contact in the course of their work.

Example

As a TÜV SÜD employee, you are often on site with your customers and usually need your company computer for your work. So that you can quickly implement customer wishes, you have administrator rights that allow you to install programs on your company computer. To reduce the costs in your area, you are considering using freeware, which you can download free from the Internet.

> You should definitely dismiss this idea. Most freeware, which is offered without cost, is free only for private and not for commercial use. If you download this software for your work at TÜV SÜD, this may violate the licensing rights of the software supplier and lead to compensation claims. When installing software, you should also adhere to the rules of TÜV SÜD, since software downloaded from the Internet may contain undetected malware which could cause damage to the TÜV SÜD network and/or your company computer.

In detail: Read the TÜV SÜD leaflet on information security, and comply with it.

09

We do not support money laundering

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RESERVED NOTE
ONE MILLION DOLLARS

TÜV SÜD does not support money laundering

Money laundering occurs when illegally acquired financial means (from criminal activities like organized crime, bribery, corruption or terrorism) are smuggled into the legal, financial and economic circulation in order to disguise their real origin or the identity of the owner.

TÜV SÜD only maintains business relationships with respectable business partners, whose business activities comply with all applicable laws and whose funds derive from lawful activities. For this purpose, we at TÜV SÜD observe money laundering regulations at home and abroad, and keep our distance from businesses that are used for money laundering.

Example

A customer abroad gives TÜV SÜD an urgent task with a significant order value. He explains to you that the job must be done in individual stages and wants to receive an invoice for each stage. After the first invoice, the customer already pays the full sum for all the stages, but then cancels the contract a little later and asks you to return the overpayment to an account at a bank in Monaco.

> This request should make you suspicious. As a rule, the repayment should be made into the account from which the payment was made. You should therefore tell the customer that you cannot fulfill his request.

10

We do not tolerate discrimination

TÜV SÜD does not tolerate discrimination

TÜV SÜD is a worldwide operating company that is active in various countries, all with different cultures. At TÜV SÜD, our attitude is that people of different ethnic origin, religion, world view, race, age, disability, gender or sexual identity are invaluable for our success.

No employee or business partner may be directly or indirectly discriminated against, sexually harassed or personally disparaged on the basis of any of these attributes, and will be protected by applicable equality legislation.

Example

Your manager often makes sexually indecent remarks in your presence that offend you. You hear from other employees that they also feel degraded by his offensive expressions. You consider whether you can do something about this, but you are not sure because there has so far been no physical assault.

> If you and/or other employees feel degraded by the sexually indecent behavior of the manager, ask him to refrain. If this is not successful, inform your personnel department or a Compliance Officer about this. TÜV SÜD expects exemplary behavior from its managers. To correct grievances in this respect requires the cooperation of the persons affected.

Compliance Reports

Who can report a compliance violation?

TÜV SÜD employees, external service providers, business partners or other third parties can report situations that indicate a breach of the TÜV SÜD Code of Ethics.

How can compliance violations be reported?

Reports can take the form of a letter, an e-mail or a telephone call to a TÜV SÜD Compliance Officer, a TÜV SÜD Ombudsman or EthicsPoint.

May reports also be anonymous?

TÜV SÜD explicitly permits anonymous reports in order to ensure a credible, effective and transparent compliance program. This also includes whistleblowers who fear that disadvantages or reprisal may be a result of reporting a compliance violation. Anonymous reports should contain as much detailed data and facts about the compliance violation as possible, so that the indications can be investigated to the required extent in the course of an internal investigation.

As a TÜV SÜD employee, does a report lead to any disadvantages for me?

The reporting of a compliance violation should not lead to disadvantages for TÜV SÜD employees. If you report the suspicion of a compliance violation with a clear conscience and in an honest belief, no disadvantages will arise for you from TÜV SÜD. With the abuse of a report, i.e. if events are reported which contain recognizably baseless accusations, however, TÜV SÜD reserves the right to take legal steps or disciplinary measures against the informant.

What happens after the report?

After a report is received, this will first be checked for coherence and plausibility. Should the two points be fulfilled, an internal investigation will then be set in motion. The Chief or Global Compliance Officer is responsible for ensuring that the events reported are investigated properly and conclusions reached. If required, the authorities will also be involved. To the extent that it is compatible with the required protection of confidential data, you, as the whistleblower, will be informed about the outcome of the procedure when the investigation is completed.

Implementation and Questions

The Chief Compliance Officer, the Global Compliance Officer and the relevant Local Compliance Officer are responsible for implementing the TÜV SÜD Code of Ethics. They will be supported in this regard by the management of the respective TÜV SÜD subsidiaries.

The TÜV SÜD Code of Ethics describes merely the principles of lawful and honest behavior at TÜV SÜD. For that reason, it cannot answer all difficulties you may come across in your daily work. If, in a particular case, you are uncertain how to apply or to interpret the TÜV SÜD Compliance Principles, or have other questions, please consult a Compliance Officer.

The worldwide implementation of the TÜV SÜD Code of Ethics is regularly checked by our internal auditors.

In addition, all senior managers are required to provide an annual compliance declaration, which is included in their personnel records.

Contact

Chief Compliance Officer
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Fax: +49 89 5155-1746
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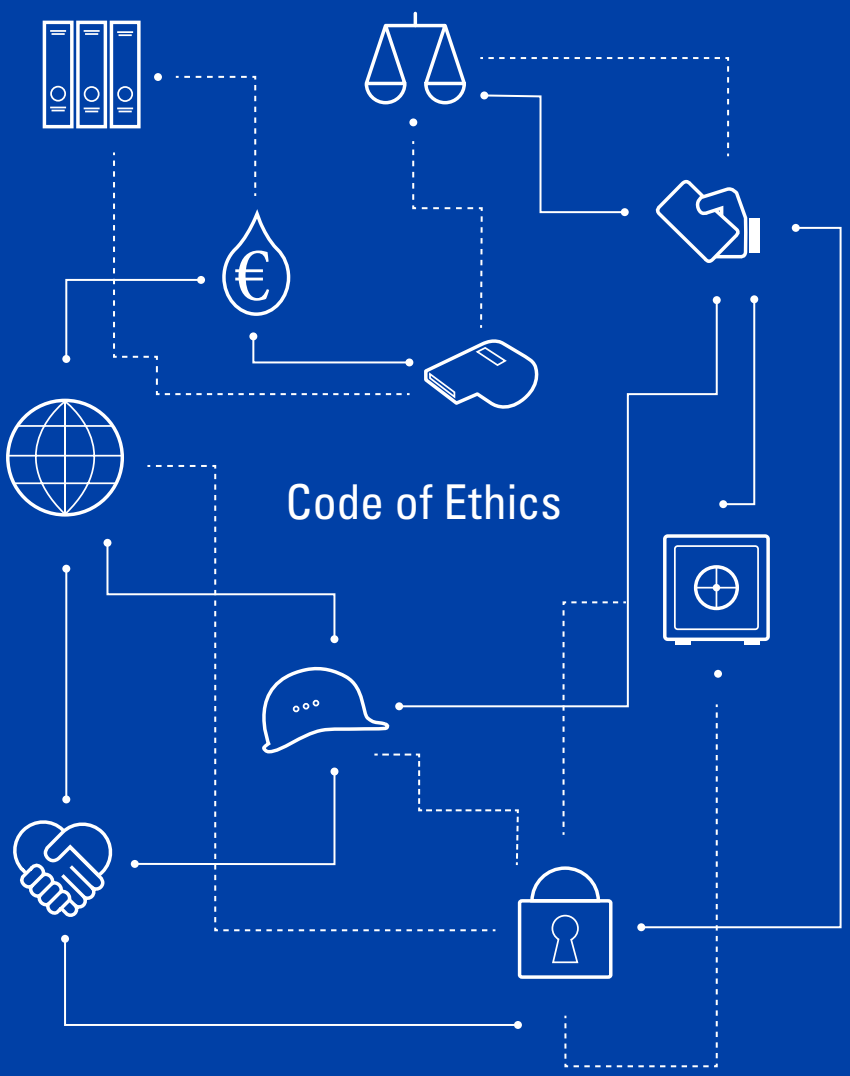
Employees can find contacts on the TÜV SÜD Intranet:
http://intranet/recht_und_compliance

You can also contact us at: compliance@tuev-sued.com

The current version of the Code of Ethics is available on the Internet:
www.tuvsud.com/de


Code of Ethics

TÜV SÜD Code of Ethics

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