

FUCHS GROUP

Anti-Corruption Policy

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Preface

Dear Employees,

Compliance with the applicable laws and legal regulations is part of the corporate identity of FUCHS, which, last but not least, is also reflected in the FUCHS Code of Conduct.

The prevention of and the fight against corruption are of particular significance since any breach of respective laws can lead to high fines, the obligation to pay damages and even criminal prosecution. Furthermore, it may considerably damage the public reputation of FUCHS. This policy explains the standards regarding cooperation with business partners and authorities set out in section 3 of the Code of Conduct. It also contains rules to ensure compliance with the applicable anti-corruption laws concerning dealings with customers, public officials and other third parties.

In connection with their business activities, FUCHS employees must, neither directly nor indirectly, offer, promise or confer an unjustified advantage in the form of money or other services, nor demand and accept nor make others promise such advantage. The employees shall therefore be obliged to do everything to avoid even the appearance of improbity and incorrectness.

Obviously, this policy cannot cover every possible scenario. If you have questions or need further information, please contact the Chief Compliance Officer of the FUCHS Group.

In addition, we have set up a hotline that you can use to talk to specialists of our law firm about issues concerning the prevention of corruption. Via this hotline and the internet-based whistleblower system "FUCHS Compliance Communication" you can – anonymously if you want – provide hints and air your suspicions concerning corruption in your company. You will find further information as well as the contact details for the Chief Compliance Officer and the law firm at the end of this policy document.

Please read this policy thoroughly and take care to always act in compliance with the law.

Mannheim, December 2016
FUCHS PETROLUB SE



Dagmar Steinert
Member of the Executive Board, CFO



Claudio F. Becker
Chief Compliance Officer

1. Goals and scope of this policy

1. This policy includes standards of conduct for company executives, employees and agents of the FUCHS Group (hereinafter referred to as “employee” or “FUCHS employee”) for the prevention of corruption. Its purpose is to help the employees behave correctly in certain situations in order to avoid harming themselves and the company.
2. In addition, this policy sets out standards for the cooperation with business partners, in particular concerning the permissibility of conferring advantages to business partners.
3. With regard to business transactions and decisions made by our employees, the applicable laws and other essential regulations (including the relevant policies of the FUCHS Group) must be observed at all times.
4. This policy is based on the German laws applicable at the time of the issuance of this policy.
5. This policy applies worldwide to all company executives, employees and agents of the FUCHS Group. Furthermore, the principles of this policy are also valid for representatives, consultants and other third parties who act on behalf of the FUCHS Group.
6. If the actions of an employee, due to the laws valid in the country where he works, are governed by stricter rules, these stricter standards shall override this policy.
7. The standards and principles set out in this policy cannot cover every imaginable situation that may be considered as problematic by the anti-corruption laws of the respective country. Hence, each employee is obliged to use his own prudent judgment to assess whether a certain course of action is in breach of the rules of this policy. If the question whether such a course of action may breach applicable anti-corruption laws arises, it is up to the respective employee to consult the respective superior.

2. What is corruption?

1. Generally, corruption is defined as the accepting or conferring of advantages or contributions to unlawfully influence business or administrative decisions.
2. Dealings with public officials usually are subject to particularly strict anti-corruption regulations. However, corruption is also banned in the private sector.
3. Corruption is a punishable offence in many countries. The party that accepts a bribe is as liable to prosecution as the party that pays it.
4. Corruption goes beyond the accepting or conferring of advantages or contributions. Even offering, promising, requesting, and making someone promise an advantage is a punishable offence with all the associated consequences.
5. The position of banning corruption applies in all countries throughout the world.

3. Consequences for employees and company

Corruption can have far-reaching consequences for the employees as well as the company:

3.1 Consequences for employees

- a. Anyone who is guilty of corruption – be it by conferring or accepting advantages – normally commits an offence. Anyone convicted of corruption can be sent to prison or sentenced to pay a high fine.
- b. Corruption can harm business partners and competitors who can personally claim damages from the perpetrator.
- c. By acting corruptly, the employee commits a breach of duty vis-à-vis his employer. As a rule, corruptive behavior justifies immediate dismissal by the employer.

3.2 Consequences for the management of the company

- a. If FUCHS employees are guilty of corruptive behavior that could have been prevented or made much more difficult by proper local supervision, the local managers can be made to pay fines and, in individual cases, even become liable for prosecution.
- b. Hence, the local management of a company has a legal obligation to counteract any corruptive behavior, to carry out regular audits, to investigate suspicious cases and to punish perpetrators accordingly.

3.3 Consequences for the company

- a. If FUCHS employees are found guilty of corruption, the company may be sentenced to pay a high fine.
- b. If business partners or competitors have been harmed by the corruptive action of an employee, the company may face civil law claims for damages.
- c. According to the credit conditions of many credit insurers, exports are not covered by the insurance if the applicant has unlawfully offered, promised or made advantages or contributions in connection with the respective order.

4. The position of FUCHS PETROLUB

1. FUCHS is determined not to tolerate any corrupt practices be they used by employees or business partners. A breach of the rules set out in this policy shall have legal and labor law related consequences depending on each individual case.
2. FUCHS prohibits any involvement in or toleration of bribery or any other form of corruption.
3. The principles addressed in the FUCHS Group's Code of Conduct require that, in the course of business, all is done to avoid even the appearance of corruption or bribability.
4. FUCHS expects all employees to make it their task to assist in the prevention and detection of corruption in the business environment of FUCHS and, by doing so, strengthen the reputation of FUCHS.

5. Standards of conduct for the prevention of corruption

The purpose of the following instructions regarding conduct is to avoid even the appearance of corruptive behavior:

5.1 Dealing with customers and suppliers

- a. Suppliers must exclusively be chosen in accordance with the principles of competition i.e. on the basis of the price, quality and suitability of their service.
- b. All FUCHS employees must immediately reject any attempt by suppliers to dishonestly influence the placement of an order by offering, promising or conferring personal advantage.
- c. FUCHS shall maintain its share in the marketplace exclusively due to the high quality of its products and services, its customer friendliness and its attractive price/performance ratio.
- d. FUCHS employees are forbidden to make any attempt at dishonestly influencing customer decisions by offering, promising or conferring personal advantage.
- e. This section's prohibition also applies to persons related to the customers and suppliers and all other persons who could be suspected of receiving the promise or contribution on behalf of the customers and suppliers

5.2 Presents and contributions for public officials

- a. FUCHS employees are basically forbidden to offer, promise or make contributions, in cash or in kind, of any type to public officials, however minor these may be. This is due to particularly strict regulations, which as a rule, forbid offering or making any contributions to public officials, regardless of the amount.
- b. The strict rules concerning public officials apply to all persons who work at or for public-service institutions such as the government, ministries and other governmental authorities and administrations. The same applies to foreign public officials. They also apply to executives, agents and employees of institutions organized under private law who, due to their status or for other reasons, are treated as public officials by the applicable laws. These include the employees of transport or utility companies, public-sector hospitals or waste disposal companies.
- c. This section's prohibition set out under clause a. also applies to persons related to the public officials mentioned under b., and all other persons who could be suspected of receiving the promise or contribution on behalf of the public official.
- d. If it were to be customary to present public officials with gifts in kind under specific and exceptional circumstances (e. g. for reasons of courtesy), these gifts must not exceed the level of polite gestures.
- e. All exceptions to clauses a. and d. are subject to the prior approval of the respective superior and the Chief Compliance Officer.

5.3 Presents and Contributions in other business transactions

- a. FUCHS employees must neither demand for themselves nor for third parties invitations to meals and events, presents, other contributions, personal services or favors from business partners.
- b. The term “business partners” shall mean for the purposes of this section, persons or companies as well as their executives, employees and agents with whom FUCHS has engaged, is engaging or may, in the future, engage in business transactions.
- c. FUCHS employees and their immediate family members must neither demand nor accept any cash gifts – regardless of the amount – from business partners. Vice versa, FUCHS employees shall neither offer, nor promise nor make cash gifts to business partners.
- d. Furthermore, when accepting and giving presents or making contributions, FUCHS shall take into account the social acceptability of its actions within the constraints of any applicable laws. Each culture and society has certain established modes of conduct that are considered as normal and whose non-observance would, at times, even be deemed impolite and disrespectful towards the other person. Therefore, the rule of thumb is: receiving and giving presents or making contributions is generally inadmissible if they cease to be socially acceptable (i.e. if the present or contribution exceeds the limits of common business practice, of the personal life style of the people involved – considering the respective hierarchical level – and of the actual occasion in the context of which the present or contribution is made). In this context, the following clauses explain the actual rules to be complied with by FUCHS employees.
- e. The accepting, offering, promising and making of any contribution in kind shall be acceptable only in situations where business decisions cannot be influenced by such actions. Furthermore, all actions that may give any impression of actually or possibly exerting influence over a business decision must be avoided. Under these conditions, the accepting and making contributions in kind is generally admissible, provided they do not exceed the socially acceptable norms. If, according to the local laws, stricter rules apply, however, these laws must be followed. Irrespective of this, the offering, promising and making of contributions in kind is never admissible if there is reason to believe that the recipient is not allowed to accept such contributions.
- f. FUCHS employees are allowed to take part in and invite others to business-related hospitality events, provided the activity is not meant to improperly influence business decisions, and does not give the impression that such influence is being gained. Participating and inviting others to these events must also remain within the socially acceptable norms.

g. FUCHS employees may take part in events paid by a third party if:

- they are business-related and if participating, in the particular situation, is in the interests of FUCHS and
- the inviting person also participates in the event and
- levels of common business practice are not exceeded and
- participating in the event may not improperly influence business decisions, or give such an impression.

Prior supervisory approval is required before FUCHS employees take part in events whose purpose is exclusively or predominantly social (cultural, sports-related etc.).

h. FUCHS employees may only invite business partners to events if such invitations are part of the socially acceptable practice, and as long as the invitation will not improperly influence business decisions or give the impression of doing so.

i. In case of doubt, prior approval by the respective superior must be obtained.

5.4 Using the services of representatives, consultants etc.

In practice, fees for representatives (e. g. distributors) and consultants are often suspected to be used to conceal corruptive advantages or contributions. In order to prevent even the appearance of dishonest conduct, the following points in particular need to be critically assessed when using the services of representatives and consultants:

- a. The reputability of the representative/consultant: The policy is “(Better) know your consultant!” Hence, quality, reliability and reputation must always be checked thoroughly.
- b. The type of activity and the documentation: Any owed services provided by the representative/consultant must be contractually and accurately stipulated (e. g. the case-related arrangement of certain transactions or of specific payment methods). The respective FUCHS employee must record in writing the services obtained and confirm having obtained them upon paying the recipient. Regular reports or minutes of meetings can serve as proof.
- c. The appropriateness of the consideration: Any fees paid to the representative/consultant must always be checked for appropriateness and market conformity. The respective industry, region and type of service can be used as criteria in this context. When transferring payment, the contractually agreed recipient of the money must always be stated unless the payment – as happens under normal circumstances – is paid directly to him.

6. Chief Compliance Officer, whistleblower system and hotline

1. As illustrated by this policy, the anti corruption issues are very complex. Therefore, in many cases, it is not altogether easy to determine the admissibility or inadmissibility of certain modes of conduct without their being examined and assessed by legal experts. There may also be cases where, retrospectively, you are in doubt as to the legality of a certain mode of conduct. Hence, FUCHS has appointed a Chief Compliance Officer to serve as a 'port of call' for all employees and who can be contacted if you have questions or want to make comments and observations.

Chief Compliance Officer

Claudio F. Becker

Corporate Counsel & Chief Compliance Officer

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2. FUCHS employees who come across concrete facts and incriminating evidence hinting at a violation of the afore-mentioned principles, are urged to report these. In such cases – as well as concerning any other associated issues – the persons to be contacted are the respective superiors, the Local Compliance Officer, the Chief Compliance Officer or the respective management.
3. Since September 15, 2014 FUCHS has, via its company website, been offering access to the "FUCHS Compliance Communication System", an internet-based whistleblower portal. The portal offers the user the option of submitting a detailed report covering his observations of breaches or suspicious circumstances and entering into a dialog with the Chief Compliance Officer. Upon request, the user can remain completely anonymous during the entire process. You will find the system at www.fuchs.com/group/compliance.
4. Furthermore, we have set up a hotline for you with SZA Schilling, Zutt & Anschütz Rechtsanwälts AG, a law firm in Mannheim. By calling the numbers indicated below, you can, at any time and on an anonymous basis, contact the persons listed. Whilst the law firm is going to pass on the respective information to the Chief Compliance Officer, it will not name the informer in order to ensure confidentiality. You can contact the persons listed below from whatever country you are in and raise your concerns in German or English, whichever language you prefer.

The contact details for the law firm are as follows:

SZA Schilling, Zutt & Anschütz Rechtsanwälts AG

Otto-Beck-Straße 11
68165 Mannheim, Germany

Dr. Thomas Liebscher

Telephone: 0049 - (0)621 - 4257219

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Mannheim, December 2016

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