



**CODE OF
CONDUCT
AND ETHICS**

Litens Automotive Group



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Dear Colleagues,

Litens is a global leader in power transmission technologies that improve vehicle efficiency, fuel economy and have emissions benefits. We are a company founded on innovation and have worked to revolutionize the design and efficiency of modern automotive powertrains. For over 40 years, our commitment to excellence has earned us a reputation for providing reliable, highly engineered solutions to every major global OEM. Litens is releasing an update to our Code of Conduct and Ethics Policy to highlight our commitment to a company culture rooted in fairness, integrity, honesty and concern for people. Our Code of Conduct and Ethics sets forth the basic principles we are committed to with respect to our dealings with all of our stakeholders and also acts as a guide to assist our employees in meeting the ethical standards reflected in the Code.

What we do every day defines us as a company. All of us have a responsibility to honour our commitment by supporting sustainability initiatives reflected in the Code. It is your duty to read the Code, understand your role and discuss with your colleagues and manager. The Code empowers you and you should use it as a tool to make ethical business decisions in your everyday work life. We are proud of our achievements, including how we work together to realize our goals. If you see any violation of this Code, you are encouraged to speak up, report and ask for support from Litens' Legal Counsel without fear of retaliation for concerns raised in good faith.

Thank you for contributing to Litens' success and playing an important role in developing a company culture that fosters safe and inclusive work environment, encourages respect for each other, promotes fair and lawful business practices, sustainability, transparency and protection of information in its operations globally.

Sincerely,


Paul Robinson
 President and CEO
 Litens Automotive Group



Purpose of the Code

This Code of Conduct and Ethics sets forth the basic principles we are committed to with respect to our dealings with all of our stakeholders and also acts as a guide to assist our employees in meeting the ethical standards reflected in the Code. The Senior Management of Litens Automotive Group (“Litens”) has adopted this Code of Conduct and Ethics to highlight our commitment to a company culture rooted in fairness, integrity, honesty and concern for the people.

Scope of Application

This Code applies to all management and employees of Litens Automotive Group on global basis including our After Market and distribution business entities such as LATCO, ATech and Tendeco and will be promptly and consistently enforced. Failure to comply will lead to disciplinary action, proportionate to the breach. In the case of a serious breach, an Employee may be dismissed for just cause. Our consultants, independent contractors, agents and other representatives will be required to meet the same ethical standards as our Employees and will face the same types of consequences, up to and including termination of any consulting, contract, agency or representative relationship with us. All Employees are expected to be familiar with the Code and to adhere to those principles and procedures set forth that may apply to them.



Respect for human rights and harassment free work environment

We are committed to foster an environment where Employees are consistently,

SAFE • TREATED FAIRLY
MADE TO FEEL VALUED
DEVELOPING THEMSELVES

while complying to all legal standards and remaining competitive in the market place.

We encourage all our employees to take responsibility for their work, be respectful to each other, be flexible and open minded, to find enjoyment and satisfaction in their work, and to be proud of Litens.

We are committed to providing competitive wages and benefits as compared to local market conditions. We will comply with applicable laws and agreements on working and resting hours and compensation and benefits in all the jurisdictions we operate. We respect local laws and standards in each jurisdiction with respect to employees' right to freedom of association and collective bargaining. We support and respect the protection of internationally proclaimed human rights and promote the same within our sphere of influence.



We will ensure that we are not complicit to human rights abuses and will foster a work environment that is free from **discrimination**, harassment, intimidation and hostility of any kind. Any Employee that sexually harasses or abuses, corporally punishes, mentally or physically coerces any other person or threatens such treatment will be subject to disciplinary process up to and including the termination of his or her employment.

We practice the principle of equal employment opportunity without regard to race, religion, age, ancestry, place of origin, citizenship, nationality, sex, sexual orientation, gender, gender identity, gender expression, disability, marital status, family status, political affiliation, or any other personal characteristic protected by applicable law. We will make reasonable accommodations for the recognized religious practices of our employees.

We will not tolerate any form of forced, compulsory or child labor in our sphere of influence.

We expect our suppliers / partners to follow the same standards.



We will:



IMPLEMENT A COMPREHENSIVE ENERGY REDUCTION STRATEGY AND MANAGEMENT PROGRAM



PRESERVE WATER RESOURCES AND WATER QUALITY



WHERE APPLICABLE, MONITOR, CONTROL AND MINIMIZE EMISSIONS CONTRIBUTING TO LOCAL AIR POLLUTION



IMPLEMENT STRATEGIES TO REDUCE WASTE AND INCREASE RE-USE AND RECYCLING



RESPONSIBLY IDENTIFY, COMMUNICATE AND MANAGE CHEMICALS TO ENSURE THEIR SAFE HANDLING, STORAGE, USE AND DISPOSAL TO BE COMPLIANT.

Environment, Health and Safety

We are committed to work with our employees and business partners in order to create and maintain a safe and healthy working environment that meets or exceeds industry standards and regulations in all jurisdictions in which we perform business activities.

We will conduct our business in an environmentally responsible manner in accordance with the appropriate legislation and regulations in each of the jurisdictions we operate in. We will strive to meet or surpass the environmental performance requirements of international standards governed by ISO 14001 or regional regulations.

We support avoiding materials and methods posing environmental and health risks when alternatives are available, and we will work to minimize the impact of our operations on the environment. We ensure that our operations are in compliance with applicable environmental protection legislation as well as with the applicable internal and customer requirements.





Business Activities and Personal Interest

Our employees will not, directly or indirectly, offer bribes, kickbacks, or other similar payments, nor promise any other improper benefit for the purpose of influencing any customer, supplier, public official or any other person, nor will they, directly or indirectly, accept bribes, kickbacks or any other improper benefit which could influence or appear to influence them in the performance of their duties, provided that any payments which are permissible under applicable law are not prohibited under this Code.

Reasonable business entertainment and gifts or favors of nominal value or those which are appropriate in the circumstances will not be considered a breach of our commitment to fair dealing, as long as such entertainment or gifts are consistent with business practice, not intended as an inducement, not contrary to applicable law, customer(s) policies and will not embarrass us or our employees if disclosed publicly. Any gift to be received above the value of \$100 Canadian equivalent must be disclosed to the employee's immediate supervisor prior to acceptance.

All employees shall conduct their private and personal activities in a manner that does not conflict with the business interests of Litens.

Avoidance of Conflicts of Interest

We expect our employees to honor their duty of good faith and fidelity, and to perform their duties in a manner which seeks to ensure our best interests ahead of their own interests. We further expect that our employees will:

NOT TAKE ADVANTAGE OF ANY BUSINESS OPPORTUNITY DISCOVERED THROUGH THE EMPLOYEE'S POSITION OR THROUGH THE USE OF OUR PROPERTY OF INFORMATION;

NOT USE THEIR POSITION OR OUR PROPERTY OR INFORMATION FOR PERSONAL GAIN;

NOT COMPETE WITH US; OR

NOT TAKE ANY STEPS WHICH INVOLVE OR CREATE THE APPEARANCE OF A CONFLICT OF INTEREST.

We expect our employees to use company's physical and financial assets responsibly and protect them from theft, carelessness, and waste, this including protecting access to company buildings, equipment, and tools or using good judgment when spending company funds.



Protection of Personal Information, Data Privacy

We are also committed to protecting personal information relating to our employees and other stakeholders such as the employees of our customers and suppliers. Such information will only be collected, used and disclosed for legitimate business purposes and in administering the working relationship, such as administering employee wages and benefits, for discipline purposes or as otherwise required by applicable law. We will comply with all applicable privacy and data protection legislation in force from time to time.

Intellectual Property

Litens intellectual property including technical inventions, patents, copyrights, know-how, trade secrets, design standards, guidelines and trademarks and related licenses are valuable property. Litens will take appropriate actions to defend our intellectual property and is committed to respecting intellectual property that belongs to others including our business partners.

Use of Confidential Information

We expect our employees to treat as confidential all trade secrets and proprietary information relating to us and our customers and suppliers.

We also expect that our employees prevent misuse or improper disclosure of confidential information relating to other employees.





Counterfeits, Export Controls and Economic Sanctions

We will implement appropriate means to minimize the risk of introducing counterfeit parts and materials in the products we deliver to our customers.

We will respect all appropriate export control and economic sanctions laws and regulations of all relevant countries. No employee shall knowingly or through willful ignorance sell, export, re-export or deliver prohibited goods, software, services and technology to certain restricted destinations, entities and/or individuals. In the event of any question concerning this matter, please contact the Legal Department.



Product Compliance and Responsible Sourcing of Materials

Our products are designed and manufactured to comply with applicable legal requirements and to meet our customers quality expectations. We will conduct due diligence to understand the source of raw materials used in our products. We will not knowingly produce products containing raw materials that contribute to human rights abuses, bribery and ethics violations, or negatively impact the environment.

Corporate Policies

In addition to the corporate policies referred to in this Code, we maintain a variety of policies, procedures and guidelines governing various matters. We expect our employees to abide by them.



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General Counsel will not disclose the identity of the person(s) reporting suspected misconduct unless the individual(s) consents to disclose or required by law. The individual(s) will not be discriminated against because of lawful acts in furtherance of this policy, and we shall take appropriate disciplinary action against any supervisor(s) or co-workers who seek to take retaliatory action against individuals who report violations of this policy in good faith.

This Code of Conduct has been approved and adopted by Senior Management and can only be amended or waived by the same. Any amendments or waivers shall be disclosed.

Responsibility of Management and Employees to get involved

It is the responsibility of Litens Automotive Group's Management to communicate the code and demonstrate adherence to the contents as well as commitment to the spirit of this document. Employees are responsible to speak up and are encouraged to report violation of this Code anonymously and confidentially to Litens General Counsel for investigation and appropriate action. Reports can be submitted in any of the business languages used at Litens locations across the world. In addition to E-mails and phone messages, employees may directly mail their report to the address indicated.