

CODE

OF

CONDUCT

2015

**nexteer**  
AUTOMOTIVE

A hand holding a pen over a document, with a red overlay. The text is centered and reads: "We are each responsible for our own actions. And our collective actions define our company."

We are each  
responsible for  
our own actions.  
And our collective  
actions define  
our company.

## Our Commitment

Dear Nexteer Colleague:

Nexteer Automotive has a long and rich history as a company of innovation and integrity.

Our global compliance standards, including this Code of Conduct (Code), set forth legal and ethical standards designed to help us to continue our commitment to act in accordance with the law and conduct business with the highest level of integrity.

Each of us must uphold the standards established, including reporting violations consistent with applicable laws. The actions of the collective Nexteer team are the reflection of our company and our culture. This document details how you can report violations as well as who to contact if you have any questions on the interpretation, application or scope of the Code.

Your continued commitment to integrity, ethical conduct, and compliance is essential to Nexteer's success.

Best Regards,



Laurent Bresson  
President  
Nexteer Automotive







## Vision

A leader in intuitive motion control.

## Mission

A model global company that delivers profitable and balanced global growth while nurturing our culture.

## Culture

Our corporate culture inspires employees to achieve high results by focusing on the company's core values across all aspects of the enterprise:

- People
  - ▶ Empowered to act
  - ▶ Constructive communication
  - ▶ Personal growth
- Operational Excellence
  - ▶ Passion for perfect quality
  - ▶ Clear and timely decisions
  - ▶ Integrity and accountability
- Sustainable Growth
  - ▶ Customer focus
  - ▶ Relentless innovation
  - ▶ Collaborative relationships



# Code of Business Conduct

Introduction.....	06
Purpose .....	06
Scope .....	06
Reporting Obligations .....	06
Anti-Retaliation Policy .....	07
Zero Tolerance Policy .....	07
Policies .....	07
Conflicts of Interest .....	07
Laws and Regulations .....	08
Fair Competition and Antitrust Laws .....	08
Fair Dealing and Procurement and Purchasing .....	09
Anti-Bribery and Anti-Corruption Laws; Gifts; Political Contributions and Activities .....	09
Anti-Money Laundering and Anti-Terrorism Compliance ...	11
Export Controls and Economic Sanctions .....	11
Imports & Customs .....	12
Employment-Related Laws .....	12
Environment and Health and Safety Laws .....	14
Insider Trading and Insider Dealing .....	15
Additional Company Policies .....	15
Confidential Information .....	15
Use of Company Assets .....	17
Document Retention.....	17
Substance Abuse .....	18
Corporate Affairs and Regulatory Investigations .....	19
Finance, Accounting and Internal Controls .....	20
Reporting Obligations .....	21
How Do I Report a Violation? .....	21
Direct Reporting Channels .....	22
Reporting by Phone .....	22
Reporting Online .....	22
Anonymous Reporting .....	22
Restriction by Law .....	23
Administration and Enforcement .....	23
Administration .....	23
Waivers .....	23
Investigations .....	23
Disciplinary Action .....	23
Disclaimer .....	23
Questions .....	23

## Introduction

Our honesty, integrity, and sound judgment are absolutely essential to Nexteer's reputation and success. Just as important, violating any laws that underlie this Code can possibly lead to civil and criminal liability for you and for Nexteer. This Code sets forth standards of conduct that each of us, as we conduct Nexteer business, are required to abide by according to the applicable law and Nexteer's guiding principles.

### A. Purpose

This Code is designed to deter wrongdoing and to promote:

- Honest and ethical conduct in personal and business dealings;
- Full, fair, accurate, timely and understandable disclosure in Nexteer's public communications and filed documents;
- Compliance with laws, rules and regulations;
- Prompt reporting of any Code violations consistent with applicable laws and regulations; and
- Accountability for adhering to this Code.

### B. Scope

Nexteer Automotive Group Limited and its global subsidiaries ("Nexteer") expect you to fully comply with this Code and keep your actions consistent with the highest ethical standards. In addition to this Code, you must also comply with all applicable policies. Nothing in the Code is

intended to limit or interfere with any employees discussing their compensation or any other terms and conditions of their employment, including their wages and Nexteer's employment-related policies and practices. Employees will not be subject to any adverse action (i.e., discipline or termination) because they discuss such matters.

### C. Reporting Obligations

You are responsible for understanding and complying with this Code. If you need clarification about anything in this Code or guidance about a situation you're experiencing you should contact a Legal Department Representative. It is your responsibility to report possible Code violations, consistent with applicable laws, and to fully cooperate with any internal or external investigations. Nexteer will not retaliate against you for good faith cooperation with an investigation or for reporting a possible violation. See the "*How Do I Report a Violation?*" section of this Code for details on the various channels available for you to report violations of this Code. For example, you may choose to report a violation to your supervisor, manager or to an HR or Legal Department Representative. If you feel uncomfortable reporting in this manner you may, as an alternative, anonymously call the Nexteer Ethics Line or use the Nexteer Ethics Line Web Form, consistent with applicable laws and regulations.





## D. Anti-Retaliation Policy

Nexteer does not tolerate retaliation against anyone in connection with the good-faith report of any Code violation, illegal conduct, sexual or other forms of harassment, discrimination, inappropriate workplace behavior or any other serious issue. If you bring forward an issue in good faith, you will not be penalized, disciplined, terminated, or retaliated against in any way because of your compliance with this Code. Not only is retaliation a violation of this Code, it is also illegal. If you believe you or someone else has been retaliated against for complying with this Code, you should immediately submit an employee complaint or report the matter to either your Human Resources Representative or Nexteer's Legal Department. All reporting related to suspected retaliation must be done in accordance with applicable laws and regulations of the country where the reporting employee is located.

## E. Zero Tolerance Policy

Nexteer maintains a "zero tolerance" policy for any violation of the law or this Code that happens within the scope of your employment. You must complete an annual training session and sign an Annual Certification, which is your acknowledgment that you have received, reviewed, understand and agree to comply with the Code. **Any violation of this Code may result in disciplinary action up to and including discharge.** If you are unsure about the appropriateness of an action or have any question regarding how to interpret this Code or any Nexteer policies, you should contact Nexteer's Legal Department.

## F. Policies

Along with this Code, Nexteer has various policies which go into greater detail about the subject matter described herein. Each Section below references specific applicable policies which provide more information and guidance on the subject matter. Each policy goes into further detail on what behavior Nexteer expects from its employees. You are expected to abide by those policies in addition to this Code. You may access this Code as well as Nexteer's policies at any time via Nexteer's RhodeS Intranet. Nexteer's Code is also available via its public website at [www.nexteer.com](http://www.nexteer.com).

## Conflicts of Interest

As a Nexteer employee, you have an obligation to act in the best interests of the company, and to avoid situations that may lead to a conflict between your interests and those of Nexteer.

A conflict of interest may occur whenever your interests, or those of any person or entity with which you are connected, interfere with Nexteer's interests. Your interests might be connected to those of a family member or friend. Or they might be connected to a business, organization or group in which you are an employee, member, affiliate or hold a position of ownership or control.

It's impossible to list all potential conflicts, but examples include:

- You or your family members have outside employment or business interests that
  - ▶ conflict with Nexteer's interests or opportunities; or
  - ▶ supplies goods, properties or services to Nexteer or receives payment or financial support from Nexteer.
- You accept a loan, gift or financial assistance or other compensation from Nexteer or any Nexteer business partner or competitor that may result in a conflict of interest.

Additional examples are provided in Nexteer's Conflicts of Interest Policy.

Nexteer is listed on the Hong Kong Stock Exchange (HKSE). Its listing rules require you to disclose any situation that creates an actual conflict of interest — or what might be seen as one — to Nexteer's Legal Department. This includes any transaction between Nexteer and an entity to which you or your family members have business interests or are employed by.

In some circumstances, conflicts may be waived if they are properly disclosed to and expressly acknowledged by Nexteer's Legal Department. For assistance with conflict waivers, contact Nexteer's Legal Department. If you have any reason to believe that someone is violating this Section or has failed to report a conflict of interest, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.

### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

### Applicable Policies:

Nexteer Conflict of Interest Policy  
Nexteer Continuous Disclosure Policy  
Nexteer Connected Transaction Policy  
Nexteer Financial Assistance Policy  
Nexteer Gifts and Entertainment Policy



### Ask Yourself

If you are unsure if a situation may be a conflict of interest, ask yourself:

- Are you or your family involved with a Nexteer competitor that might otherwise conflict with Nexteer's interests?
- Are you or your family affiliated with or have an interest in a company that supplies goods, properties or services to Nexteer or receives financial assistance, payment or other compensation from Nexteer?
- Do you serve on a board or committee that could advocate for a position or support a company or cause that may be counter to Nexteer's interests?

## Laws and Regulations

As you conduct business on behalf of Nexteer you are responsible for acting in accordance with all applicable laws and regulations. This means that you must not approve, engage in, facilitate or otherwise permit any action that would violate any applicable law, rule or regulation.

This Section provides a brief description of certain laws and regulations that affect Nexteer's business. This list does not include all such laws; you are responsible for being aware of all laws, rules and regulations applicable to your job and, in addition, for contacting Nexteer's Legal Department with any questions you may have with respect to any laws, rules or regulations.

### A. Fair Competition and Antitrust Laws

Fair competition and antitrust laws require businesses to compete fairly and honestly by regulating conduct that may interfere with

competition. Such laws prohibit agreements among competitors on matters such as:

- prices
- terms of sale to customers
- allocating markets or customers
- in many cases, exchanging confidential information with competitors

You may not make any agreement, written or oral, in these areas. There is some information that you may share in certain circumstances, such as through a trade association or in benchmarking and standard-setting efforts. Even then, information should only be shared after legal review to avoid antitrust issues.



### Ask Yourself

If you are involved in a bid, proposal process, a transaction, a benchmarking activity or asked a question by someone outside Nexteer, ask yourself:

- Is anyone suggesting something that may unfairly eliminate competition or reduce the customer's choices?
- Have I been asked to share pricing or other competitive terms and conditions with competitors or anyone representing them?
- Has a competitor or anyone representing them offered to share pricing or other competitive terms or conditions with me or a Nexteer co-worker?
- Am I discussing price, terms of sale, allocation of markets or customers with any employees or agents of a Nexteer competitor?
- Am I disclosing any information that Nexteer considers confidential to any employee or agent of a Nexteer competitor without a non-disclosure agreement (NDA)?

If you have any reason to believe that someone is violating this Section, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.



**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer's Antitrust and Fair Competition Policy

**B. Fair Dealing and Procurement and Purchasing***1. Fair Dealing*

You should always deal fairly with customers, suppliers, competitors, and the public, and maintain ethical business practices. You should not take unfair advantage of any business partner through unreasonable manipulation, abuse of privileged information, misrepresenting facts, or any other unfair dealing practices. Unless you have prior approval from Nexteer's Legal Department, you should not ask for, accept, or give anything of value to third parties when conducting business for Nexteer.

The sole exception is things that are considered customary business courtesies, such as meals, entertainment, and gifts that are infrequent and modest in value, consistent with Nexteer's Gift and Entertainment Policy. If you have any reason to believe that someone is violating this Section, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.

*2. Procurement and Purchasing*

Nexteer believes in ethical purchasing and will not knowingly use suppliers who fail to abide by Nexteer Supplier Requirements, supply unsafe products or services, violate applicable labor or employment laws, use child or forced labor or use physical punishment to discipline their employees. If you are involved in purchasing products or services for Nexteer, you must comply with all applicable laws, rules and regulations pertaining to corruption and conflicts of interests as well as Nexteer purchasing policies.

If you have any reason to believe any Nexteer employee or supplier has violated this Section, you should immediately contact Nexteer's Legal Department or report any such violations, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For more information about this Section or for any questions, please review the applicable policies or contact Nexteer's Legal Department.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer's Fair Dealing Policy

Nexteer's Gifts and Entertainment Policy

**Ask Yourself**

If you are involved in dealings with third parties, ask yourself:

- Does my proposed transaction potentially violate any law, this Code, or any Nexteer policy?
- Am I accomplishing this transaction by concealing a material fact?
- Does any aspect of this deal advance my own or my counterparties private interests, as opposed to that of our respective companies?
- How would my behavior look if this were publicly known?
- If the situation were reversed, how would I perceive the transaction from the other side?

**C. Anti-Bribery and Anti-Corruption Laws; Gifts; Political Contributions and Activities***1. Anti-Bribery and Anti-Corruption Laws*

U.S. and Hong Kong law and the laws of many jurisdictions where Nexteer operates prohibit government officials or employees of government agencies from receiving payments, entertainment, or gifts for any purpose, including retaining business or securing favorable government action. If you have any reason to believe that someone is violating this Section, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer's Anti-Corruption Policy



### Ask Yourself

If there is a possibility that a transaction you are involved in may be considered a bribe, ask yourself:

- Am I making, authorizing, or receiving a payment for the purpose of improperly obtaining, retaining or directing business?
- Am I making, authorizing, or receiving a payment for the purpose of improperly bestowing or receiving any kind of favored treatment?
- Am I making or authorizing a payment to a foreign government official or someone who works at a state-owned company?

#### 2. Gifts

You may not give gifts or business entertainment of any kind to a government official, an employee of a government agency, or an employee of a state-owned entity (including businesses) at any time without prior written approval from Nexteer's Legal Department. However, business courtesies, such as gifts, meals or entertainment, to or from non-government business personnel may be appropriate, if approved in advance by your supervisor or manager, provided they are infrequent and modest in value consistent with Nexteer's Gifts and Entertainment Policy. The provision or receipt of gifts of cash or stored value cards of any value are never permitted. If you have any reason to believe that someone is violating this Section you should report it,

consistent with applicable laws and regulations (see "How Do I Report a Violation?"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.

#### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

#### Applicable Policies:

Nexteer's Gifts and Entertainment Policy



### Ask Yourself

When giving or accepting business gifts or courtesies, ask yourself:

- Have I promised to give or given anything of value to any government official, government employee or an employee of a state-owned entity?
- Is this an excessive business courtesy?
- Would an observer believe that offering this business courtesy would influence a business decision?
- Did I disclose the business courtesy I provided to a customer or supplier on my expense report?



### 3. Political Contributions and Activities

Nexteer's policy is to comply with all laws and regulations regarding political contributions. You may not use Nexteer's funds or assets for, or to contribute to, political campaigns or political parties without prior written approval from Nexteer's Legal Department. This requirement does not apply to:

- your personal contributions made using your own funds
- your personal activities in support of a political candidate or ballot proposal when they are done in a private capacity

If you have any reason to believe that someone is violating this Section, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.

#### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

#### Applicable Policies:

Nexteer's Prohibited Payments Policy



### Ask Yourself

If you are involved in political activity, ask yourself:

- Will expensing a political fund-raising event I attended violate campaign finance laws?
- Am I using corporate assets for partisan political activity?
- Am I asking a legislator or regulator for favorable treatment as part of an event or activity for which Nexteer is paying?

### D. Anti-Money Laundering and Anti-Terrorism Compliance

"Laundering" funds describes an activity that conceals or disguises the true origin of money that is gained illegally, and laws in most countries where Nexteer operates prohibit it. Where appropriate, Nexteer will conduct due diligence, including checks of lists of prohibited parties in various countries, to ensure Nexteer is dealing with reputable entities. If you have reason to

believe that a Nexteer partner may be engaged in fraud, money laundering or terrorist financing activities (such as through requests for unusual payment methods or requests to hide the source of funds), you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact the Legal Department with any questions regarding this Section.

#### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

#### Applicable Policies:

Nexteer's AML and Anti-Terrorism Policy

### E. Export Controls and Economic Sanctions

Every Nexteer operation must comply with the terms of economic sanctions imposed under U.S., European Union, and other laws. These regulations prohibit dealing with designated countries, governments, entities, and people that threaten national security or foreign policy interests. Examples include parties that support terrorism, traffic in narcotics, engage in the proliferation of weapons of mass destruction, or suppress human rights.

You may not do business or facilitate business, either directly or indirectly, with any country, government, entity or person sanctioned under these laws. Examples would include:

- altering Nexteer procedures to permit a prohibited transaction by a foreign person
- referring business opportunities from a person, government or organization under U.S. sanction to a non-U.S. person
- providing accounting, financing or warranty support for a prohibited transaction

If you have reason to believe that Nexteer or a Nexteer customer, supplier, vendor, agent or other party doing business for or with Nexteer is violating export control or economic sanction laws, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For additional information, see the appropriate policy or contact Nexteer's Legal Department with any questions regarding this Section.



### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

### Applicable Policies:

Nexteer's Export Policy  
Nexteer's Import Policy  
Nexteer's Export Trade Compliance Manual  
Nexteer's Screening Policy



### Ask Yourself

When involved in a transaction that will go to a country other than yours, ask yourself:

- Are these goods, information, or technology controlled for export by applicable laws or regulations?
- Will these goods, information, or technology be sent to a country that is sanctioned by applicable laws or regulations?
- Do I know that Nexteer has screened this shipment to ensure that it will not be sent to a purchaser that is prohibited by applicable laws or regulations?

### F. Imports & Customs

Governments maintain Customs procedures designed to regulate what products come within its borders. Every Nexteer operation engaged in the importation of goods is required to accurately report the country of origin, dutiable status, Customs classification, ad valorem value, eligibility for free trade preferences, regional/qualifying content, off-invoice cost items (royalties, assists, and so forth) and other requested information. All information pertaining to intra-company transfers and pricing are to be calculated in a manner that comports with applicable Customs regulations designed to prevent the manipulation of pricing to artificially lower tariffs paid.

### Applicable Policies:

Nexteer's Import Policy

### G. Employment-Related Laws

Nexteer's recruiting, retention and promotion policies are designed to ensure that employees are treated with dignity, fairness and respect. You are expected to make all employment decisions on the basis of employee merit and the advancement of Nexteer's goals.

### 1. Discrimination

Nexteer prohibits employment or work-related discrimination on the basis of any protected status, including those identified in the "Ask Yourself" section of this Code.

### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

### Applicable Policies:

Nexteer's Employee Handbook (for your appropriate jurisdiction)



### Ask Yourself

In all employment practices, ask yourself:

- Am I discriminating against an employee based upon any of these characteristics?
  - ▶ Age
  - ▶ National origin or ancestry
  - ▶ Disability
  - ▶ Childbearing or pregnancy status
  - ▶ Genetic information
  - ▶ Race or color
  - ▶ Religion
  - ▶ Gender
  - ▶ Or any other characteristic based on which discrimination is prohibited by applicable law.
- Does my humor, language or other behavior create what anyone may consider an environment hostile to them?
- Have I witnessed conduct that appears to be unwelcome and sexual in nature?

You must comply with this standard and with all Nexteer policies regarding equal opportunity, non-discrimination and fair employment. If you have any reason to believe that someone is discriminating against you or any other Nexteer employee, you should immediately contact Nexteer's Human Resources Department or report any such violations (see "How Do I Report a Violation?"). For more information about this Section or for any questions, please review your applicable Nexteer Employee Handbook or contact your Human Resources Representative.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer's Employee Handbook (for your appropriate jurisdiction)

*2. Harassment*

Nexteer prohibits all forms of workplace harassment, including sexual harassment or harassment based on the protected status of an individual. Sexual harassment includes:

- the use or threat to use authority or power to control, influence or affect another employee's job in order to coerce sexual contact
- the use of sexually explicit language, conduct or media that will or can be expected to create a hostile or offensive work environment

Other forms of harassment include ethnic, racist or sexist slurs and other words and actions that are considered derogatory. These are also prohibited.

If you have any reason to believe that someone is harassing you or any other Nexteer employee as outlined above, you should immediately contact Nexteer's Human Resources Department or report any such violations (see "*How Do I Report a Violation?*"). For more information about this Section or for any questions, please review your applicable Nexteer Employee Handbook or contact your Human Resources Representative.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer's Employee Handbook (for your appropriate jurisdiction)

**Ask Yourself**

In your dealings within Nexteer, you should treat people professionally and with respect. In your dealings, ask yourself:

- Are my motives in assigning work, choosing a team, promoting someone, or otherwise carrying on Nexteer business grounded in something other than someone's ability, work history, or aptitude?
- Are my actions, even if not aimed at a particular person, creating an uncomfortable work environment?
- Are my actions exclusionary?
- Would I like to be treated the way I am treating someone?



### 3. Human Rights and Fair Labor Practices

Every Nexteer location and employee must respect all applicable human rights and labor and employment laws. These laws may pertain to freedom of association, privacy, immigration, wages, and hours, or require that Nexteer not engage in employment discrimination or forced, compulsory or child labor. If you have any reason to believe that any Nexteer employee, customer, supplier, vendor or any other third party doing business for or with Nexteer is violating this Section, you should immediately contact Nexteer's Human Resources Department or report any such violations (see "*How Do I Report a Violation?*"). For more information about this Section or for any questions contact your Human Resources Representative.

#### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

#### Applicable Policies:

Nexteer's Employee Handbook (for your appropriate jurisdiction)



### Ask Yourself

Dealings with third parties can be the most difficult to handle in terms of ensuring that persons conducting Nexteer business are respecting human rights and fair employment practices. You should not assume that all companies, whether at home or abroad, automatically extend the kinds of working relationships that are customary at Nexteer. When dealing with third parties such as suppliers and agents, you should ask yourself the following kinds of questions:

- How much do I really know about this supplier?
- Have I conducted due diligence on how this supplier operates, or am I taking it on faith that it does business "the Nexteer way"?
- Does this supplier operate in a country with an elevated risk of violations against applicable human rights and labor and employment laws? If so, what steps have I taken to ensure that a higher standard is reached for a company that is supplying or partnering with Nexteer?
- Do I really know whether this supplier avoids the use of oppressive working conditions?

### 4. Workplace Safety and Violence Prevention

Nexteer is committed to your protection. Nexteer will not tolerate any acts or threats of violence, including inappropriate verbal or physical threats, intimidation, harassment, or coercion. To preserve your safety and security, and to the extent permitted by law, weapons, firearms, ammunition, explosives, and incendiary devices are forbidden on Nexteer premises, in any vehicle parked on Nexteer premises, or in company vehicles. You should report behavior that is an immediate threat to the safety of people or property, or has the potential to become violent, as soon as possible to your supervisor, your Human Resources Representative or Nexteer Security. For non-immediate workplace safety and violence threats, contact Nexteer's Human Resources Department or report any such violations (see "*How Do I Report a Violation?*"). If you encounter any difficulties, or have any questions on this Section, please review your applicable Nexteer Employee Handbook or seek guidance from Nexteer's Human Resources Department.

#### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department or Security Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

#### Applicable Policies:

Nexteer's Employee Handbook (for your appropriate jurisdiction)

### H. Environment and Health and Safety Laws

Nexteer is committed to responsible environmental stewardship and to providing a work environment that protects employee health and safety. It is Nexteer's policy to comply with all applicable environmental, health and safety laws. It is your responsibility to report violations of environmental and employee health and safety laws, regulations and policy consistent with applicable laws and regulations. If you have any reason to believe that any Nexteer employee or supplier is violating this Section, you should immediately contact Nexteer's Health and Safety Department or report any such violations (see "*How Do I Report a Violation?*"). For more information about this Section or for any questions, please review the applicable policies or contact a Health and Safety Department Representative.



### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Health and Safety Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

### Applicable Policies:

Nexteer's Cell Phone Policy  
Nexteer's Health and Safety Policy  
Nexteer's Smoke Free Policy



### Ask Yourself

Not sure if something is consistent with health and safety policies? Ask yourself:

- Do I know the proper safety procedures for my particular job?
- Is anyone not following proper safety procedures in performing a task or using a piece of equipment?
- Do I have a weapon in my possession or in my vehicle while I am on Nexteer property or conducting Nexteer business?
- Am I aware of a situation or condition that adversely affects the health and safety of Nexteer's employees?

### I. Insider Trading and Insider Dealing

Nexteer is a public company whose shares are traded on the HKSE. The HKSE forbids trading of securities by anyone using what is known as material, non-public information. "Material" includes information that would be considered relevant to an investor who was considering investing in Nexteer stock or to a current shareholder wishing to trade. "Non-public" means information that has yet to be disclosed to the general marketplace and is only known internally to Nexteer personnel. This is typically referred to as "Insider Trading" or "Insider Dealing," and it is considered a crime in many jurisdictions.

If you acquire material, non-public information, you may not provide tips or persuade others to trade NAGL stock for their or for your benefit. You also are not allowed to use any material, non-public information about other public companies as a basis for trading their stock, to persuade others to do so, or to reveal this information to others. If you have any reason to believe that any Nexteer employee is violating this Section, you should immediately contact Nexteer's

Legal Department or report any such violations (see "How Do I Report a Violation?"). For more information about this Section or for any questions, please review the applicable policies or contact Nexteer's Legal Department.

### Applicable Policies:

Nexteer's Insider Trading Policy



### Ask Yourself

Before offering information about anything happening at Nexteer to anyone outside the company, ask yourself:

- Am I aware of private Nexteer information that could lead a person to buy or sell Nexteer's or another company's stock?
- Have I shared private Nexteer information with people outside Nexteer that could give them an unfair advantage in the stock market?
- Am I disclosing any material non-public information to a third party inadvertently?

## Additional Company Policies

### A. Confidential Information

In your position at Nexteer, you may be exposed to confidential information. You cannot under any circumstances use such information for personal gain and you have a duty to safeguard this information.

Confidential information means any data or information that is proprietary to Nexteer, is not generally known to the public and may include trade secrets, know-how, supplier lists, collection methods, employee compensation lists, business practices, plans, policies, processes, records, specifications, or secret inventions. Unpublished financial or operational information is also considered confidential, as is information related to Nexteer's management policies and plans.

If your employment with Nexteer ends for any reason, you must return all confidential information in your possession. Your obligation to protect confidential information continues after you leave Nexteer.

#### 1. Third-Party Confidential Information

Nexteer employees also come into contact with confidential information about customers, suppliers or other third parties. In many instances Nexteer and its employees have a contractual duty to protect third parties' confidential information. You have a duty to safeguard any

third-party confidential information that comes into your possession as part of your work for Nexteer. You should exercise the same care to protect third-party confidential information as you would to protect Nexteer's confidential information. If you have any reason to believe that any Nexteer employee is violating this Section, you should immediately contact Nexteer's Legal Department or report any such violations (see "How Do I Report a Violation?"). For more information about this Section or for any questions, please review the applicable policies or contact Nexteer's Legal Department.

## 2. Nexteer Confidential Information

Under this Code and the HKSE Listing Rules, you have a duty to safeguard Nexteer's confidential information. Generally, you must not disclose any confidential information with any non-Nexteer party. If a non-Nexteer party requires access to any Nexteer confidential information, you must seek guidance from Nexteer's Legal Department to determine if a non-disclosure agreement (NDA) is necessary. Nexteer's Legal Department will work with you to draft an NDA for execution. You must send a copy of the signed non-disclosure agreement to Nexteer's Legal Department and save it as a business record. If you have any reason to believe that any Nexteer employee is violating this Section, you should report it, consistent with applicable laws and regulations (see "How Do I Report a Violation?"). For more information about this Section or for any

questions, please review the applicable policies or contact Nexteer's Legal Department.

Nexteer's IT Department maintains best practice requirements for protecting confidential information. If you have questions about these resources, you should talk to your supervisor or your IT Representative.

### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

### Applicable Policies:

Nexteer's Non-Disclosure Agreement Procedure  
Nexteer's Business System Manual  
Nexteer's Information Security Policy



### Ask Yourself

If information is not already public, it may be considered confidential or proprietary. Before you pass it along, ask yourself:

- Would a competitor find this information useful?
- Have I sought the proper authorization before sharing this information outside Nexteer? Is the information I want to share subject to a non-disclosure agreement?
- Is this information identified as confidential?



## B. Use of Company Assets

### 1. In General

Protecting Nexteer's assets is a key responsibility for everyone. Company assets include Nexteer's equipment and vehicles, computers and software, trading and bank accounts, company information and Nexteer's name, reputation, trademarks, patents and other intellectual property. You cannot take, loan, sell, pledge or donate Nexteer assets without appropriate authorization.

### 2. Misuse of Assets

You are responsible for the proper use of Nexteer assets and must protect those assets from loss, damage, misuse or theft. You also may not use corporate property, information or position for personal gain. Your time at work also is a company asset. Misuse of your time, including excessive use of Nexteer computers for personal activities that are not related to your work at Nexteer, is also prohibited.

### 3. Physical Access Control

Nexteer maintains access controls and measures to ensure that people who enter our facilities should be there such as passwords, swipe cards, badges, etc. These controls ensure the security of our employees and Nexteer confidential information and company assets. You are responsible for complying with all access controls. You may not let others use your access card or do anything that would bypass or interfere with Nexteer's access controls.

### 4. Company Funds

You should use Nexteer funds only for company business. You will be held responsible for all Nexteer funds you control. You may not delegate this responsibility to agents or contractors without prior permission from your supervisor or manager. You also may not provide loans with Nexteer funds for non-business purposes. You must also take reasonable steps to make sure Nexteer receives good value for its expenditures, and maintain accurate, complete and timely records of those expenditures. You must submit expense reports that are accurate and timely, and seek proper approval. Use of company funds for personal non-business use is prohibited at any time.

### 5. Computers, Networks and Other Equipment

You are expected to use Nexteer-owned computers, networks, computer systems and other equipment for Nexteer business. If you use Nexteer equipment at home or off site, you must protect it from theft or damage. If your

employment with Nexteer ends for any reason, you must immediately return all company equipment. Access to Nexteer's computer systems is only for employees and others with special authorization. You may not share your password or any other means to access the Nexteer computer systems with people who are unauthorized.

### 6. Software Policy and Illegal Duplication

You may not make or use illegal or unauthorized copies of software. Nexteer retains the right to inspect company equipment to verify that only approved and licensed software is installed.

If you have any reason to believe that any Nexteer employee is violating any of the six Subsections above, regarding company assets, you should report it, consistent with applicable laws and regulations (see "*How Do I Report a Violation?*"). For more information about these Subsections or for any questions, please review the applicable policies or contact Nexteer's Legal Department.

#### Reporting Channels:

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

#### Applicable Policies:

Nexteer's Financial Assistance Policy  
Nexteer's Internet Usage Policy  
Nexteer's Travel and Expense Policy



#### Ask Yourself

Are you protecting and properly using Nexteer assets? Ask yourself:

- Am I meeting my obligation to protect Nexteer resources, deter theft and avoid damaging or compromising Nexteer property?
- Does my use of Nexteer's computers or other company property serve Nexteer's business interests?
- Am I providing Nexteer with the fair benefit of my time at work?

## C. Document Retention

There are legal and corporate standards outlining how long certain documents and records must be kept — and procedures for their disposal. You must retain and destroy applicable documents and records according to Nexteer's Document



Retention Policy, unless you are advised to retain them for a longer period of time, whether because of legal or business reasons. It's important to remember that "records" include both paper and electronic documents, and may be stored in many forms:

**"Documents and Records" can include:**

- Database entries
- Electronic files
- CDs and DVDs
- Computer hard disks
- Flash drives and other portable media
- E-mail
- Microfiche or microfilm

If Nexteer receives a subpoena, becomes involved in litigation, or needs to conduct an internal investigation, then the company may require information to be kept through a litigation hold or other procedures. You must follow these procedures — even if it means suspending the normal destruction of documents or overwriting of data.

If you have any reason to believe that any Nexteer employee is violating this Section, you should report it, consistent with applicable laws and regulations (see *"How Do I Report a Violation?"*). For more information about this Section or for any questions, please review the applicable policies or contact Nexteer's Legal Department.

To help in managing responses to litigation and to manage internal investigations, Nexteer maintains internal procedures for dealing with interrogatories, discovery, subpoenas, and other government requests for information. Requests for information in connection with such matters are generally broad, and, consistent with applicable laws and regulations, may require that you provide information that is stored on your personal computers or smartphones. You should never alter or delete such information when an information request has been received or is known to be coming, without the permission of the Nexteer Legal Department.

If you receive a request for confidential Nexteer information — even if it is from the U.S. or any other government — you should immediately contact the Nexteer Legal Department.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer Legal Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer's Record Management Policy



**Ask Yourself**

Document retention and destruction is an increasingly complex undertaking in the electronic age. It is common for people to err on the side of keeping everything, on the assumption that "I might need it someday," particularly for e-mail and electronic documents. It is important, however, that all document retention (and destruction) occurs consistent with the terms of the Nexteer Record Retention Policy, including its Document Destruction Schedule.

To aid in this task, regularly ask yourself the following questions when dealing with documents:

- Is there a legitimate business reason to keep this document, or am I just keeping it because it seems easier to do so?
- Do I rely on my e-mail system as my default filing system, or do I always store items in the Nexteer-approved location or database?
- Do I regularly review my files for documents that should be destroyed or deleted?
- Do I really need to create a copy of this document and, if so, do I need to notify anyone regarding which copy is the official Nexteer copy?

**D. Substance Abuse**

Employees who, while on the job, are under the influence of or use alcohol or other drugs, put themselves — and their co-workers — in danger. They also reduce the efficiency and quality of our operations. Nexteer does not tolerate such behavior. This Code also prohibits the unlawful use, sale, possession, distribution, manufacture or dispensation of narcotics, drugs, controlled substances and alcohol while on the job or on corporate-owned or leased property. While representing Nexteer at a function outside of standard work hours, only legal and reasonable alcohol consumption is acceptable. While driving company vehicles or an employee's own vehicle for business purposes, being under the influence of alcohol or other drugs outside of legal limits is strictly prohibited.

If you believe that you may have a substance abuse problem, Nexteer encourages you to seek treatment. You may request help in managing drug or alcohol issues without jeopardizing your employment. Voluntary requests for assistance, however, will not prevent disciplinary action for violations of this Code or for job-related

misconduct or performance deficiencies at work related to substance abuse.

If you have any reason to believe that someone is violating this Section, you should report it, consistent with applicable laws and regulations (see “*How Do I Report a Violation?*”). For more information about this Section or for any questions, please review the applicable policies or contact Nexteer’s Human Resources Department.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer HR Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer’s Employee Handbook (for your appropriate jurisdiction)

**E. Corporate Affairs and Regulatory Investigations**

*1. Corporate Affairs*

You may not “leak” or otherwise disclose non-publicly available information about Nexteer to the media or to any other outside party. Should you receive questions or requests from news or trade media representatives, they must be directed to Nexteer’s Director of Corporate Affairs. If they are inquiries about current or former Nexteer employees or directors, they should be referred to your Human Resources Representative.

**Reporting Channels:**

- Contact your Supervisor or Manager
- Contact the Director of Corporate Affairs
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form

**Applicable Policies:**

Nexteer’s Communications Plan

*2. Social Media*

Social media can enhance our relationships with our customers and the communities we serve. Nexteer recognizes the importance of online conversations as a company. However, only authorized employees and/or agents are designated as spokespeople for Nexteer. Nexteer employees are not prohibited from utilizing social media for personal, non-work related matters (e.g. communicating with professional colleagues and/or friends and family). However, social media activity which references Nexteer must be done consistent with this Code. As a result, your references to Nexteer via social media should include the same level of professionalism required when employees are using Nexteer e-mail, voicemail and other Nexteer authorized communication devices and/or mediums. Whether you access social media via Nexteer communication systems or your personal communication systems, be sure to uphold

Nexteer’s values and other expectations described in this Code, as well as all other Nexteer policies and procedures, when referencing Nexteer.

Finally, make sure your social media audience is aware that your personal viewpoints are not the viewpoints of Nexteer.

**Applicable Policies:**

Nexteer’s Employee Handbook (for your appropriate jurisdiction)

*3. Government Investigations*

Nexteer will fully cooperate with any properly authorized government investigation or audit, but it will also assert all protections that the law provides. You may receive requests for information from government entities in many different forms, including:

- Subpoena
- Search warrant
- Government enforcement action
- Requests for information arising during routine dealings with government personnel

All such governmental inquiries or requests must be brought to the immediate attention of Nexteer’s Legal Department.

Any false statements that you may make to government personnel can subject you and Nexteer to civil and criminal penalties. However, you do have specific rights and protections under federal and state law.

**Your Rights in a Government Investigation**

Consistent with applicable laws and regulations, you may have the right to:

- Decline to consent to a voluntary interview
- Schedule an interview at a time and place that is convenient for you
- Refuse to answer any specific questions
- Terminate a voluntary interview at any time

In any case, including under subpoena, you have the right to decline to be interviewed without legal counsel.

**Nexteer’s Rights in a Government Investigation**

Nexteer also has certain rights which may, consistent with applicable laws and regulations, include:

- To determine the appropriateness of a request for information
- To consult with legal counsel before responding to a request
- To respond in a way that preserves attorney-client communication and other privileged information

Any time there is a government request for information, it is vital that no relevant information is altered, deleted, destroyed, or removed from Nexteer facilities.

If government personnel ask you to disclose any information about Nexteer that is unusual under the circumstances or outside the ordinary course of business, you should contact Nexteer's Legal Department. For additional information, see the appropriate policy or contact Nexteer's Legal Department.

## **F. Finance, Accounting and Internal Controls**

As a publicly-traded company on the Hong Kong Stock Exchange (HKSE), Nexteer must keep fair and accurate financial books and records and maintain integrity in reporting and disclosures. This Code and the HKSE require you to use the highest ethical standards in Nexteer's financial, accounting, reporting and auditing activities — and remain compliant with all laws and regulations.

### *1. Accuracy in Reporting*

Nexteer procedures are designed to ensure accurate financial books and records. Government filings require information complete enough to fully understand a transaction, as well as complete documentation of disbursements, reimbursements and the use of Nexteer assets.

### *2. Financial Records*

You have a duty to produce clear, professional, accurate and complete information on Nexteer's financial condition, business and earnings. This information must be supported by sufficient documentation to provide a complete, accurate, and auditable record. The data you provide for financial statements, regulatory reports, and publicly filed documents must be accurate and reliable and comply with applicable GAAP or IFRS rules and Nexteer's own internal control procedures. Any attempt to misstate or conceal information in any company record is a serious violation of this Code and may result in criminal prosecution.



## **Ask Yourself**

If you are keeping financial records, ask yourself:

- Does the record I created accurately reflect the transaction?
- Have I accurately reported information that may be used in Nexteer's public reports?
- Is anyone asking me to enter information that does not accurately reflect the actual data or transaction?

### *3. Financial Audits*

During a financial audit, you must:

- cooperate fully during the process;
- provide clear and truthful information; and
- make open and full disclosure to, and cooperate fully with, outside accountants and auditors in connection with any audit or review

### *4. Internal Controls*

Nexteer is committed to maintaining an effective system of internal controls and monitoring compliance with requirements as defined by this Code, associated policies and the provisions and practices set out in the Corporate Governance Code contained in Appendix 14 of the HKSE Listing Rules. You must understand the internal controls that are relevant to your position. You are also required to follow the policies and procedures related to those controls.

### *5. Reporting Obligations*

Nexteer's Anti-Fraud Policy sets out requirements for prohibiting, recognizing, reporting and investigating suspected fraud, corruption, misappropriation and other irregularities. You have a duty to report, consistent with applicable laws and regulations, if you suspect Nexteer's books and records are materially inaccurate or incomplete, or if anyone asks you to alter a record to reflect something inaccurately. Consistent with applicable laws and regulations, you must also report if you:

- suspect any violation of Nexteer's financial policies or procedures
- believe a control does not adequately detect or prevent inaccuracy, waste or fraud

If you have any reason to believe that someone has made a misleading, incomplete or false statement to an accountant, auditor, attorney or government official, or has submitted false or incomplete information that could impact the integrity of any investigation, audit or examination, or has violated this Section in any way or has asked you to do the same, you should report it, consistent with applicable laws and regulations (see "How Do I Report a Violation?"). For more information about this Section or for any questions, please review the applicable policies or contact Nexteer's Internal Controls Department.

#### **Reporting Channels:**

- Contact your Supervisor or Manager
- Contact a Nexteer Internal Controls Department Representative
- Call the Nexteer Ethics Line
- Use the Nexteer Ethics Line Web Form



**Applicable Policies:**

Accounting Policies  
Anti-Fraud Policy  
Budget Management Policy  
Tax-Filing Policy  
Treasury Management Policy  
Continuous Disclosure Policy  
Internal Audit Charter  
Business Systems Manual

## Reporting Obligations

Nexteer's success lies with you. Your commitment to high ethical standards lays the groundwork for our future success. Nexteer is committed to providing a safe and fair working environment and to protecting the rights of all employees. Should you see or suspect activity or behavior that may violate any part of this Code or other company policy, you should report any such activity or behavior, consistent with applicable laws and regulations.

Honesty is the best policy. You have a duty to provide truthful and accurate information when making a report and when cooperating with any investigations. Any employee who knowingly submits false information, or who knowingly furnishes false information during an investigation or any other reporting obligation or recommendation under this Code, will be disciplined, up to and including discharge.

## How Do I Report a Violation?

There are several different channels available to report a violation of this Code. You can report directly to your supervisor or manager or, if you feel it is more appropriate, to a representative from the HR, Legal or other relevant functional department. If you do not feel comfortable reporting directly to anyone or if you feel your report is not being handled properly, you may also report violations by telephone using the Nexteer Ethics Line or by filing a report online using the Nexteer Ethics Line Web Form. Consistent with applicable laws and regulations, you may make such non-direct report anonymously. You should be aware that Nexteer uses a third-party administrator to handle reports made by telephone or online. This means that all calls and online reporting are administered by an independent third-party vendor that has no affiliation with Nexteer.

You should use your best judgment when choosing a reporting method. For example, you should immediately report a workplace violence situation that poses an immediate threat to people or property directly to your supervisor, HR or Security. On the other hand, potential violations of the Conflict of Interest Section can be reported by telephone or by using online reporting should you feel uncomfortable reporting directly to your supervisor or to functional representatives or should you just simply wish to remain anonymous, provided that this is consistent with applicable laws and regulations.



### **A. Direct Reporting Channels**

You can report directly to your supervisor or manager. If you feel uncomfortable reporting to your supervisor or manager you may also report directly to a functional representative — such as a representative from HR, Legal or Internal Controls. Depending on the nature of the potential violation, you can report directly to the most appropriate function that could assess the potential violation. You should follow the directions set forth in each Code Section noting the options available under “Reporting Channels.” If you have any reason to believe that the report you make directly will not be handled in a manner that you feel is appropriate, then you should use the telephonic or online reporting methods. Additionally, if you have reported a violation to your supervisor or manager or to a functional representative and you do not feel that it is being handled appropriately, you are encouraged to use the telephonic or online reporting channels.

### **B. Reporting by Phone**

You can also report violations of this Code by telephone using the Nexteer Ethics Line. Available 24 hours a day, seven days a week, 365 days a year, Nexteer’s Ethics Line is a confidential resource provided by an independent third-party administrator. No method of identifying callers is used, and you may choose to remain anonymous when you call provided that it is consistent with applicable laws and regulations.

### **Nexteer Ethics Line**

USA: 1-855-405-4744  
China: 4008801409  
Australia: 1-800-60-6596  
Brazil: 0800-892-0661  
France: 0800-90-0028  
India: 000-800-100-1689  
Italy: 800-784920  
Korea: 00308 133014  
Mexico: 001-855-411-2669  
Poland: 0-0-800-151-01 33  
Germany: Access Code: 0-800-225-5288  
At the prompt, dial 855-405-4744

### **C. Reporting Online**

Employees can also report online using the Nexteer Ethics Line Web Form. Visitors to the site aren’t tracked, and you may make your submission anonymously if you choose, and this is consistent with applicable laws and regulations. To report online, you can go to the following web address:

**Nexteer Ethics Line Web Form:**  
[www.nexteer.ethicspoint.com](http://www.nexteer.ethicspoint.com)

### **D. Anonymous Reporting**

Nexteer’s third-party administrator will keep your identity secure should you decide to report anonymously to the extent permitted by local laws and regulations.



## **E. Restrictions by Law**

Data privacy laws in several countries, amongst them many European Union Member States, provide for specific rules on the reporting of Code violations, especially with respect to reporting by telephone and online reporting. Operating globally, Nexteer complies with the applicable laws, rules and regulations wherever it does business. Thus, where necessary, the Code may be supplemented with specific rules governing situations where either an employee files a report by telephone or online, from within a country that provides for such restrictions or the incident which is being reported happened in a country that provides for such restrictions.

## **Administration and Enforcement**

### **A. Administration**

Nexteer's Audit and Compliance Committee of the Board of Directors (the Nexteer Audit Committee) is responsible for setting the standards of ethical business conduct contained in this Code and for updating these standards as it sees necessary.

The Nexteer Legal Department is responsible for obtaining certification of compliance from all Nexteer employees, officers and directors on an annual basis.

All new employees, officers and directors shall receive a copy of this Code and sign an Annual Certification.

Each employee, officer and director must annually reaffirm compliance with the Code by signing a Code of Conduct Certification verifying that he or she has read and understands the Code and will comply with its terms.

### **B. Waivers**

Any waiver of any part of this Code for a member of Nexteer's Board of Directors or a Nexteer officer must be approved in writing by Nexteer's Board of Directors.

Any waiver of any part of this Code for any other employee must be approved in writing in a meeting of Nexteer's Audit Committee.

Any such waivers shall be subject to the HKSE Listing Rules, and other applicable laws, rules and regulations, and the advice of legal counsel.

### **C. Investigations**

Nexteer is committed to ensuring that all investigations are timely and consistently conducted in a fair, objective, impartial, thorough and thoughtful manner. Nexteer shall investigate

in a manner that seeks to preserve confidentiality in compliance with applicable law and regulations. Written documentation of each investigation shall be included as part of the company standard investigation protocols and such written documentation may include, consistent with applicable law and regulations, interview summaries, witness acknowledgments or written accounts, and final investigation conclusions. If you are approached or contacted by a government or regulatory official, ask for their contact information and the purpose of the call or visit. Let them know you'll have a representative of the appropriate area of the company talk with them. There are a number of departments that are instrumental in assisting with these issues. Please reach out to the Legal Department immediately.

### **D. Disciplinary Action**

This Code is based, in part, on compliance with laws and regulations. Violations of those laws and regulations can create legal and financial liability for Nexteer and its personnel. All known and suspected violations of this Code will be investigated. Individuals who violate any laws, governmental regulations or this Code will face disciplinary action that may include demotion or discharge.

### **E. Disclaimer**

This Code is not intended to and does not create any rights not otherwise provided by law. Nothing contained in this handbook creates an express or implied contract of employment. For employees who are not represented by a union, the relationship between you and the company is referred to as "employment at will." This means that your employment can be terminated at any time for any reason, with or without cause, with or without notice, by you or by the company. No representative of the company has authority to enter into any agreement contrary to the foregoing "employment at will" relationship. For employees represented by a union, the employment relationship is as described in the applicable collective bargaining agreement.

### **F. Questions**

This Code addresses the most common issues you might encounter, but it can't cover everything. If you have questions about this Code, its interpretation, applicability or scope, please contact the Nexteer Legal Department or e-mail [compliance@nexteer.com](mailto:compliance@nexteer.com).





3900 E. Holland Rd.  
Saginaw, MI 48601-9494

[nexteer.com](http://nexteer.com)

(Revised May, 2015)