

SHS Code of Ethics

Foreword

Our company

SHS - Stahl-Holding-Saar is the direct and indirect majority shareholder in the AG der Dillinger Hüttenwerke and Saarstahl AG steel companies. The two companies, among the biggest employers in the federal state of Saarland, have been established in the market for many years and are world leaders in their respective industry segments. Together they employ around 13,000 people around the world.

SHS - Stahl-Holding-Stahl was established in 2010 as an operational management holding company that has since taken up activities for Saarland's steel industry. The two companies are able to cooperate more closely in this way and to enhance their presence within their markets. They are working in unison to grow, to become more flexible and to develop competitiveness in their respective markets.

Confronting increasing requirements

With advancing growth and our expansion into new markets and countries, the requirements placed on our conduct in the course of daily business and in our relations with our business partners have also increased. Added to this are new national and international statutory requirements. We want to accommodate compliance with laws and regulations in the countries where we are active with uniform groupwide standards.

The following code of ethics is an essential component of the SHS Group corporate governance concept. As such, it is derived from our internal standards and principles. We have also oriented ourselves in this effort on national and international standards.

This code contains all of the principles and measures that aim to ensure that legal representatives, employees and third parties act in compliance with the rules.

Goal of the code of ethics

With this code we seek to manifest in writing our values and our conduct to date, both in our relationships with one another and with our customers and other business partners.



In addition to complying with laws and statutes, the values of the companies in our corporate group must be observed; this means self-imposed obligations and self-restraint even where the law grants latitude.

Basic principles

Lawful conduct

Needless to say, all employees of the companies in the SHS Group follow the laws of the country and states in which they are active and in which they are involved in cooperative efforts.

Orientation on internal guidelines

Our actions and work, both internally and in relation to third parties, is in harmony with our guidelines.

Integrity

Business ethics and integrity safeguard our credibility. Improper conduct and violations of our principles and guidelines can have grave consequences not only for each individual but also for our company and the Group as a whole, and therefore must not be tolerated.

Scope

These basic principles and the following guidelines should be viewed as an overarching framework. They apply worldwide for the entire SHS Group and are the basis for more specific rules (code of conduct) that are to be observed in addition.

They apply to all employees in the SHS Group.

Each individual company in the Group is free to establish further principles, particularly in order to consider unique characteristics specific to a country or business.

Guidelines

We treat each other fairly and with respect.

We respect the dignity of the human being. We do not tolerate any form of discrimination or harassment.

We consciously promote the internationality of our group and of the employees who work within it. We firmly oppose discrimination based on sex, race, skin color, religion or ideology, political opinions, sexual identity, ethnic origin, age or disability.

We reject all forms of forced labor.

No employee may be forced to work through violent and/or impermissible means.



Prohibition of child labor

We do not tolerate child labor or any other form of exploitation of children and youth.

We take responsibility for all of our employees

We are committed to ensuring that all people who work in the group feel safe and remain healthy. Safety has priority over all other business objectives.

The great dedication of the employees at the workplace is matched with a social obligation on the part of the company to ensure superior working conditions.

This includes complying with applicable laws and regulations on work hours and minimum wages as well as observance of the laws regarding our employees' freedom to assemble.

We maintain a separation of company interests from personal interests at all times

For us, integrity means acting in a way that is fair-minded and honest.

We are committed to free and fair competition. We reject actions that preclude, restrict or distort fair competition.

Employees of the SHS Group must preserve the interests of the respective company and may not use their professional position vis-à-vis business partners and/or their employees for their own benefit or for the benefit of a third party. The development of personal dependencies or obligations vis-à-vis business partners is not permitted.

We reject corruption as detrimental to competition.

We take responsibility for our environment

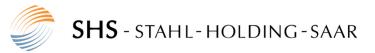
We employ all of our experience, our technical know-how and our creativity to conserve resources and to avoid burdening either people or the environment.

We work continuously to improve our environmental balance and the use of our resources.

Management culture

The actions of our management are aligned with the values and goals of the corporate group.

We expect our managers in particular to orient their conduct on the guidelines and thereby to suitably fulfill their function as role models.



We put our faith in our capable and dedicated employees

In achieving our goals and orienting on our principles and guidelines, we put our faith in capable and dedicated employees.

Integrity also means that each of us assumes responsibility for his or her actions.

We rely on the shared responsibility of the company's executives, management and all employees in our group to adhere to the guidelines.

Improper conduct can have far-reaching consequences for each individual personally as well as for the entire group. For this reason, violations of our principles and guidelines are not tolerated and are punished without regard for the rank or the person involved.

The **codes of conduct** entitled "Gifts and invitations" (Appendix 1) and "Competition, corruption and integrity" (Appendix 2) should be observed.

Dr. Michael Müller

Dr. Karlheinz Blessind

Fred Metzken

Executives of SHS - Stahl-Holding-Saar



Code of Ethics Appendix 1: Gifts and invitations

Basic principles

No gifts, payments, invitations or services may be offered, promised, requested, granted or accepted in the course of doing business with the intention of influencing a business relationship in a way that is impermissible, illegal and/or that does not conform to guidelines. The same applies accordingly to third parties who are close to the employee/business partner (family members, friends, acquaintances, organizations, etc.). The mere appearance of impermissible influence must be avoided.

In all other respects the principle of voluntary obligation, meaning conduct that is ethically and morally defensible in every regard, shall apply in each instance. Each employee of the SHS Group bears personal responsibility for compliance with this code of conduct. In case of doubt, the relevant supervisor is to be consulted. The supervisor may address the corporate contact point (provisionally, SHS Konzernrevision [Group Auditing]) for feedback.

This code of conduct applies analogously to invitations within the corporate group that do not involve external business partners.

The granting of gifts within the companies of the SHS Group is prohibited.

Gifts and invitations

Both the acceptance and granting of gifts and invitations can serve to establish new business relationships and to strengthen existing business relationships. In accepting or granting gifts and invitations, however, the risk to the reputation of the SHS Group should be considered as well as that of damaging business interests and of potential conflicts of interest.

Accepting gifts

Gifts from business partners should generally be declined.

As a rule, smaller gifts (favors) worth no more than EUR 35 (benchmark amount per year and business partner) remain unaffected.

Accepting a gift worth more than EUR 35 may under certain circumstances be necessary to avoid damaging the relationship with a business partner. This may in particular be the case where this accords with national customs regarding hospitality. In such a case, the gift may be accepted as an exception. However, this demands that the procedure be handled transparently, i.e. the supervisor is notified of the gift, the gift is forwarded to the corporate receiving center (provisionally, SHS-Konzernrevision [Group Auditing]) and the business partner is accordingly informed of this procedure.



Cash gifts

Acceptance of cash gifts is strictly prohibited.

Accepting invitations

Invitations from business partners may be accepted if the event and scope of the occasion is appropriate. The invitations must be within the bounds of customary business hospitality and must not violate laws or our ethical principles.

Principles regarding the appropriateness of the occasion and social propriety must be adhered to with respect to invitations to business meals. Invitations to business meals therefore may in particular be accepted only if:

- they are directly linked to initiating, improving or maintaining external business relations
- they do not exceed customary local business practices

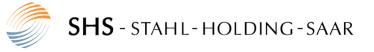
As a rule, invitations from business partners for events that lack a prevailing business character, such as sporting, cultural, evening or similar events, must be declined. They are permissible in exceptional cases provided that the invitation has a direct connection to the time and location of business functions. A supervisor must be informed of invitations of this type in advance and must authorize them.

Participation by the SHS Group employee's life partner and/or close relation is only possible in exceptional cases and requires prior authorization from the employee's supervisor.

Granting gifts and invitations

The following conditions are tied to the granting of gifts and invitations by employees of the SHS Group to business partners:

- it must have a direct connection with initiating, improving or maintaining business relationships
- it must not exceed customary local business practices and must not violate laws or ethical principles, particularly the ethics and compliance rules of the recipient
- gifts must not exceed EUR 35 per year and recipient
- it must be transparent. For invitations, the grounds for the invitation as well as for the participants must be documented. Gifts must be delivered to the business address of the recipient.



If a company's own guest houses/casinos (see below "Remarks on guest house/casino") are not used for invitations, this must be authorized in writing by a supervisor.

A supervisor must be informed in advance of the granting of gifts and invitations that possibly exceed the value stated above, and must authorize it.

Companies with their own guest house/casino

When extending invitations to business meals, employees of companies with their own guest house/casino must always give priority to use of the company guest house/casino over external restaurants.

Consequences for noncompliance

Violations of this code may result in disciplinary consequences.

Definition of terms

Gifts within the scope of this code of conduct are all items of value that are exchanged during a business relationship and for which the recipient provides no service of an adequate market value in return. Specifically, gifts are (list is not exhaustive):

Goods, services, tickets for admission to events, memberships, and trips.
Discounts may be accepted if they are granted to all employees of the SHS Group.
In case of uncertainty regarding the value and permissibility of a gift, the supervisor must be contacted.

Business partners within the scope of this code of conduct are both existing and potential customers, suppliers, competitors, consultants, external auditors and other business partners.



Code of Ethics Appendix 2: Competition, corruption and integrity

Introduction

The SHS Group is committed to free and fair competition and does not tolerate any form of corruption or bribery.

Competition

Employees ensure the existence of competition by treating their business partners fairly and properly and do not allow the development of personal dependencies or obligations vis-à-vis business partners. Agreements or coordinated behavior between companies that are aimed at or result in the hindrance, restriction or distortion of competition are prohibited. Competition laws are to be observed at all times.

Examples of agreements between competitors that violate competition laws most notably include those that

- regard prices, planned price changes,
- customers, sales territories,
- production volumes or other market behavior.

In addition, the mere exchange of company-specific and current product and market information such as purchasing and selling prices, price quotes, delivery quantities, manufacturing or distribution costs, methods for calculating costs, utilization of capacities, stock inventories, customers and market shares may lead to a violation of competition law.

For this reason, any discussion of sensitive issues with respect to competition law is to be avoided. If doubts arise regarding the legality of the content of a discussion, the counterpart in the discussion must be promptly advised of this. If necessary, the discussion should be stopped.

In the case of a violation, fines may be imposed on both the company and on the participating employees, and may in fact be imposed in various countries, if applicable. The imposition of prison sentences cannot be excluded. Additional legal consequences are possible (e.g. damage claims, labor law sanctions, additional criminal prosecution).

In cases of doubt, the responsible legal department should be contacted.



Corruption

We oppose any form of corruption. We also avoid any appearance of corruption in our daily activities.

"Active" corruption

Employees of the SHS Group may not offer, promise or grant our business partners/public officials any gifts, payments, invitations or services with the intention of influencing a business relationship in a way that is impermissible, illegal and/or that does not conform to guide-lines. The same applies to third parties who are closely associated with the business partner or public official (family members, friends, acquaintances, organizations, etc.). The mere appearance of impermissible influence must be avoided. The code of conduct for gifts and invitations (Appendix 1) must be observed.

"Passive" corruption and integrity

Employees of the SHS Group must not exploit/use their professional position to procure benefits from the company's business partners. This also applies to benefits for third parties close to the employee (family members, friends, acquaintances, organizations, etc.). The code of conduct for "Gifts and invitations" should be observed.

Private interests and/or personal benefits must not influence our business decisions. In the private environment, business relationships with business partners of the SHS Group that could lead to conflicts of interest are prohibited. Placing private orders from SHS Group business partners is specifically prohibited if and to the extent that it could represent the granting and/or acceptance of undue advantage. The mere impression that an employee has not complied with this obligation is to be avoided. For this reason, a supervisor must be informed of any personal interest that could have a connection to the performance of official duties.

Employees who are related to business partners are not authorized to issue orders, approvals or the like to such business partners without receiving prior approval from their supervisor.

Public officials within the scope of these provisions are all representatives/employees of public authorities or other public institutions as well as civil servants/employees of government businesses and public organizations. Candidates for a public office, political parties and their representatives and employees are also included.