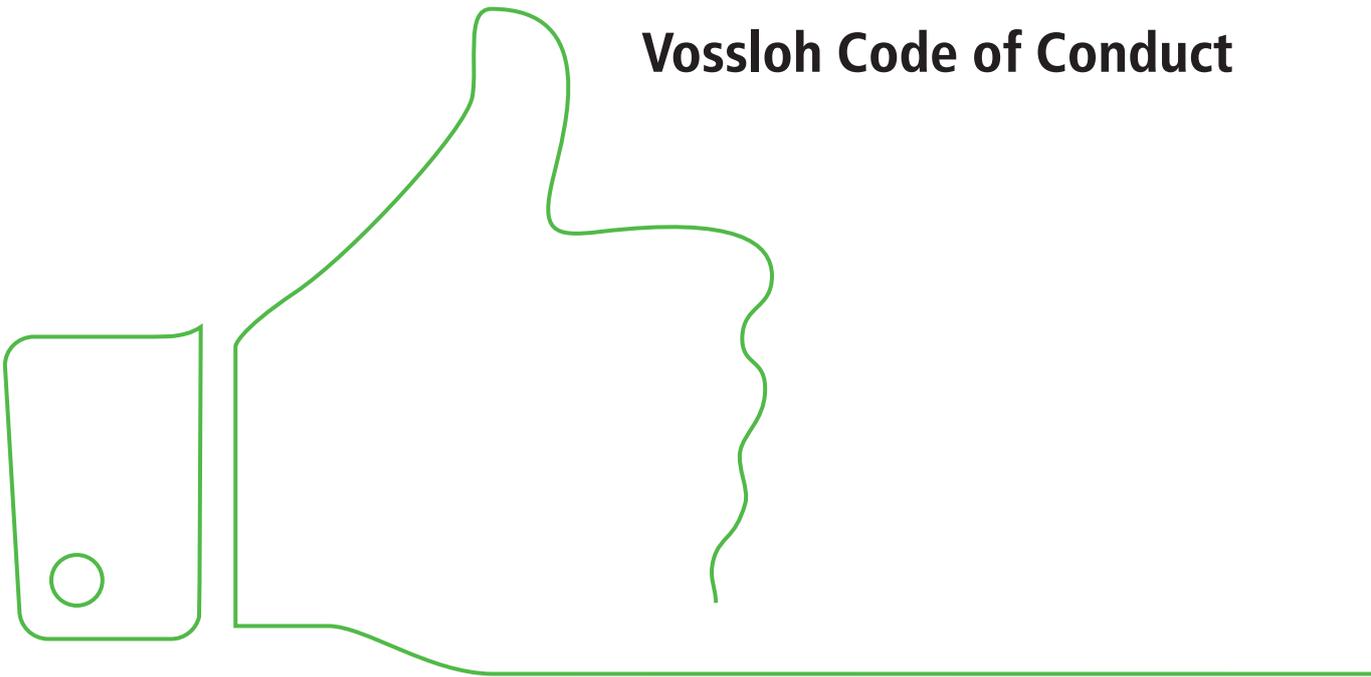




Vossloh Code of Conduct



Dear Employees,

As a global player with a tradition of over 130 years in business Vossloh has a social responsibility towards its customers, partners, employees, investors and the public. It is a part of this social responsibility that we comply, always and anywhere, with applicable law, respect ethical principles, and act as a role model when we act on behalf of our company. Each of us has this responsibility when acting on behalf of our company, from board members to executives and individual employees¹.

This Code of Conduct serves as a guideline to help us live up to this responsibility. It covers important legal conditions, essential aspects of internal company guidelines and policies, and the principles of responsible corporate governance, all of which apply to the interactions of our employees among each other and with business partners, shareholders, authorities, or the general public. It serves to help us make good and lawful decisions. However, the Code of Conduct cannot describe every situation you may possibly encounter. Therefore, we expect you to take on personal responsibility to comply with any applicable law, basic international standard, and our internal company guidelines at all times.

Every employee is an ambassador of our company. Every employee's conduct and actions are perceived as representative of our company. We all contribute to creating a positive image of Vossloh, and in turn to Vossloh's economic success, through our work and our behavior. In doing so, executives are role models for their team members, supporting them in all questions regarding compliance with legal regulations and this Code of Conduct, and helping them to act with integrity at all times.

We kindly request that you familiarize yourself with the content of this Code of Conduct and, together with us, make use of it as the guideline for our everyday actions.

Werdohl, April 2017



Andreas Busemann



Oliver Schuster



Volker Schenk

¹In the interest of readability, only the male form has been used when referring to people or functions in some places in this document. This shall always include the female form.

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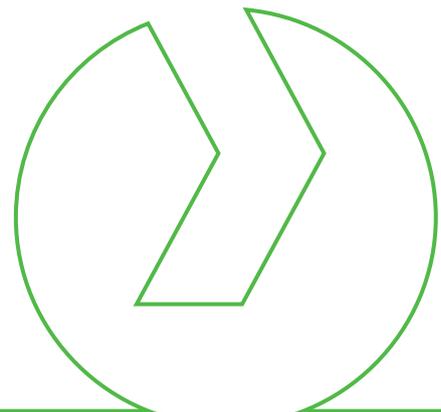
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I. About this Code of Conduct

The Vossloh Code of Conduct describes fundamental, globally applicable standards of conduct, which form the basis for our decisions and actions. For this purpose, it translates important legal regulations, which a global company and its employees need to observe, as well as our own values and standards into clear, easily comprehensible rules and principles.

The standards set out by the Code of Conduct are binding for all members of the management board, executives, and employees around the world (hereinafter jointly referred to as "Employees") in the Vossloh Group. The Code of Conduct serves to assist our Employees to understand and apply our principles. It describes the conduct that is expected from our Employees.

Any Employee may be confronted with legal or ethical concerns in their everyday work. In such an event, the following questions can assist you in the decision making process:

- ▶ *Does my decision comply with our company's fundamental principles?*
- ▶ *Am I convinced that my decision is legal and does not violate any applicable law?*
- ▶ *Am I convinced that my decision is in the best interest of Vossloh?*
- ▶ *Will my decision hold up to public scrutiny? What impression would it make as a newspaper headline?*

An individual Employee's misconduct can cause serious harm to our company's reputation and lead to significant (financial) damage for Vossloh. Our company does not tolerate any violation of the law and will rigorously pursue any non-compliance, in particular, in case of willful misconduct. Any contravention can lead to disciplinary action (including termination of employment) as well as civil and/or criminal prosecution.

Misconduct can almost always be avoided if you seek advice early on. If you are unsure about what requirements exist or whether your conduct is legally and ethically unobjectionable, we expect you to discuss the matter with your supervisor, the department in charge (e.g. Legal, Human Resources or Finance/Controlling Department), or the competent Compliance Officer. You must notify your supervisor or the competent Compliance Officer any suspected or actual violation of the law or company guidelines.

II. The principles that guide our actions

Conduct in a business context

1. Compliance with the law

Compliance with all applicable law takes top priority for Vossloh. Every Employee must observe any legal rule or regulation that affects their activities. This applies to any jurisdiction in which they are active.

This Code of Conduct cannot list every single legal regulation that Vossloh Employees around the world need to comply with. What it does, is to provide the fundamental principles of responsible action. It is every Employee's own responsibility to inform himself of the laws applicable to their activities. If national law is more restrictive than the applicable Vossloh regulations, it should be self-evident that national law prevails.

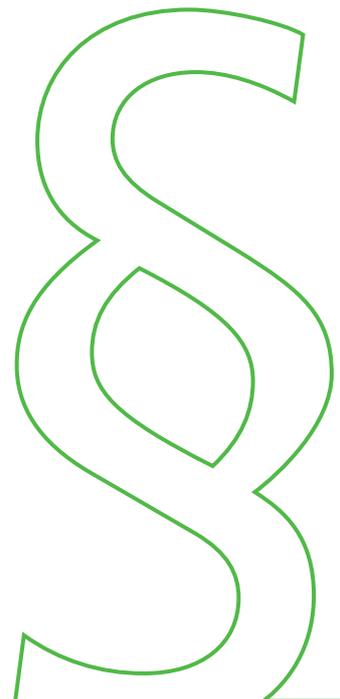
In case of doubt, every Employee shall seek advice from the responsible functions within the Vossloh organization. Vossloh will take any necessary action in order to support its Employees in acting in compliance with applicable law and in an ethically sound manner.

2. Fair and free competition

Vossloh endorses the rules of fair and free competition. To compete, we rely on our competence, customer orientation, the quality of our products and services, and innovative capacity. Any kind of anti-competitive conduct is strictly prohibited. Every Employee must be fully aware that violations of antitrust law are against the interests of Vossloh under all circumstances and are prohibited without exception.

Material violations of antitrust law – conduct that is strictly prohibited – include, but are not limited to:

- ▶ *Unlawful coordination and agreements with competitors on prices, conditions, allocation of markets, customers or territories, capacity, or production restrictions.*
- ▶ *Unlawful exchange with competitors of sensitive information, such as on prices, price changes, margins and discounts.*
- ▶ *Abuse of a dominant position in the market.*



II. The principles that guide our actions

Any violation is subject to severe penalties and fines for both the company and the acting individual. Moreover, any violation of antitrust law has the potential to cause severe and lasting damage to Vossloh's assets and reputation, e.g. through claims for damages from customers, nullity of agreements with customers, or exclusion from future tenders.

Consequently, when in any kind of doubt regarding antitrust law, Employees should inform their Legal Department early on. You will find more information and binding standards of conduct in the Vossloh Guideline on Compliance with Antitrust Law.

3. Prohibition of corruption

Vossloh will not tolerate any form of corruption. Providing third parties with undue advantages is strictly prohibited. This prohibition applies without exception or limitation, i.e. regardless of who is providing whom with an undue advantage in which part of the world or for whatever reason. We would rather forgo a business opportunity and miss internal targets than violate the law.

Any breach of anticorruption law is a serious offence and may cause material damage both to the individual and the company. This is why a Vossloh Employee must not offer, grant, request, or accept any kind of personal advantage that may just give the slightest impression that it serves to influence a business or administrative decision. The same applies for all our agents and representatives (e.g. sales representatives and consultants).



Experience has shown that questions arise, in particular, when it comes to gifts and invitations in the course of everyday business. If in doubt, you should protect yourself from unintentionally committing a criminal offense by consulting with your supervisor or competent Compliance Officer first.

Vossloh has issued a Guideline on the Prevention of Corruption which summarizes the binding standards applicable within the Vossloh Group and provides additional information.

4. Avoiding conflicts of interest

Avoiding any conflict of personal interests with Vossloh's business interests is one of the official duties of every Employee at Vossloh. Business decisions taken on behalf of Vossloh may not be influenced by one's personal interests or relationships.

Conflicts may arise if you are related to or have a personal relationship with a business partner, authority, or one of their respective employees, or if you have personal financial interests, e.g. if you run your own business, or hold a stake in a business. Secondary employment relationships may also create an economic or moral dependency.

The full disclosure of potential conflicts of interest is the correct way to handle them. You should prevent even the slightest resemblance of a conflict of interests, and should inform your supervisor of any conflict of interest that you believe may have or that you actually have.

Should there be a conflict of interests, always obtain written approval from your Business Unit Compliance Officer before making any related business decision. Secondary employment always requires prior written approval from the Human Resources Department.

5. Cooperating with third parties

Vossloh considers itself as a partner for its subcontractors, suppliers, and service providers, who all contribute to our success as a company. Hence we treat our business partners fairly and as equals. However, this also means that we expect our partners to apply similar standards to the ones we have established for ourselves.

While we trust our partners, we still check and monitor on a case-by-case basis whether the activities they conduct for Vossloh are always fully compliant with the law.

II. The principles that guide our actions

6. International trade and export control

Vossloh is convinced that free trade contributes to creating wealth and prosperity around the world. We comply with all applicable export and import restrictions imposed through national or international law and all requirements for related approvals applicable to our products and services.

7. Prevention of money laundering

Vossloh does not participate in any kind of money laundering activity and fulfills its obligations regarding the prevention of money laundering. If in doubt, every Employee should notify the Finance or Legal Department in charge of any unusual financial transactions which may give rise to the suspicion of money laundering, in particular, transactions involving cash.

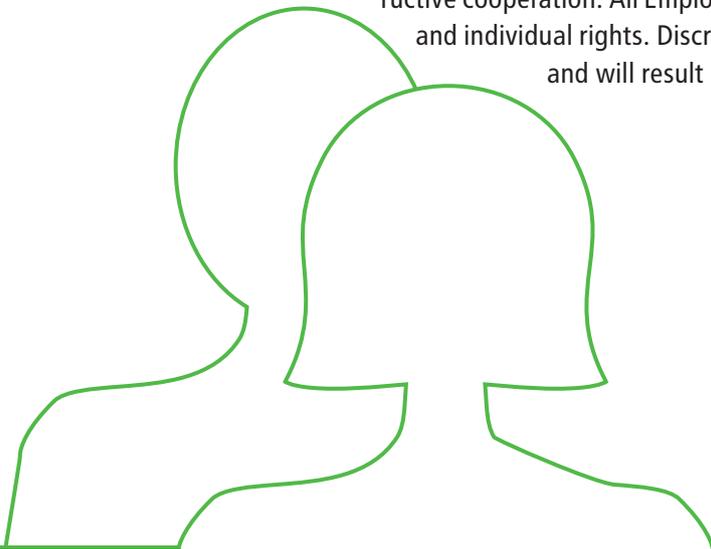
Interacting with colleagues and employees

8. Mutual respect and equal opportunities

Our Employees present the basis for Vossloh's success. In order for each Employee to be able to contribute his skills and strengths, Vossloh relies on a work environment that is premised on mutual respect and trust. As an international enterprise, we stand for diversity, tolerance and equal opportunities. Diversity is a valuable asset to us, as our employees' various backgrounds foster creativity and help us to better understand our customers from around the world.

Consequently, business decisions taken in any area of the company must never be influenced, directly or indirectly, by any form of discrimination based on a person's gender, age, race, color, religion, beliefs, sexual orientation, or disability. Equally, a person's cultural, ethnical, or national background, and political or philosophical views may not influence any business decisions. Staff-related decisions will be taken solely on objective criteria, such as qualifications, skill set, performance, and experience.

Objective, respectful, and fair interactions are taken for granted just as trusting and constructive cooperation. All Employees are expected to respect every individual's dignity, privacy, and individual rights. Discrimination, harassment, or offensive behavior are not tolerated and will result in consequences under labor law.



9. Health and safety in the workplace

Safe and healthy working conditions are the tenet of all business activities at Vossloh. Our responsibility for our employees and colleagues obliges us to undertake our best endeavors to prevent accidents and hazards. The Work Safety Committee is a permanent corporate-wide body that deals with occupational safety. Vossloh has issued a common occupational safety policy that is binding on all of our companies world-wide. It identifies a zero-accident strategy as our primary objective.

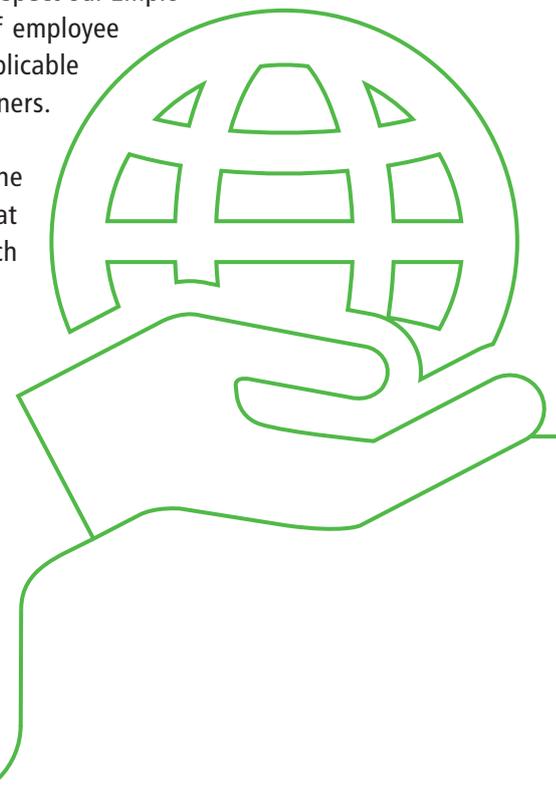
Every one of our Employees shall promote health and safety in his own workplace and comply with the regulations on occupational health and safety. The following rules shall always be adhered to:

- ▶ *Always comply with all regulations on health and safety in the workplace.*
- ▶ *Always act with utmost care so as not to put anyone at risk.*
- ▶ *Always act thoughtfully and cautiously so as to prevent any potentially dangerous situations. Seek to resolve the issue immediately and notify your colleagues.*
- ▶ *Notify your supervisor and the responsible contact for work safety of any situations that pose a safety risk.*

10. Protection of human rights and labor rights

All Employees shall respect internationally recognized human rights and support compliance with them. We strictly reject any form of forced labor or child labor. We respect our Employees' rights, at all our locations, to establish trade unions or bodies of employee representation based on democratic principles within the scope of applicable law. We also support the assertion of these rights with our business partners.

The close and trusting cooperation with employee representatives is one important element of corporate governance and an established practice at Vossloh. Open and constructive dialogue that builds on respect for each other forms the basis for our mutual trust and faithful cooperation.



II. The principles that guide our actions

Protection of the company's assets

11. Use of company resources

Vossloh provides corporate resources in order to achieve common objectives. Only the efficient use of these resources at all levels can ensure the company's long-term success.

Being wasteful with or misusing company resources – which includes working hours – impairs Vossloh's operational and financial performance, which affects all of us. Every Employee can contribute to the proper use of company resources:

- ▶ *Always bear costs in mind and carefully consider whether an expense is necessary and appropriate.*
- ▶ *Handle all company property with care. Protect it from damage, destruction, and theft.*

12. Confidentiality and protection of intellectual property

Our trade and business secrets, including, for instance, inventions or know-how, are valuable assets and form the basis for our company's success. Vossloh invests substantial human and financial resources into the development of innovative products and services. That is why this information deserves particular protection.

Every Employee is obligated to contribute to the protection of such information. Confidential company information must be kept secret at all times and may only be used for business purposes. In particular, confidential information may not be disclosed to unauthorized persons – including family and friends.

Our business partners' trade and business secrets must also be protected from unauthorized disclosure.



Handling of information

13. Transparent reporting

Open and truthful reporting and communication on the company's business dealings to our shareholders, business partners, employees, authorities, and the general public is of utmost importance to Vossloh. Every Employee needs to ensure that internal and external reports, records, and other documentation are always prepared in a complete, correct, and timely manner, and in compliance with any applicable law.

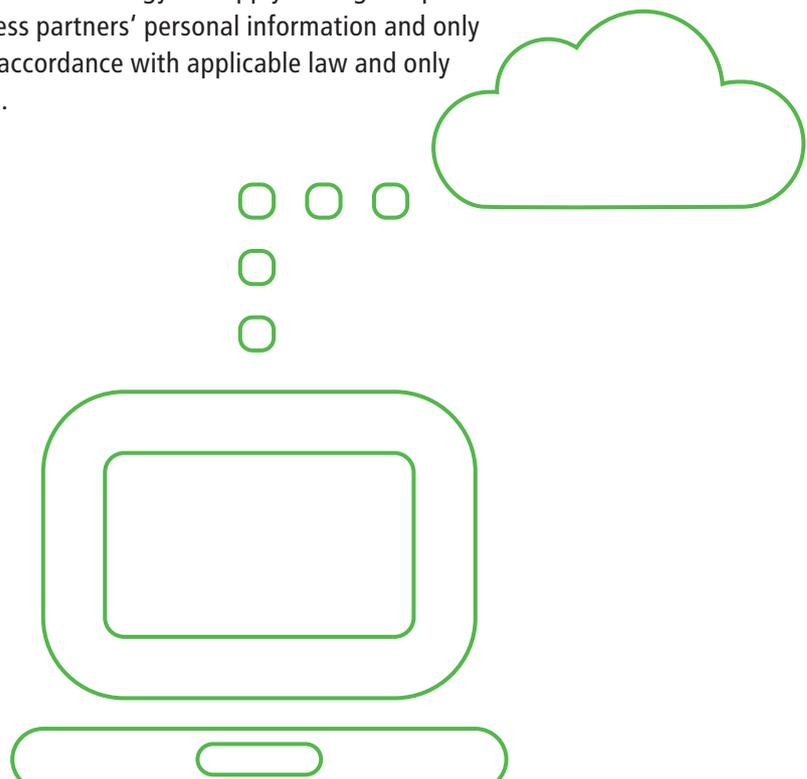
14. Insider law

As a listed company, Vossloh is subject to the strict regulations of the capital market laws which prohibit, among other things, insider trading by Employees of Vossloh. If you have access to confidential information which, if disclosed to the public, could have an effect on the market prices of securities, especially those of the stocks of Vossloh AG (known as "insider information"), it is illegal and subject to penalties to use such information for personal purposes and/or unlawfully disclose it to third parties.

It is also prohibited to recommend to a third party on the purchase or sale of securities based on insider information. Examples of insider information include non-published financial information, or information relative the intended acquisition or disposal of material shareholdings. The Vossloh Insider Guideline contains further details regarding these matters.

15. Data protection

Vossloh respects each individual's interest in data protection and ensures the appropriate use of modern information and communication technology. We apply the highest possible level of protection to employees' and business partners' personal information and only collect, process and use this information in accordance with applicable law and only to the extent required for our daily business.



II. The principles that guide our actions

Corporate social responsibility

16. Product safety and quality

Our products and services have been known for their supreme quality, careful manufacturing, and great reliability for over 130 years. Safeguarding our products' quality, safety, and reliability is essential for our success. Especially in the railway technology, products must meet the highest quality and safety standards. We constantly strive to improve our products and processes to ensure that they meet the highest quality standards.

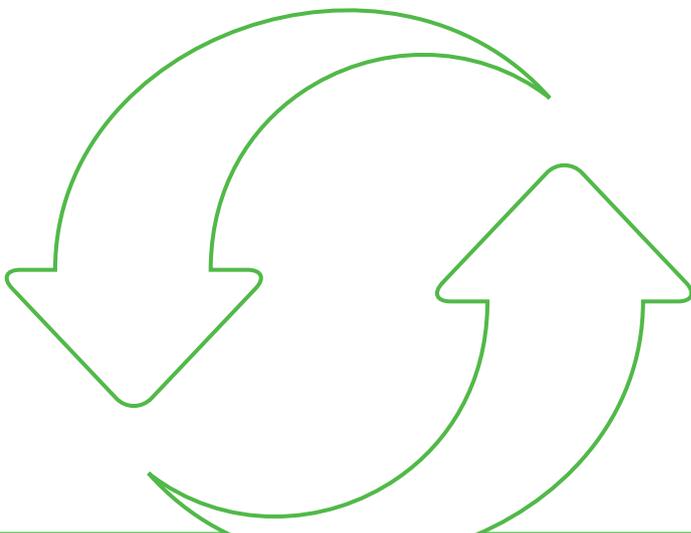
17. Responsibility for the environment

Sustainable environment and climate protection and making efficient use of resources are important to Vossloh. When developing new products, providing services, or operating production plants, we devote our attention to keeping the impact on the environment and climate as low as possible and to ensuring that our products make a positive contribution to protecting the environment and climate. Every Employee is responsible for the careful use of natural resources and contributing to environment and climate protection through their own behavior.

18. Social commitment

As a listed company, Vossloh bears a social responsibility. As a result, we support social, cultural and sports-related institutions and organizations at our locations around the world, contributing to better quality of life, wealth, and sustainability. Donations or sponsorships must always benefit the general public. The Vossloh Guideline on the Prevention of Corruption contains further details on the rules for donations and sponsoring.

We welcome social commitment and encourage all of our Employees to participate in activities that promote the well-being of the general public.



III. Implementation and adherence

The Code of Conduct as an integral element of the Vossloh Compliance Management System

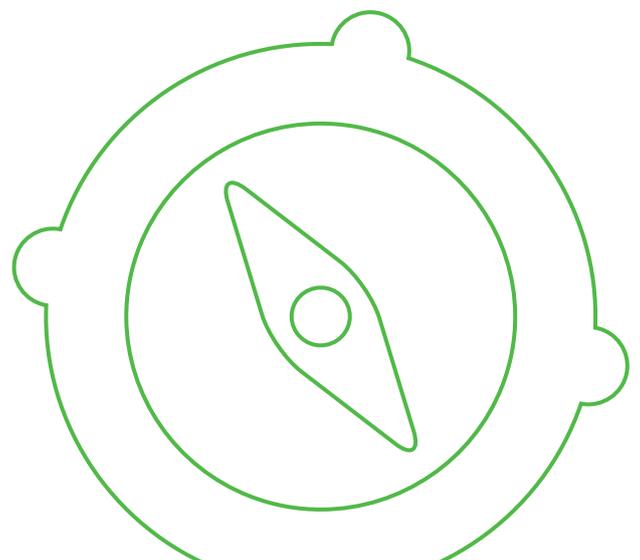
Vossloh AG's management board has introduced a Compliance Management System for the Vossloh Group. The Compliance Management System is designed to ensure compliance with any applicable law and the company's internal guidelines and policies. It is intended to protect Vossloh and individual Employees from serious and costly misconduct. This Code of Conduct is a core element of the Vossloh Compliance Management System.

Every Employee at Vossloh has received a copy of this Code of Conduct. Additionally, the Code of Conduct is available on the intranet and internet pages of Vossloh. The Code of Conduct is binding for all Employees of the Vossloh Group. Any violation of the Code of Conduct will, subject to the applicable rules, have consequences under the applicable labor laws and will result in civil, if not criminal, liabilities.

Executives' responsibility for Compliance

Compliance, i.e. acting in accordance with all applicable laws and internal guidelines and policies, is the responsibility of the entire organization. However, supervisors and executives serve as role models and their actions are subject to a heightened standard of review under this Code of Conduct.

Executives are the first contact persons for questions regarding the rules of conduct and ensure that every Employee is familiar with and has understood the Code of Conduct. They prevent unacceptable conduct and take effective measures to prevent misconduct within their field of responsibility. Trusting and good cooperation is exhibited in honest and open communication and mutual support.



III. Implementation and adherence

Vossloh Compliance Organization / contact details

To assist executives and employees, Vossloh AG's management board has established a Compliance Organization for the Vossloh Group, which is designed to ensure compliance within the Vossloh Group.

The Compliance Organization consists of the Chief Compliance Officer, who is supported by the Compliance Office established within Vossloh AG. In addition, a Business Unit Compliance Officer has been appointed for every business unit for the Vossloh Group, and, as a general rule, a Local Compliance Officer has been appointed for every company within the Vossloh Group. The Compliance Rules of Procedure for the Vossloh Group govern the functions and responsibilities of the respective Compliance Officers.

The contact details for the competent Compliance Officers have been handed out to every Employee along with the Code of Conduct. They are also available on Vossloh's intranet pages. Apart from your direct supervisor, the Compliance Officers are available to answer any questions you may have regarding adequate conduct or for any additional information.

Notification of potential violations / ombudsperson

Every Employee shall notify his supervisor or the competent Compliance Officer of any violation of this Code of Conduct, of applicable law or internal guidelines and policies. No Employee who reports an actual or presumed violation in good faith must fear any kind of sanction or retaliation.

Furthermore, independent external contact persons are available as ombudspersons if Employees wish to report a potential misconduct. These ombudspersons are lawyers who have been appointed by Vossloh exclusively for this purpose and who are bound to absolute secrecy. Ombudspersons have been instructed to clarify the matter preliminary so that it can be followed up.

Any notifications received by an ombudsperson will be handed over to the Chief Compliance Officer – anonymously, if so requested by the reporting person. The Chief Compliance Officer will investigate every case brought to his attention and document all information obtained, all investigative actions performed, and, if applicable, all related consequences.

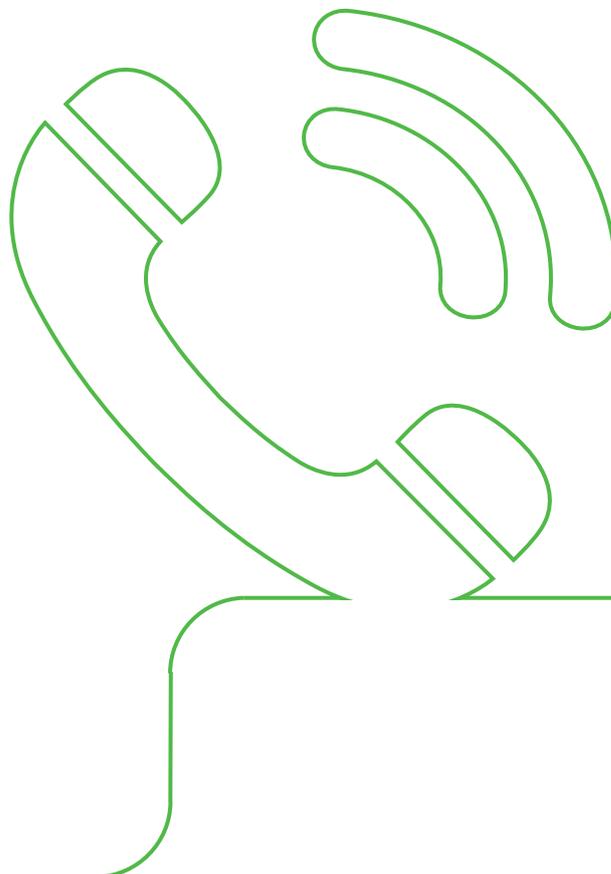
Contact details of the respective independent ombudsperson appointed by Vossloh were handed out to every Employee together with the Code of Conduct and are also available on Vossloh's intranet pages.

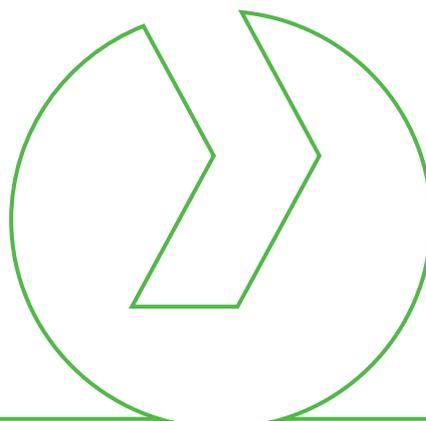
Further information and contact

More information on the subject of Compliance and on all guidelines and policies referred to in the Code of Conduct are available on Vossloh's intranet pages.

This Code of Conduct was adopted by Vossloh AG's management board on December 12, 2016 as the revised version of the Code of Conduct introduced in 2007. The Chief Compliance Officer is responsible for the preparation, implementation and potential amendments to the Code of Conduct on behalf of the management board.

Vossloh Aktiengesellschaft
Compliance Office
Vosslohstr. 4
58791 Werdohl
Germany
Phone +49 (0) 2392/52-723
Fax +49 (0) 2392/52-328
Email: compliance@vossloh.com





Vossloh AG
Vosslohstr. 4 · 58791 Werdohl · Germany
Mail: Postfach 1860 · 58778 Werdohl · Germany
Phone +49 (0) 2392/52-0
Fax +49 (0) 2392/52-219

www.vossloh.com