

CODE OF CONDUCT

klöckner & co

multi metal distribution

FOREWORD



Dear Employees,

This Code of Conduct, which is at the core of our corporate culture, defines our fundamental ethical values. Our overriding guiding principle is based on our unwavering policy of maintaining our competitive position through the quality of our service and not through corruption, price fixing or similar measures that will not be tolerated. I would like to dispel all doubt at this point: anyone who seeks commercial success through the use of such measures is severely damaging the Company's interests and must thus reckon with immediate consequences.

This clear Code of Conduct and our Compliance Programme release you from any questions of doubt. However, should you have any questions you can contact your Compliance Officer or contact the Corporate Compliance Office in Duisburg directly. These sources will provide a clear and unambiguous response.

The same applies if you discover a breach of the Code. We do not wish to create a culture of mistrust, but it is your duty to report a breach in such a case. Nobody should fear reprisals for having done so. You will be protected, if necessary by me personally.

We can only be successful if we offer our customers the best service and are reliable partners to our suppliers. At the same time, through these clear rules of conduct we also aim to protect you as an employee, generate added value for our shareholders and support society as a whole.

I am certain this Code of Conduct will ensure that we are well equipped for the future. I am counting on your active support in this matter, as we can only implement these principles in everyday life if we work together as a team.



Gisbert Rühl
Chairman of the Management Board

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Preamble

Klößner & Co is conscious of its role in society and its responsibility toward business partners as well as shareholders and employees. The Company¹ is thus committed to clear principles and value-oriented, ethical and lawful company management, which form the framework for our commercial and corporate actions.

This Code of Conduct contains fundamental principles and rules for implementing these principles which we apply throughout our entire Group as well as in our dealings with our business partners and the general public.

The members of the Management Board and all managers are required to set an example and bear particular responsibility for actively implementing this Code of Conduct. Klößner & Co supports the work of the employee representatives and promotes this work through open discourse in the spirit of a cooperative partnership.

We require our employees² and business partners to inform us of any knowledge of practices that could potentially cause our Company to suffer economic damage or harm our good reputation. We will not tolerate violations of this Code and will impose sanctions in the event of any such violations.

¹ "Company" or "Klößner & Co" refers to Klößner & Co SE and/or its subsidiaries.

² The generic term employee refers to both male and female employees. It refers to all persons employed within our Group. This applies accordingly to other gender-specific terms or designations.

Basic Rules of Conduct

COMPLIANCE WITH LAWS

All employees must respect and comply with the laws of the legal system within which they operate. Violations of laws are prohibited.

All employees must expect disciplinary consequences if they break laws, irrespective of the sanctions prescribed by the law of the country concerned.

RESPECT AND INTEGRITY

Human dignity, observance of personal rights and privacy are very important to us. We respect different cultures and ethical and religious backgrounds and are committed to the principle of equality, irrespective of age, disability, skin color, sexual orientation, gender and ideology.

We will not under any circumstances tolerate discrimination on the basis of these characteristics or sexual harassment or any other personal attacks on individuals.



We make business decisions based on objective and commercial criteria and not by reference to other subjective motives.

The deployment of staff and use of Company property for purposes other than those of the Company are not permitted under any circumstances.

Information that supports or incites racial hatred, glorification of violence or other criminal offences or has content that is sexually offensive in the cultural context in question may not be retrieved or distributed within our Company under any circumstances.

We expect integrity and honesty in conduct toward our business partners and employees as a matter of course.

REPUTATION, MANAGEMENT AND RESPONSIBILITY

Our Company's reputation is of particular importance to us. Unlawful acts and unfair practices harm this reputation. All employees are required to respect and promote the reputation of Klöckner & Co in their respective country.

Our Management Board and managers assume a special role in the implementation of and compliance with our basic principles.

Managers are responsible for ensuring that no violations of laws occur within their areas of responsibility, which could have been prevented through appropriate supervision and organization. They are also responsible for delegating individual tasks.

In particular, the duties of our managers include:

- Selecting employees based on personal and professional qualifications and aptitude; the duty of care to be taken here increases in line with the significance of the task the employee is to perform.
- Issuing precise, complete and binding instructions to employees, particularly with regard to compliance with statutory provisions. Setting clear, ambitious and realistic objectives. Adhering to such objectives themselves in an exemplary manner.
- Monitoring compliance with statutory provisions and internal guidelines on an ongoing basis.
- Ensuring clear and unambiguous communication between managers and employees.
- Encouraging employees in their development.

Fair Competition and Antitrust Law

Klöckner & Co's basic principles require all employees to act in accordance with the prevailing laws on fair competition. Fair competition is a requirement for free market development for the benefit of the common good. All employees are obliged to comply with the rules on fair competition.

It can be difficult to assess antitrust law matters due to differing legal norms. We therefore use the following principles as a guide:

- No agreements or concerted practices with competitors relating to prices, price increases, conditions, or capacities, including profit, profit margins, costs, distribution and marketing methods or other factors relevant to competition that determine or influence our conduct with the object or effect of preventing, restricting or distorting competition.



- No agreements or concerted practices with competitors not to compete, no agreements restricting business relationships to suppliers or agreements regarding the submission of dummy tenders in response to invitations to tender or dividing up customers, markets, territories or the product portfolio.
- No influence may be exercised on our customers' resale prices or other sales conditions or attempts made to prevent the export or import of the products traded by us.
- No exchange of competition sensitive information with competitors.
- No industrial espionage, bribery, theft or distribution of scientifically false information regarding our competitors or their products or services.

In order to prevent violations of antitrust provisions, Klöckner & Co has issued a Corporate Guideline on compliance with antitrust laws which must be observed by all employees of the Company.

Dealing with Business Partners

PRINCIPLES

When dealing with business partners such as customers, suppliers and service providers and, in particular, government institutions and their representatives, the interests of the Company and the private interests of the individuals involved must be kept strictly separate from one another.

When granting gifts and other benefits, it is strictly necessary to prevent even the mere possibility that such benefits could be perceived as consideration for certain conduct desired by Klöckner & Co.

In particular, if the granting of the benefit bears a certain temporal relationship to negotiations regarding important contracts this must be examined especially closely and in case of doubt should not take place.

No employee may directly or indirectly offer, promise or grant unjustified privileges to public officials or persons in the private sector in connection with business activities, allow themselves to be offered, promised or granted such privileges, or approve such privileges.

When appointing advisors, brokers or other business partners, our employees must ensure that

- such third parties are committed to combating corruption and champion this aim;
- they scrupulously examine the reputation of such third parties; and
- the contracts with these third parties are agreed in such a way as to protect the interests of Klöckner & Co to the greatest extent possible.



DONATIONS AND SPONSORSHIP

Klöckner & Co does not make donations to political parties, individual persons, profit-oriented organizations or organizations whose objectives are contrary to the principles of our company management or harmful to our reputation.

As a responsible member of society, Klöckner & Co makes monetary donations and donations in kind to education and science, sport, art and culture as well as to social and humanitarian projects. The type and scope of donations are determined based on objective criteria and donations are made in keeping with our economic resources.

All donations must be transparent, i.e. the identity of the recipient and the intended use of the donation are known and the reason for the donation and the purpose for which it is to be used are legally justifiable. Donation-like payments, i.e. benefits that are apparently granted as payment for performance but which significantly exceed the value of the actual performance, violate the requirement for transparency and are prohibited.

Decisions regarding sponsorship agreements that provide Klöckner & Co with advertising opportunities as well as contributions to industry associations and membership dues to organizations that serve business interests are made in accordance with the above principles.

All sponsorship must be transparent and must always be based on written contracts that are underpinned by a legitimate business purpose. It must bear an appropriate relationship to the counter value of what the organizer is offering.

SUPPLIER RELATIONSHIPS

Klöckner & Co is committed to ethical and lawful company management and expects the same of its suppliers. Our suppliers must observe the following basic principles:

- Compliance with applicable laws
- No participation in corruption
- Respect of human rights
- Prohibition of child labor
- Protection of employees' health and employment
- Promotion of environmental protection

In order to prevent corruption within our Company, Klöckner & Co has issued a Corporate Guideline on Combating Corruption in Business Transactions, which must be observed by all employees of the Company.

Conflicts of Interest

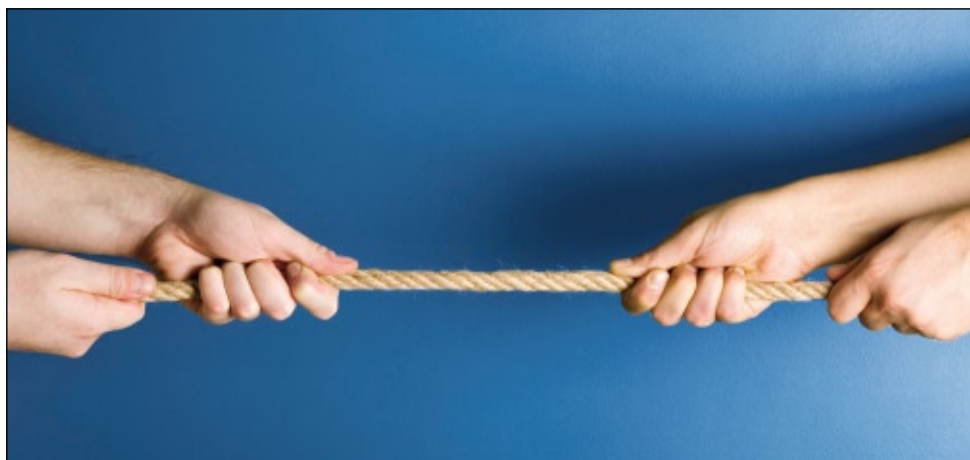
All employees are required to make their business decisions in line with Klöckner & Co's best interests. Conflicts of interests arise whenever an employee pursues their own interests at the expense of the Company.

Employees must immediately report any conflicts of interests to their manager. Employees may not place private orders with companies with which they have business dealings in the course of their work, if to do so would enable them to derive an advantage, particularly in the form of inappropriately high discounts.

COMPETITION WITH KLÖCKNER & CO

Employees are not permitted to manage or to work for a company that is a competitor of Klöckner & Co; in particular, they may not pursue any activities that compete with Klöckner & Co.

The Company must be notified in writing of any significant financial investments in a competitor, customer or supplier by an employee or a close family member of an employee if a possible conflict of interest can be identified. A significant investment is deemed to be any direct or indirect investment amounting to 5% or more of the capital.



SIDELINE ACTIVITIES

Sideline activity refers to the performance of other work for a company outside the Group in the function of board member, managing director, member of a supervisory, administrative or advisory board, employee or any other function.

Employees are not permitted to perform a sideline activity at a competitor, customer or supplier. They must also obtain the prior written consent of Klöckner & Co.

OTHER CONFLICTS OF INTEREST

Transactions with an employee or their close family members on behalf of and for the account of Klöckner & Co are generally prohibited. They may, however, be approved by a manager in individual cases.

The acquisition, renting or leasing of land, buildings or other assets of Klöckner & Co by an employee or a close family member of an employee require the approval of the senior manager and must be reported to the HR department. Country-specific tax regulations must be strictly observed. This applies

accordingly to the sale, renting or leasing out of land, buildings or other assets of Klöckner & Co by an employee or a close family member of an employee.

The granting of loans to and assumption of guarantees or sureties for an employee or a close family member of an employee by Klöckner & Co, is only possible in exceptional cases, and requires the approval of the Management Board of Klöckner & Co/Executive Committee of the Supervisory Board of Klöckner & Co.

Communication and Information

CONFIDENTIALITY

Confidential business information and trade secrets may not be disclosed to third parties, either during or after termination of the employment relationship unless the employee is specifically authorized to make such disclosures on account of their role at the Company.

Direct or indirect use of confidential business information either during or after termination of the employment relationship to the personal advantage of the employee or third parties or to the disadvantage of Klöckner & Co is strictly forbidden.

All employees are required actively to protect confidential data against access by third parties (prevention of industrial espionage) in accordance with the prevailing guidelines.

The right of employees and business partners to determine the disclosure and use of data concerning them must be protected at all times. Scrupulous handling of personal data is part of the respect we have for the privacy of individuals.

INTEGRITY OF REPORTING

All documents, such as financial reports, accounting documents, sales reports, expense vouchers and environmental and security-related reports, must supply the relevant facts appropriate to the nature of the business transaction in a clear and timely manner. We will not tolerate breaches of accounting rules, fraudulent accounting or incorrect documentation.

IT SECURITY

IT systems are used and data are processed on a regular basis in day-to-day business. It is of paramount importance that suitable security precautions (passwords, authorized technologies and licensed software) are used to ensure the protection of intellectual property and personal data.

Disregarding essential security measures can have serious consequences such as loss of data, theft of personal data, or infringement of copyright. As digital information can be rapidly distributed and easily duplicated, and is virtually impossible to destroy, Klöckner & Co takes great care with the content of e-mails, attachments, downloaded files and stored voice messages.

Klößner & Co has taken precautions as part of the IT security concept and has issued a separate guideline to limit the risk arising from loss, theft or unauthorized modification of data as well as the risk of technical and human failure.



DATA PROTECTION

We only collect, process or use personal data when this is necessary for specified, clear and legitimate purposes. Furthermore, personal data is stored securely and may only be transmitted where the necessary security precautions are observed.

A high standard must be maintained with regard to data quality and technical safeguards against unauthorized access. The use of data must be transparent for the persons affected and their rights to obtain information and where appropriate to make objections and request blocking and deletion of information must be protected.

In some legal systems, such as in the EU, strict laws and regulations apply with regard to the storage and use of employees' personal data and that of third parties such as customers or business partners.

All employees are obligated to observe the prevailing laws in order to protect the personal rights of others.

INSIDER INFORMATION

Persons who hold insider information relating to Klößner & Co or another company, e.g. a customer or supplier whose securities are traded on a stock exchange or admitted for trading on a regulated

market, may not trade in securities or other financial instruments of companies whose price is directly or indirectly affected by the securities of such companies. It is also forbidden to recommend or induce another person, on the basis of insider information, to trade such securities or other financial instruments.

Insider information is information of a precise nature which is not publicly known, relating, directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments and which, if it were made public, would likely be capable of having a significant influence on the stock exchange price or market price of the respective security or financial instrument of the company concerned. This is deemed to be the case if a sensible investor would consider this information for his investment decision.

In order to prevent violations of the ban on insider trading as well as any suspicion thereof and to disclose insider circumstances promptly in accordance with statutory provisions and Company regulations, Klöckner & Co has issued an Insider Guideline which must be observed by all employees of the Company.

Within the scope of this Code of Conduct, we also expressly prohibit the use of insider information to employees' own advantage or to the advantage of third parties and the disclosure of insider information to third parties.

EXTERNAL COMMUNICATION

At Klöckner & Co, official statements, particularly those made to the media, may only be made by those persons expressly authorized to do so. In order to ensure a uniform stance and the integrity of communication, our employees are required to forward inquiries from the media, analysts and similar to the Klöckner & Co SE communications office immediately via their manager.

Klöckner & Co has issued a communications guideline which must be observed by all employees of the Company.

Ecological Sustainability, Safety at Work, Ban on Child Labour

We strive toward responsible use and procurement of natural resources in the production and distribution of our products and services. We thus place importance on a responsible, ecological approach to energy, water, materials and space.

We endeavor at all times a healthy and hazard-free working environment for our employees. We therefore comply with laws and rules on health and safety in the workplace and actively examine and improve safety standards.



It is the responsibility of managers to ensure that appropriate procedures and protective measures are in place to ensure health and safety in the workplace.

Employment of children under the age of 15 is not permitted at Klöckner & Co.

Do you Have Questions?

The Corporate Compliance Office is available to answer any questions you may have regarding our Code of Conduct or other topics relating to compliance. Its contact details are as follows:

Central e-mail: compliance@kloeckner.de

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