

## **SRAM Code of Conduct**

### **A message from Stan**

At SRAM, we are passionate about a lot of things: cycling, advocacy, winning, and bringing excitement to the industry. We are also passionate about doing the right thing. This Code of Conduct contains general guidelines for conducting the business of SRAM with the highest standards of business ethics. Our commitment to the highest standards allows us to hire great people, design and produce excellent products, and build our brand. It also propels us toward our mission of creating the most exciting component company in the bicycle industry. Please note that each of you has an individual responsibility and impact on our brand, so please read this Code, follow it, and speak up if you see anything out of line.

Thanks for your commitment, Stan Day.

### **Purpose**

SRAM's brand and reputation result in large part from our collective actions. At SRAM we have a simple and straightforward expectation for conduct and behavior from all employees and agents when they are conducting SRAM business. It is a commitment to do what is right, obey all laws, behave with integrity and honesty, treat people fairly, respect diversity, accept accountability, communicate openly and always behave in a way that is above reproach and consistent with the highest standards of business ethics. Each employee is required to maintain these high ethical standards at all times and no employee of SRAM should feel that a compromising or unethical situation is justified by any possible business result. This Code applies to SRAM and its subsidiaries worldwide, and the term "employees" means all directors, officers and employees of SRAM and its subsidiaries worldwide. We refer to all persons covered by this Code as "SRAM employees" or simply "employees", and we refer to our chief executive officer and our chief financial officer as our "principal financial officers."

Our business partners, such as agents, distributors, consultants, representatives, attorneys, independent contractors, external temporary workers and suppliers are expected to observe the same standards of conduct as SRAM employees when conducting business with or for SRAM. No employee may indirectly, through agents, do anything the employee is prohibited from doing under SRAM policy. Business integrity is a key standard for the selection and retention of those who represent SRAM. Before retaining any significant business partner, we should carefully consider their business integrity, and inform them of our ethical expectations.

### **Identifying Potential Conflicts of Interest**

SRAM recognizes and respects the rights of employees to take part in activities outside of their SRAM jobs. However, these activities must be lawful and free of any potential conflicts with employees' responsibilities at SRAM. Conflicts of interest arise when an employee uses his or her position at SRAM for personal gain or when the employee's personal interests conflict with SRAM interests. All employees must avoid any actions or relationships that could conflict with, or appear to conflict with, the interests of SRAM. For example, having a substantial investment or position in any business that deals with SRAM, doing SRAM business with close friends or

relatives, supervising family members, relatives, or those with whom you are romantically involved, using SRAM's name or reputation to gain personal favors, or receiving improper personal benefits as a result of your position with SRAM are situations that could result in an actual or the appearance of a conflict of interest or make it difficult to perform your work objectively and effectively. As a SRAM team member, through the use of SRAM property, information, or position you may learn of business opportunities that may be of benefit to SRAM. You should not take such opportunities to benefit yourself or others, and you should never compete with SRAM.

### **Disclosure of Conflicts of Interest**

SRAM requires that employees disclose any situations that reasonably would be expected to give rise to a conflict of interest. If an employee suspects that they have a conflict of interest, or something that others could reasonably be perceived as a conflict of interest, the employee must report it to his or her manager or the Human Resources Department. The manager and the Human Resources Department will work with the employee to determine whether they have a conflict of interest and, if so, how best to address it.

### **Respectful Workplace**

SRAM knows that people perform best in a work environment free from unlawful harassment and discrimination, and we want to be sure that harassment and discrimination of all types does not occur at SRAM. To that end, SRAM's policy prohibits discrimination and harassment, seeks to prevent harassment and provides employees with an effective complaint process. Employees must take care to treat others the way they would expect to be treated, as professional adults, respectful of the diverse workforce SRAM enjoys. All employees are responsible for creating and maintaining a work environment free from harassment or other inappropriate behavior.

### **Safe Workplace**

We are committed to a violence-free work environment, and we will not tolerate any level of violence or the threat of violence in the workplace. Under no circumstances should anyone bring a weapon to work. If you become aware of a violation of this policy, you should report it immediately.

### **Protection of Information**

From time to time, SRAM employees may be exposed to confidential information. Confidential information includes things like strategic plans, sales figures, financial information, product designs, information regarding negotiations, agreements or dealings between SRAM and others, human resources information, software, trade secrets, patents, trademarks, and similar information from customers or suppliers. Because the nature of SRAM's business is highly competitive, disclosure of any confidential information could result in severe damage to SRAM. Disclosing confidential information to any person or organization, directly or indirectly, without prior written consent from SRAM, is prohibited, as is using confidential information for commercial or other purposes not directly related to SRAM's business or operations. Also, employees should not permit any of SRAM's non-public, proprietary or confidential information to enter the public domain through electronic transmissions or via any social media, such as Twitter, Facebook or LinkedIn.

## **Accuracy of Company Records, Financial Reports and Other Public Communications**

Every employee has the responsibility to maintain accurate records and reports, including payroll, timecards, travel and expense reports, accounting and financial data, measurement and testing records, electronic data files and all other records maintained in the ordinary course of our business. Financial and accounting records must accurately and completely reflect all transactions and assets. Employees may not make any false statements, misleading or artificial entries, or material omissions or misrepresentations in any of SRAM's financial books, records, or other documents or communications. No funds or assets may be maintained for illegal or improper purposes.

Both federal law and our policies require the disclosure of accurate and complete information regarding SRAM's business, financial condition and results of operations. Inaccurate, incomplete or untimely reporting will not be tolerated and can severely damage SRAM and result in legal liability. All employees have the responsibility to ensure that SRAM presents full, fair, accurate, timely and understandable disclosure in its periodic reports and other public communications.

SRAM's principal financial officers and other employees working in the Accounting Department have a special responsibility to ensure that all of our financial disclosures are full, fair, accurate, timely and understandable. These employees must understand and strictly comply with generally accepted accounting principles and all standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts.

## **Fraud and Theft**

Theft is straightforward. It's taking what doesn't belong to you without permission. Fraud can take many forms, but it always involves deceit. When team members steal or commit fraud, it damages our reputation, our brands, and impacts us all. Regardless of who benefits, any act that involves theft, fraud, embezzlement or misappropriation of property, money, or services, including that of SRAM or any of its employees, suppliers, or customers, is strictly prohibited.

## **Compliance with Laws and Regulations**

Each employee has an obligation to comply with all laws, rules and regulations applicable to the Company's operations. These include, without limitation, laws covering bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, illegal political contributions, antitrust prohibitions, foreign corrupt practices, offering or receiving gratuities, environmental hazards, employment discrimination or harassment, occupational health and safety, false or misleading financial information or misuse of corporate assets. Each employee is expected to understand and comply with all laws, rules and regulations that apply to his or her job position. If any doubt exists about whether a course of action is lawful, each employee should seek advice from his or her manager or the Human Resources Department.

## **Waivers of the Code**

Waivers of this Code, such as doing business with a related party, will be granted only in extraordinary circumstances. Waivers of this Code for employees may be made only by our principal financial officers. Any waiver of this Code for our directors, executive officers, or other principal financial officers may be made only by our Board of Directors. Any waivers of this Code will be disclosed to the Audit Committee. Any waiver approved for our directors or

executive officers and the reason for the waiver will be promptly disclosed to SRAM's stockholders, in accordance with applicable law, rules and regulations (including the rules of NASDAQ or any stock exchange on which SRAM's shares may be listed or traded).

### **No Retaliation**

SRAM does not tolerate retaliation against any employee who reports in good faith a suspected violation of law or policy or who participates in any investigation of a suspected violation. SRAM will investigate reports of retaliation and will take appropriate action to prevent future violations.

### **Code of Conduct Violations**

Any employee who violates this Code will be subject to appropriate discipline, which may include termination of employment. This determination will be based upon the facts and circumstances of each particular situation. An employee accused of violating this Code will be given an opportunity to present his or her version of the events at issue prior to any determination of appropriate discipline. Employees who violate the law or this Code may expose themselves to substantial civil damages, criminal fines and prison terms. SRAM may also face substantial fines and penalties and may incur damage to its reputation and standing in the community. The conduct of each employee, as a representative of SRAM, if it does not comply with the law or with this Code, can result in serious consequences for both the employee and SRAM.

### **Reporting Violations of the Code**

All employees have a responsibility to report any known or suspected violation of this Code, including any violation of the laws, rules, regulations or policies that apply to SRAM. If an employee knows of or suspects a violation of this Code, he or she should immediately contact his or her manager or the Human Resources Department. We also have a dedicated toll-free Whistleblower Hotline for each country in which we operate. The Whistleblower Hotline is available 24 hours a day, seven days a week to provide employees a way to anonymously and confidentially report activities that potentially may involve criminal, unethical or otherwise inappropriate behavior in violation of SRAM's established policies, including this Code. The U.S. Whistleblower Hotline is 1-877-597-7466. The Global Whistleblower Hotlines are listed at the end of this Code. To report online, all SRAM employees may visit the Web Reporting System at [www.tnwgrc.com/sram](http://www.tnwgrc.com/sram).

All reports of known or suspected violations involving the accuracy of SRAM's financial reports and related matters should be reported either through the Whistleblower Hotline, or violations may be submitted via a written complaint directly to Brian Benzer at the following address: SRAM International Corporation 1000 West Fulton Market, 4th Floor, Attention: Brian Benzer, Chicago, Illinois 60607.

All reports of known or suspected violations of the law or this Code will be handled sensitively and with discretion. Your confidentiality will be protected to the extent possible, consistent with law and SRAM's need to investigate the matter.

### **Conclusion**

Since we started making GripShift in 1987, SRAM leadership has worked to create a culture of trust and integrity, placing accountability on individuals. It's impossible to list all possible

violations of code or what's expected in every situation. Please continue to use good judgment and common sense. Sometimes doing the right thing isn't an easy call. When in doubt, speak up. Ask questions.

- Is it legal?
- Does it follow SRAM policy?
- How will the decision look to others?
- How would you feel if the decision were made public?
- Have you fully explored this decision?
- Would additional advice be helpful?

### **Whistleblower Hotline**

Web Reporting System: [www.tnwgrc.com/sram](http://www.tnwgrc.com/sram)

#### Domestic

United States: 1-877-597-7466

#### International

Germany: 0800-180-0286

The Netherlands: (Access Code: 0800-022-9111) 877-597-7466

Ireland: 1-800-55-2035

France: 0800-91-3806

Australia: 1-800-05-1073

Portugal: 800-8-11510

China (South): 10-800-110-1160

China (North): 10-800-711-1237

Taiwan: 00801-10-4437