



# Code of Conduct and Ethics

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## **USING THE CODE OF CONDUCT**

### **What is the Code For?**

GrafTech International Ltd., and its subsidiaries and affiliates (“GrafTech” or the “Company”) is committed to complying with all laws that apply to the Company, its personnel, and their activities, both in letter and in spirit. The Company and each of its directors, officers, employees, and representatives must adhere to the highest standards of ethical conduct and avoid even the appearance of improper conduct. This fundamental principle governs all of our activities.

Ethical conduct and business success are inseparable, and no important business objective can be achieved without following this fundamental principle. This Code is intended to help implement this fundamental principle and enable better decision-making.

### **What We Aim For**

To help us meet our ethical obligations, the Company will endeavor to:

- Maintain a workplace environment that does not create pressures that would encourage any departure from the principles and standards set forth in this Code.
- Provide educational materials, including this Code, so that all of us are informed of the ethical, legal and other standards applicable to our conduct.
- Provide an organizational structure and reporting channels through which we are able to report suspected violations of this Code without fear of reprisal.
- Keep reports about suspected violations that are made in good faith confidential, except where the law may require otherwise.

### **Who Should Follow this Code?**

This Code applies to employees, directors, and officers of GrafTech (hereinafter “employees”). Further, this Code should be provided to our agents, representatives, consultants, and temporary workers (hereinafter “representatives”), and they should be asked to follow the principles and standards set out in the Code. Employees who engage such representatives must monitor their work for the Company so that they act in a manner consistent with the principles of the Code.

### **How is the Code Enforced?**

Ethical principles are often easy to state but difficult to apply. Nonetheless, living up to this Code must be a way of life at work. Integrity is not an occasional requirement. It erodes when it is not reinforced by practice and weakens if it is not continually and consistently applied to all situations. This Code will be vigorously enforced at every level within the Company at all times. Those who violate this Code will be subject to disciplinary action, up to and including termination.

## Does the Code Explain All the Standards I Need to Know?

This Code covers a wide range of business activities and is supplemented by Company policies and procedures covering specific functions and activities which should be read in conjunction with this Code. Of course, neither this Code nor those policies and procedures cover every situation that may arise. Rather, they set out principles and standards to guide us.

To learn more about the laws, policies, and procedures that apply to you, see the additional resources identified throughout the Code with the ⓘ symbol, ask your manager, or contact your site Human Resources Manager or the Legal Department.

## What About Different Laws in Different Countries?

GrafTech does business all over the world, and that means we must respect the laws, customs, and traditions of each country in which we operate. Each of us has an important responsibility to know and follow the laws that apply wherever we work.

GrafTech International Holdings Inc., and our parent company, GrafTech International Ltd., are corporations organized in the United States. For this reason and others, U.S. law may apply even when business activities are conducted outside the U.S. Other countries may apply their laws outside their boundaries too.

If a law (which term includes governmental, regulatory and judicial regulations, rules, and orders) is stricter than this Code or Company policies and procedures, you must of course comply with the law. At the same time, you are not to engage in any course of conduct which, *even if legal, customary, and accepted in such country*, could be deemed to be in violation of GrafTech's guidelines on ethical conduct.

ⓘ If you have questions about the laws that apply to your activities, always contact the Legal Department for advice.

## ASKING QUESTIONS AND RAISING CONCERNS

### Analytical Framework

The Company expects you to be guided by this Code, by Company policies and procedures, by your personal sense of right and wrong, and by the answers to the following questions:

- Do I have all of the facts? In order to identify the appropriate course of action, you must be as fully informed as reasonably possible.
- Is this conduct legal? When in doubt, consult the Legal Department or report suspected violations in accordance with this Code.
- Does this conduct comply with Company policies and procedures?
- Is this conduct fair or does it seem unethical or improper? Use your judgment and common sense; if something seems wrong, it probably is.

- What is my responsibility? In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the situation.
- Did I discuss the problem with my supervisor or manager? In many cases, your supervisor or manager will be more knowledgeable about the situation and will appreciate being brought into the decision-making process. Remember that it is the responsibility of your supervisor or manager to help solve problems.
- Did I seek help from Company resources? In cases where it may not be appropriate to discuss a situation with your supervisor or manager or where you do not feel comfortable approaching your supervisor or manager, discuss it locally with your office manager or your human resources manager. If that also is not appropriate, use the Ethics Line (see [Reporting Procedures](#) at page 3) or other resources described below as a means for raising your concerns.
- If my conduct were videotaped and broadcast on television, would I still feel good about myself?
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

## **Your Duty to Speak Up**

You have a duty to speak up if:

- You are unsure about the proper course of action and need advice.
- If you believe that the current or likely future conduct of someone acting on behalf of the Company violates or could reasonably be expected to violate this Code or Company policies or procedures or could reasonably be expected to expose the Company or its employees and representatives to legal problems.
- You feel you are being pressured or being asked to compromise your values.
- You believe that you may have been involved in misconduct.

## **Reporting Procedures**

You should never hesitate to ask a question or report a concern. Confidentiality will be maintained to the extent consistent with the best interests of the individuals involved, our companies, and our companies' obligations under the law.

Your supervisor is usually a good place to start with a compliance or ethics issue. You may also get help or advice from:

- Your supervisor's supervisor.
- The head of your department or business segment.
- The Legal or Human Resources Department.

- The Internal Audit Department or Audit and Finance Committee (for questions relating to internal accounting controls or other auditing or accounting matters).

At the end of this Code ([Appendix A](#)), you will find internal contact information for officers and departments referenced herein.

If after you have raised a concern with the contacts suggested above and have not been satisfied or are unsure about where to go, uncomfortable about using one of the other resources identified in the Code, or wish to raise an issue **anonymously**, call the Ethics Line (1-216-676-2472\*), or send a message through the **anonymous** Electronic Reporting web link: [Anonymous Electronic Reporting of Potential Violations](#), which operates 24 hours a day/seven days a week.

You also may anonymously submit to GrafTech's Audit and Finance Committee any concerns you may have regarding questionable accounting or auditing matters.

### **What Happens When I Report an Issue?**

When you report an issue (whether anonymously or otherwise), you should expect:

- Your report or concern will be taken seriously.
- The Audit and Finance Committee or the Legal Department, as appropriate, will investigate your report.
- Your report will be handled promptly, discreetly and professionally. Discussions and inquiries will be kept in confidence to the extent appropriate or permitted by law.
- The Ethics Line is not equipped with caller identification, so the number from which you are calling cannot be identified or traced.
- The Electronic Reporting web link is operated by an independent company that forwards your report to the Company so that your e-mail address cannot be identified.

In the event an investigation is initiated, employees and representatives must answer questions truthfully and to the best of their ability. Concealing or covering up an ethical or legal violation is itself a major violation of this Code, and, absent serious mitigating circumstances, the penalty for such conduct may be immediate discharge.

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\* For assistance in other languages:

<i>English</i>	<i>1-216-676-2472</i>
<i>French</i>	<i>1-216-676-2474</i>
<i>Italian</i>	<i>1-216-676-2475</i>
<i>Portuguese</i>	<i>1-216-676-2473</i>
<i>Russian</i>	<i>1-216-676-2476</i>
<i>Spanish</i>	<i>1-216-676-2477</i>

## **We Will Not Tolerate Retaliation**

No employee or representative shall be discharged, demoted, suspended, threatened, harassed or in any other manner retaliated against for asking questions, raising concerns, or assisting in an investigation relating to an actual or potential violation of this Code or Company policy or procedure, provided such individual is acting in good faith. Good faith does not mean that you have to be right – but it does mean that you believe you are providing truthful information.

Individuals engaging in retaliatory conduct will be subject to disciplinary action, which may include termination. If you suspect that you or someone you know has been retaliated against for raising a compliance or ethics issue, immediately contact one of the resources identified above. We take claims of retaliation seriously. Allegations of retaliation will be investigated and appropriate action taken.

## **What Does the Audit and Finance Committee Do?**

The Audit and Finance Committee of the GrafTech Board of Directors:

- Has direct oversight responsibility with respect to the adoption, improvement and implementation of this Code, and its duties include monitoring activities of the Company with respect to:
  - distributing and periodically updating this Code;
  - educating employees about their responsibilities under this Code;
  - establishing and periodically updating procedures for reporting violations and responding to suggested changes and inquiries;
  - identifying managers and supervisors who will have the responsibility for ongoing compliance training for employees; and
  - monitoring the training conducted by such managers and supervisors.
- Is comprised of “outside” directors who are not associated with management of the Company and who are “independent” within the meaning of applicable laws and rules.
- Has established procedures for the confidential anonymous submission of reports of actual or potential violations of this Code or other Company policies or procedures, including confidential anonymous submission by employees of concerns regarding questionable accounting or auditing matters, and confidential anonymous submission of suggested changes to this Code or other Company policies or procedures. Those procedures are described below.

## **CEO and Other Senior Financial Officers**

In addition to their other responsibilities as described elsewhere in this Code, each of the Chief Executive Officer, the Chief Financial Officer, the Worldwide Controller, the Director of Internal Audits and the Treasurer are responsible for:

- Acting with honesty and integrity, and avoiding actual or apparent conflicts of interest involving personal and professional relationships, as described in this Code;

- disclosing to the General Counsel any material transaction or relationship that could reasonably be expected to give rise to such a conflict;
- ensuring that the Company's disclosure controls and procedures function properly and providing other employees of the Company with information that is full, fair, accurate, complete, objective, timely, and understandable for inclusion in filings with the SEC and in other public communications;
- complying with applicable laws, rules and regulations of all U.S. and non-U.S. governmental entities, as well as other private and public regulatory agencies to which the Company is subject; and
- reporting to the General Counsel any violations of this Code of which he or she is aware.

### **What About Managers and Supervisors?**

All of us must comply with the letter and spirit of this Code and Company policies and procedures, and we must promptly communicate to the appropriate Company authority any suspected violations. However, managers and supervisors have additional responsibilities under the Code, and are expected to:

- Set an example – show what it means to act with integrity.
- Ensure that those they supervise have adequate knowledge and resources to follow the Code.
- Monitor compliance of the people they supervise.
- Enforce the standards of this Code and all other related Company standards.
- Support employees who in good faith raise questions or concerns about compliance and integrity. This means there should never be any form of retaliation against an employee who raises such questions or concerns.
- Use diligence and discretion, and consider an employee's ethics and integrity before appointing such employee to any position of authority.
- Report instances of noncompliance (See [Reporting Procedures](#) at page 3).

### **Annual Certification**

All managers, supervisors and other employees must certify annually that:

- They have read and understand this Code (or a summarized version as provided by Internal Audit and the Legal Department).
- They have personally complied with this Code.
- They have monitored the acts or omissions of their direct reports for compliance with this Code.

- They have brought this Code to the attention of everyone under their supervision whose act or omission could reasonably be expected to contribute to a violation of this Code.
- They know of no violations of the Code (or have reported any known violations in accordance with this Code).

[See Appendix B.](#)

## **Waivers**

Any waiver of this Code may be granted:

- For executive officers or directors, only by the GrafTech Board of Directors or Audit and Finance Committee. Each such waiver will be promptly disclosed as required by law or stock exchange rules.
- For other employees, only by the Chief Executive Officer, the President or the General Counsel. Each such waiver shall be promptly reported to the Audit and Finance Committee.

## **WORK ENVIRONMENT**

### **What We Aim For**

The Company will endeavor to:

- Provide a healthy and safe work environment that is conducive to conducting business and allows us to exercise self-initiative, innovative thinking and full participation through self-directed teams and other means.
- Encourage us to act and lead with passion, energy, intelligence and respect for others, to follow safety and health rules and practices, and to report to the appropriate Company authority all accidents, injuries, and unsafe equipment, practices and conditions (see [Reporting Procedures](#) at page 3).
- Provide for open, timely, multi-directional communications that help achieve organizational goals, share information, increase understanding and participation in the decision-making process, enhance pride in the Company and provide recognition for work-related successes.
- Recognize the dignity of the individual, respect and trust each employee, pay for performance with compensation and benefits that are competitive, and promote self-development through training that broadens work-related skills.
- Provide a work environment that is not hostile or offensive and that is free from illegal discrimination or intimidation or harassment of any person for any reason. In this environment, we, as leaders, must:
  - Aspire to develop a winning strategy, build a great management team, inspire the best from others, create a flexible and responsive enterprise, and act and live with the utmost integrity and professional dignity.

- Adhere to all laws and Company policies and practices related to the workplace, including health, safety, and environmental protection.

## **Harassment-Free Work Environment**

Having a professional work environment also means that our companies will not tolerate any form of harassment. Harassment can be verbal, physical or visual behavior where the purpose or effect is to create an offensive, hostile or intimidating environment. Sexual harassment, in particular, can include sexual advances, requests for sexual favors, unwanted physical contact or repeated and unwelcome sexual suggestions. Other prohibited conduct includes: offensive racial, ethnic, religious, age-related, or sexual jokes or insults; distributing or displaying offensive pictures or cartoons; and using voicemail, e-mail, or other electronic devices to transmit derogatory or discriminatory information. This kind of behavior will not be tolerated at GrafTech.

Each of us must apply these principles to all phases of the employment relationship, including hiring, training, development, compensation, promotion, demotion, transfer, layoff, termination, use of facilities, and selection for special programs.

ⓘ All employees and representatives should be familiar with and abide by the Corporate [Harassment Policy](#) (HRM.06.000). If you observe or experience any form of harassment, you should report it immediately (see [Reporting Procedures](#) at page 3). We strictly prohibit any form of retaliation against anyone making such a good faith report.

## **Inviting Full Participation: Equal Employment Opportunity and Diversity**

The Company believes that the diversity of its employees is a tremendous asset, and we will endeavor to provide challenging, meaningful and rewarding opportunities for personal and professional growth to all employees without regard to race, religion, color, gender, national origin, age, sexual orientation, political affiliation, physical or mental disability, veteran status, or other legally-protected status. This includes providing reasonable accommodations for employees' disabilities or religious beliefs and practices. There may be additional protections provided to employees based on local laws and regulations.

ⓘ If you have further questions on equal employment opportunity or employment equity, contact your local Human Resources manager.

## **Health, Safety, and Security of Employees**

The Company is committed to providing a safe and secure work environment. Safety is especially important in manufacturing locations, which are subject to significant workplace safety regulations. Each work location has safety rules that must be followed. Our sites comply with all health and safety laws, as well as our own internal health and safety policies that go beyond what the law requires.

All employees and representatives working on our premises must know the health and safety requirements associated with their jobs.

A safe and secure work environment means a workplace free from violence. Threats (whether implicit or explicit), intimidation and violence have no place at GrafTech and will not be

tolerated.

ⓘ Employees have a duty to bring any unsafe practices – including threats and intimidation – to the attention of their supervisor, local safety representative, the Human Resources or Law Department, or to report it through the Ethics Line or web link (see [Reporting Procedures](#) page 3).

## **Drugs and Alcohol in the Workplace**

Work requires clear thinking and the ability to react quickly – the safety of our fellow employees and customers depends on it. Being under the influence of alcohol or drugs, or improperly using medication, diminishes an employee's ability to perform at his or her best. Therefore, the abuse of drugs and alcohol is strictly prohibited. Violations of these rules are taken very seriously.

The moderate consumption of alcohol during Company sponsored events or meals is subject to local customs, rules, and management discretion.

## **Employee Confidentiality**

The Company will endeavor to:

- Respect the confidentiality of our employees' personal information.
- Encourage employees to have interests outside of the workplace.
- Not interfere in employees' personal lives off the job unless their conduct impairs their work performance or adversely affects the Company.

The Company will seek to maintain only those historical and current employee personnel and medical records needed for business, legal or contractual purposes and restrict access and knowledge of the contents of those records to those with a legitimate need to know. The Company uses personal data strictly to ensure effective operations and will not disclose personal data to any other company not working on our behalf and obligated to protect such data. Employees who have access to personal information must treat it appropriately and confidentially and ensure that data is not lost or stolen.

Every employee has the right to access or correct his or her own personnel records and personal data upon reasonable request during normal business hours.

The Company's commitment to employee confidentiality is not a license to engage in inappropriate personal activities at work. To the extent permitted by local law, the Company reserves the right to access and review all communications, records, and information created at work or with Company resources. This may include such things as intranet or internet activity, e-mail, text messages, voicemail, and telephone conversations (see also [Company Information Systems](#) at page 21).

ⓘ For more information on how employee personal information is maintained and processed, see the [Employee Privacy Policy](#) (LAW.11.02). If you have questions regarding your personal data, you should contact your local Human Resources manager or the Legal Department.

## CONFLICTS OF INTEREST

### Avoiding Conflicts of Interest

A conflict of interest arises when the private interests of an employee or representative have the potential of interfering with the interests of the Company or the employee or representative's objective and effective performance of his or her duties, responsibilities or work for the Company. A conflict of interest also exists when any employee or representative's family member (as the term is defined in the section below) receives improper personal benefits as a result of such employee or representative's position with the Company. Payments, loans to, or guarantees of obligations of, such persons are of special concern. Actual conflicts must be avoided but even the appearance of a conflict of interest can be harmful.

It is impossible to list every situation where a conflict of interest could occur. Examples of such conflicts include situations where an employee or representative:

- Accepts a gift (other than a de minimis gift permitted as described elsewhere herein) from a current or potential customer, supplier or competitor.
- Owns a substantial financial interest in or serves in a business capacity with another enterprise which does or wishes to do business with, or is a competitor of, the Company.
- Serves as an intermediary for the benefit of a third party in transactions involving the Company.
- Uses confidential information of the Company or its suppliers or customers for personal benefit.
- Uses Company funds or assets for personal benefit.
- Conducts business for another enterprise during normal working hours.
- Simultaneously serves or works for or provides consulting services to a competitor, customer or supplier.

### Family Members

The activities of family members can create a conflict of interest. This happens when an employee or representative's loyalties become divided – or may appear to be divided – between loyalty to the family member (who has one set of interests) and loyalty to GrafTech (who has another set of interests). "Family member" includes a spouse, parents, children, stepchildren, siblings, stepsiblings, nephews, nieces, aunts, uncles, grandparents, grandchildren, in-laws, and a same or opposite sex domestic partner. A conflict of interest could arise if a family member has a significant, personal stake in a company that supplies or seeks to supply goods or services to GrafTech, is a GrafTech customer or potential customer, or competes with GrafTech. If such situations exist, you should follow the guidelines listed below:

- If you or a family member has a significant interest in a business that provides or is seeking to provide goods or services to GrafTech, you must not attempt to use your position with GrafTech to influence the bidding process or negotiation in any way. If you

[Reporting Procedures](#) at page 3). Similarly, you must not use personal relationships to improperly influence dealings with a customer or potential customer.

- If you have a family member who works for a competitor, you should notify your manager and the Legal Department immediately.

Ⓢ Each of us must avoid a conflict of interest (or even the appearance of a conflict of interest), unless first approved by the appropriate Company authority (see [Waivers](#) at page 7).

Conflicts of interest may not always be obvious. Each of us has a duty to report any actual or potential conflicts of interest to the appropriate Company authority as soon as they are recognized (see [Reporting Procedures](#) at page 3).

### **Gifts and Entertainment**

Business gifts and entertainment are courtesies designed to build understanding and goodwill among business partners, but they can also make it harder to be objective about the person providing them. In short, gifts and entertainment can create their own conflict of interest.

The acceptance or offering of gifts of any kind from suppliers, potential suppliers, customers or others is prohibited, except for:

- Items of nominal value (\$100 USD or less per occurrence, with an annual limit of \$500 USD from a single source). When local customs or other circumstances make it very difficult or embarrassing for an employee or representative not to offer or accept a gift, the employee or representative must obtain approval from GrafTech's Legal Department to offer or accept the gift. When accepting such a gift, it will be donated to a non-GrafTech entity or person, if appropriate.
- Unsolicited promotional materials of a general advertising nature, such as imprinted pencils, memo pads and calendars.
- Presentations of a ceremonial nature in keeping with national custom, or an occasional meal, promotional event or entertainment in the normal course of business relations, so long as what is offered or accepted:
  - Does not violate any law.
  - Is consistent with usual and customary business practices.
  - Cannot be construed as a bribe or a payoff.
  - Is not excessive in value.
  - Is not a cash gift.
  - Will not embarrass the Company or any of us if disclosed publicly.

Business entertainment (including meals, lodging, and transportation) should be reasonable and appropriate for the occasion. Good judgment must be exercised, and entertainment must not appear unusual or extravagant as viewed by an objective third party. A legitimate business purpose for all business must exist and, if an employee expense report is to be filed, appropriate documentation supporting the expenses must be provided.

Examples of business entertainment that generally do not constitute a conflict of interest include occasional meals with business associates and ordinary sports, theater and other cultural events, provided both the business associate and the employee or representative are present. Tickets to an event where both the business associate and the employee or representative are not present are considered gifts.

Offering and accepting invitations that require travel and extended guest status (for example, tickets to a World Cup match or Super Bowl game) are rarely appropriate. Exceptions can be granted in special circumstances but require advance approval of an officer of the Company.

② For additional information on travel and entertainment expenses, see the [Corporate Travel Guidelines and Procedures for Expense Reporting](#) (FIN.09.002).

### **Employment of Spouses and Other Family Members**

For reasons of supervision, safety, security and morale, neither the spouse of an employee nor another immediate family member (which term includes parents, children, step-children, brothers, sisters, and in-laws) of an employee or his or her spouse may be employed or engaged as a Company representative under the direct supervision of the employee.

Employees who marry or who become related by marriage and who work in a direct supervisory relationship will be subject to the same prohibition, subject to a reasonable transition period to be established by the manager or supervisor for both of them.

### **Memberships**

Corporate memberships, and memberships paid by the Company, should only be used to serve legitimate business needs. They are appropriate only in organizations whose objectives and activities are lawful and ethical and fit within the framework of broadly accepted social values.

## **CONDUCTING BUSINESS**

### **Providing Quality Products and Services**

The Company is committed to providing products and services that meet or exceed customer expectations for quality, integrity and reliability and to satisfying their requirements with on-time deliveries and at competitive prices.

When our products, systems or components are manufactured according to customer specifications, no change in design, material or process, or substitution of parts, is permitted unless authorized by the customer or permitted under terms of the contract or by law or commercial practice.

The Company will endeavor to make its products safe for use by customers and other end-users so that they meet or exceed all applicable standards and regulations.

### **Seeking Business Openly and Honestly**

Each of us must endeavor to market Company technologies, products and services fairly and vigorously based on their proven quality, integrity, reliability and price. In the context of ethics, quality requires that Company products and services be designed and manufactured to meet

Company obligations to customers.

The Company will endeavor to obtain competitive advantages through superior performance, never through unethical or illegal business practices.

## **Compliance with Antitrust and Competition Laws**

GrafTech strictly adheres to "antitrust" and "competition" laws, which protect markets around the world from anticompetitive behavior. Competition laws prohibit any formal or informal understanding, agreement, plan or scheme among competitors that involves prices, territories, market share or customers to be served. Each of us must be familiar and comply with all applicable antitrust and competition laws. Competition laws vary around the world, and the laws that apply to you may vary depending on where you work. Some competition laws, such as those in the United States and the European Union, may apply even when the conduct occurs outside the country's borders. The penalties for violating these laws are severe and include both civil and criminal sanctions against both the corporation and the individual employees and representatives personally.

### **Guidelines for Dealing with Competitors**

- Compete vigorously, lawfully, and ethically.
- Avoid contact with competitors.
- Never talk with or exchange information with competitors to:
  - Fix prices – this can include setting minimum or maximum prices, or "stabilizing" prices.
  - Fix terms related to price, pricing formulas, credit terms, etc.
  - Divide up markets, customers, or territories.
  - Limit production.
  - Compare bids or otherwise share bid information.
  - Boycott a competitor, supplier, customer or distributor.
- Do not attend meetings (such as trade associations) with competitors where the foregoing subjects are discussed. Immediately remove yourself from any meeting where these subjects are discussed. Make your departure obvious so those present will recall your departure.
- Always advise the Legal Department of any contact with competitors, including your attendance at any meetings where the above subjects are discussed.
- Avoid any tactics that could be construed as being designed to exclude all or a significant percentage of GrafTech's competition in any line of business from the marketplace or that might be construed as an effort to destroy a particular competitor or control prices.
- Employees and representatives are prohibited from serving as directors or officers of competing corporations.
- Always consult with the Legal Department before discussing joint ventures, mergers,

## **Guidelines for Dealing With Customers/Distributors**

Employees and representatives must consult with the Legal Department before:

- Setting resale prices with customers or engaging in activities that might be construed as demanding or coercing a customer to sell at a certain price.
- Imposing territorial, customer, or end-use restrictions on a customer's ability to resell GrafTech products.
- Establishing exclusive dealing arrangements (e.g. contracts that require a company to buy from or sell only to a GrafTech company).
- Tying or bundling together different products (e.g., contracts that require a buyer who wants one product to also buy a second product).
- Refusing to deal with third parties.
- Terminating existing contractual arrangements with third parties.

Avoid any marketing or advertising practices that could be characterized as unfair or deceptive.

Ⓘ If you have questions or concerns about your responsibilities under the competition laws, consult the [Antitrust Compliance Guide](#) (LAW.03.000) or the Legal Department.

## **Competitive Intelligence**

To compete in the marketplace, it is necessary and legal to gather competitive information fairly. But some forms of information gathering can be perceived as violating the law. It is important for all employees and representatives to comply with the following guidelines on information gathering.

*Legitimate sources of competitive information include:*

- Information available on the Internet, and in newspapers and press accounts.
- Other public information, such as annual reports or published sales materials.
- Talking with customers – but not to obtain confidential information.
- Trade shows (but not information received directly from competitors except for publicly available brochures).

Always write the date and source of any competitive information you obtain or receive directly on the materials.

Prohibited unethical or illegal practices include theft of proprietary information, possession of

trade secrets or intellectual property without the owner's consent, and inducement of disclosure of any such information or secrets by past or present employees of other companies. Further, GrafTech employees and representatives should never use the following except in consultation with the Legal Department:

- A competitor's confidential or proprietary information.
- Confidential or proprietary information in any form possessed by new hires from prior employees.
- Information about a competitor's bid if you are involved in bidding, especially on Government contracts.
- Information on a competitor that someone offers to sell.

If you come into possession of any of the foregoing information, contact the Legal Department.

Ⓢ For additional information on Company and third party Confidential Information (see [Safeguarding Company Information and Property](#) at page 19).

## **Conduct with Suppliers**

Each of us must:

- Strive to build long-term relationships with Company suppliers and award business based on their ability to meet Company requirements for cost, quality and delivery.
- Provide the same information and instructions to each competing supplier for a proposed purchase.
- Protect all proprietary data that our actual or potential suppliers provide to the Company as reflected in agreements with them.
- Avoid, and not permit our related parties to have, any significant outside business or financial interests in any Company supplier, unless we have the prior express written approval of appropriate Company authority (see [Conflicts of Interests](#) at page 10).

Company purchasing personnel and others who may use goods or services of other companies are encouraged to be receptive to new ideas, techniques and materials and to make reasonable efforts to evaluate new offerings and give them due consideration.

## **Complying with Anti-Boycott Laws**

The Company will comply with laws that prohibit cooperation with boycotts. The anti-boycott laws were originally designed to respond to the boycott of Israel by certain Middle Eastern countries, but they apply to any boycott of countries friendly to the U.S., for example the Pakistani boycott of India. Participation in, or cooperation with, any international boycott not approved by the U.S. government may create serious problems for the Company in the form of severe civil and criminal sanctions.

Unless a permitted exception applies, “U.S. persons” are prohibited from (a) refusing to do business with anyone pursuant to a requirement or request of a boycotting country, (b) taking discriminatory actions based upon race, religion, gender or national origin; and (c) providing information about business relationships that the Company may have with a boycotted country or blacklisted person. “A U.S. person” is any person who is a U.S. resident or national, whether an individual or a domestic concern or a foreign subsidiary, affiliate, or other permanent foreign establishment that is “controlled in fact” by a U.S. domestic concern.

If a “US person” receives a request to participate in a boycott, the Company must report this to certain government agencies. All U.S. employees and representatives are required to take reasonable steps to assure that no certification or response is given which contravenes these laws.

ⓘ The application of U.S. laws and the laws of other countries can be very complex. Sometimes U.S. laws conflict with the laws of other countries. When any questions arise or conflicts appear in the course of business, you should contact the Legal Department immediately.

### **Complying with Export Control Laws**

The Company will comply with applicable export control laws, including those that govern the export of commodities, services and technical data, as well as items that are hand-carried as samples or demonstration units in luggage.

An “export” is not only the transfer of a physical commodity – it can include the transfer of services or technology (such as technical data or other information) to a national of another country, for example by e-mail, face-to-face discussions, or visits to any company facility.

ⓘ The Company has implemented an [Export Compliance Policy](#) (LAW.04.000) and [Export Compliance Manual](#) (LAW.04.001), which all employees and representatives, particularly those involved with the sale and distribution of GrafTech’s products, must be aware of and comply with. If you need further information on export controls, contact the Legal Department or the Global Trade Compliance Manager.

### **Avoiding Political Contributions**

Use of Company funds to make direct or indirect contributions in support of any party or candidate in any election on the international, federal, state or local level is prohibited unless first approved by the GrafTech Board of Directors or first approved by the Legal Department as described below.

To the extent lawful and first approved by the Legal Department, the Company may contribute (up to a maximum of \$10,000) to an occasional local initiative or referendum campaign where the Company’s interests are directly involved.

As interested citizens, each of us is free to make individual personal contributions to parties and candidates of our own choice.

## Payments to Government Personnel

The laws of virtually all countries in which the Company operates, as well as extra-territorial laws, such as the U.S. Foreign Corrupt Practices Act (FCPA), prohibit bribes to foreign Governments and their officials. A violation is a serious criminal offense for both companies and individuals, which can result in fines, loss of export privileges and imprisonment for individuals.

All Company employees and representatives worldwide are prohibited from:

- Offering, promising, authorizing or giving anything of value (including business gratuities and favors) to a government official for the purpose of obtaining or retaining business, or for any other improper purpose. This includes payments to reduce taxes or customs duties.
- Making improper payments through a third party. The Company could be held liable for such payments even if its employees and representatives did not know, but should have known, that the payment was going to a prohibited person. For this reason, the Company must be diligent in selecting agents and partners.

An international government official may include:

- Officials of national, regional, or local governments;
- Military personnel;
- Members of the executive, legislative, and judicial branches of national regulation or local government;
- Candidates for political office, political parties and officials of political parties; and,
- Officers of commercial businesses or other enterprises owned or controlled by national, regional or local governments.

The FCPA requires the Company to keep accurate financial books and records. All financial entries must reflect the true nature, amount and purpose of money spent (see page 20 for further information on [Accurate Books, Records, and Financial Records](#)).

ⓘ For questions regarding the laws on international bribery, contact the Legal Department.

## Complying with Anti-Bribery Laws

In furtherance of obligations to comply with applicable law, including anti-bribery law, the following activities are prohibited:

- Use of Company funds or assets for any unlawful purpose or to influence others through bribes.
- Rewards, gifts or favors bestowed or promised with the view of perverting the judgment or corrupting the conduct of a person in a position of trust.

To the extent not unlawful, the following activities are allowed:

- Offering or accepting properly recorded business meals, entertainment or token gifts intended and understood as simple courtesies meant to foster understanding and communication with suppliers, customers and public officials (see [Gifts and Entertainment](#) at page 11).
- Token tips or minor payments to governmental, institutional, vendor or customer service personnel that:
  - Simply facilitate service.
  - Are traditional in the country or locality.
  - Are nominal in amount.
  - Do not involve a perversion of judgment or corruption of conduct.
  - Are properly recorded.
- Token payments meet this test only if, through the generation of goodwill, and not by any other means, they encourage timely performance of an act which the recipient already has a duty to perform because of some legal or job responsibility.

ⓘ See the [Global Anti-Bribery Policy](#) (LAW.05.010) for more information. If you have questions regarding the standards that apply to your business activities, including the laws on international bribery, contact the Legal Department.

## **Environmental Protection**

The Company will endeavor to:

- Conduct its activities responsibly and in a manner designed to prevent accidents and pollution, and to protect the health and safety of our employees, vendors, customers and the public.
- Continually improve and integrate environmental protections into business decisions and planning activities and to design and implement policies and procedures that provide reasonable assurance that these principles are implemented.

Every employee and representative is required to:

- Conduct business in accordance with all environmental laws, rules, regulations, and corporate commitments.
- Understand the environmental consequences of what we do and look for ways to reduce or eliminate those consequences.
- Follow specified procedures, notify management of potential environmental concerns, and share ideas for continuous improvement.

ⓘ You should be familiar with your site's policies regarding environmental protection. Employees have a duty to bring any unsafe environmental practices to the attention of management (see [Reporting Procedures](#) page 3).

## COMPANY INFORMATION, RESOURCES, AND FINANCIAL DISCLOSURE

### Complying with Insider Trading Laws

All non-public information about the Company should be considered confidential information. Confidential information that may be considered material by investors may be disclosed to the public only by an authorized representative of the Company. Until such disclosure, material information, often called “inside information,” must be held in confidence.

Inside information might include, for example:

- Earnings statements and forecasts.
- Introduction of an innovative new product.
- Significant new contracts.
- Mergers, acquisitions, and joint ventures.
- Major developments in material litigation.

We must not:

- Disclose any inside information to any outside person or group until the information has been released to the public.
- Disclose inside information to any other employee except on a need to know basis.
- Take any economic or personal advantage of any inside information, such as buying or selling stock or other securities of the Company or of any other company to which the inside information may pertain.
- Use non-public information for personal financial benefit or to “tip” others who might make an investment decision on the basis of inside information.

Employees and representatives (and outsiders with whom they are associated) who have inside information can lawfully trade in the market once the information is made public through established channels. Directors, officers, and other designated employees who have regular access to inside information must generally limit their trading of Company securities to pre-established “window periods.”

ⓘ Insider trading is both unethical and illegal. For more information on insider trading, see the [Securities Law and Insider Trading Procedure](#). If you have questions or concerns regarding your responsibilities under the insider trading laws, contact the Legal Department.

### Safeguarding Company Information and Property

The Company’s ability to conduct its activities requires the efficient and proper use of Company assets and resources, including confidential and proprietary information, technology, software, land, buildings, equipment, components, raw materials and cash. Those of us with knowledge

of or access to proprietary or confidential information must not disclose it to others, except to those employees and representatives who need to know it and are informed of its confidential or proprietary nature or as otherwise authorized by appropriate Company authority, and must not use it for our own personal benefit or the benefit of our related parties. These requirements apply even after we cease to be employed by or associated with the Company.

Confidential information includes information such as new business strategies, potential transactions, pending contracts, unannounced earnings, prospective new products, salary information, personally identifiable information, financial data, and research results which have not been disclosed to the public as well as other non-public information that might be of use to competitors or harmful to the Company or customers if disclosed. Confidential information also includes information of others, such as suppliers, with whom the Company has agreed to hold such information in confidence.

Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases and records.

Each of us must use these assets according to Company policies and procedures, comply with security programs that help prevent their unauthorized use or theft, and abide by laws and contractual agreements governing their use.

Each of us owes a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

In furtherance of these requirements:

- Each of us must safeguard all passwords and identification codes to prevent unauthorized access to Company computerized data.
- We must not copy documents or materials that are copyrighted (including computer software, portions of audio, video and off-the-Internet recordings) without specific permission from the copyright owner. Consult the Legal Department on whether “fair use” rules or existing licenses may allow it.
- The reproduction of software licensed to or developed by the Company for personal use is prohibited.
- We must not use Company information, or our position with the Company, for improper gain by us or our related parties, or take for ourselves personally or our related parties opportunities that are discovered through the use of Company property or information because of our position with the Company.
- Whenever we cease to be employed by or associated with the Company for any reason, we must not copy or take with us any Company confidential or proprietary information and we must provide the Company with any passwords necessary to access computer files.
- When there is a legitimate reason to share proprietary information, never disclose such information without management’s prior approval and a written non-disclosure agreement approved by the Legal Department.

## **Safeguarding the Property of Others**

Just as we protect our own confidential information, the Company respects the proprietary and confidential information of others. This includes the tangible and intellectual property of third parties which may be used in fulfilling work assignments. Each employee and representative must protect such information against unauthorized disclosure and use consistent with the specific obligations the Company agreed to when it accepted such information. Absent such specific obligations, third party proprietary information is to be given the same protection against unauthorized use and disclosure that we give our own information.

ⓘ See page 14 for further guidelines on [Competitive Intelligence](#). More detailed guidelines on the handling of confidential information are available under [Information Protection \(LAW.08.001\)](#).

## **Company Information Systems**

Appropriate use of the Company's information technology systems such as the Internet, e-mail, voice mail, and cell phones is critical to business success. Everyone who uses these systems plays a role in ensuring that they operate as they should. Additionally, when using these systems we are visible and recognized as employees or representatives of the Company. This means that good judgment should guide our use of these systems.

All employees and representatives must use such information systems responsibly and primarily for legitimate business purposes – any personal use should be reasonable and kept to a minimum. Special care should be exercised when composing e-mail messages (see [Responsible Business Writing](#) at page 22). Employees and representatives are strictly prohibited from using Company information systems to gather or distribute pornographic, harassing, abusive, or offensive data.

Operational and technical security measures must be used to protect computer systems. Always protect information used to access Company networks, including IDs and passwords, pass codes and building-access key cards.

To maintain the security and integrity of our information systems, the Company reserves the right to monitor and intercept electronic communications, including information that has been deleted by users (subject to local law). As with other forms of Company correspondence, no employee or representative should have any expectation of privacy in any message, file, image or data created, sent, retrieved, received, or stored using Company equipment and/or electronic access, including personal information and messages, and visits to Intranet sites. Monitoring activities, when undertaken, will be undertaken in accordance with local law.

ⓘ For more information on the proper use of the Company's information systems, see the [Internet and Electronic Communications Policy](#) (ITM.03.000).

## **Accurate Books, Records, and Financial Disclosure**

To comply with the law as well as maintain credibility with investors, lenders, customers, suppliers, regulators and others, we must consistently prepare financial and other reports accurately and fully and fairly disclose all pertinent information.

To implement these standards, employees and representatives must:

- Seek to ensure that Company financial, accounting and other books, reports and records accurately and fairly reflect the transactions of the Company in reasonable detail and in accordance with the law and the Company's system of internal controls.
- Cooperate with and do not take any action to fraudulently influence, coerce, manipulate or mislead our internal and external auditors.
- Execute Company transactions only in accordance with management's general or specific authorizations and administrative and accounting controls.
- Never take any action to circumvent the Company's system of internal controls.
- Never authorize payment knowing that any part of the payment will be used for any purpose other than that described in documents supporting the payment. Of course if we incur legitimate expenses in connection with Company business, we will be reimbursed upon the filing of completed and accurately documented expense reports.
- Never destroy, alter or conceal a document with the intent to impede an investigation, or tamper with or destroy a document with the intent to impair its availability in an official proceeding.
- Establish or maintain unrecorded or "off the books" funds or assets for any purpose.

In addition, each of us must:

- Report only the true and actual number of hours worked.
- Record all Company funds and assets on the books of the Company at all times.
- Retain Company records according to Company record retention policies and procedures.

ⓘ Also see pages 16-17 for further information on recording keeping requirements under the FCPA. Remember, if you wish to raise concerns about accounting or auditing matters on an anonymous basis, call the Ethics Line or submit reports via the web link (see [Reporting Procedures](#) at page 3).

## **Responsible Business Writing**

Business records and communications often become public, and each of us must avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people, activities or companies that can be misunderstood. This applies equally to e-mails, internal memoranda, slides and other presentations and formal reports. If you cannot or would not want to explain publicly what you said, do not say it at all. Assume that Company documents will end up in the hands of the government or adverse parties in the event of litigation.

#### General Guidelines:

- Write the facts – do not overstate, misrepresent or mischaracterize them.
- Avoid speculation.
- Do not use ambiguous words that can be mischaracterized or misunderstood.
- Avoid “guilt” words or phrases such as “please destroy after reading.”
- Avoid using words that emphasize “market” share, for example “dominate” or “eliminate competition.”
- Be professional and courteous.
- Delete e-mails as soon as they no longer serve a business purpose (but no longer than permitted under the applicable retention policy, provided such e-mails are not subject to a Legal Hold Notice).
- Limit redistribution of e-mails and use the “reply all” button sparingly.

### **CONCLUSION**

As the GrafTech Code of Conduct makes clear, compliance with the laws and adherence to the highest standards of ethical conduct are critical – our very success depends on it.

Compliance does not just happen, however. That is why GrafTech is asking those who receive this Code to demonstrate their commitment to act responsibly by:

- Adhering to the standards of conduct contained in the Code.
- Participating in training courses on compliance and integrity as they are made available.
- Seeking guidance when in doubt as to the proper course of conduct.
- Using one of the options that have been made available to report any suspected violations.

This Code and the policies and procedures described in it do not constitute or create an employment contract or employer-employee relationship between the Company and any other person, including its contractors or their personnel. This Code and the Company’s policies and procedures are subject to change at any time.

This Code will be placed and maintained on the Company website for easy access and reference.

Date: February 2010

**Appendix A**  
**GrafTech International Ltd.**  
**Code of Conduct and Ethics**

**Internal Contact List**

Pieter Barnard  
Vice President, President Industrial Materials  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
1-216-676-2008

Brian Blowes  
Director, Corporate Human Resources  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
216-676-2678

David Manning  
Director of Internal Audit  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
216-676-2404

John Moran  
Vice President, General Counsel and Secretary  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
216-676-2397

Hermanus Pretorius  
Vice President, President Engineered Solutions  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
1-216-676-2308

Craig Shular  
Chairman, President and Chief Executive Officer  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
1-216-676-2670

Mark Widmar  
Chief Financial Officer  
12900 Snow Road  
Parma, Ohio, U.S.A. 44130  
1-216-676-2427

**Appendix B**  
**GrafTech International Ltd.**  
**Code of Conduct Certificate of Compliance**

The GrafTech Code of Conduct summarizes the general principles applicable to the conduct of GrafTech's business worldwide. The Code does not address or anticipate every type of situation that may be encountered, and it is to be considered in conjunction with other applicable GrafTech policies and procedures. Any questions as to the interpretation or application of this policy may be referred to GrafTech's Director of Internal Audit or the Legal Department. The Code of Conduct can be accessed at the GrafTech intranet under the policies and procedures folder, or by contacting the Legal or Human Resources departments.

**Certification:** As an employee or representative of GrafTech International Holdings Inc., or one of its subsidiaries or affiliates (the "Company"), I hereby certify to the following:

1. I have received or otherwise accessed a copy of the GrafTech Code of Conduct.
2. I have read and am familiar with the contents of the Code of Conduct.
3. I understand that individuals who violate the Code of Conduct are subject to corrective disciplinary action up to and including termination.
4. I have an affirmative obligation to report violations and to report conduct being contemplated which, if completed, would result in a violation of the Code of Conduct.
5. I may report actual or potential violations to my supervisor/manager, the Director of Internal Audit (David Manning), through the anonymous Ethics Line (1-216-676-2472\*), or the anonymous Electronic Reporting of Violations web link.
6. I understand that when I submit a report, related discussions and inquiries will be kept in confidence to the extent practicable or permitted by law.
7. I acknowledge that the Company reserves the right to monitor my e-mail and Internet usage to detect access to inappropriate/illegal websites or other inappropriate/illegal materials (subject to local law and regulations).
8. During this last year, to the best of my knowledge, and except as previously reported or set forth on an addendum to this Certificate:
  - a. I have conducted my business on behalf of GrafTech in full compliance with all laws;
  - b. I have complied fully with the GrafTech Code of Conduct; and,
  - c. I am not aware of any conduct by any employee or representative that is in violation of the GrafTech Code of Conduct.
9. This certificate does not constitute an employment contract or a promise by GrafTech of continuing employment.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
/Date

\_\_\_\_\_  
Printed Name

\* For assistance in other languages:

<i>English</i>	<i>1-216-676-2472</i>
<i>French</i>	<i>1-216-676-2474</i>
<i>Italian</i>	<i>1-216-676-2475</i>
<i>Portuguese</i>	<i>1-216-676-2473</i>
<i>Russian</i>	<i>1-216-676-2476</i>
<i>Spanish</i>	<i>1-216-676-2477</i>