



Rheinhold & Mahla

Since 1887



## Code of Conduct

R&amp;M Group

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**Dear employees,**

The R&M Group stands for technological competence, innovation, client orientation and responsible employees who are committed to this success. Breaches of legal requirements and internal regulations conflict with the corporate group's success factors. They are not tolerated. We would rather turn down business or the achievement of internally set goals than violate legal requirements. For the R&M Group, we commit to abiding to the law. We are aware of our role model function to our employees.

As an orientation guide for responsible and independent conduct in the company, we have compiled the following code of conduct. It is binding for us and all employees. The code of conduct fulfills two main tasks: on one hand, it is supposed to encourage each individual to act independently and give him the orientation and on the other hand it states the objectives and principles of entrepreneurial conduct.

Moreover, the code consciously leaves room for maneuver and hence dispenses with strict rules. As a result, it places special emphasis on the principles of independence and transparency besides the conformity to the rules of entrepreneurial conduct. Superiors in particular have a special role model function. They are called upon to actively ensure and monitor the implementation of the code of conduct. It involves ensuring that all employees who are under them know the values, principles and guidelines of the code of conduct and observe it in practice. The management will regularly monitor the adherence to the principles of the code of conduct. In case of breaches, the company will take the appropriate legal and operational measures against those concerned.

The company therefore fulfils its responsibility in the society and vis-à-vis its employees, its clients and business partners as well as its owners. It commits itself to clear principles as the framework for the entrepreneurial and business conduct.

Thank you for your support.

**Thomas Töpfer**  
CEO



**Dirk Söhngen**  
CFO



## Area of application

The code of conduct is binding for all employees of Rheinhold & Mahla GmbH and its subsidiaries as well as affiliates. There is no differentiation according to hierarchy levels.

In every business relationship, it has to be ensured that even the business partner is committed to similar regulations. This shall be ensured through contractual correspondence and compliance clauses if possible. If stricter legal requirements apply in individual cases, these will take precedence over the provisions of the code of conduct.

## Principles of entrepreneurial conduct

Not only international or national law determines the framework conditions for entrepreneurial conduct but also a number of other rules. This includes social, cultural and social basic conditions. The company strives to act in accordance with these.

## Corruption

The company works towards a stable business connection with its business partners through the satisfactory quality of its services in competition. The trust built in that manner should not be jeopardized by corruption. The company does not tolerate any form of corruption or bribery. A sinister semblance of corrupt behavior is to be counteracted.

## Competition

The company and its employees admit to fair competition which is consistent with the statutory provisions; it is only hereupon that a successful business operation can be based on.

## Conflicts of interest

The company only conducts its transactions with legally and ethically sound means; the same is expected from its employees.

This includes the strict separation of private interests from those of the company. Entrepreneurial decisions should not be made based on the private interests and relationships of the company's employees. Financial or personal relationships with clients, suppliers, service providers or rivals could trigger conflicts of interests and influence decisions at work. Potential conflicts of interests are to be disclosed.

## Prevention of money laundering

The company shall and may not be misused for illegal purposes. This applies to every illegal conduct of its clients, third parties, agents, employees and business partners.

Employees are therefore neither allowed to be involved in illegal procedures nor tolerate illegal activities which are linked with the company. This applies particularly to each breach of cartel law, to complicity in tax evasion including tax fraud or other fiscal offences irrespective of the place where they were committed.

In order to protect from misuse, the company has taken the appropriate statutory measures: this particularly includes the principle that no business transactions are to be conducted in which the actual economically entitled natural person of the business partner remains unknown; his circumstances and those of the business partner's are to be clarified within the legal framework.

# Occupational health and safety and environmental protection

Occupational health and safety are integral components of all our operating procedures. Each R&M employee promotes this by adhering to the corresponding provisions of occupational health and safety. There is no greater priority than our employees', clients' and suppliers' occupational health and safety. All R&M employees must pay constant attention to occupational health and safety. Each of our employees executes and adheres to the environmental protection rules and laws. During production and processing within our entire production chain, we ensure that all environmental impacts are kept as low as possible. Through his personal conduct, each R&M employee contributes to the protection of environmental resources and handles them with care.

## Working conditions

The company wants to create a working environment that is secure and professional, and which promotes team work and mutual trust. Anyone who works for the company contributes to success and to the establishment of a company which positively stands out from the rest. Through cooperation and the introduction of different skills and approaches, new and creative opportunities for business are opened to the company and its employees.

The company values each employee's dignity and personality. Association among company employees is characterized by mutual respect, fairness, team spirit, professionalism and openness. Superiors are role models and during conflict situations they are competent contact persons.

The company supports equal opportunities and diversity. Both are indispensable requirements for a high reputation and entrepreneurial success. Therefore, no one must be discriminated, favored, harassed or ostracized because of his race, his nationality, his ethnic background, his gender, his religion or ideology, his political or union activity, his disability, his age, his marital status or his sexual orientation.

# Employees' conduct vis-à-vis colleagues and the company as well as third parties

## Employees' conduct vis-à-vis colleagues and the company

The conduct of employees among themselves and the company's vis-à-vis third parties is characterized by mutual respect and restraint. Company secrets are to be kept.

Just as the company protects its own business information, it is committed to respect the intellectual property and propriety information of others.

## Employees' conduct vis-à-vis suppliers

The company's suppliers are of great importance for the operating procedure and the ability to provide products and services for the client. Therefore, the selection of the company's suppliers requires special diligence.

## Employees' conduct vis-à-vis politics

The company is nonpartisan. Any donations – exclusively those which lie in the management's discretionary competence – are to be given to political parties as well as to organizations or associations which have close links with political parties in a transparent manner.

The company does not engage employees who hold public offices as their main employments.

### **Employees' conduct vis-à-vis the media**

The company's communication with the media and the public only happens through the authorized responsible persons. Media requests sent to the company's employees are to be sent to these responsible persons without disclosing any information. With regards to personal opinions expressed in public, particularly those that are not linked to the company, the company's employees should not refer to their role in the company.

Anyone who appears as the company's representative out there without authorization by the company or attends public events where he could be perceived as the company's representative should clarify that he is acting as an individual.

### **Employees' conduct vis-à-vis consultants**

Consultants' contracts are concluded with due regard to dual control only with persons or companies who can contribute reasonably to the development of the company through their qualification. The decision regarding the engagement and selection of consultants is made on the basis of a documented profile of requirements and a framework of tasks. The remuneration has to be in proportion to the value of the services provided and the consultant's personal qualification. Payments to the consultant will be made only after the agreed upon service has been provided. Cash payments are not allowed.

### **Employees' conduct vis-à-vis clients**

The company operates in a client-oriented manner and it makes an effort to fulfill the clients' needs with suitable and efficient solutions. This includes the constant review of the service portfolio and its forward-looking adjustment to new market requirements. The company wants to ensure fair treatment of all clients.

The company grants its clients' interests high priority. Conflicts of interests can cast doubts on the integrity and professionalism of the company. Potential conflicts must therefore be recognized as early as possible and solved.

### **Employees' conduct vis-à-vis shareholders**

For the company, its owners' capital is the requirement and basis of its entrepreneurial action. Maintaining the capital and realizing market-driven returns as well as transparency and responsibility vis-à-vis the company owners are integral aims of the company.

Confidential information and information about the value of shareholdings may only be disclosed externally if there is a legal warrant or explicit authorization in the sense of the "need to know principle".

No employee is allowed to use insider information about significant intentions and developments of the company in order to wrongfully enrich himself or others.

## **Handling assets and information**

No employee may use assets, operating facilities and equipment, other materials or intellectual property as well as the company's manpower for private purposes or transfer them to third parties unless there is a written authorization and the usage or transfer lies in the interests of the company. Without authorization, data, programs or documents may not be copied or taken from the company. All business transactions are to be documented in a sufficiently expressive manner without exception.

Keeping operating secrets and other internal operating matters is of existential importance for the company. The company takes further precautionary measures beyond the already preexisting statutory protection of secrets.

The employees are obligated to take care of their work equipment and document their work results reasonably. This particularly involves protecting documents and data from unauthorized access and keeping desks, cabinets and offices locked, protecting IT

equipment through passwords and ensuring they are regularly changed, copying documents only for official purposes, maintaining records and files in a complete, clear and reasonable manner as well as desisting from any unauthorized disclosure of the company's internal affairs. Letters and deliveries labeled as 'personal' are only to be opened by the addressee.

## Conduct and reporting breaches and concerns

Adhering to the code of conduct and other operating regulations is very important for the company. Each employee is therefore entitled and obligated to report breaches. He can approach the Chief Compliance Officer or the management. No one should fear any harm due to respective reporting. On the other hand, each denunciation is to be counteracted; it disrupts the atmosphere that is necessary for trustful cooperation. The necessary clarifications are in the hands of the Compliance Representatives.

Upon request, the employee shall be informed how his report has been handled.

## Consultation and further Information

This code of conduct cannot cover or anticipate every conceivable situation which you as an employee or a manager of our company will be confronted with. Even if the corporate guidelines and processes offer orientation aids, there could be some unanswered questions. Therefore, always ask if you are in doubt. Please get in touch with your superiors or the contact person in the legal department if you want to discuss a certain issue outside your immediate working environment.

For all issues about compliance and acting with integrity, please approach the Chief Compliance Officer Robert Huber and the legal department.