



CODE OF CONDUCT

of the

**R & G Holding GmbH and her
affiliated companies**



1.

Declaration of the management on the meaning of this Code of Conduct



Dear employees

The R & G Holding GmbH and her affiliates (in the following called “R & G Group“ or “Corporate Group“) are modern and technology-oriented enterprises. We challenge ourselves being one of the internationally leading manufacturers in the field of special suction equipment. In particular, we strive to convince by our high quality and commitment. Our aim is the continuous further development of our Corporate Group and permanent improvement of our quality.

As R & G Group we feel committed to legally compliant and socially responsible corporate management. We observe the current laws and other legal regulations and in this way, we act in legally compliant manner. For us, compliance does not only mean legal conformity, but also includes ethical values, such as integrity, fairness and sustainability that we transparently practice both internally and externally. This Code of Conduct sets up binding general conditions for our activities and defines the ethical behaviour of each of our employees¹ in the sense of our Compliance Management System.

For us, the term “Compliance“ means observing our internal provisions resulting from the Code of Conduct and associated company guidelines as well as relevant legal regulations. We consider behaviour to be in line with our ethical values, if it follows the general principles of integer and decent conduct and if the society perceives such conduct as correct.

Central values of our Corporate Group represent customer orientation, progressiveness, efficiency, profitability, partnership, self-responsibility, honesty, loyalty as well as respect for fellow citizens and environment. The managers carry a very special responsibility in this regard. We always advocate sound compatibility of work and family. In order to permanently and successfully implement our company values in our daily work, our company management is obliged to responsible behaviour as well. The company management is aware of this task.

Central values of our group core model are economic success and social responsibility. These two criteria are inseparable aims of our Corporate Group. The core model of the Corporate Group describes our self-image, dictates our behaviour and sets up aims we jointly strive to achieve in the best interest of the Corporate Group, its employees and business partners. Responsible and ethical conduct towards employees, business partners, society and environment is inherent part of our values.

¹To facilitate reading, the term “Employee“ is exclusively used in the following text. This term cover all the genders.



With it, observance of law and regulation in our entrepreneurial activity is a matter that goes without saying. Offences against those criteria are incompatible with our values. They do harm our reputation and moreover, may have severe legal sanctions. Persons, who act illegally or enrich themselves at the expense of the Corporate Group, cause damage to everyone in the company, associates, company management and employees. Such behaviour diminishes the business success, capacity for investments and growth of the Corporate Group and in the end, may endanger workplaces. Every indication of illegal behaviour will be investigated. Any violation of our Code of Conduct or laws is not tolerated and will be persecuted. As joint guideline for our decisions and our activities, this Code of Conduct details binding minimum standards not only for responsible behaviour towards business partners and the public, but also for our conduct within the Corporate Group. As far as that Code of Conduct sensitizes for legal risks, it helps avoiding them as well. We all – employees, managers and associates – are obliged observing the herein stipulated fundamentals.

Both the continuity and permanent further development depend to large extent on our creed to social responsibility and our reputation as trustworthy business partner. This Code of Conduct bundles up the fundamentals of our Corporate Group, on which we adjust our activities, and serves as self-imposed standards as well as promise to outside.



Each employee contributes by his/her performance to forward our Company. Our employees represent the Corporate Group and support the targets and well as desires of our Company. This Code of Conduct is the guideline for the employees' behaviour. Observing the rules helps to protect the prestige of the Corporate Group and to realize its targets. Only in this way we can successfully maintain our position on the market and steadily develop.

Dear employees, we thank you that you contribute to our aims by the integrity of your personal conduct.

Saalfeld, May 2019



Marina Renger
Managing Directress
R & G Holding GmbH



Karl-Heinz Renger
Managing
R & G Holding GmbH



Jens Gräber
Managing
R & G Holding GmbH



2.

Responsibility of the Company towards our employees



We are respectful of one another and trustful with one another. We establish a sound and risk-free working environment free of discrimination.

- We respect the international human rights and basic freedoms as well as accept the universally recognized principles of the UN Global Compact as regards the human rights, work standards, environmental protection and anti-corruption. We support these fundamentals and implement them within our sphere of influence.
- Each individual has the right for fair, dignified and respectful treatment. We respect the human dignity and personality rights of our employees and Third Parties we are doing business with. We feel committed to equal opportunities and promote a work environment that is moulded by respect and tolerance, in which values and dignity of each individual are recognized. All the employees treat each other with politeness, openness, fairness and dignity. Pestering, mobbing and intimidation are forbidden.
- We create and promote a convenient as well as respectful work climate among our employees and take steps for deferential as well as loyal interaction.
- We reject any child and forced labour as well as every form of exploitation or discrimination and assure strict compliance with the corresponding laws. Staff-related decisions, for example, employments, promotions or disciplinary measures have to be taken free of any discrimination. We do not tolerate any discriminatory behaviour towards employees or applicants by reasons of their ethnic origin, nationality, gender, pregnancy or parenthood, marital status, age, disability, religion, ideology, political views, sexual orientation or any other reasons under prohibition of discrimination.
- We create a sound and safe work environment of our employees on basis of the relevant laws as well as rules on health protection and safe workplaces. For us, our employees' safety has utmost priority. Even if it is the task of the managers to assure appropriate methods and protective measures to protect health and safety at the workplace, the employees shall not neglect their own responsibility for circumspect and safety-conscious behaviour.



The maintenance of fair working conditions is inherent part of our corporate culture.

- We obey to the legal regulations for fair working conditions including to the ones on payment, working hours and privacy.

We encourage our employees pointing to matters openly and without any fear of retaliation. Employees, who express in good faith their reservations on occurrences in the company, must not suffer any disadvantage therefrom.

- Open discussion of reservations contributes decisively to reduce the number of occurrences of bad behaviour, to detect them earlier and to correct them properly. Thus, we attach great emphasize to an open climate, in which employees can inform their superiors or management without hesitation and trustfully also on critical circumstances. Managers encourage open discussions, support their employees and investigate fairly as well as without prejudice any expressed reservation.
- Attempts of intimidation and retaliation towards employees, who report in good faith any real or supposed abnormal behaviour, will not be tolerated. "In good faith" means that the employee is convinced that his report is true, irrespectively whether or not the later investigation confirms his interpretation or not.
- If employees, despite of reservations, wish to discuss their concern with a partner of contact from their direct environment or such concern does not show effect, then they can direct themselves to one of the persons named in this Code of Conduct under "Your persons of contact concerning the Code of Conduct".

The professional development of each employee is promoted and corresponds to his personal performance.

- We establish an open qualification culture within our company. Each employee enjoys the same chance for his personal further development in the company. Promotions are always based on performance and potential of the concerned employee. They are free of prejudices and discriminations.



We comply with the current laws and rules, when we collect, save, process and transmit personal data and information. We exercise discretion related to own and foreign company and business secrets.

- When we collect, save, process and transmit personal data of employees, business partners, customers or Third Parties, then we handle them with utmost care and strict confidentiality and obey to current laws and rules.
- Confidential information and business records are protected from disclosure to and access by unauthorized parties.
- Business and company secrets are subject to duty of discretion, whose violation we persecute with all available means.
- All the records and information about internal procedures in our Corporate Group have to be treated confidentially. Confidential information comprises all the non-public strategic, financial and technical or business information of the Corporate Group as well as all company and business secrets of our business partners and customers.
- All employees are obliged
 - to protect the technical and economic know-how as well as the company and business secrets of the Company,
 - not to let company and business secrets of our business partners and customers circulate,
 - not to make written duplicates or copies of data for non-business purposes and
 - not take access to information that are not related to their own activities,
 - to handle confidential information with special care, especially at public places such as in trains, busses, aeroplanes,
 - O to take measures to protect their workplaces and in particular, prevent computers as well as other electronic equipment from unauthorized use, unauthorized access or alterations of the software and to maintain the confidentiality of business data, especially of mails and telecommunication messages and to pay special attention to information-technical aspects of confidentiality, such as data security and data protection.



No acceptance of weapons, alcohol and drugs at the workplaces

- Consumption of alcohol and drugs as well as carrying of weapons do not only endanger the own health and safety, but also the ones of customers and colleagues. Working under the influence of such substances or carrying weapons is strictly forbidden.

We handle with responsibility the property or other assets of the company.

- We attach importance to responsible handling of all kind of property of the Company, for example, products, working means or intellectual property.
- We use property of the Company exclusively for the intended business purposes. Improper use for other, in particular unreasonably personal, illegal or other unauthorized purposes, is interdict.
- Working means must be used for operational purposes only and have to be treated carefully.
- Property of the Company as well as provided working means have to be used for operational purposes only. Use for external purposes is forbidden without prior permission. In addition, property of the Company must not be sold or let without the consent of the respective panels.
- Any form of fraud is forbidden, independently whether or not the property of the Company or assets of Third Parties is damaged. Any offence causing damage to assets of any kind (for example, fraud, unfaithfulness, theft, embezzlement, tax evasion, or money laundering) shall be prevented by appropriate control measures.
- Criminal acts are not tolerated and lead to respective disciplinary and criminal consequences.



3.

Responsibility of the Company towards the society



We do not expect return favours for our donations.

- We primarily support measures directed to education, culture, integration, welfare, protection of environment and nature as well as human aid.
- We donate in transparent and documented manner. We allow donations on voluntary basis only and do not expect any return favours.
- Donations are distributed to political parties and religious communities in transparent way and within the frame of legal regulations only. Donations do not serve any covered promotion of interest or receipt of advantages of any kind.
- Insofar we act as sponsors, such measures do not serve any covered promotion of interest.

Environment protection is inherent part of our company values.

- With our daily work, we feel committed to considerate and responsible use of natural resources (water, energy, materials) and other substances. We are aware of our special responsibility for environment protection.
- We improve energy efficiency as well as extend the use of energy-efficient devices and machinery. Moreover, we reduce emissions, noise and consumption of both material and resources.

We are neutral towards politics, parties and public officials.

- Allocations of any kind to political parties, their representatives, politicians as well as elected officials and candidates for political offices are interdict, as basic rule. As regards donations, special regulations are to be observed.
- Personal material and immaterial allocations of any kind to public officials, employees or authorized representatives of public authorities or to their family members are forbidden, as basic rule. Invitations or gifts representing reasonable respect towards the public office may be considered an exception. In case of doubt, the compliance officer shall be consulted.



Our public appearance shall always be courteous and helpful.

- The employees influence the public image of our Corporate Group. We always treat our business partners and other Third Parties courteously, helpfully and respectfully.

We welcome (socio-) political engagement of our employees

- We are positive about any (socio-) political engagement of our employees. Each employee, however, has to separate his/her own political engagement from the activities of the Corporate Group. It has to be made sure that the personal political engagement is neither related to his/her occupation or employment in the Corporate Group nor even gives the impression of such relationship.



4.

Behaviour of the Company and our employees related to competition and Third Parties



We act integer in our business relations toward others and expect also our business partners to observe laws and regulations.

- Our business partners (for example, customers, suppliers, agents and consultants) expect our Company to act as business partner obeying to the laws. This expectation implies that we are familiar with our contractual obligations towards our business partners.
- Additionally, we ensure that our business partners observe laws and regulations with their business practices.
- National and international laws regulate the import, export or domestic trade of goods, technologies or services, the handling of determined products as well as capital and payment transactions. Reasonable measures shall be taken to make sure that by means of transactions with Third Parties the Company does not violate applicable economic embargos or regulations of trade, import and export control or regulations against terrorist funding.

We condemn any form of corruption and bribery.

- In our Corporate Group, any form of bribery and corruption is prohibited whether of public officers or in the frame of business operations. Incentives, privileges, benefits or other advantages that may affect our capability taking objective and fair business decisions we do not accept. We do not tolerate any form of corruption or dubious business practices.
- Irrespectively of the above stipulations, situations may certainly arise that are not considered corruption or bribery, which however may be suitable questioning the power of judgement of our employees and customers.
- Gifts and allocations from business partners to promote business relations or to introduce products or services are permitted within the frame of the actual guideline of the company how to handle gifts.
- Gifts and allocations are not allowed to be accepted if the interests of the Corporate Group are affected or the professional independence of the employees might be at risk, independently whether really or apparently.
- As basic rule, invitations for usual and reasonable business dinners are allowed to be accepted.



- As regards invitations to events without dominating business character (for example, concerts, theatre performances, sports events or evening programs), each employee has to think twice if his/her participation in the event is a matter of usual business practice. The above described, as a rule, assumes that the host is present as well, such participation will not be repeated too many times and the expenses for travel and accommodation are not paid by the inviting business partner. In case of doubt, the compliance officer shall be consulted. In any case, the superior has to be informed.

We undertake to respect the applicable antitrust and competition rules.

- In almost every country, arrangements with competitors, suppliers, distributors and traders that impair the fair competition are forbidden by law. We observe the relevant provisions laid down in the competition provisions and do not conclude arrangements as well as agreements to influence prices and conditions or restrict in impermissible way the fair competition. Such arrangements and agreements include, for example price fixing, allocation of customers and sales territories between competitors, anti-competitive boycotts as well as other unfair competition methods.
- We are committed to fair competition and comply with these laws and regulations.

We take all required measures to prevent money laundering within our sphere of influence.

- Money laundering describes the introduction of illegally made financial resources (for instance, from terrorism, drug trade, bribery and other criminal offences) into the legal financial and economic circulation for the purpose that they appear to be legitimate and their true source cannot be traced. Any person, who deals with negligent ignorance of the source of the funds, is considered accomplice.
- In order to prevent money laundering within our area of influence, we take all the necessary measures. In particular, our employees are required not to do business if there are indications of money laundering.
- In order to prevent problems in this field, the employees' attention is requested. Suspicious behaviour of customers, consultants and business partners has to be immediately reported. Moreover, all the employees have to observe the current regulations on recording and accounting of any money transaction.



- Bigger cash transactions are generally unusual and thus to be especially scrutinized.

We avoid any kind of conflicts of interest.

- In the daily business operations, despite of utmost effort, it may happen, that we face situations of decision making, in which the interests of the Company are contradictory to our personal interests. Conflicts of interest may lead to situations, in which decisions are not impartially taken in the sense of the Company.
- As fundamental rule, we prevent situations, in which personal or own financial interests collide with the ones of the Corporate Group or business partners.
- Generally, sideline activities and shares of competitors or business partners must not imply the danger of conflict of interest.
- Employees, who are affected of any possible or real conflict of interest, are obliged to promptly inform their superior or management to get the situation settled.
- In conflict situations, the interests of the Corporate Group must not be impaired, in no way.
- The compatibility of work and family life remains hereby unaffected.

We reject any kind of undeclared work.

- We obey to the applicable legal regulations on employment of employees and proceed effectively against illegal employment as well as undeclared work.
- We expect our business partners and sub-contractors to resolutely reject and effectively fight undeclared work and illegal employment.

We observe the laws on insider trading as well as the company guidelines regarding handling of insider information on our and other companies.

- It is prohibited by law making use of insider information when trading securities or other marketable financial instruments as well as sharing insider information with others for such purposes.



- Insider information is a piece of concrete information on non-public circumstances that have the potential to influence to large extent the price of securities or similar financial instruments, when made public. Example for such circumstances can be, among others, profit increase and decrease, big orders, plans of merger with or takeover of an enterprise, significant new products or personal changes in the company management.

We record duly and transparently our financial reports.

- We record and document all the business operations, assets and liabilities according to legal regulations on financial reporting.
- In order to assure duly documentation and safekeeping of records, highest accuracy and completeness as well as sense of responsibility with all the business operations are imperative.
- We place particular weight on prompt and understandable financial reporting.
- False or misleading information must not be intentionally entered in documents that are relevant for financial accounting. Any form of balance manipulation is prohibited.



5.

Implementation of our Code of Conduct



We are committed to effective implementation of the principles set out in this Code of Conduct.

- All the associates, managers, leaders and employees of the Corporate Group are obliged observing this Code of Conduct. The managers carry a very special responsibility for the introduction and implementation of these guidelines.
- All the employees of the Corporate Group are required reporting severe infringements, whose occurrence may cause heavy damage to the Corporate Group, to their superiors or management. We do not tolerate any action directed against those employees, who report such offences. The submission of clues is not bound to specific forms. In particular, such clues can be reported personally, by phone, by fax or via email. For this purpose, the available whistleblower system may be used. The contact details are published on the homepage www.rsp-germany.com.
- In case of offence against laws or internal guidelines, employees are subject to reasonable consequences including employment-law based and disciplinary measures. Such offences may also end up with sanctions under criminal and civil liability law.
- All the employees of the Corporate Group are urged reporting severe offences against the guidelines of conduct to prevent damage to the Company and Third Parties. Employees reporting offences against provisions of the Code of Conduct must not be exposed to fear of consequences of any kind.
- The Corporate Group carefully selects its business partners and exhorts them to ensure that also their business partners stick to the principles laid down in this Code of Conduct and to accept them by means of a separate declaration. Our highest priority is directed to the condition that our business partners act seriously against undeclared work and corruption.



In the Corporate Group and its affiliates, there is always an open door to ask questions, to express reservations on possible misconduct or to offer proposals on compliance processes.

- In many cases, reservations regarding behaviour at the workplace can be solved by dialogue among the concerned persons or with persons of contact on-site.
- Employees, who report in good faith any real or supposed abnormal behaviour, shall not be subject to disadvantages (see above). Employees, who suffered corresponding disadvantages, are requested contacting the compliance officer.
- The following contacts are accessible to both the employees and Third Parties.

Partners of contact in your direct work environment

- You may contact persons in your direct work environment to put questions regarding the Code of Conduct or to report offences against the Code, such as:
 - Your superior
 - Your management
 - Your Human Resources department or
 - The compliance officer.

Possibilities to utilize the established whistleblower system

- We have set up a whistleblower system. The whistleblower system enables you reporting offences of legal regulations and/or this Code of Conduct or other guidelines and rules and contributing to their clearing-up in this way.
- The whistleblower system is accessible on the homepage of the RSP GmbH under www.rsp-germany.com..
- As for reporting of offences you can contact the compliance officer in the following way:
 - 1) Anonymously by contact form under www.rsp-germany.com/compliance
 - 2) Via email to: compliance@rsp-germany.com



3) By phone: +49 36715721110 (Monday to Friday, 09:00 - 16:00 o'clock)

4) By mail to:

For attention of/confidential

Compliance officer

c/o RSP GmbH

Zum Silberstollen 10

D-07318 Saalfeld

Observance of the Code of Conduct

- We expect our managers, leaders and employees complying with this Code of Conduct.
- All the employees shall make themselves familiar with this Code of Conduct, know it and act accordingly. This Code of Conduct is the binding basis of our daily acting.
- The Code of Conduct, however, cannot govern in every detail the standards and procedures of our Corporate Group. Therefore, if more precise guidelines, instructions or provisions of any kind for single matters are issued, then these ones are binding and to be observed to full scale, too.
- Any kind of offence against the Code of Conduct or other guidelines and provisions may and will lead to sanctions regarding the employment and to other legal consequences without prejudice to the principle of proportionality.
- The above set-out regulations and provisions are internally and permanently monitored by appropriate means. For that purpose, audits will be held in regular intervals.
- Both the Code of Conduct, other guidelines and provisions are subject to a steady process of actualization that possibly results from alterations of the organizational structure, introduction of new products, etc. Therefore, the implementation of compliance measures is not a one-off project but to be understood a continuous process of adaptation.



Coming into force, validity

- The above described provisions enter immediately into force.
- Version: April 30, 2019.
- The version actually available in the intranet and on the homepage is the latest one.