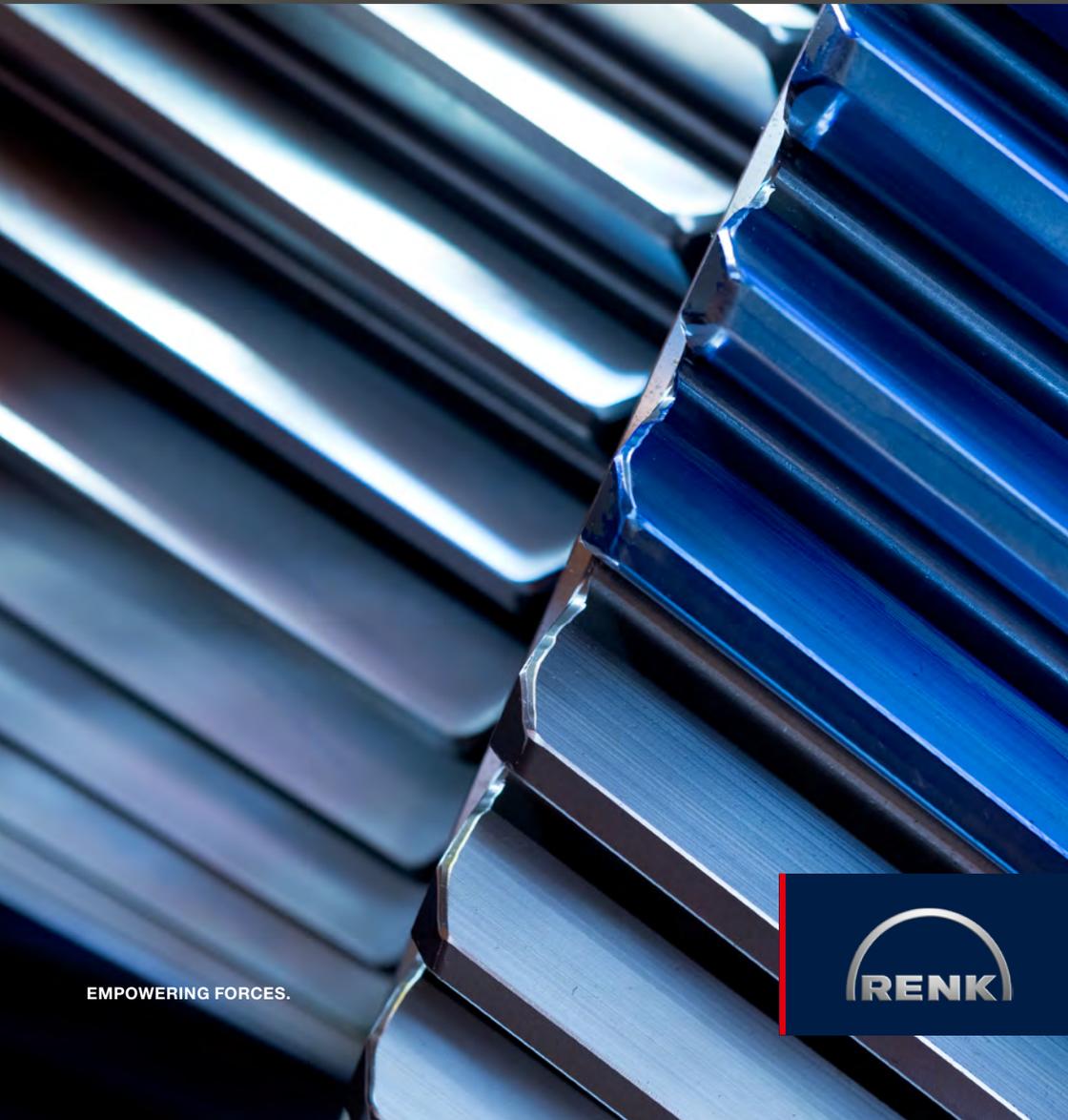


# Code of Conduct

Information for employees



EMPOWERING FORCES.



**Please read this  
Code of Conduct thoroughly.**

**It will support you  
in your day-to-day work.**

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## Dear Colleagues,

We all make an important contribution to the success of RENK AG (“RENK” or the “Company”) through our individual activities. Only when we jointly perform at our best, will we be able to achieve our goals and be internationally successful. This also includes to always act responsibly.

Globally, we want to be a trustworthy, reliable and ethical partner to our customers, our business partners, our colleagues and the public. They will only put their trust in us, when we accept responsibility for our actions. Therefore, we must comply with applicable laws, respect ethical values and act sustainably anywhere and at any time. This is our social responsibility, which we all have to live up to – the Management Board as well as all managers and each and every employee.

This Code of Conduct supports us in this effort by prescribing binding guidelines and describing how we can deal with conflict situations in everyday business by using examples. Together with our corporate values, customer focus, integrity, respect, team spirit and determination as well as further guidelines derived from these values, this Code of Conduct forms the framework in which we operate every day.

For this reason, please familiarize yourself with the content of this Code of Conduct and observe it in your daily work without exception. Discuss the examples with your colleagues and do not hesitate to address the contacts listed in chapter 4 in case of questions or doubts. They will be happy to assist you.

Let us jointly do the right things in the right way and fulfill our social responsibility.



**Dipl.-Ing. (FH)**  
**Florian Hofbauer**  
Landsberg  
Spokesperson

Engineering and Sales



**Dipl.-Kfm. (Univ.)**  
**Christian Hammel**  
Munich

Administration and Production

# RENK drives forward

Creativity + Action = Our Competence

# RENK does more

Enthusiasm + Performance = Our Success

# RENK connects

Together + Expertise = Our Team

## Our formula for success

### RENK CONNECTS

#### Together + Expertise = Our Team

- A strong togetherness: we live solidarity in every project. No matter whether a mechanic, tester or engineer – every day we contribute our knowledge, skills and experience. We are united in the goal of finding perfect solutions and innovative ideas.
- At RENK, all types of specialists work independently and successfully. However, we unleash our full potential only when we combine our forces across business units. We can only offer complex services from a single source when we are a true team. This capability makes us the best link between customer requests and competence – also internationally.
- RENK is cosmopolitan Company with a global network: with 2,500 employees from Germany to Asia and America – in close contact with partners, customers and service providers. We take our network to the next level with continuous digitization, for even more connectedness: every day, in every project.

**“Everything under one roof: our specialists combine their know-how to create unique solutions.”**

## RENK DRIVES FORWARD

### Creativity + Action = Our Competence

- Doers, visionaries, problem solvers: we at RENK are the experts when it comes to top quality drive technology. We also find smart answers for demanding tasks. To achieve this, we test our limits daily – and successfully: this courage makes us a technology leader, because we also dare to tackle problems that others shy away from.
- At RENK, everyone knows exactly what to do. Customers appreciate our experience – employees appreciate the creative freedom. Flat hierarchies, short decision-making processes, high levels of responsibility: we demand and promote top performance from our teams. In this way, RENK combines the flexibility of a medium-sized Company with the possibilities of a corporation.
- RENK gets industries moving: our creativity is the engine of success for entire branches of industry across the world. Our own claim is the greatest incentive. With passion and the will to perform, we push ahead – courageously forward – and successfully complete every project with our customers.

**“We feel most comfortable when pushing up against the limits of physics.”**

## RENK DOES MORE

### Enthusiasm + Performance = Our Success

- Visionary and future-oriented: we set standards with our products and ideas, but even as a world market leader RENK remains open to innovations, change and development. This learning process repeatedly challenges us – yet makes us a little better every day.
- Every additional challenge is an opportunity for us to grow – as a team with our partners and customers. Tapping into global markets, developing services, optimizing services: for us it is not just the first solution that matters, but rather the best. This spirit allows us to succeed in digitization – as well as in the introduction of new drive units and system integration.
- Because we can do more! Wherever high technology and innovations are used, we are there for you. We really kick things in gear when it comes to complex problems, which is why customers repeatedly rely on RENK. And you can expect more from us in the future as well.

**“Setting new standards is in our DNA.”**

### Example of success: Large testing system for an aircraft engine

As an experienced team, we mastered a 100 megawatt mammoth project with great courage. Through system integration of RENK expertise from all areas: gearboxes, couplings, plain bearings and test benches. This strong team performance shows once again: when all of our gears are in perfect synchronization, we can do anything.



**“We knew:  
Only RENK can do that”**

## Our responsibility for compliance

One decisive factor for the success of our Company is that all employees – from Management Board members and managers to each individual member of staff – must act with honesty and integrity and in an ethical manner. This also means that our internal and external reporting and communication must be truthful, comprehensive and timely.

Our shared goal is to fulfill our responsibility to our Company and to protect the reputation of our brand. Sustainability requires us to be aware of our responsibility for the economic, social and ecological impact of our actions. Such conduct also means that we all respect and observe the applicable rules of the Company anywhere and at any time. Our Management Board members and managers bear a special responsibility in this context: they are role models and must prevent non-compliant behavior within the Company, protect their employees and conduct themselves with integrity both within the Company and externally.

This Code of Conduct helps us by highlighting potential areas of risk and conflict, explaining their significance for our Company and illustrating them using case studies.

**The information contained in this Code of Conduct is divided into three main sections:**

**Our responsibility as a member of society**

**Our responsibility as a business partner**

**Our responsibility in the workplace**

This Code of Conduct serves as a binding guideline in our day-to-day business. It is supplemented by internal guidelines and provisions in employment contracts. It also goes without saying that we all comply with the national and international statutory provisions. This also means that we never take any part in any activity that involves fraud, misappropriation, extortion, theft, embezzlement or any other deliberate damage to the assets of our customers or any third party.

Failure to observe this Code of Conduct can result in considerable damage, not only to our Company, but also to us as employees and to our business partners and other stakeholders. That is why this Code of Conduct is binding on all of us, irrespective of whether our role is that of a staff member, a manager or a Executive Board member. We do not tolerate violations of this Code of Conduct. Anyone who violates this Code of Conduct must expect consequences, which, depending on the seriousness of the violation, can range from action under labor law to claims for damages under civil law, and may even extend to penalties under criminal law.

To make sure that does not happen, it is up to each and every one of us to familiarize ourselves with this Code of Conduct, to integrate this Code of Conduct into our own behavior, and to bear this Code of Conduct in mind when making decisions. When in doubt, we seek competent advice and can trustfully contact the Compliance Officer and the Compliance Champions as well as the central Compliance Helpdesk (contact information available in chapter 4).



## Our responsibility as a member of society

Pages 12 – 27

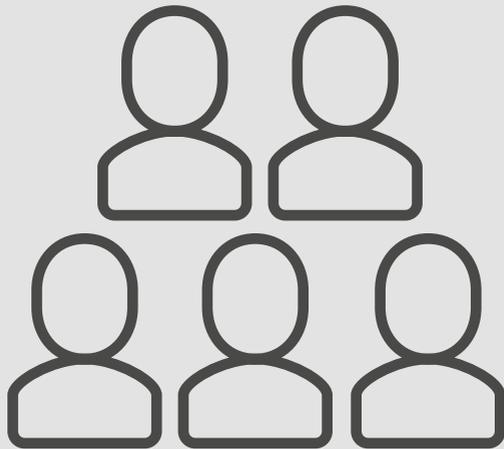
**Our social responsibility means that observing and complying with the law is a matter of course.**

We have a duty to observe applicable laws and regulations in all business decisions we make.

Every RENK employee must be aware of his social responsibility, particularly as regards to the well-being of people and the environment, and ensure that our Company contributes to sustainable development.

The RENK Group's responsibility as a member of society gives rise to the following principles:

# Human rights



The Declaration of Human Rights adopted by the United Nations and the European Convention for the Protection of Human Rights and Fundamental Freedoms state what is required and expected of the international community when it comes to observing and respecting human rights.

## Human rights

### Corporate principle

- › We respect, protect and promote all applicable regulations to protect human rights and children's rights (hereinafter called human rights) as a fundamental and general requirement throughout the world. We reject all use of child labor and forced or compulsory labor as well as all forms of modern slavery and human trafficking. This does not only apply to cooperation within our Company yet naturally also to the conduct of and with business partners.

### My contribution

- › As an employee, I can also make My contribution to respecting human rights. I regard human rights as a fundamental guideline and I am vigilant against human rights abuse happening around me.
- › If I have concerns regarding human rights abuse in my professional environment I prevent and/or stop it. If necessary, I inform my superior or get in touch with any of the contacts listed in chapter 4.

## Example

You are responsible for purchasing specific goods. You receive information that a supplier with which you do business uses children in its production process, or that employees are made to work in inhumane conditions (e.g. exposed to health risks).



**Take the necessary steps and inform your superior and the units responsible for sustainability in supplier relations. Our Company must examine business relations with this business partner more closely and, if necessary, terminate them.**

# Equal opportunity and equal treatment



Equal opportunities and equal treatment are key cornerstones of a fair, unprejudiced and open approach. RENK encourages respectful cooperation in a spirit of partnership, diversity and tolerance. That is how we achieve a maximum degree of productivity, competitiveness, innovation, creativity and efficiency.

## Equal opportunity and equal treatment

### Corporate principle

- > We offer equal opportunities for everyone.
- > We do not discriminate or tolerate discrimination on grounds of ethnic or national origin, sex, religion, views, age, disability, sexual orientation, skin color, political views, social background or any other characteristics protected by law. We embrace diversity, actively encourage inclusion and create an environment that fosters each employee's individuality in the interests of the Company.
- > As a matter of principle, our employees are chosen, hired and developed solely based on their qualifications and skills.

### My contribution

- > I observe the principles of equal opportunity and equal treatment and encourage people around me to do the same.
- > If I see any contravention of the principles of equal opportunity and equal treatment (disadvantagement, harassment or mobbing), I make the persons involved aware of their misconduct. If I am not in a position to influence the events directly, I notify the Human Resources department of the incident or get in touch with any of the contacts listed in chapter 4.

## Example

You find out from a colleague who is a friend of yours that an applicant in his department was rejected because of the color of his skin, although he was the best candidate for the advertised job.



**Help clarify the situation by reporting the case to the relevant Human Resources department so that appropriate steps can be taken.**

# Product conformity and product safety

Countless people come into contact with our products and services on a daily basis. RENK bears a responsibility for preventing, to the extent possible, any risks, detrimental effects and hazards to the health, safety, environment and assets of our customers or any third party arising from the handling and use of these products and services.

## Corporate principle

- › For that reason, it is not only our statutory duty yet also our mission to comply with the laws and regulations as well as internal standards that apply to our products. Our products are state of the art and are developed in accordance with legal requirements. This is monitored continually and systematically through processes and structures as well as product monitoring under real field conditions. We make no compromises on that. We ensure that suitable measures can be taken in good time in the event of any discrepancies.

## My contribution

- › If I notice or have concerns that our products could present a threat or that regulations are not being observed, I counteract. I report the matter to my superior and to the relevant contacts in the Company such as the Product Safety Officer in my unit.



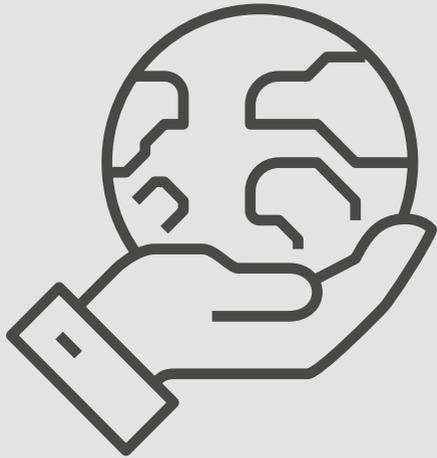
## Example

A customer reports technical problems with a product to you. You are not sure whether or not these problems are due to improper handling by the customer or a manufacturing or construction defect.



**Clarify the matter. It is essential to ensure that RENK will solve a problem for which it is responsible. Even a customer's improper handling of the product may require the Company to respond (e.g. by modifying operating instructions or user training).**

## Environmental protection



**RENK is the world's leading specialist for pioneering solutions to control extreme forces throughout the drive train: In industrial applications, during energy production, in demanding naval applications, and on tracked vehicles.**

## Environmental protection

### Corporate principle

- As a commercial enterprise, we bear responsibility for the environmental compatibility and sustainability of our products, locations and services. We focus on environmentally friendly, advanced and efficient technologies, which we implement throughout the entire lifecycle of our products. Starting with the early phases of development and production, we make sure we manage natural resources carefully and steadily reduce the environmental impact to comply with environment protection laws and regulations.
- Furthermore, we constantly reassess the environmental compatibility of products and manufacturing processes, optimizing these where necessary.
- We are a responsible member of society and a partner for politics. We seek a dialog with these stakeholders regarding future mobility and energy concepts and on shaping ecologically sustainable development.

### My contribution

- I bear environmental protection in mind in my work and use resources and energy economically and efficiently. I make sure my activities have the smallest possible impact on the environment and that they comply with applicable environmental protection laws and regulations.

## Example

You notice that there is a leak in a tank and that significant amounts of chemicals are seeping into the ground.



**Immediately inform one of the employees responsible and draw attention to the problem. Do not rely on somebody else reporting the leak.**

## Donations, sponsoring and charity



RENK typically makes no donations (contributions on a voluntary basis with no expectation of a consideration in return) or sponsorships (contributions based on a contractually agreed consideration). In order to avoid conflicts of interest and to ensure that there is a standard procedure within the Company, donations and sponsoring activities are only permitted on an exceptional basis, within the framework of the respective legal system and in accordance with the current internal provisions of the RENK Group.

### Corporate principle

- › The granting of donations and sponsorships are not permitted.

### My contribution

- › If I consider a particular sponsorship to be worthy of support, I initially contact the Compliance Officer in the Company.
- › The exceptional granting of donations must be transparent; the purpose, the recipient of the donation, and the donation receipt issued by the recipient must be documented and verifiable. I comply with internal processes and do not initiate any donation that could damage the reputation of our Company.

### Example

A local politician asks you, a RENK employee, for a cash donation from the Company for the election campaign.



**Turn down the request. Donations may only be granted after approval by the RENK Management Board. An approval of the donation cannot be granted regularly, since the RENK Group Policy for handling donations and sponsorships generally rules this out.**

## Communication and marketing

RENK believes it is important to communicate clearly and openly with employees, business partners, shareholders, investors, the media and other stakeholders using honest and lawful means. All our employees bear a responsibility to observe internal communication rules to ensure that we present a unified and consistent image of the RENK Group. All our employees recognize the achievements of those they engage with and respect their professional and personal reputation.

### Corporate principle

- › We ensure that our communication is clear and consistent in order to maintain the confidence of customers, investors and other stakeholders. Before committing to and executing any planned communication or marketing measures, such measures must first be coordinated with the responsible communication or marketing department.

### My contribution

- › I do not issue any public statement on behalf of my Company and always refer any requests to the communications department. If I make any comments at public, trade or cultural events or on the Internet, I make it clear that I am expressing solely my own personal opinion. I inform myself of the proper behavior on social networks through the regulations on dealing with social media.



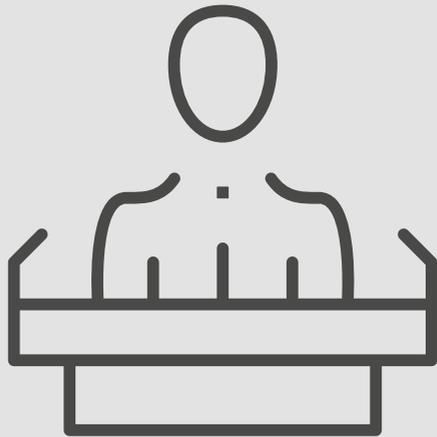
### Example

You read a comment on the Internet from someone who is critical of production methods in Asia, yet the points raised are entirely unfounded.



**Even if you would like to immediately correct the misrepresentation delete straightaway, contact the communications department first, because this department is in a position to respond appropriately and comprehensively to such criticism.**

## Political lobbying



Politics and legislation exert an influence on the economic framework for business processes. RENK's participation in commercial trade means that it also has an impact on society and can specifically promote its interests during decision-making processes, such as those for legislation plans, through political lobbying.

### Political lobbying

#### Corporate principle

- › We conduct political lobbying centrally and in line with the principles of openness, accountability and responsibility. It goes without saying that our interaction with political parties and interest groups is based on the principle of neutrality. Dishonestly influencing policymakers and governments is not permitted.

#### My contribution

- › I do not attempt to intervene in political decisions on behalf of the Company if I am not authorized to do so. If I am authorized to do so, I observe the relevant internal guidelines when performing my duties.

### Example

An acquaintance of yours is a member of parliament. You know that a legislation proposal that is important for RENK is currently being discussed in parliament and you contemplate contacting your acquaintance to explain the Group's interests in connection with this proposal.



**Do not approach your acquaintance about the issue. Political lobbying at RENK is exclusively coordinated centrally and conducted openly and transparently. The appropriate point of contact for such lobbying measures is the communications department.**



# Our responsibility as a business partner

Pages 28 – 53

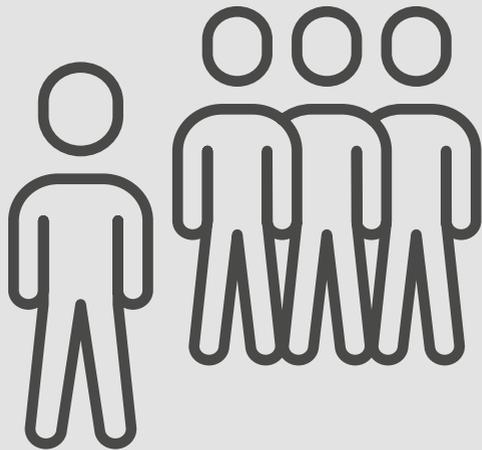
Our responsibility as a business partner

**Integrity, transparency and fairness are key to creating credibility and trust in business practice. For this reason, it is particularly important for RENK to systematically implement its legal framework, intragroup guidelines and corporate values, and to communicate them clearly.**

This also includes distributing our products and services exclusively through our authorized distribution partners.

RENK's responsibility as a business partner specifically gives rise to the following principles:

## Conflicts of interest



There is a potential conflict of interest if the personal interests of a RENK employee clash or potentially clash with the interests of RENK. Such a conflict of interest may arise particularly as a result of secondary employment. If an employee places his personal interests above those of the Company, it could damage RENK.

### Conflicts of interest

#### Corporate principle

- › We respect the personal interests and the private lives of our colleagues.
- › However, it is important to us to avoid conflicts between personal and business interests, or even the appearance of any such conflict. All our decisions are made exclusively on the basis of objective criteria and we do not allow ourselves to be swayed by personal interests or relations.

#### My contribution

- › I avoid even the appearance of any conflict of interest and disclose any apparent or actual conflicts of interest to my superior and if required also to the appropriate Human Resources department. We jointly seek a solution that is not detrimental to the Company's interests.

### Example

Your boss asks you to review bids from several suppliers of plastic components. You discover that one of the most favorable bids is from the Company of a good friend.



**Inform your superior of the situation and disclose the potential conflict of interest. Agree on the further approach with your superior and approach the compliance contacts listed in chapter 4 in case of questions.**

## Gifts, hospitality and invitations



Benefits in the form of gifts, hospitality and invitations are prevalent in business relationships. These benefits are not a cause for concern as long as they are within reason and do not contravene with any internal or statutory rules. However, if such benefits exceed what is reasonable and are misused to influence third parties, those involved may be liable to prosecution.

### Corporate principle

- › Our Group Policy on handling gifts, hospitality and invitations to events regulates which benefits are appropriate and which steps must be taken when accepting and granting benefits.

### My contribution

- › I familiarize myself with the Group Policy on handling gifts, hospitality and invitations to events and strictly abide by it. I check my conduct in this regard to see whether there are any conflicts of interest or whether any could arise.

### Example

An employee from a supplier gives you a valuable birthday gift that you are possibly not permitted to accept under RENK's internal policies.



**Even if you are of the opinion that accepting this gift does not affect the business relationship, you are not permitted to disregard the applicable Group Policy on handling gifts, hospitality and invitations to events. When in doubt, do not accept the gift. If you are concerned that rejecting the gift could be misconstrued, contact your superior and agree on a solution with him. In case of questions, please approach the compliance contacts listed in chapter 4.**

# Prohibition of corruption

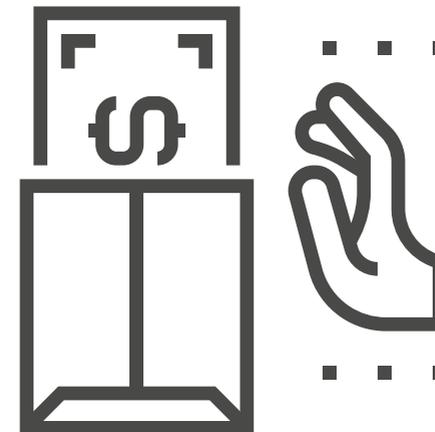
Corruption is a serious problem in commercial trade. It results in decisions that are based on [improper grounds / wrongs assumptions...pls find proper translation] and prevents progress and innovation. It also distorts competition and damages society. Corruption is prohibited. It may incur fines for RENK and sanctions under criminal, civil and labor law for the employees involved.

## Corporate principle

- › The quality of products and services from our Company is the key to our success. We do not tolerate corruption. We grant benefits to business partners, customers or other external third parties only within the permissible legal framework and in line with existing internal rules.

## My contribution

- › I never bribe others and I never accept a bribe, neither directly nor indirectly. I take responsibility for informing myself by consulting the internal rules before I give or accept gifts, issue or accept invitations, or offer or receive hospitality.
- › If I receive any corruption-related tip-offs, I immediately inform one of the compliance contacts listed in chapter 4.



## Example

You are responsible for sales in a RENK Company and would like to outstrip this year's revenue target. You prepare a bid for a major contract where a potential customer has issued a call for tender. The relevant decision maker on the customer side offers to influence the award of the contract in favor of RENK in return for an appropriate consideration.



**The request of the customer constitutes corrupt behavior. Inform your superior and your responsible compliance contact immediately (see the contacts listed in chapter 4).**

## Dealings with public officials and holders of political office

Dealings with public officials or holders of political office, governments, authorities and other public institutions often involve special statutory rules. Any individual breach of such rules may have serious consequences and could permanently bar RENK from public contracts.

### Corporate principle

- › Our contacts with public officials and holders of political office are strictly in line with all laws and legislation as well as the relevant internal rules concerning the avoidance of conflicts of interest and corruption. We do not make any “facilitation payments.” Such payments are sums paid to public officials to accelerate routine administration matters.

### My contribution

- › I am aware that particularly strict rules apply when dealing with public contracts and I familiarize myself with these rules. In case of questions I can approach the compliance contacts listed in chapter 4.



### Example

You know that an authority is planning a call for tender for a major contract. You consider asking the authority's employee responsible for the tender, whom you know from a previous project, to design the tender in such a way that RENK wins the contract.



**Do not under any circumstances take any such action. Exerting this kind of influence would be illegal.**

## Consultants and agents

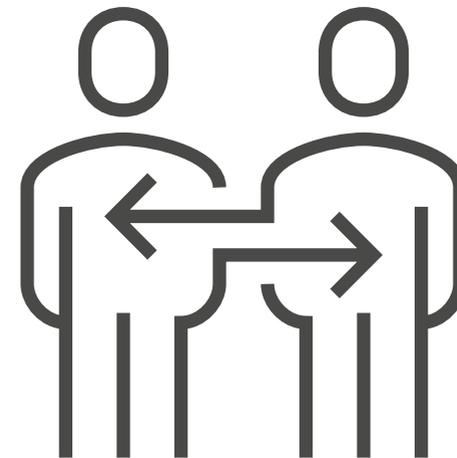
When initiating and/or conducting its sales activities, the RENK Group also engages external consultants. However, there is no guarantee that these consultants will follow the same high ethical principles of conduct as RENK, because they are not part of the Group. In order to rule out any risk that the remuneration paid by RENK is used to fund corruption, care must be taken when selecting consultants. Legal violations by these kind of consultants can also damage RENK's reputation and even lead to the Company being liable to third parties and to very high penalties.

### Corporate principle

- › We only use consultants in line with general statutory rules and the rules of the Group Policy on Engaging Business Partners.
- › This ensures that any remuneration is only paid for consulting and agency services that are actually rendered and that the payments are commensurate with the performance rendered.

### My contribution

- › I check the integrity of potential consultants and agents carefully before issuing instructions and executing payments. I also proceed in line with the Group Policy on Engaging Business Partners.
- › I ensure that the contracts for which I am responsible stand up to legal and business scrutiny, even with regard to comparable contracts with other agents.



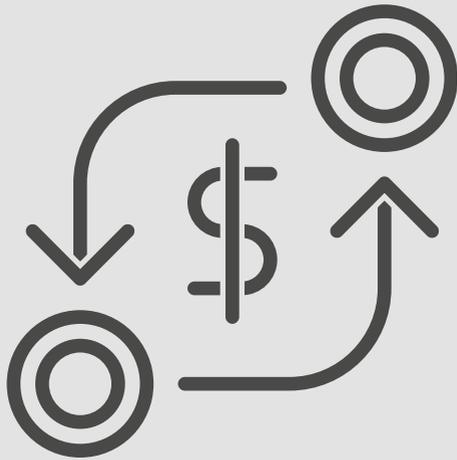
### Example

RENK takes part in a public solicitation for bids. An agent approaches you and informs you that he can make sure that the contract will be awarded to RENK in exchange for an additional agency fee.



**You may be liable to prosecution if you approve the additional agency fee and the agent uses this fee as a bribe to ensure that RENK is awarded the contract. In order to rule out this risk, you must check the integrity of the agent using the rules laid down in the Group Policy on Engaging Business Partners.**

## Prohibition of money laundering and terrorism financing



Laws against money laundering and terrorism financing are in place in almost all countries worldwide. Money laundering occurs when funds or other assets originating directly or indirectly from criminal offenses are put into circulation in the legal economy, making their source appear legal. Terrorism financing occurs when money or other resources is/are made available to commit criminal acts of terrorism or to support terrorist organizations. Liability for money laundering does not require the person involved to be aware that money is being laundered through the legal transaction concerned or the transfer concerned. Inadvertent involvement in money laundering may already be sufficient grounds for serious penalties for everyone involved.

## Prohibition of money laundering and terrorism financing

### Corporate principle

- › We carefully check the identity of customers, business partners and other third parties with whom we wish to do business. It is our declared aim to conduct business solely with reputable partners who operate in line with legal provisions and who use resources from legitimate sources.
- › We assign incoming payments to the corresponding services without delay and post them accordingly. We ensure transparent and open cash flows.

### My contribution

- › I take no action whatsoever that may violate money laundering provisions at home or abroad. I am vigilant and investigate any suspicious conduct on the part of customers, business partners and other third parties. If there is information providing sufficient grounds for suspicion, I immediately get in touch with the compliance contacts listed in chapter 4.
- › I abide by all applicable provisions for recording and posting transactions and contracts in the accounting system within my area of responsibility.

## Example

One of RENK's customers has overpaid and asks for the excess amount to be repaid by transferring it to an account held in Switzerland or by paying it in cash instead of repaying the excess amount via bank transfer to the original business account.



**Do not accept the suggestion readily. This kind of request requires an explanation. Ask the customer why the amount cannot be repaid in the same way it was originally paid. Seek advice from any of the compliance contacts listed in chapter 4.**

# Accounting and financial reporting

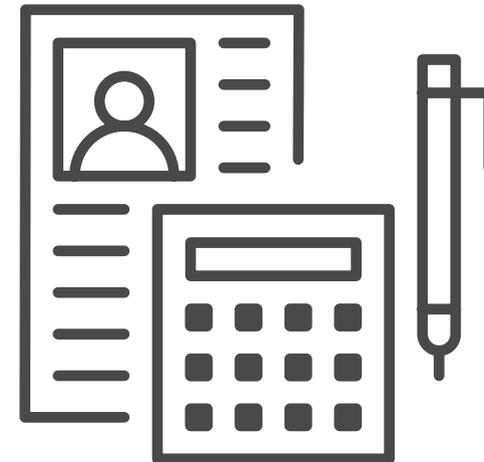
**RENK can build and retain the trust of the general public, its shareholders and business partners only through proper accounting and correct financial reporting. Any irregularities may have serious consequences for the Company as well as for those responsible.**

## Corporate principle

- We strictly comply with the statutory provisions for proper accounting and financial reporting. Transparency and correctness are our top priorities. To that end, we regularly inform all capital market players of our financial position and business developments. We publish our periodic financial statements in a timely manner and in accordance with national and international accounting regulations.

## My contribution

- In my area of responsibility I organize processes so that all business financial data can be entered into the accounting system correctly and promptly. If I have any questions about the correct recording of data, I contact my superior or the appropriate finance department.



## Example

You urgently need new equipment. However, the budget in your department for the current fiscal year has already been used up. You consider acquiring the equipment nevertheless and recording the cost in the next fiscal year when your budget is replenished.



**Refrain from taking such action. Entries must always be posted accurately. Posting entries inaccurately may have serious consequences for the Company or individual employee.**

## Taxes and customs

Our global operations and the development of new markets mean that we must comply with a raft of different regulations relating to external trade, tax and customs. Observing tax and customs regulations builds trust with customers, financial authorities and the general public. Any irregularities can cause significant financial damage to RENK, seriously impact the Group's reputation and have negative consequences for the employees responsible.

### Corporate principle

- › We are aware of our social responsibility to meet our obligations with regard to taxes and customs, and we explicitly endorse compliance with national and international legislation.

### My contribution

- › In my area of responsibility I design internal structures and processes in such a manner as to ensure that the taxes and customs to be paid by the respective group companies are calculated correctly, promptly and in full, are reported properly, and are paid to the appropriate fiscal authorities.
- › If I have information concerning the infringement of tax and customs regulations in my area of responsibility, I undertake every action I can to prevent or stop this infringement. If that is not possible, I get in touch with the appropriate contact person in the tax and customs department.



### Example

You are responsible for entering certain business transactions, such as general overheads (maintenance expenses) and production costs, in the statutory financial statements. One project exceeds certain controlling parameters early in the financial year. You therefore receive instructions to make an entry under maintenance expenses even though the transaction unquestionably relates to an investment and must therefore be treated as capitalized production costs.



**Post the entry in line with legal requirements. All business transactions must be correctly reported pursuant to commercial law and tax regulations because these accounting records form the basis for tax returns. Accounting errors could therefore result in incorrect tax returns and lead to serious consequences under tax and customs law for the Company and the employees responsible.**

## Fair and free competition



Fair and free competition is protected by the applicable competition and antitrust legislation. Complying with this legislation ensures that market competition is not distorted – which is to the benefit and in the interest of all market players. In particular, agreements and concerted practices between competitors intended to achieve or effect the prevention or restriction of free competition are prohibited. Abusing a dominant market position is also inadmissible. Such abuse can, for example, take the form of treating customers differently for no objective reason (discrimination), refusing to supply, imposing unreasonable purchase / selling prices and conditions, or unjustified tie-in arrangements for requested additional service. Anti-competitive conduct has the potential not only to significantly damage RENK's good reputation, yet also to incur severe fines and penalties.

### Fair and free competition

#### Corporate principle

- › We conduct business solely on the basis of merit and free market principles, as well as free and unhindered competition. We like to measure ourselves against our competitors, always abiding by rules and regulations and observing ethical principles.
- › We do not enter into any anti-competitive agreements with competitors, suppliers or customers. If RENK holds a dominant market position, we do not abuse this position.
- › We comply with the specific antitrust provisions for distribution systems in our dealings with our authorized distribution partners.

#### My contribution

- › Whenever I come into contact with competitors, I ensure that no information is imparted or received that allows for conclusions to be drawn about the informer's current or future business conduct.
- › I avoid conversations or any other contact with competitors about issues that are important among the competition. Such issues include prices, pricing, business planning, development statuses and delivery times.

### Example

You urgently need new equipment. However, the budget in your department for the current fiscal year has already been used up. You consider acquiring the equipment nevertheless and posting the cost in the next fiscal year when your budget is replenished.



**Make it immediately and absolutely clear to the competitor's employee that you will not talk to him about such issues. This type of conversation – apart from the unauthorized disclosure of business secrets – is also a breach of prevailing competition and antitrust legislation and could have drastic consequences for you personally, RENK, and both the competitor's employee and his Company. Inform your responsible compliance contact listed in chapter 4 immediately and discuss the next steps with him.**

# Procurement



RENK is contractually bound to a large number of suppliers and service providers in its business operations.

## Procurement

### Corporate principle

- › We carefully select suppliers and service providers based on objective criteria.
- › When purchasing products and services, we involve the appropriate purchasing departments as laid down in the applicable procurement guidelines.

### My contribution

- › I show no bias in favor of a supplier or service provider without an objective reason and I avoid any conflict of interest.
- › I do not purchase any products or services without first having looked at the market and alternative suppliers. I follow the relevant procurement principles and involve the appropriate purchasing department at an early stage in the purchasing process.

## Example

It comes to your attention that a RENK employee would like to commission a supplier against the applicable procurement principles and without involving the appropriate purchasing department.



**Notify the responsible purchasing department or one of the contacts listed in chapter 4 to ensure that the bid that is most cost-effective for the Company has a chance.**

# Export control

Export control can impose prohibitions, restrictions, approval requirements or other monitoring measures on the cross-border exchange of goods. These provisions under export control legislation apply to technologies, software and goods. Apart from exports per se, export controls may also apply to the temporary cross-border transfer of, for instance, objects and technical drawings taken on a business trip, or technical transmissions by e-mail or the cloud.

Furthermore, any business with persons or companies named on sanctions lists is strictly prohibited, regardless of the delivery process.

## Corporate principle

- › We comply with all provisions for importing and exporting goods, services and information.

## My contribution

- › When making a decision concerning the import or export of products and services, I consciously examine whether the decision may fall under export control. In cases of doubt, I obtain advice from the department responsible for export laws and regulations.



## Example

You receive an inquiry from a potential customer wishing to place an order with RENK to supply products in a country that has possibly been listed as an embargoed country.



**Clarify the matter by asking the relevant department about export restrictions that apply to the country to be supplied (e.g. a UN embargo country) and do not conclude any contracts that bind RENK to export to this country until the issue has been fully clarified.**

## Prohibition of insider trading



Legislation (e.g. the Directive on Criminal Sanctions for Market Abuse (Market Abuse Directive) in Europe) prohibits the use or disclosure of inside information when trading shares or other securities or financial instruments. The same applies to recommendations to any third parties or to inciting a third party to engage in insider trading or to the unlawful disclosure of inside information. Pertinent national legislation may stipulate further prohibitions. Inside information is information of a precise nature that has not been made public and that, if it were made public, is likely to have a significant effect on the price of the relevant security (e.g. RENK shares) or financial instrument.

## Prohibition of insider trading

### Corporate principle

- › We handle information pertaining to share performance in accordance with capital market requirements and do not tolerate any insider trading. We may use knowledge relating to insider-relevant projects and processes only internally in accordance with the applicable intracompany rules and may not divulge such knowledge to any outside party, including family members (e.g. a spouse).

### My contribution

- › I do not engage in insider trading nor do I make any such recommendations to any third party or incite any third party to engage in insider trading. Furthermore, I do not divulge inside information unless this is required during the course of my normal work in compliance with the relevant internal rules. I familiarize myself with the applicable internal rules.
- › If I have access to inside information, I do not purchase or sell any securities or financial instruments based on this information. This applies not only to trading with shares of RENK or listed companies belonging to its parent or derivatives thereof, yet also to trading in securities or financial instruments in general (i.e. also those of suppliers).

## Example

You learn through your work with RENK that the acquisition of a new business is going to be announced soon. You know that a very good friend is currently considering whether to sell his RENK shares. Since the price of RENK's shares will likely rise once the acquisition of the new business has been announced, you consider telling your friend that he should hold off on selling his shares.



**Do not tip your friend off under any circumstances. Since the information you are aware of is not public, yet inside knowledge, you are not permitted under any circumstances to share this knowledge with others. Transmitting this knowledge directly or indirectly would make you liable to prosecution.**



## Our responsibility in the workplace

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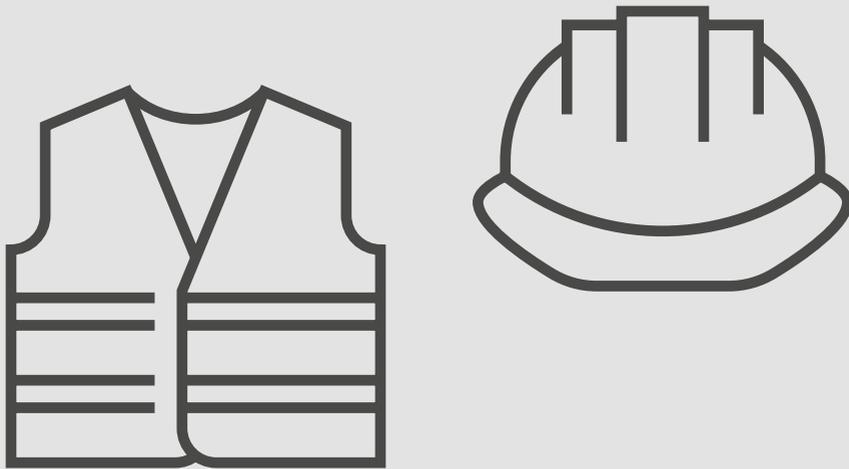
### Our responsibility in the workplace

**It is in the fundamental interest of RENK to protect the health and safety of every employee.**

The principle of protection and security also applies to employee and customer data as well as Company-specific know-how and Company assets.

The RENK Group's responsibility in the workplace specifically gives rise to the following principles:

## Occupational health and safety



RENK is committed to its responsibility for the safety and health of its employees. We provide occupational health and safety in line with national regulations and with the occupational health and safety policy of the Company.

### Corporate principle

- We preserve and promote the health, performance and job satisfaction of our employees through continuous improvements in the working environment and a range of measures to promote good health and prevent disease.

### My contribution

- I comply with the occupational health and safety rules. I never put the health and safety of my colleagues or business partners at risk. I take all appropriate and statutory precautions to ensure that my workplace always enables safe working. I make an active contribution to maintaining and promoting my health by voluntarily participating in activities that promote good health and prevent disease.

### Example

You notice that a machine in your department has an electronic fault.



**Take the machine out of operation and make sure the “out of order” sign is clearly displayed. Ask the appropriate department to repair the machine because repairing electrical equipment yourself is not permitted and could be dangerous.**

# Data protection



There are special statutory rules to protect privacy when dealing with personal data. As a general rule, collecting, storing, processing and using personal data in any other way requires the consent of the person concerned, a contractual arrangement or some other legal basis.

## Data protection

### Corporate principle

- > We protect the personal data of employees, former employees, customers, suppliers and other concerned parties.
- > We collect, gather, process, use and store personal data strictly in accordance with legal provisions.

### My contribution

- > I ensure that personal data is collected, stored, processed or used in any other way only with the consent of the person concerned, under a contractual arrangement or some other legal basis.
- > All data processing components must be secured in such a manner that the confidentiality, integrity, availability, verifiability and reliability of such sensitive data is guaranteed and that unauthorized internal or external access is prevented.
- > When in doubt, I contact my superior or my Data Protection Officer/Data Protection Coordinator.

## Example

You have organized a seminar for RENK with external participants and receive personal data from the participants for it. A colleague asks you to pass on these addresses.



**Do not pass on this data on without consulting with your superior or your Data Protection Officer/Data Protection Coordinator. As a general rule, data may be used only for the purpose for which it was provided.**

# Security and protection of information, know-how and intellectual property

RENK holds internationally protected patents and also has extensive trade and business secrets in addition to technical know-how. This knowledge is the basis of our business success. Unauthorized transmission of such knowledge may lead to extremely high losses for RENK and to consequences under labor, civil and criminal law for the employee concerned.

## Corporate principle

- › We are aware of the value of Company know-how and take great care to protect it.
- › We respect the intellectual property of competitors, business partners and other third parties.

## My contribution

- › I handle all information of RENK and any of its associated companies carefully and do not disclose it to unauthorized persons. I take particular care with regard to information relating to technical know-how, patents, and trade and business secrets.



## Example

You are involved in the development of an innovative technology. You are to present your development at various RENK sites and want to take your laptop, on which the relevant documents are saved, with you for presentation purposes. You intend to go over these documents again on the plane or the train on the way to the individual sites.



**Ensure that no one obtains knowledge of sensitive information belonging to RENK, as this could lead to serious competitive disadvantages. Do not retrieve this type of information in places where third parties can access it or take note of it.**

## IT security



Information technology (IT) and electronic data processing (EDP) have become an integral part of everyday life at RENK. At the same time, they involve numerous risks, foremost of which are impairment of data processing as a result of malware (viruses), loss of data due to program errors, and data misuse (e.g. due to hackers).

### IT security

#### Corporate principle

- › We respect IT and EDP security and abide by the applicable regulations.

#### My contribution

- › I familiarize myself with the applicable IT security regulations and observe the rules contained therein. I am aware that unencrypted data exchange (e.g. by e-mail or USB stick) is not a secure means of communication.

### Example

You are out of the office and are given a USB stick in order to exchange a document at a meeting.



**Use only RENK data carriers or data exchange systems and proceed according to the guidelines for information classification. Arranging for the document to be e-mailed to you is one option. Never open e-mails or attachments that appear to be suspicious or that come from unknown e-mail addresses. This is how you prevent malware from entering the Company network.**

## Handling Company assets

RENK's tangible and intangible assets serve to help our employees achieve the Company's business objectives and may be used only for business purposes.

### Corporate principle

- › We respect RENK's tangible and intangible assets and do not use them for non-business related purposes.

### My contribution

- › I adhere to the Company's rules and exercise care when handling Company assets.



### Example

Your soccer club is planning a weekend trip. The trainer asks whether you, as a RENK employee, can "organize" a car from RENK's fleet.



**Company vehicles may generally not be used for private purposes or be provided to third parties.**

A close-up, artistic photograph of several metal drill bits of various sizes, arranged in a row and slightly overlapping. The bits are made of a dark, polished metal, likely cobalt or high-speed steel, and show signs of use with some wear on the cutting edges. The background is a soft, out-of-focus blue-grey color.

# Support

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## Support

**If needed, internal and external points of contact provide support for dealing with this Code of Conduct.**

Furthermore, voluntary commitments and principles are applicable. All RENK Group and subgroup policies are available on the RENK Intranet.

## Employee representation

- › We recognize the basic right of all employees to establish trade unions and employee representations.
- › We are committed to working with employee representatives in candor and trust, to conducting a constructive and cooperative dialog, and are striving for a fair balance of interests. Professional dealings with employee representatives that do neither allow for preferential treatment nor discrimination are part of the RENK corporate culture.
- › Safeguarding the future of RENK and its employees is achieved in a spirit of cooperative conflict management and social commitment, on the basis and with the goal of ensuring economic and technological competitiveness. Economic viability and job security are equally important and are shared goals.



## Help and contacts

- › Our first point of contact for any questions or uncertainties regarding this Code of Conduct is our superior. In addition, every employee can trustfully contact the Compliance Officer and the Compliance central helpdesk:  
  
E-mail: [compliance.helpdesk@renk.biz](mailto:compliance.helpdesk@renk.biz)
- › Apart from that, we can also approach further internal contacts like the Human Resources department, our employee representatives or the relevant department.
- › We can address complaints within the framework of existing Company rules to our superior, the relevant compliance contacts, the relevant Human Resources department or any other relevant office.
- › Further information can be found on the RENK Intranet.

# Self-test for decision guidance

**If at any time I am unsure whether my behavior complies with the principles set out in our Code of Conduct, I should ask myself the following questions:**

- 1. Did I take all relevant matters into consideration and weigh them properly? (content test)
- 2. Am I confident that my decision is in line with regulatory and Company requirements? (legality test)
- 3. Would I stand by my decision if it is revealed? (supervisor test)
- 4. Am I in favor of all such cases being decided the same way across the Company? (universality test)
- 5. Would I still think my decision is right if my Company has to justify it in public? (public test)
- 6. Would I accept my own decision if I were affected? (involvement test)
- 7. Would my family agree with my decision? (second opinion)

If my answer to questions 1–6 is “yes” and the answer to question 7 is positive, my behavior is very likely to be compliant with our principles. If questions remain unanswered or if I have any doubts, I should get in touch with any of the points of contact listed in this chapter.



**Latest version of this Code of Conduct:**

You can always find the most current Code of Conduct on the Company Intranet and on the Internet at [www.renk-ag.com/goto/bd-0a702b](http://www.renk-ag.com/goto/bd-0a702b)

For improved readability, individuals are sometimes referred to in this report using solely the masculine form. In such instances, all pronouns are understood to refer equally to persons of all genders.

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