



Mühlbauer
High Tech International

Code of conduct of Mühlbauer Group



For ethical, fair and legal conduct.



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Preface	2
Corporate Compliance	3
We are committed to the following general principles	3
Ethic principles of Mühlbauer Group	3
The corporate culture at Mühlbauer as basis of our actions.....	4
Confidentiality	5
Handling of knowledge and information	5
Need-to-know principle.....	5
One-voice policy.....	6
Protection of our knowledge and respect of industrial property rights	6
Data protection	6
Integrity in competition.....	7
Acceptance and offer of advantages.....	7
Commitment to tolerance, fairness and equal opportunities	8
Principle of sustainability.....	8
Personnel development.....	8
Work and health protection	8
Environmental protection.....	9
Transparent (financial) reporting.....	9
Equal opportunities in security trading	10
Separation of corporate and private interest.....	10
Product liability.....	10
Compliance with foreign trade law	11
Corporation and society	12
Voluntary commitment.....	12
Public appearance	12
Donations and sponsorship.....	12
Adherence to the compliance rules	13

**In the following statements we refer to ladies and gentlemen when using the
general form of address and the functions.**

Preface



**Ladies and gentlemen,
dear colleagues,**

The connection of corporate action and ethical principles is not only a matter of course and a tradition of the Mühlbauer Group, but it is also an essential factor for responsible and sustainable economic activity.

Our customers, business partners, suppliers and share holders can thus expect that we work on the basis of highly ethical standards, fulfill our obligations reliably and act as fair business partner righteously. Every one of us is required to contribute that our corporation fulfills this responsibility and these values.

For this reason, we have developed a code of conduct on the basis of our corporate culture which sums up our binding principles and rules and are generally valid for every employee of the Mühlbauer Group.

The codex helps to respect the legal and ethical behavior in daily work, to give orientation or simply put: to work on a basis of highly ethical standards. A decisive factor is that we all live this code of conduct and use it as standard of our actions. We therefore expect the employees of the Mühlbauer Group to act according to these ethical principles. Our executives have to fulfill their role model function actively and ensure the compliance with and implementation of this code of conduct. Violations of the codex will be rigorously prosecuted and sanctioned in the interest off all employees.

Mühlbauer has always been considered as reliable and responsible partner of integrity. Please help to protect this reputation in the future.



Josef Mühlbauer

Corporate Compliance

Corporate Compliance has to be understood in terms of corporate organization which covers all measures on a preventive and liability minimizing basis and which ensures the legitimate and rule-conform conduct of board members and employees. Corporate Compliance aims at the rightful conduct of the company, all board members and employees and at appropriate behavior.

The basic structure for the arrangement of a responsible, transparent and legal management is formed by the applicable laws, the articles of association as well as the guidelines of our common corporate culture.

We are committed to the following general principles

- The compliance with and adherence to the present regulations is a matter of course for us.
- We respect the normative international and national laws at our locations and subsidiaries.
- Furthermore, every employee is responsible for the compliance of his/her actions with the laws, regulations, directives and local rules.

Ethic principles of Mühlbauer Group

The following conduct standards are to contribute to ethical, fair and legal actions in our daily business conduct and to appropriate behavior.

The comments are not exhaustive; thus all employees are committed to constantly inform themselves on the legal regulations of their areas of responsibility.

The corporate culture at Mühlbauer as basis of our actions.

A lively corporate culture is one of the decisive factors to success in global competition. For this reason, we daily develop our awareness of the values which form the basis for our actions and what separates us from others.

Our corporate culture is characterized by

- an **identification** with the corporation and its values,
- the **commitment** and dedicated effort for the corporation and our aims,
- the **reliability** in our entire thinking and acting,
- the **responsibility** for ourselves as well as the joint responsibility for the achievement of the common, entrepreneurial objectives.

By means of our corporate culture based on these values, we see ourselves up to the daily challenges, requirements and decisions. We trust in all our employees and expect them to live our corporate culture and to maintain it as foundation of our corporation in the future.

Confidentiality

The confidentiality and security of data and information are indispensable elements of our corporate activity. This especially applies to information which the Mühlbauer Group, its contractual partners and customers show a special interest in keeping confidential. This is the only way to guarantee the reputation of the Mühlbauer Group in the future.

- In particular information on our corporate activities, projects and the cooperation with customer groups has to be treated strictly confidential. Information related to projects must not be communicated to unauthorized third parties, such as customers, suppliers, colleagues, family members, friends, etc.
- The publication and/or the unlawful use of confidential or secret information, including customer and supplier information, is prohibited.
- We take appropriate precautions for the protection of this information and strictly adhere to the laws and regulations applicable in the respective countries.
- This responsibility still persists after the termination of the employment contract.

Handling of knowledge and information

Advantages in competition can only be ensured by smooth dealing with knowledge and information within the corporation. Our employees are obliged to assure a quick and reliable exchange of information within the corporation. Knowledge relevant for the employment must not be unrightfully withheld, distorted or forwarded selectively.

- Information is to be forwarded correctly and completely to other departments, as far as there are no priority interests (for example secrecy) in exceptional cases.

Need-to-know principle

Information is only to be forwarded to persons with a legitimate interest. Information which is not important for individual employees should not be attached for information in e-mail correspondence.

- Only relevant information is forwarded according to the principle "Know who needs to know what".

One-voice policy

Only authorized persons are entitled to provide information concerning the Mühlbauer Group or its subsidiaries to the public, the media or other third parties. It is important that this is exclusively carried out in the mandated form and with approved content. External requests must be answered only by the responsible departments.

- Requests for information and information output have to be forwarded to the department corporate communications or the marketing department.

Protection of our knowledge and respect of industrial property rights

Both industrial property rights such as patents, copyrights and trademark rights and inventions and other know-how are of special importance for the future success of the Mühlbauer Group. As a result of the expansion of the product portfolio, the risk of violating industrial property rights of third parties and coming into conflict with owners of the property rights is increasing. Due to the rising number of applications of property rights in the product areas, Mühlbauer pays attention to the topic Intellectual Property and tries to avoid risks.

- No employee is allowed to pass on new findings or business secrets in any form to third parties. Business documents and storage media generally have to be protected from access by unauthorized persons.

Data protection

Data protection is an important aspect of our corporate policy. The Federal Data Protection Act protects everybody from the impairment of his/her right of privacy due to the dealing with his/her personal data.

- It is only allowed to collect, process or use personal data to the extent necessary for explicit and legitimate purposes.
- The use of the data must be transparent for those concerned; and the rights of the latter must be safeguarded with regard to information and correction and, if applicable, to objection, blocking, and deletion.

Integrity in competition

The basic idea of the competition and the legitimate aim of every corporation is being successful, exceeding other competitors and being the market leader or price setter in its field. On the way to the achievement of the aim, national and international regulations must be adhered to.

For this reason, the business connections of the Mühlbauer Group are based on honesty, confidence and commitment.

- We are committed to fair dealing with our competitors and support free and undistorted competition, both on a national and international level.
- Our employees are not allowed to involve in unlawful and/or criminally relevant practices which exclude, restrict or distort competition.
- Employees are in particular not allowed to hold talks with competitors which include prices, capacities or other competition-relevant topics. We call for adherence to the antitrust law.

If these rules are not adhered to, competition law offences can result in considerable risks. There is a threat of invalidity of agreements, fines, exclusion from public contracts, criminal sanctions and loss of image. The acting employees may be exposed to the consequences ranging as far as term of imprisonment.

Acceptance and offer of advantages

In connection with business activities of any kind, employees are not allowed to give undue advantages to business partners, their employees or other third parties. This can be assumed when type and scope of the advantage are suitable for undue influence on actions and decisions of the recipient.

- The acceptance or offer of advantages must be in line with the legal regulations and comply with the general common business practices.
- Special care has to be applied to contact with office bearers and members of parliaments.
- The advantage must not be offered in connection with an initiation, award and handling of an order and it must be an advantage which is considered as juridical unhesitating.

Commitment to tolerance, fairness and equal opportunities

Equal opportunities are an important element of our corporate policy. Therefore, we support diversity and tolerance with the aim to achieve maximum productivity, creativity and efficiency.

The diversity of our employees as well as an appreciative attitude and way of dealing are elementary for our success.

- Our respect is the same for all employees - regardless of ethical origin, race, sex, religion, ideology, disability, age or sexual identity.
- We expect our employees to contribute to a positive working atmosphere by the interaction with each other. The opportunity to get to know other cultures and ways of thinking in cooperation is an enrichment for all employees.
- As globally acting corporation we meet our customers, colleagues and business partners in a fair and open way and with understanding and tolerance. This behavior results in a fair and respectful interaction with customers and other external persons who have a business relation with the corporation.

Principle of sustainability

Personnel development

The success of the Mühlbauer Group is based on the know-how, experience and commitment of every employee. For this reason, we increasingly invest in the qualification and expansion of competence of our employees.

Besides the large proportion of trainees, the corporation offers its employees numerous education opportunities and tailor-made qualification measures. Every instrument of further training which creates added value for the employees and the corporation is expressly desired. Only in this way can we guarantee competence and progress in all areas in the future.

- We expect our employees to improve their intercultural competence and to acquire more advanced - state-of-the-art - qualification.

Work and health protection

The Mühlbauer Group takes required measures for the creation of attractive and ideal working conditions in order to avoid accidents and damages to health which may arise in connection with the employment and to ensure a safe and healthy working environment. It is an important task for us to guarantee the safety and health at the workplace. Our internal fitness studio also ensures that these requirements are met.

- Employees are required to apply all safety instructions at the workplace. Please take special care when dealing with safety hazards.
- Employees are obliged to report violations of these principles immediately to the responsible departments in the corporation.

Environmental protection

The protection of nature and environment is an integral element of our corporate policy. It is a matter of course for us to reconcile our economic success with the needs of the environment and the society by sustainable activity. Only the responsible use of existing resources ensures the sustainable basis for a positive development of the corporation. Every employee is required to work towards this.

- We are committed to the principle of sustainability and take our responsibility to guarantee the protection and the preservation of natural resources.
- We expect and support environmentally conscious actions by our employees. This especially applies to the deployment and development of new product and manufacturing technologies which protect natural resources, enable recycling, reduce environmental pollution as far as possible and preserve the natural environment.
- We consider the long-term consequences of our corporate activity and aim our decisions at the needs of future generations.

Transparent (financial) reporting

It is important for proper business methods that the accounts and receipts correctly and transparently represent all business transactions.

- Employees who are responsible for creating and transferring information of the corporation internally or externally are supposed to make these documents fully, correctly, openly, precisely, punctually and comprehensibly available.
- We forbid any attempt of unrightful exertion of influence on auditors and accountants and/or their deception in connection with our financial reports, procedures or examinations.

Equal opportunities in security trading

The Mühlbauer Group makes sure that information regarding the share price (insider information) is immediately made available to all share holders according to the legal general framework via generally available media.

- Insider information has to be treated confidential until its publication.

Once there is knowledge of important insider information, the acquisition and sale of publicly traded securities of the corporation or one of its business partners or the disclosure of such information to third parties is a violation of applicable laws.

Separation of corporate and private interest

We expect our employees to be loyal towards the Mühlbauer Group and consider it important that they are not involved in conflicts of interests or loyalty in their official activity.¹

- The employees are committed to separate private interests from those of the Mühlbauer Group.
- Private business and financial transactions which are contrary to the interests of the Mühlbauer Group or which could influence the employees' decisions and actions for the corporation are to be omitted.
- Our employees are not allowed to compete with the corporation during their employment at Mühlbauer.

Product liability

Highest quality and constant quality improvement are essential elements for growth and corporate success. We are responsible for the fulfillment of our customers' expectations and the constant improvement of the quality of Mühlbauer products and services.

Repetitive complaints can cause permanent damage to the Mühlbauer image and thus involve high costs for warranty as well as considerable impact on follow-up business.

¹ Detailed information on topics such as the private use of electronic communication devices, dealing with company property and additional business can be found in the work regulations of the Mühlbauer Group.

Compliance with foreign trade law

The foreign trade law covers the implementation of economic activities abroad and is of special importance for the Mühlbauer Group. The adherence to these regulations is very important for our success.

- Therefore, we respect all laws and guidelines with regard to the import and export of our products. This includes import and export restrictions, licensing requirements, customs regulations, anti-boycott legislation as well as comparable legal provisions.

Violations of the extensive export regulations can result from non-compliance of applicable rules (e.g. individual notification obligation for export to diverse countries, cooperation with listed persons, organizations and institutions as well as dispatch of goods on the export list) but also from a lack of knowledge about the existence of such regulations.

The consequences of such violations comprise significant fines and the entry into the commercial central register or the negative mention of the corporation in the public media. Violations of export regulations may also have negative consequences in the placing of orders in the area of government and government-related projects, as these violations damage the image and/or can be exploited by competitors.

Corporation and society

Voluntary commitment

The Mühlbauer Group welcomes voluntary commitment of its employees in associations, parties or other societal, political or social institutions. However, this commitment must not affect employment obligations towards the Mühlbauer Group.

Public appearance

All employees are aware that they represent the corporation by their behavior and thus shape its external reputation and internal culture.

The right to freedom of expression is generally applied to public statements of employees of the Mühlbauer Group. However, employees have to make sure that their private expressions of opinion do not damage the image of the Mühlbauer Group and that they do not refer to a function in the corporation.

Donations and sponsorship

The Mühlbauer Group attaches great importance to assuming social responsibility in society. Therefore, we are active in numerous national and international projects and welcome a participation of our employees in (corporate) charity events.

The establishment of the Mühlbauer foundation and the regular Mühlbauer run reflect the assumption of responsibility and the corporate commitment of the Mühlbauer Group.

- All donations are in line with current legislation.
- Company donations must always be transparent.
- The recipient of the donation and the concrete use by the recipient must be known and comprehensible.
- Donations to individual persons, private accounts and persons or organizations which could cause damage to the reputation of the Mühlbauer Group are not granted.

Adherence to the compliance rules

The rules included in this guideline are an elementary component of our corporate culture and are obligatory for all employees of the Mühlbauer Group.

The task of all executives is to make sure that all employees are aware of these conduct guidelines and are able to adhere to them in practice, whereas employees in the corporation must not have a disadvantage due to the compliance with the ethical principles.

Conscious misconduct and sustained violation of the conduct guidelines, values and obligations as well as legal requirements will not be tolerated and penalized accordingly. This may result in disciplinary actions, dismissal or other legal action.

If you notice that our code of conduct is violated or if you have a suspicion thereof, you immediately have to inform your superior or report the suspicion via the internal ad-hoc reporting ("Ad-hoc message"). In case of elements of a crime which seem to be ranging within our guidelines, but about which you feel uncertain or have reservations, ask your superior's advice before acting. As a member of our team, we entrust you with our reputation and thank you for your cooperation as well as your support for our common values and principles.

**"Always have respect for yourself,
respect for others
and take on responsibility
for your actions."**



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