



Code of Conduct – Our mission and values

RA/ Eberhard Walter

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Dealing with our business partners, employees, shareholders and the public is shaped by expertise, fairness and a great sense of responsibility.

This basic statement is part of our company's Code of Conduct and the overriding basis for our behaviour. Our strategic forward thinking and planning as well as our day-to-day business decisions are based on the highest regulatory and ethical standards as well as we have to allow for the highest value standards.

The public image of our company is substantially impacted by the appearance, the acting and the behaviour of each individual from all our ranks. Every one of us is jointly responsible that we - as a company - cope worldwide with the global social responsibility.

This Code of Conduct shall help to accomplish the challenges of our day-to-day business.

This Code of Conduct shall be binding for every employee of the Stahl Group worldwide.

Code of Conduct – Our self-conception

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A. Basic behaviour principles

A 1. Law binding Behaviour

The abidance by the law is the highest order of business for our company. Every employee has to be aware of the legal system he / she is doing business in.

By organisational measures (e.g. compliance of the code of conduct, four-eye principle, reporting system) we want to avoid any contraventions. As far as in this code of conduct we talk about "Employees" and "Managers", all these terms include the under company law legally responsible functions (e.g. Managing Director and the Members of the Management Board).

A 2. Responsibility for the Reputation of R. STAHL

The public image of R. STAHL is substantially affected by the appearance, the acting and the behaviour of each individual from our ranks. Wrong or improper behaviour of just one employee (e.g. violation against the respective moral conceptions) can already considerably damage the company reputation. If required the company has to render assistance in conveying of cultural customs and conventions

Every employee is required to hold the image of R. STAHL with regard to these standards as well as to prevent the image within the society.

The fulfilment of all company duties has to be done under this focus.

A 3. Respect, Reliability and Sincerity as a value measure

We are open-minded and honest, stick to our responsibility and are reliable business partners.

We neither discriminate nor tolerate discriminations and sexual or other personal harassment or the first step to such attitudes.

We respect the personal dignity, the privacy and the personal rights of each single person.

As a matter of course we work together with people of different genders and ages, different ethnics and colours, cultures, religions and sexual identity, with retarded and non-retarded persons.

These principles do not only apply for the internal business relationships but also for the business relationships with external partners.

A 4. Direction, Responsibility and oversight

Every manager is responsible for his employees. We expect from every executive exceptional comportment, performance, openness and social competence. The executive leads by confidence and concedes the employee as



much personal responsibility and independence as possible. Furthermore the executive is available for the employees to listen to their job-related and personal problems and sorrows.

A 5. Consequences on violation

Employees violating against legal and contractual obligations have to reckon with sanctions by the company. These apply by the principles of equal treatment, commensurability and adequacy. A catalogue of echeloned sanctions exists which ranges from the common warning up to the termination of the employment contract. In addition, compensation for losses suffered and the legal check for criminal prosecution might be initiated for specific cases.

B. Dealing with our business partners and third parties

B 1. Consideration of the anti-trust law

Only the open competition is entitled to develop itself freely. R. Stahl avows itself without reservation to open competition and fair development of contracts with its partners.

The principle of sincerity and reliability also applies for the pursuit of market shares.

Every Employee is obligated to comply with the principles of open competition.

Occasionally the anti-trust law evaluation can be difficult. However there exist behaviours, which are likely to be seen as a violation of anti-trust law:

Employees should for example not hold any conversations with competitors about anticompetitive arrangements like fixing prices or production capacities.

In the same way illegal are arrangements with competitors about the abdication of competition, the submitting of sham offers within tenders or about the partitioning of clients, areas or the product ranges.

With our customers, employees shall not take influence on the trade prices or try to enforce a ban on ex- or imports.

Governmental trade restrictions (e.g. embargo on exports) have to be complied with and shall not be circumvented.

B 2. Offering and granting of benefits

We contend for trade contracts with the quality and the price of our innovative products and with our service.

No employee shall provide or award directly or indirectly, neither in a monetary nor in any other way, to his trade partners any unjustified selective favourable treatment in conjunction with business activities.



Presents for our business associates have to be chosen in a way that the receiver does not get any impression of improbity and obliqueness.

In conjunction with government officials and other legal bodies any form of incentives or gifts are not allowed, including an initial offer of these benefits.

Employees closing contracts with consultants, intermediaries, agencies or other comparable parties shall also take into account that also these 3rd parties do not provide or award unjustified benefits.

In case of watching such behaviour at other parties, the principle applies, that this is not automatically a justification for one's own inappropriate behaviour in the name of R. STAHL.

B 3. Demand and Acceptance of benefits

No employee is allowed to use its own function in order to either demand or secure or agree to any personal benefits. This shall not apply for the acceptance of occasional low-value presents.

Potential tax regulations for the value acceptance level of gifts are to be considered. All other presents have to be rejected or to be returned.

B 4. Particular principles for contract placing

All our trade partners can expect, that all their bids for offers shall be proven in a fair way according to market conditions, without any bias. Employees involved in contract negotiations and closing shall allow the following principles in particular:

- Every personal *conflict of interest* on the part of the employee, which could be associated with its professional duties and responsibilities, shall be reported to its executive. Contract awards to companies whose contact person are in a close relationship to STAHL employees or are their marriage or life partner need the specific approval by the executive GP or the Company management.
- Suppliers shall not be treated unfair in any way within the general competition for orders or contracts.
- Invitations from business partners shall only be accepted if the occasion and the scale are appropriate to the invitation and in the case where a refusal of the invitation would be impolite. As a matter of principle, a business lunch / dinner during or at the end of business meetings with external partners are allowed.
- Presents from business partners have to be rejected or to be returned, unless they are occasional low-value presents, e.g. at a value below set tax standards.
- No employee shall execute private orders with companies, with whom she / he has business contact, in particular for the case that she / he draws benefits by this. This applies in particular, if the employee can influence directly or indirectly the contract awards of the R. STAHL AG or one of its group companies.



B 5. Donations

R. STAHL grants monetary donations and donations in kind for education, culture and science as well as for welfare institutions. Donation wishes are frequently made by different organisations to our companies. As a basic principle the donations have to be approved by the R. STAHL AG management board.

C. Prevention of conflict of interests

The company emphasises that the employees shall not come in any conflict of interest or loyalty fulfilling their job duties. These conflicts can occur when an employee also works for another company or holds shares in another company

Therefore the following principles apply:

C 1. Non-competition clause

The operation of companies which compete in any way with the R. STAHL Inc. or with its group companies is not allowed.

C 2. Investment in non-listed Companies

The direct or indirect shareholding (by shares or other investments) in companies which are in any way in direct competition with R. STAHL Inc. or with its group companies is not allowed. "Direct" means the investment in shares or other direct investments in companies of the market competition. "Indirect" means the investment in companies which hold on their part shares in a competitor of R. STAHL.

A written authorization is needed for the following investments:

- In companies, which are business partners of R. STAHL Inc. or R. STAHL group companies.
- In companies of which R. STAHL Inc. holds direct or indirect more than 20% of the voting rights.
- In companies where direct or indirect funds / assets are provided by R. STAHL Inc.

The authorization is given by the management board and documented in the personnel file.

The buying of stocks of other companies, including shares of publicly traded companies, is no subject to restrictions.



C 3. Dependants

The human resource department shall be notified in writing by the employee if she / he is aware of any interest of a close dependant in a competing firm or one of the above described companies. This information shall be documented in the employee's personnel records.

C 4. Secondary employment

Any secondary paid employment has to be communicated in writing to the respective supervisor. This secondary employment can be forbidden in case of interferences on the job performance or responsibilities or in case of conflicts of interest.

Occasional newspapers writing assignments, speeches or presentations or any comparable occasional employments are exempted.

D. Dealing with Company assets / equipment

Solely the use of legal and accordingly acquired work equipment (e.g. only licensed software) is allowed.

The assets and the equipment in the offices and factories (e.g. telephone, copy machine, PCs including software and the internet/intranet, machines, tools) shall only be used for business purposes.

Exemptions are individually granted by the IT computer and/or the human resource department, where certain specific cases may also be subject of individual company- or works council agreements.

In any case, information concerning racial hatred, glorification of violence, religious fanaticism or any other offences , or which have also content which can be seen as sexual harassment for each culture, may not be posted in or downloaded from the Internet as well as not to be passed on in any way inside the company.

E. Dealing with Information

E 1. Secrecy

All information concerning the official business status, which is not announced to the public, has to be treated confidential with the utmost discretion.

These include details concerning the companies' organisation and its equipment as well as its payment structure, production setup, research and development process and the financial data from the internal management accounting reports.

Although information from the notice board as well as from any employee meeting is not subject to the obligation of secrecy, they are in general not designed for the public use or the use by any other 3rd party.

The principle of the obligation of secrecy does also apply after the termination of the employment contract.



E 2. Insider rules

Employees may buy and/or sell shares of R. STAHL Aktiengesellschaft.

But persons who have insider information in regard to R. STAHL Aktiengesellschaft or another company of R. STAHL Group must not use their knowledge to deal in R. STAHL shares or other financial instruments of R. STAHL Aktiengesellschaft for their own account or for the account of a third party. The same applies to dealings with financial instruments of other issuers, in case employees gained access to insider information about these other issuers (e.g. on the occasion of a transaction). Insider information is defined as non-published precise information which a reasonable investor would be likely to use as part of the basis of his investment decisions.

R. STAHL Aktiengesellschaft is obligated to register all persons who have access to insider information and are thus so-called "insiders". The insiders are informed by the company in writing and they are placed under the obligation to abide by the statutory duties.

Management personnel in terms of the Market Abuse Directive, Article 3 (1) (25) are not allowed to deal in R. STAHL shares or other financial instruments of R. STAHL Aktiengesellschaft and/or make recommendations on this matter during a period of 30 calendar days before an interim report or an annual report of R. STAHL Aktiengesellschaft is published. This trade ban also applies to the employees of R. STAHL Group who, due to their work or function, have access to the yet undisclosed business results of R. STAHL Aktiengesellschaft and R. STAHL Group.

Insider information must not be passed on to persons outside the R. STAHL Group (e.g. to journalists, financial analysts, R. STAHL shareholders, customers, consultants, family members or friends). Disclosure of insider information within the R. STAHL Group is only permitted when the recipient really needs the information for his or her work. Furthermore, it always has to be made sure that insider information is kept under lock and key in such a way that unauthorised persons may not gain access.

Persons having insider information must not give any investment advice in regard to insider dealings to third parties.

Furthermore, it has to be kept in mind that a violation of the insider rules may lead to criminal and administrative sanctions and to an obligation to pay damages.

F. Environment, Safety and Health

F 1. Environmental and technical security, health protection

The environmental protection and the saving of resources are environmental targets of high importance. Already during the development of our products the eco-friendly design, the technical security and the health protection are major target goals

Every employee shall support these goals by its behaviour in its working environment.



F 2. Safety-on-the-Job

The responsibility for our employees demands the best possible protection against the risk of accident. This applies not only for the technical design of the working place, the equipment and the processes but also for the security management and the personal behaviour during the everyday working life. The working place shall be in accordance with a health-orientated design.

Every employee is required to pay the highest attention to the safety all the time.

G. Complaints and manifestations

Every employee may state its personal grievance or point out circumstances which may be a violation of the code of conduct to the management board, its executive, the human resource director or their assistants, the central compliance officer or to the internal works council.

All matters will be carefully investigated and analyzed thoroughgoing. All appropriate action needed will be taken. All documents will be kept confidential.

No handicaps for the employee shall emerge from its right of complain.

By means of this code of conduct every one of us is appealed for the review of its behaviour and to awaken to the areas where improvement to the code of conduct is possible.

Every executive shall organise its area in such way that advises of violations of the code or laws can reach him any time. Employees shall be able to contact actively their supervisors or executives. Supervisors or executives shall also perform regular controls based on their own initiative and keep the lines of communication with the employees open.

H. Final remark

The above written principles shall be observed and always be integrated in the ongoing corporate culture. Their observing is based on the required aesthesia for the legal limits and standards of one's own action and the willingness to measure this action against these standards.

Waldenburg, July 2016

Executive Board of R. STAHL AG