



Compliance Guideline

| Mahr – Group

Mahr

Compliance Guideline

Since it was founded more than 150 years ago, our entrepreneurial actions have been determined by responsibility, fairness, quality and integrity. These values are also reflected in our corporate guidelines.

THIS IS PRECISELY WHAT MAKES US STRONG.

With the Compliance Guideline we want to ensure that all employees of the Mahr Group comply with applicable laws and ethical principles at all times during their daily work.

In order to protect employees as well as all, who maintain business relationships with the Mahr Group, against corruption and the thus associated consequences, we have summarized the most important principles in this respect in this guideline.



We know that integrity must be an essential principle of our entrepreneurial actions. By complying with laws, guidelines and agreements, we contribute to the pre-requisites for a responsible economy and society that is fit for the future.

Göttingen, March 1st 2017
Mahr – Group

Stephan Gais, CEO

Compliance and anti-corruption guideline

This guideline is to be understood for our employees as an instruction for the law-abiding and ethical conduct during the daily work and additionally also serves as a sign for all, who maintain business relationships with Mahr, for open communication and the dealing on a partnership basis, which we see as one of the basis of our business activity.

THE COMPLIANCE GUIDELINE OF THE MAHR GROUP IS BINDING FOR ALL EMPLOYEES WORLDWIDE.

The maximum priority in our daily working routine is the principle of the law-abiding conduct. This shall also include all actions, which could give the appearance that it concerns an unlawful influence of business relationships such as the giving and acceptance of benefits, etc. Corruption is not a trivial offence and therefore always has consequences under criminal law.

Our employees principally assume the responsibility for their behavior themselves. Private interests are to be clearly separated from those of the company in order to not arouse the suspicion of the giving and acceptance of benefits.



1. Donations and concessions

Standard regulations for concessions within the framework of donations, sponsoring and memberships as well as for other concessions without a consideration are valid at Mahr:

- Monetary gifts from or for business partners are strictly forbidden.
- Donations and other concessions to political or religious associations are not permitted.
- Concessions, which would grant Mahr an unreasonable competitive edge, may not be carried out.
- All carried out concessions principally require the prior and exclusive approval by the management (overseas the head of location).
- Should the management or head of location approve concessions then the identity of the recipient and the planned muse must be made transparent and the goals of the recipients of concessions of our company must be compatible with the values of Mahr.

2. Invitations and gifts

Invitations and gifts are legitimate and customary practice in the daily business routine. Certain limits may not be exceeded hereby. The following rules apply at Mahr for all executives and employees in this respect:

- Monetary gifts are principally forbidden.
- Other concessions must always be recognizable externally and be verifiable; may thus only be granted and accepted in a transparent manner.



- Donations, sponsoring and other concessions may neither be offered, nor accepted as a consideration for an unlawful benefit.
- Should an attempt be made at bribery, the employee undertakes to report this to the superior immediately.

Therefore, it is essential to adhere to the following value limits:

- Invitation to /from business partner(s) = EUR 100
- Invitation to office holders = EUR 35
- Gifts to/from business partner(s) = EUR 50
- Gifts to office holders = typical giveaways of a low value

The valuation must actively be carried out by the employee, who accepted the invitation or gifts, and are reported to the superior(s) if the aforementioned value limits are exceeded.

Should stricter/lower value limits be stipulated by law in one country, these are to be adhered to.

Concessions to office holders must always be examined and approved by the management in advance at the respective location with regard to the compatibility with the respective regional and local applicable guidelines.

Other concessions which require approval, (e.g. invitations to events, other gifts, benefits, etc.), must be approved by the management of the company headquarters (Headquarter Göttingen) in advance.



3. Business partners

This guideline should serve to sensitize employees to show possible conflicts of interest and at the same time present what is permitted in the handling of business partners from a legal and company-based point of view.

Sectors within the Mahr Group are to be seen as particularly in danger of corruption, in which orders are awarded and/or contracts are concluded. For the event that business contacts could be result in the risk of a conflict of interest between official activities and private activities it is absolutely essential to establish full transparency in this respect.

Should employees, their common-law-spouses and/or their family members (up to and including of the third degree) have participations in customers, suppliers, competitors or other business partners and/or draw personal, family benefits from business relationships, the management of the company headquarters (Headquarter Göttingen) must be informed hereof in writing.

4. Suppliers and service providers

Mahr expects from its suppliers and service providers to adhere to the current legal and ethical conditions, in particular complying with competition and cartel law and in any case, refrain from exerting any influence on official decisions of the employees of Mahr by means of concessions or other benefits.

Suppliers and service provider are also required to pay attention to Compliance Guidelines – albeit own principles or the Mahr Guideline – and within the framework of the cooperation to inform the management of suspicious facts for a possible corruption case.



International agreements

Mahr principally expects from all employees the compliance with the applicable laws. At the same time Mahr obligates all employees to orientate their actions according to the following guidelines:

- General declaration of UNO regarding human rights (1948)
- European Convention for the Protection of Human Rights (1950)
- Declaration of principle of ILO concerning multinational companies (1977)
- ILO declaration for fundamental principles and rights during work (1998)
- OECD guiding principles for multinational companies (2000)
- Agenda 21 of the UN for sustainable development (1992)
- UN Convention against corruption (2005)
- Paris Agreement of the UN regarding climate protection (2015)

We also expect the consideration of and compliance with the applicable laws and the aforementioned guidelines from our business partners.



Possible measures and sanctions

The compliance with this Compliance Guideline is essential for all employees.

In case of conduct in breach of Compliance, each employee – irrespective of and in addition to possible consequences under criminal law – has to expect disciplinary consequences owing to the breach of his/her obligations under the employment contract. Depending on the type and severity of the misconduct there may be measures under labor law until the extraordinary termination. In addition, the company reserves the right to assert claims for damages.



With all questions, uncertainties, need for clarification,
the Human Resources department and the Controlling of the company
headquarters in Göttingen are your contact.

Mahr