

CHG-MERIDIAN

CODE OF CONDUCT

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FOREWORD

This code of conduct sets out the core principles of our corporate culture and is applicable not only to our Board of Management, our managers, and our employees but also to our customers, suppliers, and other business partners (hereinafter referred to collectively as 'business partners'). The code of conduct intends to provide guidance and to help prevent misconduct and create a common understanding among all employees of the company's values. The code of conduct is the basis for the success of our business and will continue to guide us in making the right decisions in the future. We also expect our business partners to act and conduct business in accordance with similar principles. The requirements of conduct described here are mandatory for all employees of the CHG-MERIDIAN Group.



Dr. Mathias Wagner, Chairman of the Board of Management, CHG-MERIDIAN AG

Weingarten, January 2023

Dr. Mathias Wagner

A blue ink signature of Dr. Mathias Wagner.

Oliver Schorer

A blue ink signature of Oliver Schorer.

Ulrich Bergmann

A blue ink signature of Ulrich Bergmann.

Daniel Welzer

A blue ink signature of Daniel Welzer.

“Compliance is a top management priority for us! We show zero tolerance towards corruption, violations of the principles of fair competition and other breaches of the law – where these do occur, we take swift action.”

Dr. Mathias Wagner
Chairman of the Board of Management, CHG-MERIDIAN AG

VALUES ARE THE FOUNDATION OF EVERY CORPORATE CULTURE.

How should we interact with each other? What are the characteristics that define us? What do we expect from our business partners? Values as orientation for the right cooperation are the foundation of every corporate culture. With this in mind, CHG-MERIDIAN has defined six core values and assigned them to the contents of the Code of Conduct, among other things. Passion. Trust. Respect. Customer focus. Ownership. Integrity.

All six values stand for a common understanding of how we treat each other, what is important to us and what we expect from our business partners.



Passion



Trust



Respect



Customer orientation



Ownership



Integrity

OUR ROLE

AS A MEMBER OF SOCIETY

LEGAL COMPLIANCE AND INTEGRITY



We consider it self-evident that the laws and official regulations in force in each of the markets in which we operate must be respected and obeyed. Every employee is responsible for ensuring that legal and official requirements – as well as internal policies – are fulfilled.

Integrity is more important than ever and an expression of a global shift in values. It is a prerequisite for a company's existence and also an end in itself. The idea is to show a level of responsibility and value-driven conduct that is focused on more than just commercial goals. Our employees act professionally and with integrity. For us, behaving with integrity means not only complying with the law but also treating our business partners fairly.

HUMAN RIGHTS



The UN's Universal Declaration of Human Rights and the European Convention for the Protection of Human Rights and Fundamental Freedoms set forth the requirements and expectations of the international community with regard to the respect and observance of human rights. We recognize, protect, and promote the rules put in place around the world to protect the rights of people and children (hereinafter 'human rights') as fundamental and universally applicable rules. As a member of the UN Global Compact, we comply with the core principles of the International Labor Organization (ILO). We reject any use of child labor, forced labor, or compulsory labor as well as any form of modern slavery or human trafficking. This applies both to the relationships we maintain within our company and to the conduct of our business partners and our conduct toward them.

PAY AND WORKING HOURS



The CHG-MERIDIAN Group always ensures that its employees receive an appropriate level of pay that is at least in line with the minimum wage in the country where they work. We observe the principle of equal pay for equal work. For example, we do not discriminate on the basis of gender. We also abide with the ILO-principles as well as country-specific laws on maximum working hours and relevant social and labor law requirements.

EQUAL OPPORTUNITIES AND EQUAL TREATMENT



Respect, trust, and tolerance define the way we treat one another. We communicate openly and honestly with each other. We consider employee diversity to be a benefit and signed the Charta of Diversity. We show all employees understanding, appreciation and respect regardless of their ethical origin & nationality, age, gender & gender identity, religion and belief, sexual orientation, social background and physical and mental ability. This includes always making an effort to learn about other people's points of view and needs and to try to understand these. All our employees have the right to strive for prosperity and personal development under equal conditions. We prohibit all forms of discrimination in accordance with the law.

EMPLOYEE RIGHTS AND FREEDOM OF ASSOCIATION



We recognize the basic right of employees to form employee representative bodies, to hold peaceful assemblies, to join labor unions and to bargain collectively. We commit to working with employee representatives openly and in a spirit of partnership, engaging in constructive and cooperative dialog with them, and striving to achieve a fair balance of interests. Dealing professionally with employee representatives in a way that allows neither preference nor prejudice is an integral element of our corporate culture.

PRODUCT CONFORMITY AND SAFETY



In our areas of responsibility, we ensure that our products, services, and industry solutions are safe and always comply with requirements in our respective countries for their safety, approval, marketing, and use. We keep our technical promises. If we become aware of any quality, safety, or other conformity defects in our areas of responsibility, or if there are any indications of such defects, we will follow up and report them.

SUSTAINABILITY



We would like our commercial contributions to make a positive impact to sustainable development. For this reason, we integrate aspects of sustainability into our operational procedures and include them in our business decisions. Following the significance of sustainability, we try to weigh up the environmental, social, and governance impact of our actions and reconcile these to the best of our ability. Wherever possible, we incorporate our self-defined role as a responsible company into the general parameters of our business. Specific areas that this covers include environmental protection, sustainable procurement, human rights, labor law, and business ethics.

ENVIRONMENTAL PROTECTION



We believe that as a business we have a responsibility to make our products, sites, and services as sustainable, and therefore as environmentally compatible, as possible. We use advanced, efficient, and eco-friendly technologies and put them to use throughout the lifecycle of our products. In logistics and production too, we ensure that we conserve natural resources, continually reduce our environmental impacts, and comply with environmental laws and regulations. We also regularly assess the environmental compatibility of our products and manufacturing processes, which is one reason why we remain independent from specific manufacturers.

COMMUNICATIONS AND MARKETING



In order to build and maintain trust among our customers, investors, and stakeholders, we make sure that our communications are uniform, transparent, and clear. We also apply the same standards to our internal media channels. All communications activities are managed and implemented by the relevant communications and marketing department. The sharing of information with external contacts such as press representatives and press offices must also be carried out only by designated, suitably qualified colleagues from these departments.

POLITICAL LOBBYING



Politics and law-making have an impact on the economic environment in which our business operates. CHG-MERIDIAN is able to exert influence on specific areas of policy through its activities in committees and trade associations (e.g. by engaging in consultations or publishing statements of position). We are aware of the position that our company enjoys and we contribute to the political lobbying process accordingly. We expressly distance ourselves from any improper forms of influence. For this reason, we do not sponsor, give gifts, or make facilitation payments, donations, or other politically motivated contributions.



CONFLICTS OF INTEREST



We respect the personal interests and private lives of our employees and co-workers. Nevertheless, we believe it is important to avoid conflicts between private and business interests or even the appearance of such a conflict. We make our decisions solely on the basis of objective criteria and do not allow ourselves to be influenced by personal interests and relationships. When recruiting for management roles and other key functions, we take particular care to identify any potential conflicts of interest.

A smiling woman with dark hair, wearing a light blue sleeveless top and a necklace, is shaking hands with a man in a white shirt. The background is blurred, showing other people in a business setting. A network graphic of white lines and dots is overlaid on the right side of the image.

CHG

OUR ROLE

AS A BUSINESS PARTNER

PREVENTING CORRUPTION



We seek to conduct our business ethically and efficiently and we are constantly working on improving our business processes. For this reason, we support all internal and external activities aimed at the prevention of bribery and corruption. This includes, but is not limited to, compliance with the US Foreign Corrupt Practices Act and the UK Bribery Act.

Corruption is the misuse of power for private or commercial gain. It can manifest in many forms and at various levels and runs the gamut from petty to grand. When people hear the term corruption, they often think of bribery, but it can also include acts such as fraud, embezzlement, favoritism, and nepotism.

We adopt rigorous measures to combat attempted bribery and corruption, regardless of whether they involve our business partners or our own employees. Every offer or commitment we make must comply with the laws in force, and any appearance of dishonesty or impropriety must be avoided. In addition, no payments may be made if they could be interpreted as attempts to influence a public official or corporate decision maker or to bribe a business partner for commercial or personal gain.



GIFTS



In many cultures, gifts and hospitality are important for developing and deepening business relationships. However, they may in some cases unreasonably influence the recipient's decision-making or at least create the appearance of improper influence. Our employees may not receive, request, or implicitly accept promises of any direct or indirect monetary contributions, gifts (except customary, low-value gifts to mark occasions), or other benefits or favors from persons with whom they have a business relationship. Contracts awarded by our customers and business partners may never be linked to payments or benefits in kind. Concessions agreed in the hope of receiving future business are prohibited. The purchase or acquisition of goods is permitted only at normal market prices and conditions. It is our policy to keep business and personal expenses separate. If a precise delineation of the two would prove too difficult, particularly where hospitality and contributions are concerned, the costs should be met out of personal expenditure.

Should there be any concern or doubt as to whether accepting or rejecting a gift could be misunderstood, our employees are instructed to contact a manager or the compliance officer to find a solution.

INDEPENDENCE AND COMPETITION



We seek to act independently at all times in our relationships with business partners. Consequently, our criteria for entering into business relationships with suppliers or other partners are solely objective and commercial. Recommendations and commercial or HR-related decisions made in the course of everyday business must not be influenced by personal interests or relationships or motivated by material benefits or benefits in kind. We endeavor to maintain cooperative relationships characterized by transparency with all competent authorities and public-sector clients, and we attach great importance to complying with the procedures required by law for public-sector procurement. Even in competitive environments, we ensure that we compete fairly and do not harm the reputation of other companies or institutions.

ANTITRUST LAW



Fair and free competition is protected by competition and antitrust laws. In particular, these laws make it illegal for companies operating in the same market to enter into agreements or otherwise collude in an attempt to prevent or restrict competition. We believe that any gain must be earned solely through the actions of the business itself and on the basis of market economy criteria and of free and unrestricted competition. We gladly measure our performance against that of our competitors and, in doing so, always adhere to the law and to ethical principles.

We do not enter into any anticompetitive agreements with other companies in our market or with suppliers or customers. In any contact with competitors, we make sure that no information is given or received that would allow conclusions to be drawn about current or future business practices. This includes information on prices, price setting, business planning, progress with development work, or lead times for delivery, and applies in particular to our activities within the Association of German Leasing Companies.

TAX



Our global activities and efforts to break into new markets require us to abide by a wide range of rules prescribed by foreign trade and tax law. Every employee is responsible for tax matters in the context of our business activities. It is the responsibility of everyone in the company, not just the tax department, to ensure that all transactions are recorded appropriately for tax purposes. When applying tax laws, or in the event of conflicting tax rules, we ensure that the taxable profit is consistent with the relevant economic and legal circumstances and our business models. We provide tax authorities with transparent information on our business activities in accordance with current regulations.

COMBATING CRIMINALITY



We aim to play our part as a company in working with the wider business community and the authorities to combat criminality. We never engage in transactions with sanctioned individuals or companies. To ensure that this remains the case, we refer to internationally recognized sanctions lists (e.g. OFAC, the UN, EU-CFSP, and SECO). We also aim to ensure that all methods of payment used within the CHG-MERIDIAN Group are transparent (e.g. no cash transactions).

REGULATION AND REGULATORY AUTHORITIES



In countries where our business model requires it, we act as a financial services provider with authorization from the local regulatory bodies. For this reason, we ensure that we respect and follow the applicable laws and regulations as a matter of course. Moreover, our policies governing specific areas of the law such as the prevention of money laundering, information security, and outsourcing management often go well beyond the generally applicable standards. Every manager and every employee are also responsible for applying these policies in their particular function and for their fulfilling their reporting obligations reliably and conscientiously.

PREVENTING MONEY LAUNDERING AND TERRORIST FINANCING



As an international company, we operate in a number of different countries, and we adhere to all local laws and regulations that are relevant to our business model. This includes laws and regulations governing trade and other sanctions, customs tariffs, import and export controls, money laundering, and the financing of terrorism. In meeting these requirements, we and our partners commit to the highest standards and duty of care without exception. Any business partner or any employee that discovers or suspects that CHG-MERIDIAN, a colleague, or a business partner has broken or intends to break the law is obliged to immediately contact the compliance officer, anti-money laundering officer, legal department, or a manager.

We use our regulatory rights and obligations to uncover criminal behavior. To guard against money laundering, we use a risk-based approach to verify the identity of customers, their beneficial owners, and their commercial backgrounds and to check that payments come from legitimate sources. If our employees have any suspicions, they are instructed to immediately inform the compliance officer, the anti-money laundering officer, or their managers. Where necessary, the CHG-MERIDIAN company that is obliged to report suspicious activity will do so to the competent supervisory body or law enforcement authorities.

EXPORT CONTROL AND CUSTOMS



It is essential that CHG-MERIDIAN, as a company that remarkets products around the world, complies with the export control and customs regulations applicable to domestic and international trade. We carefully ensure that the applicable customs and foreign trade rules, including regulations on supply chain security, are checked, implemented, and complied with when goods are traded or transported, services are provided, or other technical hardware or software is transferred. We also ensure that all applicable export control regulations (for example, export bans, sanctions, and embargos imposed by the European Union and the US) are checked and complied with in CHG-MERIDIAN's business activities, even outside the respective territories. We do not get involved in transactions when there are indications of infringements or unauthorized use of our products (dual-use or proliferation) and alert the relevant authorities if necessary.



DEALING WITH ELECTED REPRESENTATIVES AND PUBLIC OFFICIALS



Around the world, the CHG-MERIDIAN Group has to deal with governments and public officials because it participates in public tenders. The term 'public official' or 'member of the public sector' covers any person employed by or commissioned by a public body. This includes all government officials and employees of non-governmental institutions who are regarded as public officials in accordance with the applicable laws.

We always communicate openly and transparently and never try to improperly influence a public official, solicit special treatment, or pursue any other inappropriate objective. This applies to all government institutions and companies, regardless of whether they operate at international, national, regional, or municipal level. There are many laws that prescribe how companies should deal with governments and government institutions and how they can participate in the political process. These laws may vary from place to place, but we always ensure that we comply with them. Breaches of these laws could seriously damage the reputation of the CHG-MERIDIAN Group and have severe consequences for its ability to carry out its business activities.

PROCUREMENT AND OUTSOURCING



By carefully selecting our suppliers and business partners, we protect the interests of our customers and meet our regulatory requirements and our requirements in terms of sustainability. Within the supply chain, we expect the same standard of compliance and conduct in accordance with applicable laws and regulations. We maintain business relationships only with reputable partners that obey the law. Sustainability is a core element of our system of supplier management. Where necessary when making outsourcing decisions, we use a process of risk analysis to confirm whether the activities to be outsourced are critical or essential to us.

OUR ROLE

IN THE WORKPLACE

HEALTH AND SAFETY



The health of our employees is extremely important to us. Our top priority is to protect them and prevent them from harm. Because we want to offer our employees a safe working environment, we comply with all laws, regulations, and standards pertaining to health and safety at work.

The approach taken by the CHG-MERIDIAN Group is intended to protect and promote the health and wellbeing of all employees. It protects against the risk of accidents and offers a wide range of support to help maintain and promote physical and mental health.

Our employees adhere to safety requirements in their workplaces and avoid engaging in risky behavior. Designated safety officers are informed immediately of any safety incidents.

Before going on a company business trip, our employees and managers educate themselves about the security risks in the countries to which they are travelling and take steps to comply with prescribed security procedures and requirements.

TRANSPARENCY AND DATA PROTECTION



We guarantee our customers, employees and suppliers that we handle their data responsibly and maintain high standards of data protection. The use and erasure of data must be transparent and reliable for all involved. Critical processes and areas of the business are classified and equipped with an appropriate protection system consistent with the security requirements of the data being handled. Personal data may only be collected and stored if it is clearly necessary for operational purposes and in line with the applicable laws. Our data protection officer is on hand to provide assistance in any cases of doubt.

INFORMATION SECURITY



Information technology (IT), or the electronic processing of data, is now part and parcel of everyday business life. However, it also entails a number of risks related to the confidentiality, availability, and integrity of data. Specifically, this includes data being compromised by malware (virus attacks), the loss of data as a result of programming bugs, or the misuse of data (e.g. by hackers). We therefore pay particular attention to information security and comply with the applicable laws and regulatory requirements as well as international standards, contractual and best practice requirements applicable for us. In regards to our business partners, we treat sensitive information and personal data according to the same standards that we place on the protection of our own information.

HANDLING COMPANY ASSETS



All employees are under an obligation not to disclose to third parties any business secrets, correspondence, and contracts or the contents thereof. They must comply with these provisions indefinitely, including after their employment contract has ended. This applies, in particular, to any non-disclosure agreements (NDAs) that they have signed and to laws governing trade secrets.

CRISIS MANAGEMENT



As a responsible employer, it is our job to deal pre-emptively with the risks posed by a globally interconnected market and by increasingly complex threats such as cyber-attacks, long-term staff absences (pandemics), and natural disasters. For this reason, CHG-MERIDIAN operates a crisis management system that is based on international standards. It helps us to make appropriate preparations and to protect business processes and services from interruption. This business continuity plan helps us to guard against damage or loss that could jeopardize the existence of CHG-MERIDIAN or our business partners.

ACCOUNTING AND FINANCIAL REPORTING



As an international company, we are obliged to report accurately and truthfully to our stakeholders (e.g. shareholders, funding partners) and to tax authorities, regulators, and other public bodies. This requires us to follow specific laws, regulations, standards, and practices. Our accounts and records are prepared on time and in accordance with the applicable rules and standards. They include all data, certificates, and other written materials required for financial reporting and disclosure purposes.

RECORD KEEPING WITH A FULL AUDIT TRAIL



Accurate accounting also enacts a responsibility on us to record all information and data completely, correctly, and promptly. Ensuring full audit documentation is important for internal purposes such as strategy development or preparing forecasts, providing our shareholders and partners with key information, and meeting our reporting obligations around the world.



COMPLIANCE AND WHISTLEBLOWING

This code of conduct is applicable to the CHG-MERIDIAN Group. Internal company systems and policies support compliance with its standards. Every employee and manager has a responsibility to ensure that it is adhered to. The managers in our Group must ensure compliance with this code of conduct and are responsible for carrying out monitoring activities (e.g. verification by a second person) and familiarizing employees with the requirements. Managers must be a role model for employees. Any CHG-MERIDIAN employee who is aware of or suspects any infringement of a law, regulation, or internal policy is encouraged to report this. They can do so, for example, to the relevant managers, the Board of Management, the Compliance department, or the ombudsman, which operates a whistleblowing hotline to preserve anonymity. An employee who reports a suspected or potential breach of our code of conduct is protected from any form of unfavorable treatment or reprisals. Data protection regulations apply to the handling of all such reports. Equally, assurance is given that no such report will be considered to be a breach of confidence and will not lead to adverse consequences for the person making the report, as long as they made it in good faith. We expect this tool to be used responsibly and with integrity.

CLOSING REMARKS

This code of conduct establishes mandatory requirements for the behavior of the Board of Management, managers, and employees of the CHG-MERIDIAN Group. It sets out the values and principles put in practice by the company and ensures that they are clearly presented to outside observers. Non-compliance with the code could lead to significant loss or damage, which is why transgressions cannot be tolerated.

Anyone who breaches the code of conduct must expect appropriate measures to be taken. After all, compliance with the code of conduct is critical if CHG-MERIDIAN is to have a modern and sustainable system of governance. This will allow us to avoid damage or loss being incurred by the company and, going forward, to remain a competitive and trustworthy partner for our suppliers, customers, and prospective customers.

CONTACT

Should the need arise, please do not hesitate to get in touch with any of the following:

CHG-MERIDIAN
Regulatory affairs
+49 (0) 751 503 222

Anti-money laundering officer:
aml@chg-meridian.com

Data protection officer:
dataprotection@chg-meridian.com

Compliance officer:
compliance@chg-meridian.com

Information security officer:
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