Code of Conduct

Company-wide Ethical Business Conduct Policy
# Table of Contents

I. Use of Corporate Funds, Accounting and Record Keeping  3

II. Bribery, Improper Payments, Gifts and Business Hospitality  4

III. Conflict of Interest – Insider Trading  6

IV. Legal Regulations  9

V. Antitrust Stipulations  10

VI. Employee Work Environment  11

VII. Safety, Health and Environment  12

VIII. Patent, Copyright and Secrecy  13

IX. Duty to Report  14
This policy for ethical business conduct shall be binding for all employees of the Eppendorf Group, i.e. the Eppendorf AG and all its majority controlled subsidiaries (together the “Company”). References to “employees” include members of the Executive Board, as well as all other personnel working for the Company.

For those Eppendorf Companies which already have an established Employee Code of Conduct Policy/Handbook in place that enforces similar or more stringent guidelines than those outlined in this Internal Policy Document, the individual Company’s policies will prevail.

Because this policy cannot cover every eventuality, every employee is asked to use his/her own judgment. If you have any doubts, discuss these with your supervisor.

I. Use of Corporate Funds, Accounting and Record Keeping

General Statement of Policy
The use of the Company’s corporate funds for any purpose which would be in violation of any applicable law or regulation or would be improper is strictly prohibited.

Accordingly,
(I) no unrecorded funds or asset of the Company shall be established or maintained for any reason whatsoever, and no false, artificial or misleading entries in the books and records of the Company shall be made for any reason whatsoever; and

(II) no transaction shall be effected, and no payment shall be made, on behalf of the Company with the intention or understanding that the transaction or payment is other than as described in the documentation evidencing the transaction or supporting the payment.

Accounting and Record Keeping
All funds and other assets and all transactions of the Company, within or outside Germany, or any other jurisdiction in which the Company is doing business, should be properly accounted for and recorded on the Company’s books and records. German and international laws and other applicable accounting standards require that the records of the Company and all of its domestic and foreign subsidiaries must reflect transactions in conformity with accepted methods of recording economic events and effectively prevent off-the-books slush funds and improper payments.
II. Bribery, Improper Payments, Gifts and Business Hospitality

No officer or employee of the Company will enter into any agreement or arrangement by way of commission, rebate, consultant or service agreement, bribe or kickback or otherwise, when an officer or employee knows or should suspect from the surrounding circumstances or after reasonable good-faith inquiry, that the intent or probable result is to make a payment to, receive payment from, or otherwise reward, directly or indirectly:

(I) Any employee or official or other representative of any government, governmental agency (including the military) or government-owned or controlled entity; or

(II) Any officer, director, employee, shareholder or other representative of any private customer or supplier

for decisions or actions favorable to the Company, whether relating to obtaining or retaining business or otherwise.

In case multiple business relationships exist with the same or related parties (e.g. marketing or application studies or similar services by customers), any associated payments must be properly documented, with the content of such business or services described in reasonable detail. The amount paid must be comparable to a payment made between independent 3rd parties.

The concept of an improper payment includes the giving of money or anything else of value, which does exceed the value for low value items as defined by local tax or other regulations. In the absence of such local limits, it should not exceed Euro 50 or the equivalent value in local currency. For example, free or special products, services or trips or vacation at Company or customer expense may constitute an improper payment just as readily as a cash payment. No action that would otherwise be suspect is permissible merely because it is customary in a particular location or a particular area of business activity.

The Company will not offer any gifts or gratuities to the employees of customers or potential customers other than moderate items, e.g. pens, coffee cups or calendars, individual bottles of wine or other usual gifts. Items that exceed the above maximum value require the authorization of the relevant Managing Director or President and CEO. All gifts of this kind must be properly entered in the expenditures reports.

Business hospitality must be of a moderate nature and have the unambiguous goal of facilitating the achievement of business goals. Hospitality in the form of food and beverages is acceptable insofar as it is modest, not frequent and takes place on a mutual basis.

These rules are valid at all times. They do not change during the traditional season for giving gifts or during the planning of an event within the Company or with customers.
In case you have difficulties determining whether a particular gift or offer of hospitality lies within the limits of recognized business practice, ask yourself the following questions:

> Is it clearly connected with conducting of the business?
> Is it modest, appropriate and in good taste?
> Would I feel comfortable accepting or offering this gift in the presence of others, for example, customers and suppliers, other employees, my supervisor, my family or the media?
> Do I feel myself under pressure to reciprocate or to guarantee special privileges due to this gift? Or vice versa, do I exert pressure on someone to grant me privileges?
> Am I sure that this gift doesn’t contravene any laws or business regulations?

If you have any misgivings or doubts, discuss these with your supervisor.

There are some cases in which the rejection of an inappropriate gift can embarrass or offend sensibilities of the person offering it. This is especially the case when you are guest in another country and the gift is offered as part of a public occasion. In such cases it is best to accept the gift on behalf of the Company, to inform your supervisor and to hand it over to the Company.
III. Conflict of Interest – Insider Trading

General Statement of Policy
Employees must be free from the influence of personal interests which interfere, might interfere, or be thought to interfere with their duties and responsibilities to the Company. Employee’s acts must be motivated by the Company’s best interests rather than any consideration of potential or actual personal advantage.

Accordingly,

(I) employees are expected to avoid direct or indirect involvement in any situation where they have a conflict with the interest of the Company, are competing with the Company, or have taken for themselves an opportunity which belongs to the Company; and

(II) employees may not use, disclose or share inside information, which is not otherwise available to the general public, for any manner of personal gain or for the benefit of any third party or in a manner adverse to the interests of the Company.

Moreover, what an employee is prohibited from doing directly under this policy shall also not be done or knowingly permitted to be done indirectly through relatives, close friends, or otherwise.

Conflict of Interest
Employees must not place themselves in a situation where they have or appear to have a direct or indirect interest in, connection with, or benefit from outside commercial activities which are in any way related to the activities of the Company. Circumstances in which such a conflict of interest may be present include:

> Ownership – directly or indirectly – of a material interest in any competitor, or supplier, contractor, subcontractor, customer or other person or organization doing business with the Company.

> Acting in any capacity – including director, officer, partner, consultant, employee, distributor, agent or the like – for a competitor, or a supplier, contractor, subcontractor, customer or other person or organization doing business with the Company.

> Accepting – directly or indirectly – payments, services, or loans, from a supplier, contractor, subcontractor, customer or other person or organization doing business or expecting to do business with the Company.

> Ownership – directly or indirectly – of any property, including real estate, share of stock, etc., which, if disclosed to shareholders, customers, suppliers or others, would appear to be in conflict with the interests of the Company.

In case such potential conflicts of interest occur through close relatives or spouses, such business must be professionally contracted in writing, terms and conditions need to be comparable to those contracted with an independent third party, and any potential conflict must be fully disclosed to the supervisor.
Investment or other interests in an organization doing business with the Company would be considered material (a) if it is any interest in a partnership, limited partnership or corporation which is not widely held or publicly owned, or (b) if it is a public corporation, the employee, his/her business associates, or relatives own more than 1% of any class of the corporation’s outstanding securities.

**Competing with the Company**

Employees must not place themselves in a position where they are in competition with the Company. The following are some of the activities which are considered to be in this category:

> Using one’s position to prevent or hinder the Company from lawfully competing with others.
> Using Company personnel, facilities or funds for the pursuit of unauthorized non-Company interests.
> Diverting Company business or personnel from the Company.
> Receiving a commission on a Company transaction.
> Or otherwise improperly profiting, directly or indirectly, at the Company’s expense.

**Taking a Company Opportunity**

Employees must not take for themselves an opportunity which belongs to the Company. Whenever the Company has been seeking a particular business opportunity, or the opportunity has been offered to it, or the Company’s funds have been involved in financing the opportunity, or its facilities or personnel have been used in developing the opportunity, the opportunity rightfully belongs to the Company, and not to employees who may be in a position to divert the opportunity to themselves.

Examples of taking a corporate opportunity include:

> Selling information to which employees have access by reason of position (e.g. know-how developed through Company research and development activities).
> Acquiring a property interest where the Company is known to be interested in an opportunity to purchase or lease the property in question.
Insider Information
In no instance may an employee use, disclose or share inside information, which is not otherwise available to the general public, for any manner of personal gain, for the benefit of any third party or in a manner adverse to the interests of the Company.

Securities trading on the basis of material inside information is a violation of law which could lead to sanctions and adverse publicity for both the individual and the Company. „Material information“ is that information which an investor might consider important in deciding whether to buy, sell or hold securities of companies with whom Eppendorf is doing business. Some, but not all, of the matters which may be material are earnings forecasts, possible acquisitions, disinvestments or joint ventures, acquisition or loss of a significant contract, important product developments, significant financing developments, major personnel changes, and major litigation developments. Employees who are aware of nonpublic information must not disclose that information to persons outside of the Company or to Eppendorf employees with no need to know.
IV. Legal Regulations

All employees are to observe the legal regulations of the countries in which the Company is active. They must be familiar with the provisions regulating their activities. In general Management will provide the appropriate information and instructions. If there are doubts as to the legal positions, internal legal advisors are to be consulted.

Government efforts to prevent illegal activities in the area of foreign trade and payments law and embargos, particularly with reference to deliveries, exports and other activities, especially those involving weapons of mass destruction and weapon-related products (including data processing programs and other technology), with the aim of

> ensuring the security of the country the Company is active,
> not disrupting the peaceful coexistence of peoples,
> not significantly disrupting the foreign relations of the country the Company is active
> preventing the preparation and execution of acts of terrorism;

are recognized and supported without exception by the Company

During the selection process of business partners and day-to-day business with them the Company considers if they comply with legal and other regulations regarding human rights, labor relations, environmental protection, anti-corruption measures, etc.. Appropriate wording and the right to audit will be integral part of agreements with business partners.
V. Antitrust Stipulations

General Statement of Policy
Each employee, who according to employment agreement or job description, is dealing with antitrust laws is obliged to understand and to adhere to the Company’s policy of complete compliance with the antitrust laws of the European Union and its Member States, the United States and any other foreign nation which may have laws regulating competitive practices.

Accordingly,
(I) each employee is responsible for seeing that he/she and all those who report to him/her comply with the law whenever they act on behalf of the Company;

(II) no employee has authority to direct or approve of any action by those who report to him/her in violation of antitrust law;

(III) each employee is responsible for acquiring a sufficient understanding of antitrust law to recognize situations which may involve antitrust law issues and which may become relevant to him/her; and

(IV) when there is any question of whether a proposed course of action may violate antitrust law, employees may only act upon the advice from in-house legal counsel based upon full disclosure of all relevant facts.

Rationale
The antitrust laws are intended to eliminate restraint of trade, monopoly, price discrimination and unfair trade practices and, thereby, preserve a competitive economy. These laws have been with the business community for a long time and are here to stay.

They are, for the most part broadly worded and as a result they are adaptable to changing business and economic practices with litigation largely decided on a case-by-case basis through the application of broad principles. These laws constitute a reasonably fair compromise between possible abuse of economic power by industry and strict control government.

Failure to Comply
The penalties for failure to comply with the antitrust laws can be severe for the Company, for individual employees participating in any violations and for officers responsible for the actions of their employees. When antitrust difficulties arise, the Company can be subjected to public notoriety followed by a great expense in defending its position before agencies and courts.
VI. Employee Work Environment

General Statement of Policy
It is the policy of the Company that employees be selected, hired, assigned, trained, transferred, promoted, laid off and compensated on the basis of ability and qualifications without discrimination because of race, color, religion, political belief, sex, age or national origin. Furthermore, the Company will not permit discrimination against any qualified employee or applicant for employment because of physical or mental handicap or status as disabled. Also, sexual harassment and abuse of drugs, firearms and controlled substances are likewise illegal and prohibited.

Discrimination/Equal Employment Opportunities
It is the policy of the Company to provide equal opportunity in employment to all employees and applicants for employment. No person is to suffer discrimination because of race, color, religion, political belief, sex, age, national origin, disability, or any other classification declared to be impermissible by law. This policy applies to all terms, conditions, and privileges of employment, including but not limited to, recruitment, placement, training, promotion, reassignment, compensation, discipline, and termination.

Diversity
Employees should respect rights and differences of all individuals to provide an environment where each employee can develop to his/her fullest potential.

Sexual Harassment
Sexual harassment is forbidden by law and by the policy of the Company. Sexual harassment is defined as deliberate and/or repeated comments, gestures, or physical contact of sexual nature which are judged to be unwelcome using reasonable standards of behavior.

Inappropriate Computer Usage
It is prohibited at any time to use the Company’s IT systems to download, view or transmit pornography or similar inappropriate contents.

Substance Abuse
It is the policy of the Company to maintain a work environment that is free of substance abuse. In maintaining this environment, the following activities are strictly prohibited in or on company property, company offices, while using company equipment, or conducting company business:

> Unauthorized manufacturing, distributing, dispensing, selling, offering to sell, purchasing, possessing, or using any controlled substance or illegal drug;
> Possessing, distributing, selling, offering to sell, purchasing or consuming of alcoholic beverage (except the use of moderate amounts at events authorized by local senior management).
VII. Safety, Health and Environment

**General Statement of Policy**
The Company is committed to conserving natural resources, to operating its facilities safely, to protecting the health and safety of its employees, its customers and the community and to minimizing the environmental impact of its activities and products.

**Safety, Health and Environmental Policy**
The general principles of the Company’s Safety, Health and Environmental Policy are:

> Comprehensive environmental protection and maximum safety are given the same priority as high product quality and commercial efficiency.
> Processes and products are designed so that the research, development and production processes, the transportation, the storage and the use of products, as well as the waste treatment at the end of the life cycle have minimal impact upon the environment.
> The Company is committed to systematically developing environmentally acceptable products and processes.
> The Company advises upon request its customers, its employees and the authorities with an evaluation of its products and processes, in all matters pertaining to health, safety and environment.
> The Company does not restrict its activities to merely complying with legal requirements relative to safety, health and the environment. On its own initiative, the Company also takes further steps where reasonable and commercially viable.
VIII. Patent, Copyright and Secrecy

General Statement of Policy
It is the policy of the Company to maintain strict confidentiality with respect to its intellectual property and trade secrets. The information covered by this policy statement can be in the form of discoveries, inventions, technical improvements, formulas, specifications, processes, materials, suppliers, etc., pertaining to existing or contemplated business or products. Disclosure of this type of information, e.g., information on product data to a client, is to be avoided.

It is the policy of the Company to respect the intellectual property rights of others. “Intellectual property” includes creative works the owners of which have legal rights to, and includes copyrights, patents, trade secrets, and trademarks. Violation can result in substantial liability and, in some instances, may even be criminal in nature. Therefore, it is very important that all Company personnel take care not only to protect the Company’s intellectual property rights but also to avoid violating the rights of others. Employees who have questions about this area should seek help from the Company’s Intellectual Property Department.

Patents
It is Company policy not to knowingly infringe the valid patent rights of others. Such infringement may subject the Company to substantial liability and may subject the person(s) involved in the decision to infringe to personal liability. Company personnel who become aware of potential patent infringement by the Company should promptly inform the Company’s Intellectual Property Department.

Trade Secrets/Confidentiality
Company personnel shall not disclose or transfer any internal information about the Company or any Company trade secret (including materials) to anyone outside the Company, except as required in the performance of his or her regular duties, and, in the case of trade secrets, without first obtaining the necessary corporate approval.

Company personnel shall not disclose or transfer any information of material owned by another to anyone outside the Company, where the Company is legally obligated to maintain that information or material in confidence. Disclosure or transfer of such information or material within the Company organization shall be on a “need-to-know” or a “need-to-have basis”.

Company employees shall not employ illegal or unethical means to acquire trade secret information from others and shall immediately report to the Intellectual Property Department any attempt by anyone to sell or otherwise disclose to the Company any trade secret Information in a manner which is, or may appear to be, improper.
Software Use
Reproducing copyrighted software without the owner’s authorization violates copyright law and can subject both the Company and any employee making such copies to serious legal consequences. The copying of Computer software contrary to the terms of any applicable license agreement is against the Company’s policy.

Copying of Copyrighted Printed Materials
The intentional unlicensed duplication of copyrighted material for any purpose other than personal use is unlawful and may, in some circumstances, constitute a violation of criminal law. The repeated duplication of journal articles so as to avoid additional subscriptions clearly falls within this prohibition.

Computer Espionage
It is a violation of Company policy, and may be a violation of applicable law, to use a computer to access the Company to any other computer systems with the intent of a) obtaining trade secrets or other sensitive information, b) injecting a computer “virus” into or otherwise destroying or impairing the system, or c) committing any other type of computer fraud or theft.
IX. Duty to Report

Employees should report immediately, in writing or verbally, to the in-house legal Counsel, the Human Resources Executive or the CFO of the Company any facts which involve the probability of a breach of this Ethical Business Conduct Policy. No new commitments with a likelihood of breaching this Policy should be undertaken.

The Company recognizes that there are many borderline situations. Each case shall be approached objectively, giving full recognition to the circumstances.

In some instances, full disclosure of the facts is all that is necessary for the Company to protect its interests. In others, prompt elimination of the outside influences is required. Should the Company find, however, that an inexcusable violation of this Policy is involved, more severe action will be taken, including, where appropriate, termination of employment. In any case, the Company reserves the right to take such action as, in its judgment, will terminate the conduct which violates this Policy.

Executive Board of Eppendorf AG