

CODE OF CONDUCT FOR CONTRACTORS OF ERBE ELEKTROMEDIZIN GMBH

The contractor undertakes to comply with the following code of conduct:

1. General principles, legal rules and law

With regard to all its entrepreneurial activities, the contractor undertakes to respond in every way to its social responsibility and to observe in all its business activities and decisions the respectively applicable laws as well as all other relevant provisions of the countries within which he is active.

Business partners must be dealt with fairly. Contracts must be complied with.

2. Corruption

In its dealings with business partners (customer, suppliers) and state institutions the contractor will ensure that the interests of the companies and the private interests of employees are kept strictly separate from one another on both sides. Any actions and (purchasing) decisions are to proceed independent of considerations which do not concern the business at hand and which involve personal interests.

The applicable criminal law on corruption must be complied with. Even the slightest appearance of a connection between personal benefits and (purchase)-decisions must be avoided.

Amongst other things, the following is to be observed:

a) Criminal offenses in connection with officials

Offers, promises and grants of personal benefits (in particular of a monetary nature such as payment and loans, including the granting of smaller gifts over an extended period of time) by the contractor or its employees to any officials (such as civil servants or public officials in the contractor's country and in other countries) with the objective to obtain benefits for the contractor himself or any third party are prohibited and criminal offenses.

b) Criminal offences in business dealings and against members of the medical devices industry and related professions

The contractor and its employees will not offer, promise, grant or approve any monetary personal benefits as a consideration for any advantages in business dealings. The contractor and its employees will not demand, allow themselves to be promised or accept any personal benefits of value when dealing with their business partners. The contractor must demand from its employees that they comply with these requirements; for example, the contractor will ensure that its employees do not offer or grant the customer or its employees any such corresponding benefits.

In their business dealings the management and employees of the contractor must not offer, promise, grant, demand, allow themselves to be promised or accept any gifts, payments, invitations or services with the intention to influence a business relationship in any non-permissible way. This conduct must also be avoided and not engaged in if there is only the risk thereby to detrimentally affect the professional independence of the business partner. The contractor must observe the more stringent standards of the medical technology sector and statutory requirements on avoiding corruption when providing any benefits to members of the medical and related professions (e.g. doctors, medical staff, hospital administration staff). These standards are summarized in the "Erbe Anti-Corruption Guidelines".

c) Conduct in business dealings with Erbe

In its business dealings with Erbe the contractor must observe the following:

Erbe permits its employees to accept gifts with the equivalent value of a maximum of 10.00 EUR. For invitations to business dinners in connection with a business-related motive, the value limit is currently a maximum amount of 60.00 EUR. All details, and in particular the current value limits, are specified in the Erbe Anti-Corruption Guidelines which can be reviewed on the Erbe website.

Erbe employees are not permitted to accept any gifts or invitations exceeding these value limits, unless an exception is approved in individual cases by the Erbe compliance officer.

d) Policy of the customer and contact person

If the contractor issues a policy for its employees on the acceptance and granting of gifts, hospitality and event invitations, the contractor will also communicate these to Erbe for information purposes.

The contractor will provide a contact person who can be contacted if its employees find themselves in a conflict of interests or if these are uncertain whether there is or might arise a conflict of interests.

3. Conduct towards competitors (antitrust law)

The contractor respects fair competition.

Therefore, the entire company of the contractor will comply with all applicable legal regulations and the applicable laws protecting and promoting competition, in particular the applicable antitrust regulations and other provisions for regulating competition.

With regard to dealings with competitors (that is, in particular other suppliers), these regulations and provisions prohibit in particular agreements and other activities (such as any exchange of sensitive business data) that influence prices or terms, assign sales areas or customers or obstruct free and open competition in any non-permissible way. In addition these regulations and provisions prohibit agreements between customers and suppliers, by means of which customers are to be restricted in their freedom to determine autonomously their resale prices and other terms for resale (determination of resale prices and terms).

As the distinction between prohibited and permissible business practices can be problematic, the contractor is to provide a contact person for its employees, who can be contacted in all cases of doubt.

4. Forced labor

The contractor rejects any form of forced labor.

5. Child labor

The contractor complies with all United Nations provisions and regulations on human rights and children's rights. The contractor will undertake in particular to comply with the Convention concerning the Minimum Age for Admission to Employment (Convention 138 of the International Labor Organization) as well as the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor (Convention 182 of the International Labor Organization). If national regulations concerning child labor provide for stricter measures, these will have precedence.

6. Principles of social responsibility

a) Human rights

The contractor respects and supports the observance of internationally recognized human rights.

b) Discrimination

The contractor commits, within the scope of prevailing laws and statutes, to opposing all forms of discrimination. This, for example, refers to a discrimination of employees on the basis of sex, race, disability, ethnic or cultural origin, religion, belief or world view, age or sexual orientation.

c) Health protection

The contractor ensures health and safety at work within the scope of national regulations. The contractor supports continuous advancement and development towards ever further improvement of the working environment.

d) Fair working conditions

The contractor respects the right of its employees to freedom of association within the framework of applicable regulations and laws.

e) Environmental protection

The contractor is sustainably committed to the objective of environmental protection for present and future generations. Laws passed for environmental protection must be complied with. The contractor expects from its employees to act with ecological awareness and supports them in this activity.

7. Trade and business secrets

The contractor commits its employees to maintain strictest confidentiality on its own trade and business secrets as well as the trade and business secrets of business partners. Confidential information and confidential documents must not be passed on to any third parties without prior authorization, or made accessible in any other way, unless this has been effectively approved by an authorized person or if this information is publicly available. The contractor will take appropriate measures to safeguard confidentiality and business secrets.

8. Suppliers

The contractor is required to communicate the principles of this code of conduct to its immediate suppliers, to promote its suppliers' compliance with the contents of the same in the best way possible and to request its suppliers to comply themselves also with this code of conduct. Additionally, the contractor is also required to recommend to its suppliers that they in turn require their own suppliers to comply also with this code of conduct.

9. Compliance

The contractor remains free to introduce stricter codes of conduct for himself and its employees imposing even higher requirements for ethical action and conduct.

The contractor will inform its employees about the contents regulated in this code of conduct and the obligations resulting therefrom.

The contractor will comply, in particular by means of implementing and, if necessary, adapting directives and processes, with the principles of this code of conduct.

The contractor will designate to Erbe a responsible contact person for this code of conduct who will be able to provide legally binding information on compliance with the code of conduct. If the contractor does not designate any other person, the senior management of the contractor will take up this role. By means of suitable organizational measures the contractor will ensure that the code of conduct is complied with by the contractor, its senior management as well as its employees. This is executed in particular by introducing and conducting appropriate checks and plausibility tests.

Place, Date: _____

Place, Date: _____

Erbe Elektromedizin GmbH

Contractor

(This Code of Conduct was prepared for Erbe Elektromedizin GmbH in accordance with the "BME-Verhaltensrichtlinie" (BME Code of Conduct) of the Federal Association for Materials Management, Purchasing and Logistics.)