Compliance Rules
Rhomberg Sersa Rail Group
The Rhomberg Sersa Rail Group has achieved a reputation as being a reliable and fair partner. These values, which are also the foundation of its company philosophy, are making the Rhomberg Sersa Rail Group a renowned international family enterprise.

These Compliance Guidelines are intended to be the ethical and legal roadmap of the Rhomberg Sersa Rail Group to ensure the implementation of this goal. They contain basic rules for a fair, open and ethical behaviour within the Rhomberg Sersa Rail Group as well as towards business partners, suppliers and competitors. The competitiveness and market position of the Rhomberg Sersa Rail Group should be significantly enhanced through ethical standards and a loyal company and management structure in harmony with the company philosophy.

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1 General principles

1.1 Area of application

The actions of each employee of the Rhomberg Sersa Rail Group have an influence on the reputation of the company – positively or negatively.

The Rhomberg Sersa Rail Group includes all holding and subsidiary companies, of which the Rhomberg Sersa Rail Holding GmbH directly or indirectly owns more than 50% of the share capital or otherwise controls the business activities.

It is expected of all employees that they follow the rules of these Compliance Guidelines. It may be possible that applicable local laws and specific operating regulations set stricter standards than those contained in these guidelines. In such cases the stricter standards are to be applied.

It is expected that the business partners of the Rhomberg Sersa Rail Group also adhere to these Compliance Guidelines. These guidelines can be accessed on the internet at www.rhomberg-sersa.com

1.2 Responsibilities of all employees of the Rhomberg Sersa Rail Group

Employees are obliged to inform their line managers or the Compliance Office about any violations of the law which they have become aware of. In order to be able to meet this responsibility, employees will be instructed accordingly.

Each employee is obliged
• to observe the laws, regulations and in-house instructions applicable to their areas of responsibility,
• to be fair, respectful and trustworthy in all activities and business relationships,
• to respect and foster the reputation of the Rhomberg Sersa Rail Group,
• to disclose conflicts of interest between business and private matters,
• not to obtain unlawful advantages for himself or others.

Each manager is furthermore obliged
• to observe the management principles of the Rhomberg Sersa Rail Group,
• to judge employees only based on their performance,
• to ensure compliance with these guidelines within his area of responsibility.
1.3 Possible consequences

Breaches of current laws and ethical principles could have far-reaching consequences for the Rhomberg Sersa Rail Group. There could be monetary fines, damages claims, order cancellations, loss of business relationships, and damage to reputation, among others.

1.4 Gender-neutrality wording

For reason of simplified reading, gender-specific differentiation (e.g. he/she) is omitted. Based on equal gender treatment all appropriate terms apply in principle to both sexes.
2 Social responsibility and environmental protection

We place the highest possible value on the fair and equal treatment of employees, customers and network partners. The Rhomberg Sersa Rail Group offers all its employees equal employment opportunities. Decisions are made based on performance and qualifications. The Rhomberg Sersa Rail Group does not tolerate any working conditions which do not meet international laws and regulations. The same applies to business partners.

2.1 Alcohol and drug abuse

Employees are strictly prohibited from consuming alcohol, drugs or other intoxicants during working hours. The only exception is the consumption of alcohol in moderation at company parties.

2.2 Sexual harassment

The Rhomberg Sersa Rail Group does not permit sexual harassment in any form.

2.3 Discrimination

For the Rhomberg Sersa Rail Group, human rights are the most fundamental values which must be respected and observed by everyone. Each individual is unique and valuable and is respected for their individual abilities.

No discrimination is tolerated based on age, gender, religion, national or ethnic origin, marital status, disability, culture, political opinion, sexual orientation or social grouping.

2.4 Environment, health and safety

The sustainable and resource-saving treatment of the environment is a significant part of the company strategy. Information regarding the existing guidelines for the environment, health and safety can be accessed in the Integrated Management System (IMS). Each employee is obliged to observe these guidelines for his own protection and that of the environment.
3 Communication

The positioning of the brand name and the image of the Rhomberg Sersa Rail Group are strengthened and formed through uniform and professional communication with third parties and the media. Employees are transparent, honest, open and fair in their dealings with third parties and they reflect the values held by the Rhomberg Sersa Rail Group.

3.1 Communication with the media

Media inquiries shall be directed to the group’s Marketing & Communications department to ensure coordinated and uniform approach to the media.

3.2 Communication within the Rhomberg Sersa Rail Group

Fair and friendly treatment between employees is an integral part of the Rhomberg Sersa Rail Group culture. Employees shall direct their critique to the colleague affected by their critique and they shall prevent false reports and erroneous allegations. It is expected that employees contribute useful and important information to the company in a proactive manner.

3.3 Communication via social media

We provide a Social Media Guideline for each employee to ensure a conscientious and responsible use of social media. This guideline applies to all Rhomberg Sersa Rail group employees and is available on the intranet.
4 Corruption

The many forms of corruption cause major distortions of competition throughout the world as well as other damage that demand to be taken seriously. The Rhomberg Sersa Rail Group undertakes to be scrupulous in its application of the legal requirements in this area.

4.1 Bribery

Bribery is the offer, promise or provision of financial or other advantages to office holders or employees or authorized parties of a company in order to do business. Employees are prohibited from undertaking any form of bribery, regardless of its value, including payments for preferential treatments.

4.2 Gifts, hospitality, business leads

The term “business gifts” includes any and all valuables which are exchanged in the course of a business relationship and for which the recipient does not pay a fair market value and whose aim is the initiation of business and ongoing contacts between business partners. Apart from gifts in kind these also include hospitality, trips, meal invitations and invitations to cultural or client events.

As a general rule, the employee must in each case carefully consider whether the acceptance of a business gift is appropriate and what sort of impression this might create. The gift is not permitted to create an obligation or a compulsion. Where individual countries or subsidiaries impose stricter regulations these shall apply. All gifts and invitations received or made, worth over € 100,— (or the equivalent in the local currency) must be reported to the compliance office. These business gifts are recorded in a register, which must be disclosed at regular intervals by the compliance office. Branded promotional items as well as typical giveaways are excluded from this general rule. Invitations to business meals can be accepted within normal boundaries. The acceptance or the making of business gifts, which might result in reputational damage to the Rhomberg Sersa Rail Group, are strictly forbidden, regardless of value. Also prohibited are cash gifts to individuals (other than regular tips) or vouchers with a cash value. Furthermore, any gifts which might violate ethical principles, particularly in regard to culture, nationality, gender, disability or sexuality, are prohibited.

Without the explicit permission of the Rhomberg Sersa Rail Group employees responsible for concluding or brokering business deals must not accept commissions or rewards from business partners.

4.3 Charitable contributions

Cash or in-kind donations contributions for charitable or general purposes are permitted.
4.4 Donations and sponsoring

As part of its company policy, the Rhomberg Sersa Rail Group supports social, sports, cultural and environmental initiatives. In the case of all such sponsoring activities care must be taken that there are no conflicts of interest.

The term “donation” includes all voluntary contributions which are given without appropriate consideration, but generally for a certain purpose. The term “sponsorship” includes all grants in the form of cash and non-cash benefits and services with the expectation that in general they will have a reputation-enhancing effect in return.

The Rhomberg Sersa Rail Group regards itself as having a special commitment to support environmental and social projects. The focus is on initiatives which promote behaviour that is energy-conscious and environmentally-aware as well as social and cultural interaction.

Not supported will be:
- organizations with extreme ideological backgrounds
- organizations, initiatives, associations or events which meet one or more of the following criteria:
  - they are against freedom and/or dignity of people and/or animals
  - they are harmful to the environment and/or the ecosphere
The company generally welcomes initiatives for the common good. Detailed rules can be found in the sponsoring guidelines.

4.5 Political contributions

Contributions to political parties are prohibited. Personal political activities of individual employees may not be carried out within the company and they also must not have any negative influence whatsoever on the Rhomberg Sersa Rail Group.

4.6 Money laundering

Each employee must comply with the laws against money laundering and shall report any suspicions of money laundering to the Compliance Officer immediately. Business shall only be conducted with reputable business partners whose funds come from legal sources. If there are any doubts regarding the reputation of a business partner, then due diligence shall be carried out on the business partner.
5 Confidentiality

5.1 Company information

Employees shall treat any and all company information as confidential. Company information is deemed to include all financial data, technical data, correspondence, contracts, agreements, plans, strategy documents, etc., regardless of their format or media.

If company information is expressly marked “confidential”, then it shall be handled and stored with special care.

5.2 Protection of intellectual property

The Rhomberg Sersa Rail Group’s intellectual property includes inventions, scientific or technical research, product development, development of new technologies and self-created computer software, etc.

All employees shall protect the intellectual property of the Rhomberg Sersa Rail Group with particular care by not disseminating any information about the same and by not passing it on to competitors.

Comment to 5.1 and 5.2:
If such information is forwarded to a business partner with line manager’s consent, then the business partner must execute a confidentiality agreement.

5.3 E-Mail, Intranet and Internet

All employees shall comply with the key principles for best excluding risks related to the use of IT systems.

• The company-owned IT-systems shall be used exclusively for business purposes.
• Within the company only devices provided by the Rhomberg Sersa Rail Group may be used.
• Content which is unlawful, slanderous, discriminatory or pornographic may not be downloaded, sent or copied.
• All company information must be stored on the servers of the Rhomberg Sersa Rail Group only.
• Care must be taken of the security of all data, particularly when handling mobile data media. Even merely careless behaviour can result in damage claims and disciplinary measures.

In order to avoid loss or damage to the Rhomberg Sersa Rail Group, all e-mails and internet activities may be recorded within the guidelines provided by law and examined for inappropriate content using computer programs that run automatically.
6 Competition rules

In order to maintain no-nonsense, transparent business relations the Rhomberg Sersa Rail Group strives for a professional working relationship with all those involved in the commercial process.

Breaches of international and national competition rules will result in serious legal consequences both for the Rhomberg Sersa Rail Group as well as for the affected employees.

6.1 Unfair competition

The Rhomberg Sersa Rail Group complies with all relevant legal regulations. There shall be neither misleading statements regarding business conditions nor shall business practices be applied which would materially influence the freedom of competitors in the market to make decisions or act.

The Rhomberg Sersa Rail Group is a fair partner to suppliers and subcontractors. The purchasing system and the decisions resulting thereof can always be understood on the basis of price, quality and service.

Competitors shall be treated fairly and with respect. The Rhomberg Sersa Rail Group does not enter into agreements which stifle competition and which could harm customers or suppliers.

The procurement and passing on of information regarding competitors must be done in compliance with current international and national laws.

6.2 Behaviour towards customers, suppliers and competitors

Honest and sincere contacts with customers are an essential responsibility of the Rhomberg Sersa Rail Group. The interaction with customers is transparent and fair. Business transactions with customers are always based on correct and truthful statements regarding the quality, availability and features of products and services.

The Rhomberg Sersa Rail Group is a fair partner to suppliers and subcontractors. The purchasing system and the decisions resulting thereof can always be understood on the basis of price, quality and service.

Competitors shall be treated fairly and with respect. The Rhomberg Sersa Rail Group does not enter into agreements which stifle competition and which could harm customers or suppliers.

The procurement and passing on of information regarding competitors must be done in compliance with current international and national laws.
6.3 Setting Prices

The Rhomberg Sersa Rail Group sets prices and terms and conditions freely and independently. No price rigging with competitors is tolerated. All employees are required not to allow themselves to be influenced through informal contacts or exchange of information with other competitors in the market.

No competitor may ever be informed about planned price adjustments or amendments to the terms and conditions of business of the Rhomberg Sersa Rail Group.

Should the Rhomberg Sersa Rail Group ever receive unsolicited confidential information from one of its competitors, it shall be returned with a written explanation.

6.4 Market Sharing and Customer Protection

The Rhomberg Sersa Rail Group does not share its markets with competitors either by region, products, customers or suppliers. The strategy for attracting and retaining customers and the selection of suppliers is determined solely by the Rhomberg Sersa Rail Group and without collusion with its competitors. Planned market and product strategies are kept confidential until they are officially made public.

6.6 Contact with Competitors, particularly during Trade Association Events

The Rhomberg Sersa Rail Group shall only contact competitors for a specific reason. There must be a clear agenda available prior to such meeting.

Should issues arise during the meeting which may be in breach of competition law, even if they are only hypothetical, then concerns as to the legality of such subjects must be expressed immediately and checked with the legal department. The discussions should be suspended until clarification has been received and it should be ensured that the concerns about their legality and the suspension of talks should be recorded. If in doubt, the progress and the end of the discussions should be minuted.

Should Rhomberg Sersa Rail Group receive a proposal from a competitor in breach of competition law, such proposal must be rejected in writing. In any event the Rhomberg Sersa Rail Group shall clearly state that as a law-abiding enterprise it does not participate in arrangements in breach of competition.

6.5 Exchange of Information

Neither secret nor market-relevant information, such as prices, profit margins, discounts, calculation methods, terms and conditions of payment, etc., may be exchanged with competitors of Rhomberg Sersa Rail Group. Data relevant to competition may only be forwarded and used if it is first anonymized and only upon request by market research institutes or similar entities e.g. for the purpose of setting benchmarks. Under no circumstances may conclusions be made as to the market behaviour of participating companies.
7 Conflicts of interest

All employees must keep their private interests and those of the Rhomberg Sersa Rail Group strictly separated.

This must be observed in particular for

- orders placed with close persons (spouses, relatives or other people living in the same household, friends and private business partners),
- orders placed with companies where close persons are working in decision-making positions,
- orders placed with companies where close persons have ownership interests (except for companies listed on a stock exchange),
- supplementary employment at competing companies or for business partners.

All employees are obliged to disclose any existing or potential conflicts of interest.
8 Reporting inappropriate behaviour

If employees
• suspect or discover breaches of the provisions of these Compliance Guidelines, of other internal guidelines and regulations or of legal provisions,
• are unsure how they should behave in certain business situations,
• believe that these guidelines are in conflict with local laws or internal guidelines and regulations, then they are obligated to report this immediately.

There are several options open to them:
• Reporting to their immediate line manager
• Reporting to the Compliance Officer/ Deputy Compliance Officer

The Rhomberg Sersa Rail Group ensures that all reports received shall be treated confidentially and shall be examined very carefully. Employees who report proven or suspected breaches of laws, the Compliance Guidelines or other internal guidelines and regulations shall not suffer any negative consequences of any kind, provided such breach is not caused by their own behaviour.

The Rhomberg Sersa Rail Group reserves the right to take disciplinary measures against employees who knowingly make false accusations.
9 Compliance Office

9.1 The role of the Compliance Office

The Compliance Office is responsible for:
- Maintaining the guidelines
- Employee training
- Examining of compliance cases
- Legal consultation and standards of behaviour for all compliance-related subjects, disciplinary cases and resulting litigation
- Recommendation of disciplinary measures taking national employment law regulations into account
- Reporting to management

9.2 Contact details of the Compliance Office

The following persons are responsible for compliance at the Rhomberg Sersa Rail Group:

**Compliance Officer**
Mag. Markus Eder
Tel: +43 5574 403-2219
E-Mail: markus.eder@rhomberg-sersa.com

**Deputy Compliance Officer**
Dr. Angelika Rhomberg
Tel: +43 5574 403-2186
E-Mail: angelika.rhomberg@rhomberg-sersa.com

The list of regional compliance officers is available within the Integrated Management System (IMS) or can be requested from the Compliance Office.