

# CONFLICTS OF INTEREST REVIEW POLICY

FOR

NORMA GROUP HOLDING GMBH

AND ITS WORLDWIDE SUBSIDIARIES





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## I. NORMA GROUP CONFLICTS OF INTEREST REVIEW POLICY

NORMA Group Holding GmbH, together with its worldwide subsidiaries (the "Company"), has developed and approved the following Policy to establish a review and ratification process for actual or potential conflicts of interest, including related party transactions, involving any (1) shareholder with more than a 5% equity interest in the Company or (2) employee, officer, manager and/or director of the Company (each of the foregoing persons, an "Entrusted Person"). For purposes of this policy, "Company" shall refer individually and collectively to NORMA Group Holding GmbH and each subsidiary controlled by NORMA Group Holding GmbH. This Policy is a sub-policy of the Company's Code of Conduct.

### A. WHAT IS A CONFLICT OF INTEREST UNDER THIS POLICY?

A **Conflict of Interest** for purposes of this Policy shall mean direct or indirect involvement in any transaction or series of transactions (other than those named in Exhibit 1) that:

1. involves or appears to involve any Entrusted Person (or any of his or her Immediate Family Members or Business Associates, each as defined below) on the one hand and the Company on the other hand

OR

2. could materially compromise the integrity, judgment or ability of an Entrusted Person to fulfill his or her entrusted duties to the Company to the best of his or her ability or in any way interferes with or compromises, or has the potential to interfere with or compromise, the reputation or business interests of the Company.

## B. WHO CAN CREATE A CONFLICT OF INTEREST UNDER THIS POLICY?

Entrusted Persons and their Immediate Family Members and Business Associates have the potential to enter into transactions that create Conflicts of Interest. An example of an indirect transaction would be a transaction between the Company and a business owned by an Entrusted Person or an investment partner or family member of an Entrusted Person.

An **Immediate Family Member** for purposes of this Policy means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law (other than a tenant or employee) sharing the household of a person.

A **Business Associate** for purposes of this Policy is any natural or legal person with which the Entrusted Person has a business or investment relationship or holds a position of leadership.

## C. NOTICE OF CONFLICTS OF INTEREST

An Entrusted Person must promptly report any Conflict of Interest to the responsible Local Compliance Officer, as set forth in Exhibit B to the Company's Code of Conduct. The Local Compliance Officer and Entrusted Person have the duty to collect the information necessary to evaluate the Conflict of Interest in accordance with the procedures set forth in Section D below.

Local Compliance Officers are obligated to report all Conflicts of Interest to the Chief Compliance Officer promptly, whether or not such conflicts are required to be reviewed and processed by the Chief Compliance Officer. The Chief Compliance officer shall have the power, in his sole discretion, to remove review and processing from the local entity for processing at the level of NORMA Group Holding GmbH.

## D. REVIEW AND APPROVAL OR RATIFICATION OF CONFLICTS OF INTEREST

All Conflicts of Interest subject to this Policy shall be considered, approved, ratified or denied by the consent of the managing director or management board (as applicable) of the entity affected by the Conflict of Interest; provided that if a Conflict of Interest:

- (1) involves more than one entity in the Company or could have a material impact on more than one entity in the Company;
  - (2) involves an officer, director or key employee;
  - (3) exceeds €100,000 in aggregate value over the life of the transaction;
- or
- (4) is removed by the Chief Compliance Officer for processing in his sole discretion,

it must be processed by management board (*Geschäftsführung*) of NORMA Group Holding GmbH, which shall, in its sole discretion, handle the matter in question. Notwithstanding the foregoing, if a Conflict of Interest arises at the level of, or otherwise involves, NORMA Group Holding GmbH, the management board (*Vorstand*) of NORMA Group AG, or, in the event the matter involves or concerns the management board of NORMA Group Holding GmbH, the supervisory board (*Aufsichtsrat*) of NORMA Group AG shall review and process the Conflict of Interest. The Chief Compliance Officer may also seek the advice of outside legal counsel in his or her sole discretion regarding such conflict.

In approving or ratifying any Conflict of Interest, the managing directors, managing board or supervisory board, as the case may be, shall consider all of the relevant facts and circumstances and approve or ratify only those transactions that are appropriate and desirable under the circumstances, considering first and foremost the interests of the Company.

If the Conflict of Interest involves a director (or an Immediate Family Member or Business Associate of a director) such director may not participate in the deliberations or vote respecting the approval or ratification of the Conflict of Interest; provided, however, that such director may be counted in determining the presence of a quorum at a meeting which considers such transaction.

### FACTORS TO CONSIDER

In order for the review and approval or ratification of a Conflict of Interest to be valid in accordance with this Policy, the complete details of the transaction creating the Conflict of Interest must be presented to the approving body, including:

- The terms of the transaction;
- The business purpose of the transaction;
- The benefits to the Company and to the relevant Entrusted Person; and
- The extent of any waiver of the Company's Code of Conduct.

In determining whether to approve a Conflict of Interest, the approving body in consultation with the Local Compliance Officer or Chief Compliance Officer, as applicable, shall consider the following factors to the extent relevant:

- Are the terms of the transaction fair to the Company?
- If the transaction presents a corporate opportunity, is it in the best interests of the corporation to take the opportunity for itself rather than permit the Entrusted Person to take the opportunity?
- Would the transaction be considered unusual for one or both of the parties? Is there a risk of reputational harm to the Company?
- Would the transaction be on similar terms if independent third parties were involved? If not, does the Company benefit or suffer loss as a result of the transaction? Are the benefits or losses material?
- What are the legitimate business reasons for the Company to enter into the transaction?
- Would the transaction impair the independence of any independent director?
- What is the proposed duration of the transaction? What change in circumstances would increase any negative impact of the transaction on the Company and what is the likelihood of such circumstances arising?
- How material is the transaction for the Entrusted Person? What demands does it place on the Entrusted Person? What kind of interference could the transaction have on the Entrusted Person's ability to carry out his entrusted duties to the Company to the best of his abilities?

## E. TRANSACTIONS THAT ARE NOT RATIFIED

In any case where a transaction creating a Conflict of Interest has been entered into without approval and such Conflict of Interest is disapproved in accordance with this Policy, appropriate remedial action may be taken, including, but not limited to, termination of the transaction or rescission or modification of the transaction in a manner that would permit it to be ratified. A violation of this Policy shall also constitute a violation of the Company's Code of Conduct.

### EXHIBIT 1

The following transactions are not reviewable under the Conflict of Interest Review Policy:

- (1) Any compensation arrangement with approved by authorized persons;
- (2) Ordinary course business travel and expenses, advances and reimbursements;
- (3) Indemnification payments or any other payments under any insurance policy approved by authorized persons;
- (4) Any transaction in which the rates or charges involved in the transaction are determined by competitive bids or such rates or charges are fixed in conformity with applicable law; and
- (5) Any transaction that involves services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services.