

## **CODE OF CONDUCT**

### **Guidelines for lawful and responsible conduct at Norddeutsche Affinerie AG and its subsidiaries**

#### **Foreword**

NA Group is Europe's largest copper producer and stands for profitability, technological leadership, a leading position in environmental protection and innovation.

The most important factor for success is our staff who create the basis for the success of Norddeutsche Affinerie AG and its subsidiaries by their motivation and ability.

NA Group and its employees are committed to lawful and responsible behaviour. In the Code of Conduct we wish to advise about key areas of responsibility and set up clear guidelines. These should not only be a help but also an obligation.

Violations of this code can be reported to any superior. Possible irregularities must be remedied quickly.

Please support us in order that in the future as well our business continues to be conducted in a lawful manner, fairly and responsibly.

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## INTRODUCTION

Competence and a sense of responsibility in all employees are the prerequisites for the success of NA Group (NA). Our aim is to increase enterprise value in the long term and to create high value added in the interests of shareholders, business partners, employees, banks and the general public. We pursue this aim while taking into account the given basic conditions. These include in particular the legal system, Responsible Care (an initiative of the chemical industry for the protection of mankind and the environment), long term environmental protection, occupational safety and health protection, production and product safety, high productivity, optimal cost-efficiency, supplier and customer orientation as well as rules on living together. This Code of Conduct is intended to inform about especially key spheres of responsibility. It should enable employees to recognise the rules and when in doubt to ask for advice. Such advice may be forthcoming, for instance, from superiors, from the pertinent departments (Legal Department, Personnel Department, Internal Audit or Health Protection) and from employees' representatives (Works Council, Staff Spokemen's Committee). This applies particularly if others could be put at a disadvantage, there is the threat of damage, a considerable risk is taken or if the legal position is not clear.

NA respects the law and demands the same from its employees and business partners. Unlawful conduct can cause significant damage and as well lead to regulatory offences and criminal proceedings. Apart from economic damage there is also the risk of damage to the Group's reputation and in consequence to our market position. NA performs through its employees, who are responsible for the company's internal and external image. Each employee is obliged to adhere to the applicable law and each supervisor must ensure that his staff fulfils this obligation.

The following guidelines apply in particular when dealing with customers, suppliers, other companies, shareholders, neighbours, the authorities, the general public, employees and superiors. They should help to apply good standards of conduct to day-to-day business.

The guidelines are in line with existing guidelines, instructions, works agreements and work directives, which are enforced without exception or changes to the contents. The key areas which are of particular significance in practice are addressed in this Code of Conduct. Every employee is obligated to adhere to them.

### 1. Fair Competition

NA is committed to fair competition and to having fair contract negotiations with its business partners. We expect the same from other market participants.

Agreements between competitors which aim at causing or cause competition to be impaired, restricted or falsified, such as price-fixing agreements, agreements on the allocation of territory, customers, sales quotas and price rigging, are forbidden to a great extent in Germany, in the EU and in the U.S.A. and also in many other countries. Violations of antitrust laws can be penalised by the imposition of heavy fines and the levying of several times the additional income. Even the suspicion of violations or investigations by the authorities can seriously damage NA Group's good reputation.

Also agreed behaviour, informal discussions or informal gentlemen's agreements, which are aimed at restricting or can impact competition, but entered into without the intention of becoming obligated, are fundamentally forbidden. Even the mere appearance of such agreements should be avoided.

When exchanging information with competitors, attention must be paid that no information is given or received which allows conclusions to be drawn on the current or future market behaviour of the party disclosing the information, such as details of customer and supplier relationships, prices, forthcoming price changes, costs, etc. Our own calculations, capacities or budgets may not be disclosed to competitors. Exceptions are, for example, if NA or its subsidiaries acquire or sell a business, or involve themselves in a joint venture. A confidentiality agreement is required in such cases. The data exchanged must also be limited to the necessary information and as well only passed on to those employees and consultants involved in the project.

Business sales, acquisitions or joint venture projects can be subject to approval by the antitrust authorities in Germany and abroad. As part of this approval process, the authorities must be provided with extensive information. This must be true and complete.

Vertical agreements on competition are in any event forbidden, i.e. agreements between suppliers and customers which restrict them in their freedom to fix prices and business terms with third parties. Depending on the length and intensity of the relationship, these can include certain most-favoured nation clauses, exclusivity clauses such as package sales clauses or exclusive delivery clauses as well as non-competition clauses. Licensing agreements may on no account include restrictions which go beyond the contents of the industrial property rights, if these are not named as exceptions by law. On no account are purchasing agreements with compulsory purchasing permissible. Some cartels are permitted such as specialisation and rationalisation cartels. However, they need to be approved by the antitrust authorities. Cooperations with competitors are permissible to a limited extent, for example in research and development as well as product development. The legitimacy of bidding consortiums must be checked from case to case.

Strong market positions, which are achieved by a company's own performance or by industrial property rights, may not be improperly exploited. The existence of a dominant market position as well as reaching the limits of permissible behaviour should be determined individually. In case of doubt NA AG's Legal Department must be consulted. The Legal Department must also be consulted in the event of repeated, similar or even the same activities since antitrust law constantly changes just as other legal sectors.

## **2. Safety**

### **2.1 Occupational safety and health care**

Each employee is responsible for occupational safety and health protection in his section. All regulations for health protection and occupational safety must be strictly observed. It must be ensured that workplaces and the works as a whole are kept tidy and clean. The works fire brigade, the works physician and the Health Protection Department and public emergency services (police, fire brigade) as well as the Executive Board and Management or Works Management, Personnel Department and Works Council must be notified in the event of accidents and injuries. Special attention should be paid to possibly diminishing care. The adherence to safety regulations, such as the use of protection devices, is frequently felt to be a nuisance or the idea develops erroneously that the risk potential has been safely overcome. In his/her own interests, but also in the interests of colleagues and the whole Group, every employee must follow the safety regulations without exception and in their entirety. It is important that the superiors set an example here.

### **2.2 Plant safety**

Production plants need careful planning and regular controls and maintenance. Employees must be given detailed instruction and training, (the supervisors' duties include the supervision of the given tasks). Only in this way can operating trouble, accidents or breakdowns be avoided. Recognised defects must be reported to Management without delay. In the event of disturbances which could have a major impact on operations, the alarm and emergency plans as well as instructions given in the plant must be observed. The correct behaviour in the event of sudden occurrences must be practiced in random, unannounced exercises and alarm checks.

The exercises must be analysed and weak points remedied.

### **2.3 Product safety**

The market must be continuously monitored to ensure that our customers observe safety procedures in handling products.

Recognised or suspected dangers which can arise from exposure to a product or the combination with another product must be reported at once to the office responsible for monitoring products in the business sectors. Each product must be furnished with the required safety data sheet and warning notices.

## **2.4 IT security**

NA's electronic data bases contain sensitive technical, economic and personal information. This is compiled, updated and communicated with the help of Information Technology and in compliance with data protection legislation. The task of the IT personnel is to ensure the continuous availability of IT installations and data bases, in particular with a view to the speed of innovation on the IT market. All security instruments which are technically possible within the framework of the NA organisation and are efficient in averting the danger of unauthorised accessing of IT equipment, programmes and data are centrally applied. Each employee is obliged to protect those IT facilities from misuse with which he has been provided to fulfil his duties and to handle sensitive data responsibly. This includes protection from unauthorised data access by the allocation of suitable passwords and the regular protection of local data bases.

The operating agreements and guidelines on the use of IT installations must be observed. External employees must be obligated to adhere to this.

## **3. Environmental Protection**

In its corporate policy NA has committed itself to the rules of the Responsible Care Initiative, i.e. to improve its performance in environmental protection continuously.

Each employee is committed to sustainable development and is therefore required to economise with resources and energy and to avoid waste as far as possible.

Air, water and soil may only be used for commercial purposes if official approval has been given by the authorities beforehand. The erection and operation of production plants are likewise generally subject to approval. Those responsible run the risk of prosecution in the event of operation without the requisite approval, each targeted or merely accepted failure to comply with the limit values, requirements and conditions stipulated in the license for the production plant, the unapproved discharging of substances in water or emissions into the atmosphere or pollution of soil. Even negligent transgressions can be penalised. Furthermore, claims for damages from third parties and fines can lead to a significant financial burden for the company. In case of recurrence, the reliability of the operator can be questioned. Any unapproved discharge of substances must be avoided. Even the approved release of same and fugitive emissions must be minimised as far as possible. Safety must be ensured when handling contaminated raw materials, intermediates and end products as well as auxiliary materials.

Stowages are to be avoided as far as possible. Attention must be paid to cleanliness in the production plants and in the works as a whole. In the event of an unintended release, pollution or other accident, the works fire brigade – if available - and the company's environmental protection department must be informed at once. Pollutants may only be handled in the designated areas and in suitable plants.

## **4. Secrecy**

### **4.1 Principles**

Company and business secrets as well as confidential documents, which the employee receives as part of his/her job or on occasion – also via affiliated companies – must be treated confidentially by the employee and not passed on to outside third parties or other employees unless they are concerned with confidential matters and obliged to secrecy themselves by virtue of their duties.

If an invitation to tender has been issued for the provision of services, information about a tenderer or his offer may under no circumstances be passed on to other tenderers.

### **4.2 Protection of know-how**

The results of our Research and Development as well as their industrial-scale development represent valuable goods. Our employees are obligated to work out and document the results of their activities in compliance with applicable scientific technical standards and communicate them internally to the responsible office. Great care must be taken with securing patents for inventions. No employee may pass on new knowledge or company secrets in any form at all to third parties unless he/she has been given express permission to do so and authorised in writing. Processes, substances and technologies must be treated in the strictest confidence inasmuch as they are not in the public domain. Increased care must also be taken, in particular during discussions with and tours made by customers, suppliers and competitors. On no account may photographs be taken in the works. All agreements with third parties, which have the purpose of awarding a license or the transfer of know-how, must be thoroughly examined before conclusion. Each employee must respect the trade mark rights of third parties and refrain from the unauthorised use thereof. No employee may procure and use secrets of a third party without authorisation. For security reasons as well, software programmes may only be installed by specially authorised employees. In so doing, the licensing conditions stipulated by the licensor must be observed, in particular as regards the number of computer workplaces with access.

### **4.3 Handling of files**

The documents and data carriers belonging to a workplace must not be accessible to unauthorised persons and must therefore be kept in a supervised place or under lock and key. Computers must be protected by the use of frequently changing passwords. It must be assured that, even in the event of absence from the workplace, no unauthorised third party can access data files. Employees may make copies or duplicates of business documents or the company's files only for company business purposes. Except for cases of deputising and being the supervisor of a team, access is denied to information which does not concern the employee's own activity. For all personally addressed communications the secrecy of letters must be guaranteed. All recordings and files must be kept in such a way that, as far as possible, a deputy can at any time continue working on them. The proviso for this is a complete, clear and comprehensible filing system. Competitors or a process opponent may gain access to documents and data carriers and then use them against NA. This must be taken into account when compiling documents – this also includes e-mails.

## 5. Conflicts of interest

Each employee must distinguish between his/her own private interest and those of the company. Business decisions may not be influenced by private interest and relationships. Possible conflicts of interest must be declared at once. If irregularities are detected, the internal audit or management must be informed without delay. Only relevant criteria must be taken into account in business relationships with third parties. Personal relationships or interests may not influence the conclusion of a contract. Suppliers must therefore be selected on the basis of criteria, such as price, quality, reliability, credit rating, technological standards, product suitability, existing and long lasting and conflict-free business relations, certification in compliance with ISO (International Organisation for Standardisation) standards or the European Eco-Audit stipulation or the existence of quality management. No employee may directly or indirectly claim, accept, offer or grant a personal advantage that might even give the mere impression of exerting influence in connection with company activities, in particular in the initiation, placement or administration of an order – whether with a private person, company or authority. No person holding an office may receive inadmissible advantages – even if he/she belongs to a foreign state. This prohibition applies to all types of benefits. The only exceptions are entertainment and the customary low-value occasional gifts which can under no circumstances be construed as influencing business decision-making.

## 6. Insider dealing

No employee may use internal knowledge about the company's plans and developments – for instance the intended acquisition of foreign companies, sales of parts of the company, the founding of joint ventures, major investments, profit trends or other facts impacting the share price (so-called insider information) – for his personal gain or for the personal gain of anyone else.

Insiders are not only those involved in the respective project, but also all employees who happen to receive insider information. The passing on of insider information is illegal and subject to prosecution if this act was unnecessary in the performance of duties. Offences may be punished with prison sentences and fines. When accessing a piece of information for the first time, recognising a circumstance or introducing a measure, which might have an impact on the share price, this must be kept in the strictest confidence internally and the Executive Board or Management informed at once. The Executive Board or Management will decide – if necessary after consultation with the respective department – about how to handle the new information.

## **7. Company property**

No employee may use facilities (e.g. appliances, stocks of goods, vehicles, office material, documents, files, computers) or company labour for private purposes without the express permission of the responsible office. Company property may not be removed from the company's premises without written permission from the respective superior. Data files, programmes or documents may also not be copied or removed from the company without permission.

The use of computers including e-mail and internet for private purposes is likewise only permissible with the company's consent.

## **8. Sideline jobs**

Every employee must inform the Personnel Department about any further employment they intend taking up – also within the framework of a freelance job – or the intention of an active entrepreneurial activity and request permission to do this. This particularly applies to taking on functions in companies with whom NA Group has a business relationship or could be in competition. Each employee is free to acquire shares in another company inasmuch as the operations of a competitor are not being pursued. A private job in a club, party or other social, political or public institutions is permitted inasmuch as these institutions do not contravene the liberal democratic constitutional order as well as generally acknowledged human rights and the job does not impair the duties under the company's employment contract. When giving his personal opinion in public, an employee should on no account refer to his role in the company.

## **9. Working together with the authorities**

NA endeavours to have a cooperative and open relationship with all responsible authorities. In the event of investigations and searches, the Legal Department of NA AG must be informed and called in at once. The Department will ensure that the proceedings are conducted in accordance with the law, the rights of those concerned are observed and that company business can continue with as little disruption as possible.

## **10. Behaviour with other persons**

Each employee's behaviour reflects on the company and thus impacts its reputation both outside and inside the company. NA therefore expects each employee to be friendly, professional and fair in dealing with customers, suppliers, authorities and other third parties as well as with other employees and superiors. NA will not tolerate discrimination, favouritism, harassment or exclusion due to race, colour, nationality, creed, sex, religion, sexual orientation, physical or psychological constitution. Conflicts must be reported to the immediate superior and, if necessary, the Personnel Department and employees' representatives with the aim of finding a relevant solution. Mobbing and sexual harassment are forbidden. Every employee has the right to protection from unfair treatment. All employees must behave in such a manner as to generate trust. Communication amongst employees forms the basis for decision-making. Each employee must endeavour to inject as much of his own understanding or that of other parts of the company in a decision-making process. In addition to the team capabilities, successful project work also includes taking one's own initiative. Every

member of senior staff and each employee has the obligation and the right to enquire critically about work processes – also of other sectors – and to suggest improvements.

### **Conclusion**

The guidelines are oriented towards the permanent compliance with legal and corporate directives and stipulations. To avoid violations of same, NA offers its employees the use of all accessible sources of information and advisory services, in particular the Legal Department, the Personnel Department, the Environmental Protection and Health Care Departments and the Employees' Representatives. Breaches of the law and the Code are not acceptable. NA monitors the adherence to the aforementioned guidelines. Violations can be penalised by warnings, by applying claims for damages or even dismissal. In cases of doubt, each employee can and must seek advice and support from the company departments responsible. Suggestions for improvements, complaints and reports of violations of the law and the code or suspected cases can be directed to the responsible persons in confidence until the matter has been clarified. It is not sufficient to have only taken note of this Code. Each employee is called upon to examine his own behaviour constantly and as well to develop improvements and other possibilities for ensuring this.

Reports about violations of the Code can be made to any superior. Grievances must be remedied quickly. Regular controls should assist in this. This Code of Conduct must be lived to the letter. Discussions with the employees should sharpen their awareness.

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