



CODE OF CONDUCT

R&S GROUP



Issuer:	General Counsel & Compliance Officer	Date of issuance:	01.07.2025
Approved by:	Board of Directors	Date of approval:	25.03.2025
Replacing Directive:	R&S Group Code of Conduct V1	Dated:	01.07.2020
File name:	R&S Group Code of Conduct 2.0		



Introduction

Dear Colleagues,

A culture of integrity is a prerequisite for a best-in-class business. At R&S Group, we are committed to the highest standards, not only in the products we develop and build for our clients, but also in the way we collaborate internally and with external stakeholders.

The Code of Conduct is more than an acknowledgment of the rules. It reflects a personal commitment to take responsibility for our actions and always to work in line with our values. We believe our responsibility as a Company goes beyond respecting the laws and regulations of the countries we work in.

Our reputation as a trusted provider of high-quality transformers, related products and services can only be maintained if we develop reliable and sustainable products for our customers, create an attractive place to work for our employees and deliver profitable results for our shareholders while respecting the environment and the communities in which we operate.

Meeting all these ambitions is not always easy. In a demanding and competitive business environment, we sometimes need to make difficult decisions. It is here where the Code of Conduct provides guidance.

Obviously, the Code of Conduct cannot answer all the questions or dilemmas we might encounter in our daily work. This is why we encourage every employee to seek guidance if they are in any doubt or have any concerns, be it from their manager, HR or the General Counsel & Compliance Officer.

The Board of Directors and the Executive Committee thank you for living up to our Code of Conduct, and for doing your part to exemplify our high standard of integrity at the R&S Group.

Sissach, July 2025



Heinz Kundert
Chairperson of the Board



Eduardo Terzi
Chief Executive Officer

WE GUARANTEE ENERGY

Our success largely depends on the way we interact with each other. True to the claim “We guarantee energy”, our vision and mission is to be an independent leader in providing high quality and reliable products to protect the environment, who achieves strong & profitable growth above market. We foster strong collaborations with our customers, thus creating sustainable value for our shareholders.

Our Code of Conduct is based on our culture and the values we share all over the R&S Group:

- **Customer centricity**
- **Empowerment & performance**
- **Entrepreneurship**
- **Sustainability**

Scope of Application:

This Code of Conduct applies to the entire R&S Group including all its subsidiaries¹ (in this document referred to as “R&S Group” or “R&S”) and all its employees². Every employee shall contribute to upholding the highest ethical and legal standards throughout all organizational entities. Furthermore, R&S shall ensure that similar standards are applied by its suppliers and contractors to avoid any abuse in human and labor rights in the supply chain.



¹ All legal entities and affiliates as well as all joint ventures in which R&S Group AG directly or indirectly has a share of more than 50% and/or management control.

² “Employees” includes all employees of R&S Group, including temporary workers and employees from external agencies.

Customer centricity

1. Customer success is our focus

1.1. We deliver high quality and performance

At R&S, we are committed to delivering products and services that satisfy our customers' requirements of quality, reliability and operational safety, and comply with all applicable international standards. We continuously strive to optimize our products in these respects through technological innovation and improvements in our production processes.

1.2. R&S's integrity and reputation are vital to us

Building trust with all our stakeholders is fundamental to our success. We conduct our business with honesty, transparency, and integrity. We honor our commitments and communicate openly and truthfully.



Empowerment & performance

2. We behave responsibly

2.1. We abide by laws and regulations

At R&S, we respect all applicable local, national and international laws and regulations, wherever we operate. It is the duty of every one of us to understand and adhere to legal requirements relevant to his or her role. Compliance with external laws and regulations, but also with internal directives, is non-negotiable and essential to our integrity.

2.2. We respect the rules of fair competition

We strongly believe that a competitive, free enterprise system guarantees that our hard work and innovative ideas will be rewarded. Practices such as price fixing, cartel formation, or other competition-distorting activities are therefore strictly prohibited. We do not enter into agreements with competitors on commercially sensitive issues (such as prices, terms and conditions, or market sharing) or exchange relevant information with competitors.



2.3. We do not participate in money laundering

Money Laundering occurs when funds from illegitimate sources are brought into legitimate financial channels to make them appear legitimate. If a third party refuses to provide complete information, insists on cash payment, or suggests measures which obscure parts of the transaction, this can be an indication of money laundering. We protect the integrity and reputation of R&S by helping to detect possible money laundering activities, and notify warning signs to the local finance department, or to the General Counsel & Compliance Officer.

2.4. We do not abuse privileged information and refrain from insider trading

Employees may, in the course of their work for R&S, become aware of material non-public information regarding R&S, one of its subsidiaries or another third party. All such material non-public information should be considered as inside information. Trading R&S-securities such as shares or bonds while in the possession of such insider information is both unethical and illegal and will be dealt with decisively. It is not permitted to share insider information with other R&S employees unless they need to know and are aware of their obligations in handling the information. It is against the law to “tip” or share information with others, including a co-worker, family member or friend, who might make an investment decision based on inside information.

2.5. We do not tolerate corruption

Employees of all levels are strictly prohibited from conducting any form of bribery (whether towards public officials, other companies' employees, or other business partners), as well as from accepting bribes. This also prohibits the use of facilitation payments, i.e. payments made to public officials to speed up routine official acts.

If accepted by applicable law, modest gifts and invitations may be exchanged between business partners as a gesture of courtesy but must never be used to influence business decisions. Regardless of the amount, employees are not permitted to give or accept monetary gifts. Charitable donations must be approved by the CEO of the R&S Group.

Further guidance is provided in R&S Group's Anti-Bribery and Money Laundering Prevention Directive.

**2.6. We avoid conflicts of interest**

All employees must avoid situations in which their private interests are in conflict or could come into conflict with the interests of the company, e.g. due to personal relationships with another employee, customers or suppliers, or secondary employment. In case of a potential conflict, employees should inform their line manager, HR or the General Counsel & Compliance Officer. If a conflict arises, R&S will resolve the situation in a responsible manner.

Entrepreneurship

3. Our Company's Assets

3.1. We protect our company assets

We use company assets responsibly and for legitimate business purposes only. Protecting our assets from misuse, theft, loss, waste or damage is everyone's responsibility. R&S products contain substantial quantities of highly valuable materials. It is therefore crucial that we ensure that these are used efficiently and effectively, thus fostering R&S' operational excellence and success, and at the same time contributing to a sustainable use of global resources.

3.2. We use our information systems, E-mail, and internet responsibly

The company's information systems are there to help us work efficiently and professionally. Generally, such systems should be used only for business purposes, in a manner that does not violate the rights or interests of the R&S Group, and in line with rules issued by the R&S Group. We act diligently and exercise due care at all times to protect the Company's computer and network systems, and the Company's information from damage, destruction, viruses, alteration, theft, fraudulent manipulation, and unauthorized access, disclosure or use. Use of information resources is subject to R&S Group's IT security policies.

Information produced and stored on R&S' information systems is company property. R&S reserves the right to access all such information within the limitations of the law. Employees are responsible for keeping their electronic files and archives in an orderly manner.

3.3. We protect confidential Information

Company assets do not only include the machines, tools, vehicles and other tangible materials we use in our operations but also our intellectual property rights and confidential information, such as e.g. strategic projects, information about materials and production processes, pricing, and any other information concerning R&S' competitive advantages. It is of utmost importance to protect confidential information from unauthorized access or disclosure.



3.4. We respect the property rights of others

We respect the intellectual property rights of others. Unauthorized use of third-party intellectual property is prohibited. We ensure that our actions do not infringe on the intellectual property rights of others.

3.5. The integrity of our financial records is vital to us

We maintain accurate, true, fair, consistent and complete financial records. We comply with all applicable accounting standards and regulations. We understand that integrity in our financial practices and transparent communication to the market in line with applicable laws and regulations are essential to build trust with our stakeholders.

4. Working Conditions

4.1. We practice equal treatment and mutual respect

We are committed to offering a workplace free from any discrimination, offering equal opportunities for all employees regardless of gender, ethnic background, nationality, culture, religion, age, disability, or political or sexual identity or orientation. We practice diversity and inclusiveness and create an environment that promotes the individuality of every single employee in the interests of the company.

Our values do not tolerate any form of harassment and bullying. Any form of harassment is unacceptable and will be addressed promptly.

4.2. Health and safety at the workplace are key priorities

The health and safety of our employees is a key priority. We adhere to relevant legal requirements and safety standards, thus ensuring a work environment which enables employees to work efficiently and protect their health. It is important to report dangerous conditions and other unacceptable health, safety or environmental conditions immediately so that workplace accidents are minimized, and corrective actions can be taken.



4.3. Forced or child labor, right of association

In line with the UN Declaration on Human Rights and ILO and OECD guidelines, R&S has a zero-tolerance approach to slavery, other forms of forced labor, or child labor, either within the organization or at suppliers and other business partners. R&S recognizes the employee rights of collective bargaining and freedom of association according to applicable local law.

4.4. We are proud of our performance culture

The satisfaction and commitment of our employees are extremely important to us. That is why we cultivate a culture of high performance and continuous improvement, are committed to ensuring equal pay for equal work and base our remuneration policy on performance. Employees have a right to receive their superior's assessment of their performance, which is expected to ascertain progress and, where appropriate, to include proposed plans for further development.



Sustainability

5. We care for our supply chain

5.1. We are fair in our relations with suppliers

Our relationships with suppliers are built on trust and mutual respect. We select suppliers based on quality, reliability, and ethical standards. The Code of Conduct for Suppliers ensures that R&S conducts all its procurement activities in accordance with applicable laws and regulations. R&S is committed to the responsible procurement of minerals and does not use any minerals from Conflict-Affected and High-Risk Areas (CAHRAs).

5.2. We impose our values on agents and consultants

We work with agents and consultants who share our commitment to ethical conduct. The ban on bribery also prohibits third parties from engaging in bribery on behalf of R&M. Sales agents and consultants involved in the sales process must only work based on a contract with R&S, obliging them to adhere to our high ethical standards. Agents and consultants shall only receive payment within reasonable limits and for proven, legitimate services.

6. We take social responsibility

6.1. We promote sustainability and protection of the environment

R&S is an environmentally conscious company, committed to using energy and natural resources carefully and responsibly. We comply with the relevant national laws, regulations, and standards for environmental protection in order to keep the risks and impacts on the environment to an absolute minimum, and expect our suppliers to do the same.

R&S promotes the principles of responsible governance of tenure of land, water resources and forests, and is particularly committed to a zero tolerance for land grabs.



6.2. We are active community members

R&S strives to exercise citizenship by interacting with our neighbors and the wider community around us on a corporate level through specific projects, charitable donations and practical support for worthy initiatives. In that sense also individual employees are encouraged to make an active civic contribution.

Our commitment to the Code of Conduct

We live the code of conduct

Group-wide and uniform compliance is essential, and every employee is responsible for upholding these principles. Managers shall support their employees in complying with rules. They are required to set the right example, guide behavior and create an environment in which everyone feels comfortable asking questions and reporting potential violations of our Code and policies.

Whenever you are in any doubt, make sure you seek guidance. If you are not sure whether what you plan to do is in line with the Code, please consider the following questions:

- Is it legal and in line with our Code and regulations?
- Is it not jeopardizing R&S's reputation?
- Is it the right thing to do?
- Am I authorized to do it?
- Am I leading by example?
- Would I feel comfortable if this were to end up on the front page of a newspaper?

If you hesitate to answer 'yes' to any of these questions, please seek further guidance from your manager, your HR department or the General Counsel & Compliance Officer.

We immediately report non-compliance

To ensure the constant improvement of our processes, we don't look away if we encounter any violations of the Code. Every employee is expected to immediately report concerns to their line manager, to HR or the General Counsel & Compliance Responsible, so that they can be dealt with in an appropriate way.

Violations of our Code will not be tolerated and can result in disciplinary action up to and including dismissal. Anonymous reports can also be made via the Speak Up Line