

Code of Conduct of the BELIMO Group

December 01, 2019

Introduction

Belimo's mission statement conveys the company's key guiding principles and fundamental values. Since each employee helps shape the Belimo corporate culture, it is imperative that every one of them understands and embraces his or her personal responsibility.

Belimo is determined to manage its business in compliance with high ethical standards and applicable law. Employees shall act accordingly. This attitude is not only vital to preserve Belimo's good reputation and to prevent possible sanctions under civil or criminal law, but also reflects Belimo's values.

Consequently, the mission statement is supplemented by a Code of Conduct which serves as a guideline for day-to-day work. The Code of Conduct applies to all Belimo employees world-wide, both with respect to business practices in relation to external partners and with respect to internal cooperation.

A culture of trust and credibility also means that employees get in touch with the contact person responsible should they have any questions or in the event of perceived violations of either applicable law or ethical standards.

Employee conduct

These fundamental principles were formulated to govern internal cooperation, although they also apply to conduct in relation to external partners.

- **We act with integrity**

Conduct with integrity is an essential component of our corporate culture.

We abide by the law and by all additional external and internal regulations.

We exercise care in our handling of confidential information of any kind.

We recognize and avoid situations which could lead to conflict between personal interests and those of Belimo. We disclose existing or possible conflicts of interest.

We protect our credibility by not accepting gifts and favors which could influence our actions and decisions.

- **We generate trust and act in an authentic manner**

Trust is generated through transparency and truthfulness. It is our objective to be truthful, even when we find it personally difficult to be so. It is of great importance to our sustainable success that we convince every customer (both internal and external) of our trustworthiness. To accomplish this, our words must match our actions.

We are reliable partners and make only those promises that we can keep. To the best of our ability, we make sure that customers, suppliers and colleagues can rely on what we say.

- **We are respectful in our dealings with one another and support one another**

We respect personal dignity, privacy and the personal rights of every individual.

We work together on an equal basis with individuals from a variety of ethnic backgrounds, cultures and religions, and irrespective of handicap, skin color, sexual identity, worldview, age and gender. Every employee has a right to be protected against discrimination and harassment.

Constructive criticism is welcome. We value having different opinions discussed with a solution-oriented counter-proposal and with an open attitude.

Each of us contributes to a pleasant and productive work atmosphere. To accomplish this, it helps to always ask oneself: "Am I treating others the same way I would like to be treated by them?"

- **We promote letting everyone have his or her say**

We actively participate in the design of structures and processes.

Participation in employee surveys and the implementation of measures resulting from them are a part of our effort to become ever better and are an expression of our ability to continuously stay updated.

- **We advocate safety and health protection**

We feel that we share responsibility for occupational safety and health protection in our own areas and act accordingly.

Conduct in the working environment

We adhere to the following provisions taking local conditions into account:

- **Ban on corruption and bribery** in dealings with business partners. Corruption and bribery of any kind are not tolerated, nor is it permissible to become involved in such acts in any way, including any offers of illegal payments or similar gifts, for the purpose influencing the decision making.
- **Conflicts of interest** are consciously avoided. We make decisions based on the well being of the company not personal interests.
- **Employees' basic rights are respected.** ¹ We promote equal opportunities and the equal treatment of employees regardless of the color of their skin, race, nationality, social origin, disability, sexual orientation, political or religious conviction, gender or age. The personal dignity, privacy and personal rights of each and every individual are respected. Nobody shall be employed against his or her will, nor forced to work. Unacceptable treatment of workers shall not be tolerated including psychological duress, sexual and personal harassment or discriminating conduct. Appropriate compensation must be ensured as well as payment of the statutory national minimum wage. The locally stipulated maximum working hours shall be observed. Employees' freedom of association shall be recognized and members of employee organizations or unions shall be neither favored nor discriminated against.
- **Prohibition of child labor.** ² No employees shall be hired who have not yet reached the minimum age of 15 years.
- The company is also responsible for the **health and safety of its employees** and this forms an integral part of its health and safety management. It must ensure that risks are minimized and that appropriate precautions are taken to prevent accidents and occupational illnesses. Care must be taken to ensure that all employees are informed on the subject of occupational safety.
- **Environmental protection.** We strive to use our resources sparingly and avoid the use of materials that place an unnecessary strain on the environment and are difficult to discard. We are mindful of energy consumption. Environmental protection is taken into account in compliance with legal and international standards³. Environmental protection shall be improved on an on-going basis by means of an adequate environmental management system. We strive to design products that contribute to increased energy efficiency in our customer's applications.
- **Responsible procurement of raw materials / conflict minerals.** Suppliers are required to disclose the origin and sources of the raw materials used by them, on request and to take reasonable effort in order to exclude the use of raw materials affected by embargoes or other import restrictions, such as conflict minerals, and to identify these raw materials in manufactured products in the supply chain.

Conduct in relation to suppliers

We strive to establish a close partnership with suppliers in which we have the same expectations in the working environment of suppliers as we do of ourselves. Specifically, we are aware of our responsibility toward the environment and society, in the role of both supplier and customer, as well as beyond our own added value. The separate 'Code of Conduct - Declaration of the Supplier' is a binding expression of the expectations we have of our suppliers.

¹ United Nations, The Universal Declaration of Human Rights,
<http://www.un.org/en/documents/udhr/>

² International Labor Organization, The four fundamental principles and rights at work,
<http://www.ilo.org/declaration/principles/freedomofassociation/lang--en/index.htm>

³ OECD Guidelines for Multinational Enterprises, Rio Declaration on Environment and Development
<http://www.oecd.org/dataoecd/56/40/1922480.pdf>

Conduct in relation to competitors

In relation to competitors, customers and suppliers we are committed to engage in fair competition and observe the applicable anti-competition and anti-trust provisions.

In compliance with local regulations, we abide by the following prohibitions:

- **Price agreements:** Agreements with competitors to fix prices or the terms and conditions of sale.
- **Market/customer division:** Agreements with competitors to divide markets and/or customers.
- **Collusive tendering:** Agreements with competitors to refrain from submitting a tender, offer a certain price or submit a tender that is generally known to be less favorable than a competitor's offer.
- **Disclosure of sensitive information** to competitors, with regard to current prices, future price development, margins, costs, bids, market shares, distribution practices, terms and conditions, development or production plans.
- **Misuse of a market-dominant position** in agreements with customers and suppliers which contain provisions that restrict or distort competition (exclusivity, price regulations, package deals, territory limits, price differentiation, non-competition clauses and the exchange of sensitive technical or business information).

More detailed information on possible forms of corruption and bribery and their handling can be found in the "Anti-Bribery and anti-Corruption Policy". The policy is an integral part of this Code of Conduct for Belimo employees and can be downloaded from the Intranet.

Furthermore, we recognize and act in accordance with pertinent international trade restrictions and regulations of various countries and international organizations, e.g. the United Nations

If there is doubt with planned activities or agreements that contain provisions which could impair competition or international trade restrictions, they must be examined by a specialist.

Reports of violations of the Code of Conduct

In order to be able to consistently implement the company's commitment to the highest level of integrity, Belimo relies on appropriate information about grievances. Every employee is jointly responsible for compliance with the Code of Conduct.

Either managers, the Human Resources department or the Belimo Integrity Team must be informed via the Integrity Channel as appropriate.

Employees can find more detailed information on the reporting procedure in the "Regulations for Reports of Compliance Violations".