

Code of Conduct

Table of Content

- 1 Introduction..... 3
- 2 Values 4
- 3 Integrity 4
- 4 Legal Compliance 4
- 5 Employees..... 4
- 6 Environment, Health and Safety 5
- 7 Drugs, Alcohol and Weapons 5
- 8 Customers and Suppliers 5
- 9 Conflict of Interest..... 6
- 10 Reporting..... 6
- 11 Public Activities 6
- 12 Competition 6
- 13 Application..... 6

I Introduction

This Code of Conduct sets out Güdel's general business principles in working with our partners day-to-day.

Integrity has been and will be the key in establishing and maintaining our reputation and providing our quality services to our customers. We deem our reputation an asset just like our employees, the products and systems we manufacture, and the services we provide. Our objective is to preserve continuity of the company by maintaining a strong financial foundation and remaining a profitable business. This implies investing for sustainable growth and to weigh up short and long term interests, with due care and respect for our customers, employees, shareholders, neighbours, suppliers as well as the environment. We adhere to the principle of sustainable business practice, in the sense of dealing with respect for individuals, the environment and society as a whole, in combination with a healthy profitability.

At Güdel we have a clear vision which acts as a guiding principle, providing us with a longterm sense of direction and showing us what we want to be in the future. This is accompanied by binding values, which shape our thoughts and action in our day-to-day work. The aim is for each of our employees to be familiar with our Vision & Values.

If employees have a concern about what is proper conduct for them or anyone else they should promptly raise that concern with their superior or the person designated by the Group Executive Board for this purpose. Any concern so raised shall be promptly and discreetly addressed with due care and respect.

Group Executive Board

2 Values

For Güdel Group and its employees worldwide the following values shall apply at all times:

Reliability

As a basis for mutual trust and reliability, we appreciate and respect our partners, act carefully and responsibly, and keep our promises to ourselves and others.

Innovation

We pursue and implement technical and operational innovations from unique concepts, discoveries and developments.

Passion

We are passionate about and committed to our work and the success of our customers.

Open mind

We engage our customers with an open mind and an attitude of innovation. We are open to discovering and implementing new technologies. We meet all cultures with understanding and respect.

Effectiveness

We use all resources efficiently and effectively. We create sustainable value with intelligent technologies and innovative solutions – both for our customers and for us.

We focus on the long term success of Güdel and our customers, strengthening the company for future generations. Güdel's vision of "being number 1 in intelligent technologies for motion", Güdel's values and strategies serve as a road map helping all Güdel employees to make decision for the benefit of these goals and values.

3 Integrity

Güdel conducts its business with integrity, honesty and fairness, with due respect for the interests of those with whom it is doing business and for the community at large. Integrity is essential to Güdel's business and is not in any circumstances to be sacrificed for the sake of results or otherwise.

4 Legal Compliance

The Güdel companies comply with the laws and regulations of the countries in which they operate. These laws and regulations are numerous and often complex. Whenever any question arises, employees should seek guidance on these requirements from their superior or Güdel Groups' legal department.

5 Employees

- (i) Güdel considers safe and healthy working conditions for its employees to be fundamental and a prerequisite.
- (ii) Güdel Group companies recruit, employ and promote employees on the sole basis of the qualifications and abilities (including reputation and reliability). Güdel endeavours to enable each individual to develop its talents in various ways (a.o. by offering training programs).
- (iii) Güdel Group companies are committed to a work environment in which all individuals are treated with respect and dignity. Each individual has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices. Güdel expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice and harassment.

- (iv) It is the policy of Güdel to ensure equal employment opportunity without discrimination or harassment on the basis of race, colour, national origin, religion, sex (with or without sexual conduct), age or any other characteristics protected by law. Güdel prohibits and will not tolerate any such discrimination or harassment.
- (v) We respect the rights of children and condemn child labour. We comply with the applicable laws and regulations regarding the minimum age for admission to employment or work.
- (vi) Not conforming with above statements will result in disciplinary actions, immediate dismissal and/or legal action.

6 Environment, Health and Safety

Güdel is committed to conduct its operations in an environmentally sound and sustainable manner and bans substances and materials detrimental to humans and wildlife wherever possible in the supply chain. To achieve protection of the health and safety of employees, customers and the public, Güdel has established procedures and compliance programs to ensure the minimum adverse impact on the environment. Such procedures and programs are periodically being reviewed and appraised.

7 Drugs, Alcohol and Weapons

It is the policy of Güdel Group companies to maintain a work environment at their locations that is safe for employees and suitable to attaining high work standards. This statement is to notify and remind all Güdel employees and employees of business partners having access to a Güdel location, that unauthorised possession or use of drugs, narcotics, intoxicating beverages, firearms or weapons are not permitted at any Güdel location.

8 Customers and Suppliers

- Bribes

In dealing with customers and suppliers, which may include governmental bodies, Güdel stipulates that its employees neither give nor receive bribes or anything of value in order to retain or bestow business or financial advantages. Güdel employees are directed that any demand for or offer of such bribe or anything of value must be immediately rejected.

- Gifts, Donations, Business Entertainments

The giving of small business gifts, donations and/or the providing of reasonable business entertainments to individuals should be decided on in consultation with the superior of the donating employee on the basis of local business practice and regulations. Gifts of a total value of up to CHF 100 in any one year would in most cases not cause a conflict or give the appearance of causing a conflict. An employee shall declare to his or her immediate superior, details of any gift received from customers, suppliers or any other external party, and shall not retain such gift without the consent of his or her superior. Güdel employees shall never actively request gifts, donations, business entertainment or preferential treatment of value.

- Payments to agents/Intermediaries/Money laundering

Payments to be made to agents or other intermediaries in connection with the awarding of contracts by customers should be measured against the services performed in return and should be cleared in advance with the member of the Group Executive Board having prime responsibility for the activity. The contract should be in place in writing before payment to the agents or intermediaries.

Güdel Group companies are committed to comply with all applicable laws governing the prevention of money laundering and do not participate in any money laundering activities whatsoever. Moreover, Güdel expects compliance also from all its business partners.

- *Qualifications (sub)contractors*

Güdel Group companies are required to retain (sub)contractors on the basis of the qualifications and abilities needed for the work to be performed including their reputation and reliability and to see to it that these contractors apply the same ethical business principles as applied by Güdel.

9 Conflict of Interest

Güdel employees shall avoid personal activities and financial interests, which might be adverse to the interests of Güdel, produce conflicting loyalties or interests, or interfere with effective job performance or which involve the appearance of a conflict of interest. Güdel accepts the concept of its employees to have private financial and/or business interests outside their professional activities with Güdel. However - to the extent these interests may have an interface with activities of Güdel companies - employees are requested to report such interests to their superiors or the person designated by the Group Executive Board to keep a record thereof.

10 Reporting

Güdel accounting - and operational records and supporting documents must accurately describe and reflect the nature of the transactions and shall be subject to audit. Undisclosed or unrecorded accounts, funds or assets will not be maintained or established.

11 Public Activities

Güdel does not participate in party politics nor makes payments to political parties or to the funds of groups whose activities are directed at promoting party interests. When dealing with governments or other (governmental) agencies Güdel Group companies are encouraged to promote and defend their legitimate commercial objectives. They may do so directly or through bodies such as trade associations.

Güdel Group companies are encouraged to respond to requests from governments and other agencies including NGO's (Non-Governmental Organisations) for information, observations or opinions on issues relevant to their business and to participate in the development of proposed legislation or regulations in areas which may have an effect on their legitimate interests.

12 Competition

Güdel believes in fair and open competition in compliance with applicable competition laws. From time to time Güdel provides guidance and instruction to employees to ensure that they continue to understand competition laws and apply them correctly.

13 Application

This Code of Conduct applies to all Güdel Group companies worldwide. Any non-adherence to this Code will require the instant notification to the Group Executive Board.