

# Code of Conduct



# 1 Preface

The wenglor sensoric group has been growing continuously for years as an owner-managed, mid-sized family business and, thanks to its innovative products, enjoys an excellent worldwide reputation amongst customers, business partners and the public, as well as its own employees. Maintaining this reputation is one of the company's central concerns. The brand name and its key statement, "**wenglor – the innovative family**", already embody important aspects with regard to thought and action. However, these are not shaped by economic factors alone and are also influenced to a great extent by socially and ethically acceptable, as well as legally compliant maxims.

With this code of conduct, the wenglor sensoric group commits itself to the principles and rules described below, which permit economically and socially fair coexistence. In this regard, attention is focused on increasingly sensitive issues which are arising within our modern society such as social responsibility, fairness, corruption, data protection and occupational safety. The code of conduct is a binding guideline for all employees. Violations of the code will not be tolerated and will be consistently investigated and punished within the scope of applicable legislation.



## 2 Code of Conduct of the wenglor Group

### 2.1 Responsibility of wenglor Employees

**Responsible and lawful action is the basis of our long-term company success.**

All employees of the wenglor sensoric group (hereinafter referred to simply as wenglor) are personally responsible for compliance with applicable law and this internationally applicable code of conduct. For this reason, all employees are expected to inform themselves about the content of the code of conduct. Compliance with these rules shapes the image of the company in the public eye and generates trust in our products.

In particular wenglor management personnel assures observance of legal requirements and the principles of this code of conduct within their respective spheres of responsibility. Consequently, they are responsible for informing and sensitizing their employees concerning the content and the significance of these rules, and for monitoring compliance with them.

Furthermore, when selecting customers and suppliers, it must be ensured that potential business partners also comply with these rules as a prerequisite.

Statutory violations may result in serious disadvantages for the company. Conceivable examples include fines and claims for the compensation of damage. Additionally, wenglor could be significantly weakened as a result of damage to its reputation. The mere semblance of the violation of a law is often enough to influence the attitudes of customers and business partners.

For these reasons, wenglor does not tolerate any violations of its internal directives or any legal requirements, and shall take action against such violations regardless of the hierarchical status of the respective employee. Culpable violations of the law committed by employees can thus result in labor law sanctions, right on up to termination of the employment relationship. The respective employee might also be held personally liable for damages resulting from statutory violations. Furthermore, penalties or fines can also be imposed by courts of law and official authorities.

wenglor is represented in more than 20 countries with its branch offices. Consequently, global activities are subject to various country-specific and international legal provisions. However, the rules specified in this code of conduct apply worldwide at all company locations and for all corporate divisions of the wenglor group.

In formulating the rules listed below, the fact that wenglor is an innovative, internationally aligned family company was always taken into consideration.

### 2.2 Fair Competition

**wenglor acknowledges the fundamental principles of free and fair competition without restriction.**

Corporate goals are pursued exclusively in accordance with the merit system and in consideration of applicable rules of competition. wenglor therefore always acts in accordance with antitrust law in dealing with competitors, business partners and customers. All employees are thus required to comply with the relevant provisions of anti-trust and competition legislation.

Violations of antitrust law can have serious consequences, for example in the form of fines and levies on profits, right on up to financial penalties or imprisonment.

In particular agreements targeted at restricting competition will not be tolerated. wenglor not only competes with other suppliers where the sale of products is concerned, but rather where R&D and the procurement of raw materials are involved as well. In any case, the most important basic rule with regard to antitrust law is: no market-relevant agreements with competitors. The mere semblance of any violation must be avoided in this respect. Special care is required in this regard at trade fairs and industry events, at which employees come into contact with competing companies.

## 2.3 Corruption Prevention

**wenglor resolutely and actively opposes bribery and corruption.**

Corruption jeopardizes fair competition and represents a worldwide problem. wenglor does not tolerate any form of bribery, or any other action which might arouse the impression of any exertion of unlawful influence, amongst its employees and business partners.

When conducting business, all employees are forbidden to demand, accept or grant advantages if this is intended to impermissibly influence business operations or if it might arouse the impression that this is the case. The same applies to gratuities bestowed upon persons in close relationships to employees, for example family members or close friends.

Corruption often results from conflicts of interest, i.e. where private interests interact with professional activities. Business decisions must not be influenced by private or personal interests. Decisions are made exclusively on the basis of objective criteria, for example quality, price and reliability, and in the interest of the company.

Two fundamental factors targeted at preventing corruption are transparency and reliability. These factors must be taken into consideration for all business operations. Within this context, internal as well as external gathering of data must be truthful, correct and complete.

## 2.4 Prevention of Money Laundering

**wenglor adheres strictly to legal requirements for the prevention of money laundering.**

We comply with legal requirements for the prevention of money laundering and do not participate in any money laundering activities. In case of doubt, every employee is required to report unusual financial transactions which might substantiate any suspicion of money laundering to the CFO at corporate headquarters, in particular where cash is involved.

## 2.5 Dealing with Gifts

**wenglor rejects the acceptance of gifts of inappropriately excessive value.**

In general, during the course of routine daily business, it's not unusual to receive small presents or gifts from a business partner. It's permissible to accept an occasional gift of small nominal value during the course of routine daily business. If the gift or the benefit exceeds the usual value range, the employee must decline to accept it. Employees must not allow themselves to be tempted by gifts into making unobjective decisions where business matters are concerned.

## 2.6 Data Protection

**wenglor adheres strictly to applicable data protection regulations.**

wenglor assures that sensitive information and trade secrets are appropriately protected and not passed along without authorization. wenglor employees are therefore required to treat such data confidentially. To the same extent, we respect the trade secrets of our business partners and competitors.

The protection of personal rights in compliance with applicable legal requirements is assured in all business processes. Personal data are only collected, processed or used when legally permissible, and/or when the affected persons have consented to such collection, processing or use.

Beyond this, the availability and confidentiality of IT systems are essential. Consequently, all available means are made use of for the protection of personal data and business data in consideration of applicable national laws.

## 2.7 Reporting

**wenglor places its faith in strong values: reliability and honesty, trustworthiness and integrity.**

We attach importance to open and truthful reporting and communication concerning the company's business operations regarding employees, customers, suppliers, government institutions and the public-in-general. All employees must assure that internal as well as external reports, records and other documentation issued by the wenglor sensoric group are prepared in compliance with applicable legal regulations, and thus always complete, truthful and up-to-date.

## 2.8. Taxes and Duties

**Due to worldwide activities and when penetrating new markets, a great variety of foreign trade, tax and customs laws have to be complied with.**

Observance of tax and customs regulations generates trust amongst our customers and the tax authorities. Irregularities may result in considerable financial loss for wenglor and cause damage the company's reputation, and the employee responsible for such irregularities must also reckon with adverse consequences.

Compliance with tax and customs regulations is of high priority for wenglor, and the company is thus expressly committed to the observance of national and international legal regulations.

Internal processes must be organized such that taxes and duties incurred by the respective wenglor company are ascertained and paid to the responsible tax authority to their full extent, correctly and punctually. Any information concerning violations of tax and customs regulations must be reported to the appropriate contact person in the tax and customs department.

## 2.9 Protection of Company Values

### **Sensitive information and trade secrets must be protected.**

Due to the fact that in particular innovation serves as a basis for the development and production of wenglor products, they must be protected as fully as possible from imitation. wenglor makes use of legal options to this end for the protection of its innovations by means of intellectual property rights such as patents and trademarks.

The protection of confidential information, know-how and trade secrets is essential when working together with suppliers, development partners or other business partners. In particular where information is exchanged via electronic networks, caution is imperative. Depending on the significance of the information, additional security measures such as confidentiality agreements must be implemented. On the other hand, wenglor only makes use of external knowledge insofar as the company has become aware of it legally or from generally accessible sources. Intellectual property rights held by third parties must be respected and may only be made use of after receiving consent from the intellectual property owner.

Furthermore, employees are responsible for the protection of company property. Tools, materials and other objects owned by the company may only be used for business purposes. They must be protected against loss, theft, damage and misuse.

Electronic data processing is a further factor which represents an important element of the company. All employees are required to adhere to protective regulations issued by IT and actively support compliance with them.

## 2.10 Social Responsibility

### **The diversity and uniqueness of the company's employees serve as an engine for innovative strength at wenglor.**

wenglor attaches value to work relations which are characterized by respect, trust, tolerance and fairness amongst employees and in contact with business partners. The dignity, the privacy and the personality of each individual are always respected.

All work conducted within the wenglor group must be performed of one's own free will. For this reason, all types of forced labor and child labor are rejected. The minimum employment age in accordance with government regulations is always observed.

Furthermore, no one may be discriminated against, favored or harassed due to his ethnic background, race, skin color, nationality, gender, religion or ideology, handicap, age, sexual orientation or any other legally protected characteristic. This applies to the hiring of new employees, to employees with existing employment contracts and to the vocational and/or professional development of the employees. Performance, personality, capabilities and suitability are exclusively decisive in this regard.

Sexual harassment and all other forms of harassment are forbidden at the workplace – regardless of whether the offender considers his conduct acceptable or not, and regardless of whether or not the affected person is able to withdraw himself from such harassment.

Furthermore, wenglor accepts responsibility for the environment. Sustainable business is a prerequisite for lasting success. Environmental regulations must therefore be observed for the entire duration of the product lifecycle.

## 2.11 Occupational Safety

**For us, top priority is assigned to safety at the workplace and the maintenance of good health.**

wenglor complies with applicable legal regulations and standards for a safe and healthy working environment. In order to avoid health risks, employees are required to implement legal regulations and internal rules for work safety and health protection.

Management personnel sets an important example as role models in this regard. They also ensure that employees who work with operating equipment have been carefully selected and instructed.

wenglor aligns itself to the fundamental principles of, and is committed to, ecological product design, reducing environmental impact, continuous improvement of energy efficiency and environmental performance, and establishing itself as a role model.

At all locations operated by the wenglor sensoric group with workstations outside of the normal office environment, for example production, a designated employee must be responsible for the assurance of work safety and compliance with health protection in these areas.

All employees must be able to fulfill their vocational and/or professional tasks on the basis of their physical and psychological capabilities.

## 2.12 Remuneration

**Each employee shall receive fair remuneration.**

Remuneration is based on the work performance of the respective employee. Wages paid may never be less than the legal minimum wage and must be sufficient in order to satisfy basic necessities. Remuneration and other benefits correspond at least to the respective national and local levels and take the legal minimum wage regulations of the respective economic sector or region into consideration.

### 3 Reporting and Inferences

Each and every employee is required to comply with this code of conduct. In order to protect the company against harmful conduct, to prevent white-collar crime and to protect all company employees, each and every employee is also called upon to internally report criminal offenses, unacceptable conditions and risks. The usual lines of communication (supervisor, personnel department or the directly responsible person) can be used to this end. wenglor pursues all such reports and implements corrective measures insofar as this is required.

Misconduct and violations of the code of conduct and applicable legal regulations will not be tolerated. The principle of appropriateness shall be observed with regard to the implementation of any required measures. Examination will thus be conducted in each individual case in order to determine which consequences are appropriate, suitable and required. Depending on the respective degree of misconduct, culpable violations of the law can thus result in labor law sanctions, right on up to termination of the employment relationship (see also section 2.1, "Responsibility of wenglor Employees").



