

***schlatter***

the secure connection

## CODE OF CONDUCT



Dear Employees

How we interact with one another, what values we hold dear, whether we observe laws and regulations: These are the factors that shape Schlatter's public image and our dealings with business partners. In this Code of Conduct, you will find the most essential behavioural guidelines that apply to us as employees of the Schlatter Group.

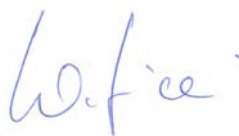
The world-wide reputation of the Schlatter Group is based on decades devoted to the accumulation of expertise and the setting of rigorous quality standards applied to our products and services. To fulfil these ambitious goals and requirements, we count on the competent and responsible actions of each and every employee when dealing with fellow work colleagues, clients, business partners and the public.

We urge you to read this Code of Conduct with great care. Each of us is responsible for complying with it. Situations can arise during the course of business that cannot be conclusively governed by the Code of Conduct. In such cases, the principles of the Code of Conduct should be analogously applied. For assistance, use the questions in Section A: "Compliance with Laws and Guidelines".

Best regards



Paul Zumbühl  
Chairman



Werner Schmidli  
CEO

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## I. Purpose

The Code of Conduct lays out the principles of business operations for the Schlatter Group and its subsidiaries, the Board of Directors, and all employees at all sites.

We are well positioned as the world's leading plant manufacturer in the sectors of resistance welding and weaving of highly stressed industrial networks. Through our continuous improvement, we strive to maintain long-term, reliable partnerships with clients, employees, and shareholders.

The Code of Conduct should be seen as a guideline for all currently valid and future rules at Schlatter. The Code of Conduct makes reference to individual internal rules. The Guidelines on Compliance with Anti-corruption Laws are an integral part of the Code - see the Appendix.

## II. Principles and Scope

### A. Compliance with Laws and Guidelines

Employees undertake to comply with local, national, and international laws, company agreements as well as internal guidelines, instructions, and rules at all times. The Schlatter Group expects all employees to be aware of this Code of Conduct and to conduct themselves in accordance with its provisions. Management is responsible for providing the required information, instruction, and training. All employees are obligated to keep up to date on applicable legal regulations and internal guidelines relevant to their professional activity. Should you have questions regarding the interpretation or application of the Code of Conduct, please contact your supervisor or Management.

To be able to make well thought-out business decisions, we must ask ourselves the following questions:

- a) Is this decision in the long-term interest of the Schlatter Group?
- b) Would I be embarrassed if my decision or its consequences were to appear in the media?
- c) Could this have a negative effect on my capacity to represent the interests of the Schlatter Group externally and to make appropriate decisions?
- d) Who could be negatively affected by this decision (clients, employees, owners, etc.)?
- e) Does this decision fall within the scope of my responsibility?
- f) Are we doing "the right thing" and is it legal?

In case of any concerns or uncertainties, consult your supervisor for advice or instructions.

### B. Monitoring

Employees are individually responsible for their own actions. Infringements of the Code of Conduct or other rules must be reported to a member of management. These reports will be treated confidentially.

Reports on violations of the Code of Conduct or compliance or related matters of interest will routinely appear on the agenda at meetings of the Board of Directors.

### C. Communication

We communicate in a professional manner, and our information to clients, employees, and owners as well as the media and the public is open and honest, clear, transparent, and timely. The Code of Conduct is publicly disclosed and can be consulted at any time by clients, investors, suppliers, and other partners. By properly and fully documenting our activity, we ensure transparency. The accounting of every business transaction must be fully verifiable so that it can be assigned to the employee responsible for initiating it.

The Schlatter Group is listed on the stock market and is subject to regulations concerning ad hoc disclosure. We therefore ensure that non-public facts that are relevant to stock prices are treated and disclosed in accordance with the applicable rules on ad hoc publicity. Through press releases and at our website, we provide timely information regarding all significant projects in accordance with regulations on ad hoc disclosure.

Should we come across information in the media or on the Internet that may potentially adversely affect the reputation of the Schlatter Group, we immediately discuss the matter with a member of the management.

Every employee has an obligation to safeguard the public reputation of the Schlatter Group. The fulfilment of all tasks must be oriented toward this requirement in all respects.

#### **D. Environment, Safety, Health and Sustainability**

Sustainable management is the basis of our long-term economic success. As employees of the Schlatter Group, we are aware of our responsibility towards our environment and society. We act proactively and take responsibility for our actions.

We are aware that even away from work, we can be associated with our company. We take this into account in our statements and actions.

For us, being sustainable means that we strive to find the right balance across the economic, ecological, and social dimensions of our activities and decisions. We are mindful of making economic use of our natural resources.

### **III. Occupational Safety**

#### **A. Occupational Safety**

Occupational safety is particularly important to us. Where relevant, we make personal protective equipment (PPE) available to employees. Regular training on the subject of workplace safety ensures that all employees are informed regarding possible work-related risks and can therefore actively collaborate in preventing accidents. We expect our employees to comply with valid regulations regarding occupational safety.

#### **B. Health Protection**

All employees shall follow internal rules for safety and health at the workplace. In this way, they share responsibility for the safety and health of their fellow workers. Abuse of medication, controlled substances or alcohol and the consumption of illegal drugs are forbidden at the workplace.

We comply with industry standards and all applicable laws and guidelines with respect to product safety.

### **IV. An Attractive Place of Employment**

#### **A. Remuneration**

We pay fair salaries in line with market conditions and are committed to equal opportunity. Moreover, we offer a full range of fringe benefits and in this way, we are positioning ourselves as an attractive employer.

#### **B. Training**

We promote the advancement of our employees through a targeted training policy, thus maintaining their marketability.

**C. Collaboration**

The nature of our collaboration is described in our management principles.

**V. Handling of Business Partners and Information****A. Integrity**

We are open and honest, we have integrity, and we honour our responsibility. As reliable partners, we do not make any promises that we cannot keep. These principles apply to both internal cooperation and our conduct vis-a-vis external partners. We maintain proper relationships with one another but also with business partners and authorities.

Data, information, and documentation that we create or for which we are responsible - such as the annual report, project or tender documents, expense claims or emails - must be accurate.

**B. Secondary Employment/Investments**

It is not permitted to hold financial investments in a competing company, client or a supplier of material or services. An exception is made for companies listed on the stock exchange.

Secondary employment and responsibilities in professional associations must be disclosed to management and approved in writing.

**C. Conflicts of Interest**

We internally disclose situations that are or could give rise to actual or potential conflicts of interest. In individual cases where a conflict of interest is unavoidable, we take appropriate steps to ensure that the conflict cannot have an adverse effect on the Schlatter Group.

**D. Protection of Company Property**

We take care in our handling of work equipment, fixtures, and all other Schlatter Group assets. We use the work equipment and tools made available to us exclusively for business purposes or other authorised purposes and do not tolerate any misuse or intentional damage.

**E. Confidential Information**

We do not disclose any confidential information regarding the Schlatter Group, our clients, suppliers, or business partners to third parties. The duty of confidentiality persists even beyond the end of the working relationship.

**F. Donations and Sponsoring**

Sponsoring is defined as providing benefits to individual persons or groups in the form of funding, material contributions or services with the expectation of receiving support for one's own communication and marketing objectives in return. Sponsoring is a bilateral business relationship, and the benefits are based on a sponsoring agreement.

A donation is a unilateral contribution, where the donor expressly does not expect any benefit in return and for which there is no contract. An expression of thanks by the receiver of the donation that designate the donor by name and where the donor's logo is used is not regarded as a service in return.

In any case, donations and sponsoring require the authorisation of management. No conflicts of interest may thereby arise.

**G. Bribery/Corruption**

Employees are not allowed to present monetary gifts or other contributions with monetary value (such as vouchers) to authorities, public officials, private individuals, or companies engaged in business relationships with us or where such relationships may develop.

Gifts (such as flowers, gift baskets, wine, boxes of chocolates), hospitality (such as invitations to restaurants or sporting events) and favours on behalf of or by clients and contractual partners are permissible only to an extent regarded as customary and reasonable. Moreover, these must also be compatible with local customs and not in conflict with applicable law, internal directives or ethical principles and may not influence business decisions.

In principle, gifts, hospitality, and favours are deemed as customary and reasonable where they have a value below CHF 300 per person and event and take place on an occasional basis.

## **H. Insider Trading**

Where we are in possession of insider information, the following applies:

(1) We neither acquire nor sell any securities through the use of this insider information, regardless whether this action is for our own account or for the account of others, or whether it takes place for the benefit of a third party.

(2) We do not use the insider information as the basis for recommending the purchase or sale of securities to anyone, nor do we induce anyone to do this in any other way.

(3) We treat insider information in the strictest confidence. We do not disclose insider information to third parties except where such action is commercially justified (for example, to an attorney for clarification of a fact). Confidentiality must remain protected, and it must be ensured that this insider information is not used to benefit the recipient.

The purchase or sale of a company's securities at a point in which we are in possession of insider information regarding this company is regarded as an insider transaction or insider trading and is illegal. Likewise, we are never allowed to make insider information available to other persons to enable them to purchase or sell the securities of that company.

Examples of insider information include: non-public data, information in the context of M&A projects, significant structural measures, replacements within management and the Board of Directors prior to their official announcement, conclusion, or termination of a key contract with a client or supplier, major litigation or administrative proceedings.

## **VI. Discrimination/Harassment**

We prohibit any type of discrimination or harassment based on race, gender, religion, age, national origin, marital status, political opinion, sexual orientation, social background, or physical, mental, or other aspects. This prohibition against discrimination also applies to the selection, recruitment, supervision, and management of employees.

Sexual harassment is prohibited. This also applies to bullying and other harassment in the workplace. Specifically prohibited are acts of revenge against persons who have reported cases of harassment in good faith or who have been involved in internal investigations of harassment.

## **VII. Competition Law**

We do not make arrangements with competitors or business partners that have an unlawful restriction of competition as their object or effect. We do not obstruct competitors or exploit business partners. Our business relationship is based on the principle of good faith.

## **VIII. Handling of Data and Information**

### **A. IT Security and especially Protection against Data Theft**

We treat the data of employees, customers, suppliers and business partners with the utmost care and confidentiality. We strictly comply with the principles of data protection.

## **B. Digitisation**

Computers and telecommunications equipment are categorically to be used for the performance of professional duties, never for abusive or illegal purposes. In the event of an internal investigation, it is therefore assumed that all data contained on a company device are company data. Private data may therefore not be excluded from the internal investigation.

We must take special care when formulating emails and must keep in mind that electronic messages are permanent and cannot be changed or forwarded without our permission.

We use digital media tools during working time only if they complement or support our function.

## **C. Social Media**

In our use of social media, we are aware that private and public communication regarding the Schlatter Group has an influence on perceptions regarding the Schlatter Group. We are also aware that personal and business activities can overlap. We conduct ourselves accordingly.

## **IX. Trademark Law and Licences**

We accept responsibility to safeguard existing intellectual property in a suitable manner and to protect it against loss. Such property includes our brands and patents as well as our expertise.

## **X. Handling Assets**

### **A. Money Laundering**

We strive to maintain compliance with all applicable regulations regarding money laundering.

All of us must be alert to irregularities in payment transactions and unusual transactions.

### **B. Accounting Law**

We maintain our company accounts in accordance with recognised professional accounting regulations. We bear responsibility for properly, completely, and transparently noting down all company transactions in a timely manner in our company accounts.

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The employees and members of the Board of Directors of the Schlatter Group undertake to cooperate actively in the implementation of this Code of Conduct. Breaches must be addressed and may lead to disciplinary measures. In serious cases, these can result in termination of the employment relationship.

Appendix: Guidelines on Compliance with Anti-corruption Laws

Schlieren, July 12, 2020