



Code of Conduct
SAUTER Group



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Introduction

SAUTER wishes to create sustainable added value for its customers, employees, shareholders and business partners and to be publicly perceived as a company that takes its corporate responsibilities seriously. Competitive strength and commercial success are the product of decisiveness, responsibility, credibility, respect and business practices that are unconditionally above-board. These principles determine our conduct, they are the yardsticks against which we measure our employees and business partners.

The SAUTER code of conduct contains the parameters we apply to our relationships with business partners and public officials; it determines how we work together and with others. The code of conduct defines what SAUTER expects of its employees. Compliance is required and enforced. Persons failing to comply will be penalised and may be subject to criminal prosecution.

We are convinced that commercial success can only be sustainably achieved if it is obtained through means and methods that satisfy high ethical and moral principles. In this spirit the following rules shall be the key to our company's long-term success.

Basel, May 17, 2018



Marc Jaquet
Chairman of the Board of Directors

1. Scope of validity

This code of conduct shall apply to all employees and to the organs (board of directors) of all companies in which Fr. Sauter Holding AG directly or indirectly holds an interest of more than 50 %. It is of importance to SAUTER that its business partners embrace similar principles in their pursuit of business.

The Executive Management of Fr. Sauter AG will clarify and substantiate the principles contained in this code of conduct by way of regulations and directives.

2. Conflicts of interest

Conflicts of interest are defined as situations in which personal interests, family and other ties are at variance with the interests of the company. We undertake to avoid situations in which personal or financial interests or personal relationships can come into conflict with SAUTER's interests. Business activities on behalf of the company shall not be influenced by personal considerations or relationships.

Conflicts of interest may emerge when employees award contracts, hire personnel or receive job offers from competitors.

Examples of potential conflicts of interest:

- Concluding contracts with a company managed or owned by a close acquaintance or a family member.
- Holding an interest in a company with which SAUTER maintains business relations as a supplier or customer, which SAUTER may be interested in acquiring, or which competes with SAUTER.
- Holding membership in supervisory bodies (board of directors, advisory committee or similar bodies) of a company or providing consultancy services to a company with which SAUTER maintains business relations as a supplier or customer, which SAUTER may be interested in acquiring, or which competes with SAUTER.

Possible conflicts of interest shall be disclosed to the line manager, who will take such measures as are appropriate, if necessary after consulting with the next-higher management level.

Persons awarding consultancy contracts on behalf of SAUTER shall ensure that the consultant is not in a conflict of interest situation. If such a situation should exist, no contract may be awarded or any previously awarded contract shall be cancelled.

3. Confidential information

All information relating to our company, its customers, suppliers and employees that has not been specifically released to the general public shall be treated confidentially. The term "information" covers technologies and processes, manufacturing methods, studies and plans, research and development projects, marketing and customer data, tenders, profit margins, financial data and the like.

Confidential information shall be safeguarded to prevent unauthorised parties from gaining access to it. It shall not be discussed in areas in which you may be overheard, for example in public transport, airports, restaurants and bars, lifts and breakrooms.

4. Privacy principles

1. Data protection affects all employees, contractors and managerial staff of the company.
2. Data protection laws regulate the usage of personally-identifiable information (name, address, phone number, ID number, location data or other identifiers) of natural persons (Personally-Identifiable Data).
3. Data protection laws apply to all usage (processing) of Personally-Identifiable Data, including the acquisition, recording, storage, querying, analysis, disclosure or transmission of Personally-Identifiable Data.
4. The company mainly uses Personally-Identifiable Data of employees or contact persons for existing or potential customers, business partners or service providers (Personally-Identifiable Data of the company).
5. The usage of Personally-Identifiable Data is prohibited unless it is required or allowed by a legal instruction, the fulfilment of a contract, the permission of the affected person or a legitimate interest of the company.
6. The company respects the rights of employees and other persons to be informed about the use of their Personally-Identifiable Data and to notification, correction, deletion or restriction of the processing in accordance with the applicable data protection laws.
7. All usage of the Personally-Identifiable Data of the company must be fair, transparent, for specified purposes, and limited to the extent necessary for the specified purposes, and the Personally-Identifiable Data of the company must be kept up to date and be stored securely and for no longer than is prescribed by law.

8. The company protects the integrity and accessibility of Personally-Identifiable Data by means of organisational and technical security measures that reduce the risk of accidental or illegal deletion, loss, alteration or unauthorised disclosure or unauthorised access to Personally-Identifiable Data of the company (infringement of the protection of Personally-Identifiable Data). All employees, contractors or managerial staff who discover an infringement of the protection of Personally-Identifiable Data must report this immediately to the data protection officer (DPO).
9. New services or processing activities relating to the usage of Personally-Identifiable Data of the company must be reported to the data protection officer before they are introduced so that a check or (if required by the applicable data protection laws) a data protection impact analysis can be performed.
10. All employees, contractors and managerial staff of the company must preserve and protect the confidentiality of the confidential processes, drafts, plans, concepts and of the confidential know-how and confidential commercial, financial or business information relating to the company or its existing or potential business partners or customers. The principles of the applicable data protection laws and of these regulations are not the sole principles that apply to the handling of data within the company.

5. Company assets

Our fixed assets, our intellectual property and our information shall be safeguarded to prevent loss, theft and damage. SAUTER's assets shall be used for business-related purposes; private use shall only be permissible if such use is not at variance with SAUTER's interests, this code of conduct or other guidelines and directives issued by SAUTER.

6. Using information systems

SAUTER's information systems shall be used exclusively for business purposes. They shall be used according to the guidelines and directives issued by SAUTER and in a manner that does not infringe upon the rights or interests of SAUTER.

Every e-mail communication may be deemed a statement issued by SAUTER. Employees shall not transmit information that could result in undesirable legal consequences for SAUTER.

7. Fair competition

Our system of competition is the foundation of the free market economy. It is protected and promoted by the competition law. We respect the applicable antitrust laws and observe the rules of fair competition.

8. Bribery and corruption

SAUTER will not jeopardize its reputation as a company of integrity by offering bribes. We conduct our business on the basis of the high quality and appropriate prices of our innovative products and services. We will neither offer undue gifts or other advantages to public officials or private sector representatives, nor will we promise or grant such gifts or advantages for the purpose of inducing the commission or omission of an act in relation to such persons' official duties that is contrary to such persons' duties or dependent on the exercise of such persons' discretionary powers, with the aim of thus obtaining a new order, securing an existing order or otherwise obtaining undue benefit. This prohibition applies at home and abroad and extends to go-betweens, agents and brokers insofar as there is a disparity between the services to be provided and the remuneration demanded.

The acceptance of financial favours, personal gifts, invitations or services by employees undermines the credibility of SAUTER. Acceptance is prohibited if rational examination of the situation leads to the conclusion that they are not in conformity with the business and social custom of the region, and that they are aimed at influencing a business decision.

In certain countries – including Switzerland - granting an advantage to a public official is also prohibited, i.e. it is prohibited to offer, promise or grant an undue advantage with a view to the official's execution of duties in general or the execution or acceleration of a legitimate official act in particular.

9. Donations

Donations by SAUTER to charitable, cultural or scientific institutions are effected within the framework of the relevant authority structure and in accordance with the local laws.

10. Mutual respect

SAUTER will not tolerate mental, physical or sexual harassment of its employees, neither in direct interaction or written communication, nor through gestures or physical contact. Complaints will be investigated without delay and penalised if necessary.

SAUTER pursues a policy of equal opportunity in respect of hiring and assignment of its employees. No employee will be discriminated against due to gender, race, religion, nationality, political conviction, sexual orientation or physical disability. Conversely, SAUTER will not tolerate attempts of political or religious groups to influence its employees on company premises or during working hours.

SAUTER safeguards the privacy of its employees. However, and complying with the applicable laws, SAUTER is entitled to monitor internet use and e-mail exchanges, for the reason that any and all communication using SAUTER's systems is deemed business-related information from and to SAUTER. Such information may hence be accessed, retrieved, used, monitored and disclosed by SAUTER at any time.

SAUTER ensures occupational health and safety within the framework of the legal regulations. The employees shall comply with the strict health and safety regulations and the duty to report dangers to life and health, threats of material damage and threats to the environment.

11. Drugs and tobacco

Consumption of illegal drugs and alcohol abuse is prohibited on the SAUTER company premises and whilst conducting business on behalf of SAUTER. No business on behalf of SAUTER shall be conducted under the influence of alcohol or other drugs. Smoking bans are binding. Smoking is not permitted on SAUTER premises in rooms in which several employees work.

12. Reporting non-compliance

SAUTER employees are required to report all suspected or witnessed cases of non-compliance with laws, this code of conduct or other company principles. The same shall apply if they are incited to such conduct by other employees or third parties. However, it is not permissible to incriminate employees or third parties without reasonable grounds.

Employees shall submit complaints to their line manager, to the Executive Management or to the Chairman of the Audit Committee of the Board of Directors. The cases will of course be treated confidentially and thoroughly investigated; if necessary the appropriate measures will then be taken.

Employees reporting non-compliance will not be disadvantaged or discriminated against in any way; however, reports can also be submitted anonymously to the member of the Audit Committee of the Board of Directors:

Anton Lauber, e-mail: anton.lauber@bluewin.ch

Employees shall however be aware of the fact that anonymous complaints may be more difficult to verify.

Employees who incriminate others against their better judgement will be penalised.

13. Sanctions

All SAUTER employees are required to ensure that not only their own conduct is consistent with this code of conduct, but also that of their subordinates. Failure to comply with the provisions of the code of conduct will trigger disciplinary measures, in serious cases termination of employment.