

Binding Code of Conduct

Preamble

We are committed to social responsibility within the framework of our entrepreneurial activities worldwide (normally referred to as “CSR”¹ internationally). This binding code of conduct (or just “CoC” in the following) is a guideline to what this means with regard to working conditions, social and environmental compatibility as well as transparency, trusting collaboration and dialogue. The content of this CoC, which was developed and agreed to in collaboration with the subsidiaries, is an expression of our common basis of values as it is defined in our vision and mission and in particular in our commitment to a social market economy. The CoC is intended as a voluntary commitment.

1. Basic understanding of socially responsible corporate governance.

This CoC is based on a common basic understanding of socially responsible corporate governance. This means that we assume responsibility by taking into account the consequences of our entrepreneurial decisions and actions with regard to economic, technological as well as social and ecological aspects and establishing an appropriate reconciliation of interests. Within the framework of the options and scope available to us, we make a voluntary contribution to the well-being and sustainable development of global society at the locations where we are active. In the process, we orient ourselves around generally accepted ethical values and principles, in particular integrity, virtuousness and respect for human dignity.

2. Scope of validity

- 2.1 This CoC applies for all subsidiaries and business units of VEGA worldwide.
- 2.2 We also undertake to promote, within our sphere of activity and influence, compliance with this CoC among our suppliers as well as other parties in the whole value creation chain.

¹ CSR = Corporate Social Responsibility

3. Cornerstones of socially responsible corporate governance

We actively work towards ensuring that the values and principles named hereinafter are kept in mind and complied with over the long term.

3.1 Compliance with the laws

We comply with the effective laws and other legal provisions of the countries in which we are active. In countries with a weak institutional framework, we carefully look for good principles of corporate practice from our own home country that can support and encourage responsible corporate governance in the local environment.

3.2 Integrity and principles of corporate governance

- We orient our activities around generally accepted ethical values and principles, in particular integrity, virtuousness, respect for human dignity, openness and non-discrimination towards religion, ideology, gender and ethnic background
- We reject corruption and bribery within the meaning of the corresponding UN convention². In all possible ways we promote transparency, morally impeccable conduct and responsible management and control in the company
- We comply with the laws and regulations of antitrust and competition law, follow recognized business practices and promote fair competition. We do not make deals with competitors to fix prices, carry out concerted action or divide up markets (industries, products, territories, customers)
- We comply with all export control and customs regulations that apply in the countries where we do business. All employees who deal with the import and export of goods, services or technologies are required to comply with all applicable economic sanctions, export controls as well as import laws and regulations

3.3 Consumer interests

Where consumer interests are concerned, we abide by consumer protection regulations and appropriate sales, marketing and information practices. Particular attention is given to groups requiring special protection (e.g. young people).

3.4 Communication

We communicate in an open and dialogue-oriented manner about the requirements of this CoC and how they affect employees, customers, suppliers and other interest and stakeholder groups. All documents and records are drawn up with due care and stored properly and are not modified or destroyed with dishonest intent. The trade secrets and business data of our partners are handled respectfully and confidentially.

² Convention of the United Nations against corruption dated 2003, in force since 2005

3.5 Human rights

We are committed to promoting human rights. We respect human rights as defined the UN Declaration of Human Rights³, in particular those mentioned below:

- Privacy
Protection of an individual's privacy
- Health and safety
Implementation of occupational health and safety measures, in particular to ensure a safe and health-promoting work environment and avoid accidents and injuries
- Harassment
Protecting employees from physical punishment and from physical, sexual, psychological or verbal harassment or abuse
- Freedom of opinion
Protecting and ensuring freedom of opinion and freedom of expression

3.6 Working conditions

We comply with the following core working standards of the ILO⁴:

- Child labour
Prohibition of child labour, i.e. the employment of persons younger than 15, insofar as the local legal provisions do not define a higher age limit and insofar as no exceptions are permitted⁵
- Forced labour
The prohibition of any kind of forced labour⁶
- Remuneration
Labour standards with regard to remuneration, in particular with regard to the level of remuneration according to the valid laws and provisions⁷
- Employee rights
Respect for the right of employees to freedom of association and freedom of assembly as well as to collective pay negotiations, as far as such are legally possible in the respective country⁸
- Ban on discrimination
Discrimination-free treatment of all employees.⁹
When it comes to getting hired, gaining access to advanced training or receiving a promotion, only the skills, performance and behaviour of an employee count. No one shall be discriminated against because of their ethnic origin, nationality, gender, religion or belief, age or physical constitution.

³ General declaration of Human Rights, UN Resolution 217 A (III) dated 1948.

⁴ ILO = International Labour Organisation

⁵ ILO Convention No. 138 dated 1973 and ILO Convention No. 182 dated 1999

⁶ ILO Convention No. 29 dated 1930 and ILO Convention No. 105 dated 1957

⁷ ILO Convention No. 100 dated 1951

⁸ ILO Convention NO. 87 dated 1948 and ILO Convention No. 98 dated 1949

⁹ ILO Convention No. 111 dated 1958

3.7 Working hours

We comply with the labour standards governing the maximum number of hours that may be worked.

3.8 Environmental protection

We comply with all regulations and standards relating to environmental protection that apply to our respective operations and act in an environmentally friendly way at all locations. What is more, we use natural resources responsibly and in harmony with the principles of the Rio Declaration¹⁰.

3.9 Social commitment

We contribute to the social and economic development of the country and the region in which we are active and support the voluntary community activities of our employees there.

4. Implementation and enforcement

We undertake all appropriate and reasonable efforts to enact and continuously apply the principles and values described in this CoC. Contracting partners are informed, on request and within the framework of reciprocity, on the key measures taken, so that there is transparency as to how compliance is fundamentally guaranteed. However, there is no obligation to disclose corporate trade secrets, information regarding competition or other data that needs to be protected.

5. Information and key figures

- Corporate name: VEGA Grieshaber KG (District Court Freiburg HRA 680687)
- Legal form: Kommanditgesellschaft (limited commercial partnership)
- General partner: Mr Jürgen Grieshaber, Wolfach; Grieshaber Holding GmbH, Wolfach (District Court Freiburg HRB 680271; Managing directors: Mr Jürgen Grieshaber, Mr Günter Kech)
- Established: 1959
- VAT identification number: DE 143030199
- Area of activity: Manufacturer of level and pressure measurement technology
- Sales: worldwide
- Number of employees: 608 (Employees with academic qualifications: 183, Skilled workers in production: 66, Employees with business training: 82, Employees with technical training working in a position outside their field: 42, Employees with a trade: 155, Employees without a trade: 34, Trainees: 46, As from: 12/2013)
- Bank: Commerzbank Rottweil (IBAN: DE39 6424 0071 0220 0657 00, BIC: COBADEFF642), Sparkasse Wolfach (IBAN: DE34 6645 2776 0001 0695 50, BIC: SOLADES1WOF)
- Insurance: AXA Versicherung, HDI Gerling
- Quality management system: ISO 9001:2008 as well as Environmental Certificate ISO 14001:2004

¹⁰ The 27 principles of the „Rio Declaration on Environment and Development“ of 1992 resulting from the United Nations Conference on Environment and Development in Rio de Janeiro.