



CODE OF CONDUCT

CODE OF CONDUCT FOR OUR ACTIONS

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1. FOREWORD

Our Code of Conduct should guide our actions. This does not just apply to the management team, but to every individual at the company – from management staff to employees and any external stakeholders with whom we interact. Everyone must know their responsibilities and act accordingly on a daily basis.

The Code of Conduct

- Covers compliance with all applicable laws.
- Reinforces the values of our company: freedom, reliability, and humanity.

If you are ever in doubt as to whether an action meets the requirements of the Code of Conduct, please ask your line manager or the compliance organization for advice. We all share responsibility for the reputation of SEW-EURODRIVE.



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“At SEW-EURODRIVE, we regard our focus on the customer, be it internal or external, as the basis for long-term success. We categorically reject any misconceived customer focus, for example in the form of bribery or some other benefit. Such behavior cannot, and must not, be the basis for sound, long-term collaboration and the further development of our company.”

Jürgen Blicke – Managing Partner

2. THE CODE OF CONDUCT AT SEW-EURODRIVE

WHY DO WE NEED A CODE OF CONDUCT?

As a globally operating family-owned company with a 90-year tradition, we can proudly count ourselves among the leading providers of drive technology and drive automation. As such a company, however, we also have a social responsibility – to our employees, our customers, our suppliers, and the general public – which we want to fulfill. This responsibility includes abiding by the applicable laws, respecting core ethical values, and basing our actions on the ten core principles of SEW-EURODRIVE.

Misconduct that violates the Code of Conduct may be harmful to SEW-EURODRIVE and will therefore not be tolerated.



“At SEW-EURODRIVE, we ensure compliance with the basic principles of labor law in order to protect the people who work for us. This duty is incumbent not just on the company, but on every single person working for the company. In our eyes, it’s people who make the difference. This is also reflected in a working environment that complies with the applicable regulations.”

3. VALIDITY

TO WHOM DOES THE CODE OF CONDUCT APPLY?

Our Code of Conduct applies to our branches and business units and our affiliated companies in Germany. We call on the affiliated companies in other countries to base their actions on the code and to draw up their own code of conduct in compliance with the applicable local legislation.

The Code of Conduct is binding for every individual within SEW-EURODRIVE – for managing directors, for management staff, and for all of our employees. It also applies to consultants and temporary staff.

Every single employee of SEW-EURODRIVE – all over the world – is bound by the rules of conduct set out in the Code of Conduct, in line with the applicable local legislation.



“At SEW-EURODRIVE, we are committed to meeting our tax obligations. It is the payment of taxes that allows the state to perform its duties for the greater good. We therefore process tax-related transactions correctly, and we declare this to the authorities in an appropriate and transparent way. We also ensure that we settle our tax liabilities in a proper manner.”

4. CORE PRINCIPLES

WHAT ARE THE CORE PRINCIPLES BEHIND OUR ACTIONS?

At SEW-EURODRIVE, we are conscious of our social responsibility and take this into account in our corporate activities. We are therefore committed to respecting and being mindful of the values and principles set out in the Code of Conduct, and to ensuring they are complied with.

POLICY STATEMENT ON OUR HUMAN RIGHTS STRATEGY AND ENVIRONMENTAL PROTECTION

Our commitment to human rights and environmental protection

At SEW-EURODRIVE, we respect and protect human rights and our environment at all times and in all places. We therefore make the necessary efforts to ensure this protection at our own company, in particular through our employees, but also in our supply chain. As we see it, this is an expression of our corporate responsibility.

Our understanding in this regard and our processes are based on the following international reference regulations:

- The General Declaration of Human Rights of the UN
- The principles of the UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The Sustainable Development Goals of the UN
- The core labor standards of the ILO
- The European Convention for the Protection of Human Rights and Fundamental Freedoms.

We expect our business partners also to be committed to respecting human rights and protecting the environment, to undertake to establish appropriate due diligence processes, and to pass on these expectations to their own business partners. Our products are designed to help improve living and working conditions. They are also intended to help protect the environment. We therefore endeavor to conserve resources as much as possible.

Analysis and identification of risks

We believe that our priority risks lie in our extensive international business model with a strong emphasis on local responsibility. This makes it our duty and challenge to ensure human rights and environmental protection standards are applied, even when the local understanding of such standards may differ, for example with regard to health and safety regulations.

We analyze our suppliers in detail in terms of country-specific and industry-specific risks. Further checks are subsequently carried out based on the result of this analysis.

We integrate the aforementioned international reference regulations into the internal processes or guidelines that support our business activities. The regulations of this Code of Conduct apply to, and are binding for, our employees.

Our measures for implementation

We provide our employees with regular training on how to use this Code of Conduct. We obtain appropriate contractual commitments from our suppliers, in particular to the effect that these suppliers undertake to comply with this Code of Conduct. Furthermore, we carry out ad hoc and regular audits to check the veracity of the statements made by suppliers.

We have defined clear internal responsibilities for recognizing and complying with our due diligence obligations with regard to human rights. The Human Rights Officer is appointed directly by the Management Board. Appropriate specialist departments such as Human Resources, Data Protection, and Purchasing and the Works Council must also be involved. It is up to them to take the necessary steps in their particular area of responsibility.

The Management Board obtains information about the work of the Human Rights Office on a regular basis, at least once a year. In addition, we have established a complaints procedure that can be accessed via an anonymous whistleblower hotline on our website and can therefore also be used by third parties outside the company. Lastly, we report on our activities in this context at least once a year.



“Respecting and safeguarding human rights, while also protecting the environment and our natural resources in all our business activities, is one of the key focal points of our corporate philosophy. This applies not just to our actions in our own country, but to all of our activities worldwide. We safeguard these values along our entire value-added chain, i.e. also with our suppliers. This is the only way to ensure we meet our highest standards in all areas and functions.”

4. CORE PRINCIPLES

WHAT ARE THE CORE PRINCIPLES BEHIND OUR ACTIONS?

SUSTAINABILITY

Sustainability has always been part of the DNA of SEW-EURODRIVE. From a social, economic, and ecological perspective, we always endeavor to use resources within the limits of their natural regeneration capacity. We aim to live this out in all parts of the company and to make it visible in all corporate principles as the overarching premise for the Code of Conduct.

4.1 Abiding by the law

At SEW-EURODRIVE, we abide strictly by the law as a matter of course. The same applies to the principle of legality. We consider this to mean complying not only with the applicable laws in each country, but also with any other relevant provisions such as official directives.

Furthermore, we are committed to the ten core principles of the United Nations Global Compact initiative.

We also observe the following international conventions in particular:

- The Minamata Convention on Mercury, adopted on October 10, 2013
- The Stockholm Convention on Persistent Organic Pollutants, adopted on May 23, 2001
- The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, adopted on March 22, 1989.

4.2 Management culture

Our management staff take special responsibility for their employees and act as role models. They therefore make a particular point of basing their behavior on the Code of Conduct and report any violations of this code that become known to them directly to the compliance organization.

4.3 Human rights / prohibition of child labor and forced labor

We respect and ensure full compliance with internationally recognized human rights. To this end, we unconditionally observe the respective national regulations and the regulations of the United Nations on children's rights and the prohibition of forced labor. We are particularly committed to upholding the Convention concerning Minimum Age for Admission to Employment (Convention 138 of the International Labour Organization (ILO)) and the Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (Convention 182, ILO).

4.4 Employee rights

We respect the relevant national statutory requirements of labor law, including all its provisions, and we support its application within our company.

We comply with fundamental employee protection rights. The relevant principles are set out, for example, in the international conventions of the United Nations (UN) and in the standards of the ILO.

Contracts of employment must be entered into voluntarily and work must be remunerated fairly. If security personnel are utilized, they must not use any form of force or violence.

4.5 Health and safety at the workplace

Safety at the workplace serves to prevent work-related accidents, illness, and risks to health. We ensure compliance with occupational health and safety requirements at the workplace, in accordance with the applicable national provisions. Each and every one of us is responsible for preventing hazards to people and the environment. We provide our staff with the necessary personal protective equipment (PPE) free of charge.

We also support the continuous further development of occupational health and safety measures to improve our working environment. All our operating facilities and resources comply with the applicable legal and internal fire safety requirements.

We also expect our external stakeholders to guarantee and ensure a safe and healthy working environment for their own employees.

4.6 Working together and prohibition of discrimination

At SEW-EURODRIVE, we treat each other with humanity and respect at all times. We treat each other as we would expect to be treated by others. We endeavor to ensure employee qualification, motivation, and a sense of identification throughout the company.

We want our dealings with each other to be unprejudiced and open, and we are committed to opposing any form of discrimination, in line with the applicable legislation. In particular, we reject discrimination against people on the basis of their gender or race, any disability, their ethnic or cultural origin, their religion or world view, or their age or sexual orientation.

We always act in accordance with the applicable laws of the land.

Our management staff have a special responsibility and pay particularly close attention to the regulations of the Code of Conduct.

We reject child labor and forced labor, and we are vigilant with regard to any human rights violations.

We respect the employee rights that apply in any given circumstance and support their enforcement.

We consider the health and safety of our employees to be extremely important and support the continuous further development of safety measures.

We respect each other and reject any form of discrimination.

4. CORE PRINCIPLES

WHAT ARE THE CORE PRINCIPLES BEHIND OUR ACTIONS?

4.7 Environmental protection

Environmental protection is a major part of our corporate philosophy. We are therefore committed to the goal of sustainable environmental protection for both current and future generations. The objective of comprehensive environmental protection is thus just as important as efficient health and safety measures and the high quality of our products when it comes to safeguarding the future of the company and the workforce. We prevent environmental hazards and conserve resources as a matter of course.

We base our actions on the ISO 14001 (environmental protection) and ISO 50001 (energy management) standards.

We always consciously endeavor to minimize our impact on the environment and to conserve resources.

4.8 Land, forest, and water rights and forced eviction

At SEW-EURODRIVE, we respect the applicable local, national, international, and traditional land, forest, water, and resource rights. In particular, the rights of indigenous peoples and local communities should be respected, supported, and protected throughout the supply chain, in line with the United Nations Declaration on the Rights of Indigenous Peoples. At SEW-EURODRIVE, we do not tolerate any involvement in land grabbing. If areas of land, forest, or water that serve as a person's livelihood are acquired, developed, or used in some other way, we will play no part in illegal forced evictions of any kind. At SEW-EURODRIVE, we obtain the free, prior, and informed consent (FPIC) of existing land users, for example as defined under the UN-REDD Programme, and we ensure appropriate compensation if we are given consent to use the land.

We respect land, water, and resource rights and the rights of local communities. We also reject forced evictions.

4.9 Trade compliance

SEW-EURODRIVE is an international company that actively participates in foreign trade. A great many procurement, production, sales, and shipping channels involve another country. These activities extending beyond national borders are subject to foreign trade regulations, some of which may include restrictions or even bans (trade compliance).

At SEW-EURODRIVE, we therefore consider it vital to comply with national and international trade compliance requirements. This especially applies to foreign trade law, export control, trade embargoes, financial sanctions, and customs legislation and thus to global trade with goods, technology, or services.

We always conduct foreign trade in line with the applicable regulations, in particular complying with any relevant restrictions.

4.10 Tax compliance

SEW-EURODRIVE regards fulfilling its tax obligations as an important element of its social responsibility.

We promote ethical and transparent business dealings and do not maintain any legal entities solely for the purpose of tax avoidance. We pay all taxes and duties as well as submitting tax declarations in compliance with the respective applicable local legislation and other regulations in the countries in which SEW-EURODRIVE operates. We encourage open and honest dialog between tax authorities and the company as the basis of our daily work. Furthermore, any violation of tax obligations may result in significant risks to our company, our employees, and our reputation. Tax compliance is therefore a significant part of our corporate philosophy.

We are committed to fulfilling our obligations to pay taxes and duties, and we provide the responsible authorities with constructive support.



“At SEW-EURODRIVE, we adopt a market-driven approach and promote innovations to safeguard our leading position in the face of growing international competition in the drive engineering business. At the same time, we always observe the rules of fair competition, especially the antitrust laws.”

Johann Soder – Managing Director

5. CONDUCT IN BUSINESS RELATIONSHIPS

WHAT IS THE CORRECT WAY TO BEHAVE IN BUSINESS RELATIONSHIPS?

5.1 Conduct in relation to customers and suppliers

5.1.1 Corruption

Corruption is a serious crime and can have significant consequences under criminal law. SEW-EURODRIVE wants to win over customers with its quality in all areas and functions – not through bribery and corruption, which is why we are strictly against such practices.

Examples of bribery and corruption include:

- Payments benefiting individuals that are made when contracts or services are being awarded or negotiated
- Preferential treatment and bribery of officials
- Services that can be assumed to be partly or wholly intended for the payment of bribes.

Intermediaries acting on our behalf to obtain authorizations or contracts must therefore enter into an explicit contractual commitment not to offer bribes or preferential treatment or to undertake any other unlawful or dishonest actions. Any commission or fees we pay intermediaries must always be in proportion to the documented activity.

5.1.2 Agreements

To rule out any suspicion of a criminal offense, all of our agreements with customers and suppliers are clearly documented, including any subsequent modifications and additions. This particularly applies to arrangements for the payment of bonuses and advertising or sales promotion subsidies, and to the selection of our suppliers and service providers. We choose the latter exclusively on a competitive basis and according to objective criteria such as overall product costs, quality, performance, the supplier's economic stability, and risk criteria for the products or services that are offered.

If our company finds itself in a special market position, we will not illegally exploit this to enforce price discrimination, supply products that have not been requested, or refuse to deliver, for instance.

We reject any form of preferential treatment or bribery in our business dealings.

We avoid any suspicion of criminal offenses in our agreements by ensuring seamless documentation.

5. CONDUCT IN BUSINESS RELATIONSHIPS

WHAT IS THE CORRECT WAY TO BEHAVE IN BUSINESS RELATIONSHIPS?

5.1.3 Gifts and invitations

Benefits in the form of gifts, invitations, or other perks are customary throughout the business world. They are also generally permitted to a reasonable extent, but what counts as "reasonable"? This is not always unequivocally clear at first glance. With this in mind, we are very cautious when accepting and giving gifts and other benefits or rewards, so as to ensure they never influence decision-making.

To rule out any risk of such an influence, we therefore adhere to the following rules:

- **Gifts** with a value of up to 50 euros can, as a basic principle, be accepted from or given to suppliers or customers. However, the total value of the gifts from or to an individual working for a customer or supplier or at SEW-EURODRIVE must not exceed 150 euros within a given fiscal year.
- **Benefits** in the form of gifts or invitations **above the specified value thresholds** (the individual value or upper annual limit) are not always prohibited. However, they must be reported to, and agreed with, the responsible Compliance Officer in advance, providing relevant justification.
- Likewise, we respect the regulations of our business partners in this regard.
- Furthermore, we send and receive gifts and invitations exclusively via the relevant company address.
- We never use or accept cash payments, vouchers, or transfers for such benefits.
- **Invitations** from or to customers to events or business meals can, as a basic principle, be accepted or issued up to a value of 50 euros per person. The total value of the events or business meals per individual working for a customer or supplier or at SEW-EURODRIVE must not exceed 150 euros within a given fiscal year.

Attempts to influence the decisions of customers or suppliers are not trivial offenses. If such attempts are discovered, they must be reported to a line manager or the Compliance Officer. We may decide to terminate the business relationship or place a block on orders, on a case-by-case basis.

Benefits of this kind must never influence decision-making.

Individual gifts and invitations worth up to 50 euros do not require approval, but higher amounts must be reported.

The upper limit in any given fiscal year for an individual working for a customer or supplier or at SEW-EURODRIVE is 150 euros, and higher amounts must be reported.

Note: Other limit values apply in relation to the payment of tax.

5.2 Conduct in competition – prohibition of cartels

Free and fair competition is protected by the applicable competition and antitrust laws. We are committed to complying with the rules of fair competition, in line with the statutory provisions and especially the antitrust provisions.

Above all, the following are prohibited among competitors:

- Dividing up of territories or customers
- Agreements or the sharing of information about prices or price components, about supply relationships and the relevant terms and conditions, or about capacities or bidding behavior
- The sharing of information about market and investment strategies
- Not only written contracts of this kind, but also, as a basic principle, verbal agreements and tacit, coordinated parallel behavior
- Agreements or the sharing of information about research and development plans, except in strictly limited exceptional cases.

We recognize and respect the intangible property and name rights of others.

Agreements that have an adverse effect on competition are prohibited.

5.3 Conduct in the event of conflicts of interest

At SEW-EURODRIVE, we are committed to the good of the company. The company thus relies on us to make our decisions based exclusively on objective criteria and ensure we are not influenced by personal interests that may conflict with the interests of the company. Since even the suggestion of a conflict of interest may have a negative impact on our company, we always take special care to avoid this.

One example of a conflict of interest is when a board member, an employee, or a close relative of an employee (partner, children, parents) has significant shareholdings in a competitor, customer, supplier, or service provider of SEW-EURODRIVE.

If a conflict of interest becomes known to us, we inform our line managers or the Compliance Officer about this for the good of the company.

We always act in a way that puts the company's interests first, and we avoid any suggestion of conflicts of interest.

5.4 Conduct with regard to information

5.4.1 Confidentiality

We are committed to protecting trade and business secrets. We do not pass on confidential information and documents or operational expertise to third parties and do not make them accessible to third parties in any other way, unless we have been authorized to do so and protection of the secrets is ensured.

In this regard, it is essential that the Security Policy provisions for classifying and handling information (public, commercial, confidential, secret) are observed. The provision concerning confidentiality still applies even after the end of a business relationship.

5.4.2 Data protection

To protect the privacy of employees, customers, and suppliers, we adhere to the applicable legal requirements relating to the handling of personal data. To this end, we take state-of-the-art security precautions to protect the information from unauthorized access.

We handle information with care, and we always ensure the appropriate level of confidentiality. We consider the protection of personal data to be extremely important.

6. REPORTING IRREGULARITIES

HOW DO WE WANT TO WORK?

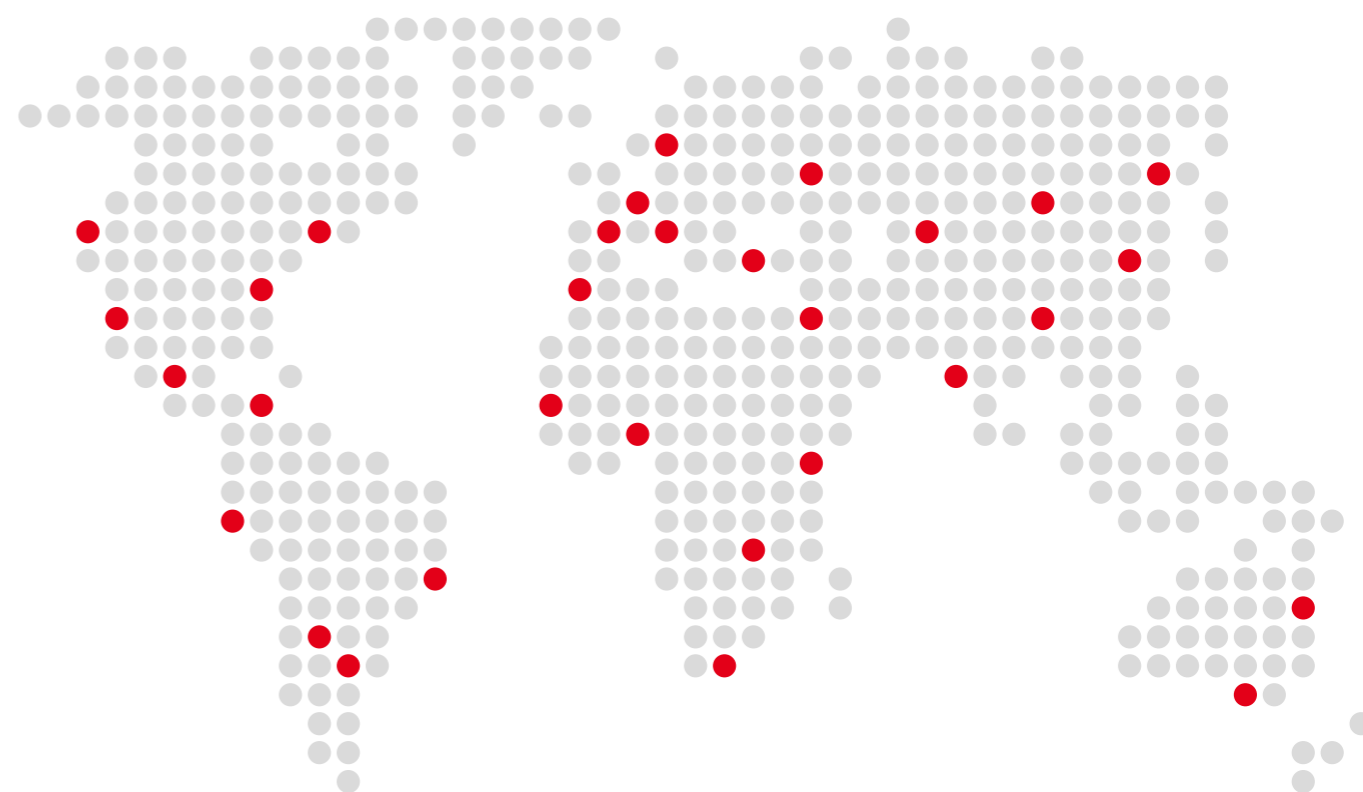
The Group companies are themselves responsible for communicating and complying with the contents and rules of our Code of Conduct within their area of responsibility. Employees who violate the Code of Conduct are held accountable by means of internal disciplinary measures – independently of any potential criminal prosecution.

It is important to us to avoid any harm to our company and thus to contribute to its long-term success. We therefore inform our line managers or the compliance organization about any violations or any situations that contravene this Code of Conduct. In all of our regions, we have appointed additional

contact persons (local Compliance Officers) and provided further ways of reporting these issues. All such information is treated in the strictest confidence and followed up diligently so that we can take appropriate measures to resolve the matter.

If we are made aware of any conduct or situation that contravenes our Code of Conduct, we immediately report it to our line managers or the compliance organization.

DRIVING THE WORLD





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