



CODE OF CONDUCT

CODE OF CONDUCT FOR OUR ACTIONS

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1. FOREWORD

Our Code of Conduct is intended as a guide for our actions. This is not just the duty of the management, but of every individual in the company – from management to employees. Everyone must know their responsibilities and act accordingly on a daily basis.

The Code of Conduct

- covers compliance with all of the applicable laws.
- underlines the values of our company: freedom, reliability and personal interaction.

If you are ever in doubt as to whether an action fulfills the requirements of the “Code of Conduct”, please ask your superior or the Compliance Organization for advice. We all share the responsibility for the reputation of SEW-EURODRIVE.



Jürgen Blicke

Managing
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Dr. Jörg Hermes

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Dr. Hans Krattenmacher

Managing Director
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Johann Soder

Managing Director



“At SEW-EURODRIVE, we regard focus on the customer, be it internal or external, as the basis for long-term success. We categorically reject any misunderstood customer focus, whether through bribery or personal gain. 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. However, as such a company we also have a social responsibility – to our employees, customers, 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 10 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 believe in consistent compliance with the basic principles relating to labor rights in order to protect the people who work for us. Not only is this a duty of the company but of every single person working for the company. For us, it’s people who make the difference. This is also expressed in a working environment which 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 would like the affiliated companies abroad to base their actions on the code, and 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 managers, and for all of our employees. It also applies to consultants and temporary employees.

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

4. CORE PRINCIPLES

WHAT ARE THE CORE PRINCIPLES BEHIND OUR ACTIONS?

At SEW-EURODRIVE, we are conscious of our social responsibility and base our corporate activities on it. We are therefore committed to respecting and following the values and principles listed in the Code of Conduct and ensuring that they are complied with.

DECLARATION OF PRINCIPLES ON 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 are therefore making the necessary efforts to ensure this protection in our own company, in particular through our employees, but also in our supply chain. For us, this is an expression of our corporate responsibility.

Our understanding and processes are based on the following international reference regulations:

- General Declaration of Human Rights of the UN,
- The principles of the UN Global Compact,
- The OECD guidelines for multi-national companies,
- The Sustainable Development Goals of the UN,
- The core work standards of the ILOs, and
- The European Convention for the Protection of Human Rights and Civil Rights.

We expect our business partners to also acknowledge respect for human rights and environmental protection, to commit themselves to establishing 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 strive to use resources as economically as possible.

Analysis and identification of risks

We see our priority risks in our comprehensive international business model with a strong emphasis on local responsibility. That is why it is our task and challenge to ensure that human rights and environmental protection standards are applied even if there is a locally differing understanding, for example with regard to health and safety regulations.

We analyze our suppliers in detail with regard to country- and industry-specific risks. Depending on the result of the analysis, further checks will be performed subsequently.

We integrate the above-mentioned international reference regulations into the internal processes or guidelines that support our business activities. The regulations of this Code of Conduct apply to and obligate our employees.

Our measures for implementation

We regularly train our employees to use this Code of Conduct. We obtain appropriate contractual commitments from our suppliers, in particular to the effect that the suppliers undertake to comply with this Code of Conduct. Furthermore, we check the veracity of the statements made by the supplier by means of situation-related and regular audits.

We have defined clear internal responsibilities for observing and complying with our due diligence obligations with regard to human rights. The Human Rights Officer is appointed directly by the management. In addition, appropriate specialist departments such as Human Resources, Data Protection, Purchasing and the Works Council must be involved. They are responsible for implementing the necessary steps in their particular area of responsibility.

The management shall inform itself regularly, at least once a year, about the work of the Human Rights Officer. In addition, we have established a complaint procedure that can be accessed via an anonymous whistleblower hotline on our website and can therefore also be reached by third parties outside the company. Finally, we report on our activities in this context at least once a year.



“Respecting and safeguarding human rights together with environmental protection and protecting our natural resources in all of the actions taken by the company is one of the central focal points of our corporate philosophy. Not only does this apply to our actions at home, but all 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 that 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. We always aim to use resources within the limits of their natural regeneration capacity from the social, economic, and ecological points of view. Our aim is to live this out in all parts of the company and to make it visible in all the company 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. We regard this as a matter of course. The same applies to our orientation to the principle of legality. We consider this not only to be compliance with the applicable laws in each country, but also compliance with any other relevant provisions such as government directives.

We are also committed to the 10 core principles of the Global Compact Initiative of the United Nations.

4.2 Management culture

Our management take special responsibility for their employees and should act as role models. They therefore base their behavior on the Code of Conduct to a special degree, and report any violations of it that become known to them directly to the Compliance Organization.

4.3 Human rights / ban on child labor / forced labor

We respect and comply with internationally recognized human rights at all times. With this in mind, we observe without restriction the respective national regulations and the regulations of the United Nations on children's rights and the ban on 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 respective national statutory requirements on labor rights together with all of their provisions, and support the application thereof within our company.

For this reason, we comply with the fundamental employee protection rights, whose principles are expressed in the international conventions of the United Nations (UN) and in the standards of the ILO, among other things.

4.5 Health and safety at the workplace

Safety at the workplace serves to prevent accidents at work, work-related illness and work-related risks to health. We ensure compliance with occupational health and safety at the workplace in accordance with the applicable national provisions. We are all responsible for preventing hazards for people and the environment.

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

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

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

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

We respect the respective valid labor rights and support the application thereof.

We place major emphasis on the safety and health of our employees and support the continuous further development of safety measures.

4. CORE PRINCIPLES

WHAT ARE THE CORE PRINCIPLES BEHIND OUR ACTIONS?

4.6 Cooperation and the ban on discrimination

At SEW-EURODRIVE, we treat each other with humanity and respect at all times. We treat each other as we expect to be treated by others. We strive for qualification, motivation and 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 law. We particularly reject discrimination against people on the basis of their gender, race, any disability, ethnic or cultural origin, religion or world view, age or sexual orientation.

We respect each other and reject any form of discrimination.

4.7 Environmental protection

Environmental protection is a major part of our company philosophy. For this reason, we are committed to the goal of sustainable environmental protection for both today's generation and future generations. With that in mind, comprehensive environmental protection is just as important an objective in terms of safeguarding the future of the company and workforce as the high quality of our products and our efficient health and safety at work. We regard the need to prevent environmental hazards and conserve resources as a matter of course.

For this reason, we base our actions on ISO standards 14001 (environmental protection) and 50001 (energy management).

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

4.8 Tax compliance

For SEW-EURODRIVE, fulfilling its tax obligations is an important element of its social responsibility.

We promote ethical and transparent business conduct and do not keep any legal entities solely for the purpose of tax avoidance. We pay all taxes and levies 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 risk to our company, our employees and our reputation. Tax compliance is therefore a significant part of our corporate philosophy.

We remain committed to our tax obligations and constructively support the authorities entrusted with dealing with them.



“At SEW-EURODRIVE, we act in a market-oriented manner and promote innovations to safeguard our leading position amidst the growing international competition in the drive engineering business. In so doing, we always observe the rules of fair competition, and particularly 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 serious criminal consequences. SEW-EURODRIVE wants to win customers by means of quality in all areas and functions – not bribery and corruption – which is why we are strictly against them.

Bribery and corruption includes:

- Payments as part of the assignment or arrangement of contracts or services that benefit single individuals.
- Preferential treatment and bribery of officials.
- Services that can be assumed to be partly or wholly for the payment of bribes.

Intermediaries that are commissioned by us to obtain authorization or receive orders therefore have to explicitly contractually commit not to pay bribes, give preferential treatment or carry out any other form of unlawful or dishonest actions. Any commissions or fees that we pay to intermediaries must always be in proportion to the documented activity.

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

5.1.2 Agreements

To rule out any suspicion of criminal offense, all of our agreements with customers and suppliers are clearly documented, including any subsequent modifications and additions. This particularly applies to the regulations for payments of bonuses, 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 based on objective criteria such as overall product costs, quality, performance, the economic stability of the supplier 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, deliveries of non-requested products or the refusal of a delivery, for instance.

We avoid any suspicion of criminal offense in our agreements by means of consistent documentation.

5.1.3 Gifts and invitations

Contributions in the form of gifts, invitations or any other type are customary throughout the world of business, and are also generally permitted to a reasonable extent. But what is “reasonable”? This is not always unequivocally clear at first glance. With this in mind, when accepting and giving gifts and other contributions or rewards, we are especially cautious to ensure that they never influence any decision-making.

To rule out any risk of influencing decision-making, we therefore adhere to the following rules:

- **Gifts** from or to suppliers or customers with a value of up to 50 euros can be accepted or given as a basic principle. However, the total sum of the gifts from or to an individual person working for a customer or supplier or at SEW-EURODRIVE within one fiscal year must not exceed 150 euros.
- **Contributions** 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 the responsible Compliance Officer with a reason and agreed on with the Compliance Officer in advance.
- Likewise, we respect the regulations of our business partners in this respect.
- Furthermore, we send and receive gifts and invitations exclusively via the relevant company address.
- We never use or accept cash payments, vouchers or remittance as payment.

Attempts to influence decisions by customers or suppliers are not trivial offenses and must be reported to superiors or the Compliance Officer if they become known. We may decide to terminate the business relationship or place a block on orders on a case by case basis.

Donations must never have an influence on decision-making.

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

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

Information: Other value limits apply for the payment of tax.



“At SEW-EURODRIVE, we remain committed to meeting our tax obligations. The payment of taxes allows the state to perform its duties for the greater good. We therefore transact tax-related processes correctly, and declare this to the authorities in an appropriate and transparent manner. We also ensure that we settle our tax liabilities in an orderly manner.”

Dr. Hans Krattenmacher – Managing Director Mechatronics Innovation

5. CONDUCT IN BUSINESS RELATIONSHIPS

WHAT IS THE CORRECT WAY TO BEHAVE IN BUSINESS RELATIONSHIPS?

5.2 Conduct in competition – ban on cartels

Fair and free competition is protected by the applicable competition and antitrust laws. We are committed to complying with the regulations for fair competition in line with the statutory provisions and particularly the antitrust provisions.

Above all, the following are forbidden among competitors:

- Dividing up of territories or customers
- Agreements on or the exchange of information about prices or price components, supply relationships and their conditions or about capacities or bidding behavior
- The exchange of information about market strategies and investment strategies
- In this regard, not only written contracts but also verbal agreements or tacit, coordinated parallel behavior are fundamentally forbidden.
- Agreements on or the exchange of information about research and development plans are only permitted in strictly limited exceptional cases.

5.3 Conduct in the event of conflicts of interest

At SEW-EURODRIVE, we are committed to the welfare of the company. The company therefore relies on us to make our decisions based exclusively on objective criteria and ensure that 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.

There may be a conflict of interest, for instance, if a member of the board, employee or close relative of an employee (partners, children, parents) has significant interests in a competitor, customer, supplier or service provider of SEW-EURODRIVE.

If a conflict of interest becomes known to us, we inform our superiors or the Compliance Officer about it to safeguard the welfare of the company.

5.4 Conduct with regard to information

5.4.1 Confidentiality

We are committed to protecting trade and business secrets. We do not hand over 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 are authorized to do so and are sure that the secrets will be protected.

In this regard, the Security Policy provisions for classifying and handling information (public, commercial, confidential, secret) must be observed at all times. The provision concerning confidentiality retains its validity, even after the end of our business relationship.

5.4.2 Data protection

To protect the private lives of employees, customers and suppliers, we adhere to the applicable legal requirements with regard to the handling of personal data. To do this, we take state-of-the-art technical safety precautions to protect the information from unauthorized access.

Agreements that impair competitiveness are prohibited.

We always act in a way that puts the company's interests in the foreground and avoids any suggestion of conflicts of interest.

We handle information with care, and always ensure that the appropriate level of confidentiality is provided. We put strong emphasis on the protection of personal data.

6. REPORTING IRREGULARITIES

HOW DO WE WANT TO WORK?

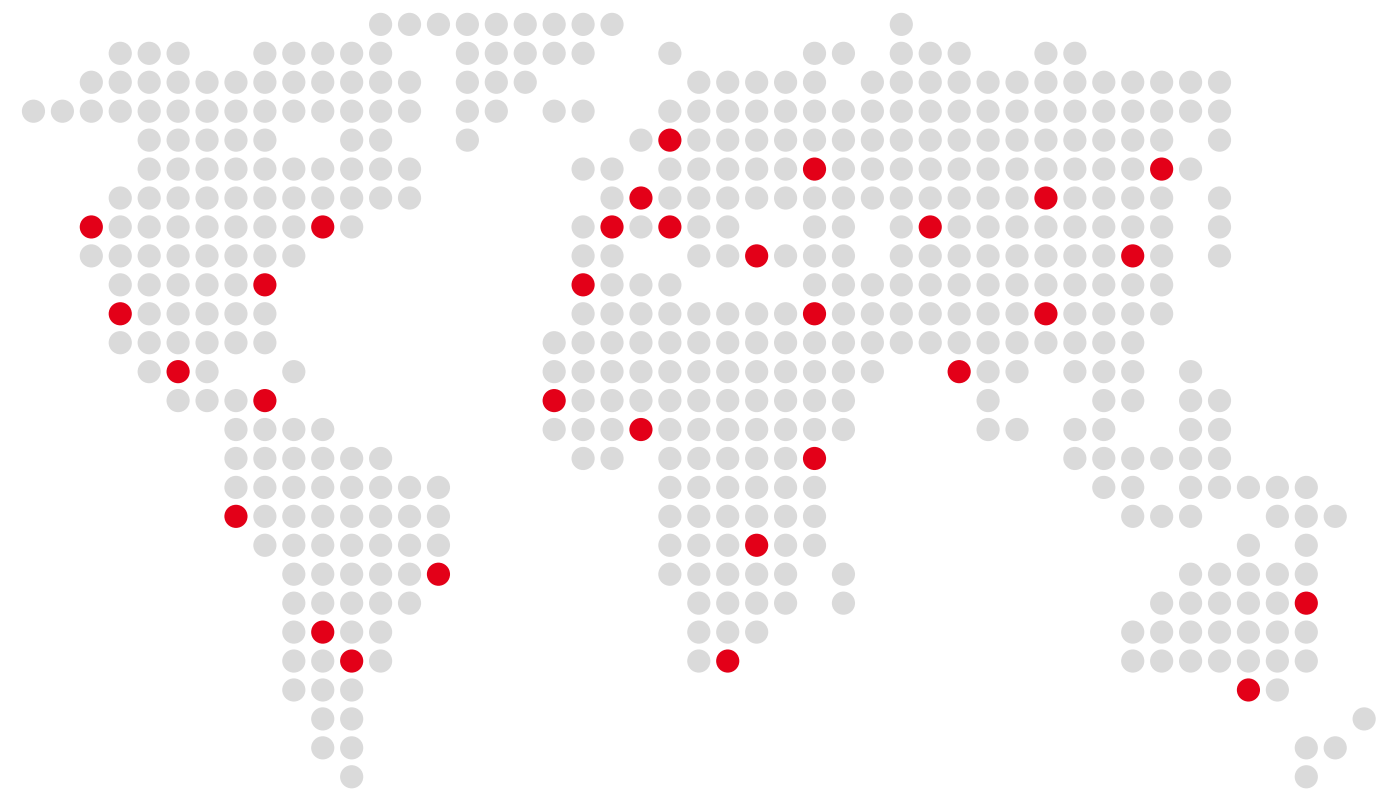
The Group companies are themselves responsible for communicating and complying with the contents and rules of our Code of Conduct within their areas of responsibility. Employees who violate the Code of Conduct are to be held accountable by means of internal disciplinary measures – independently of potential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

It is important to us to avoid any damage to our company and therefore to contribute to the enduring success of the company. With that in mind, we will inform our superiors or the Compliance Organization about any violations or situations that contravene this Code of Conduct.

In all of our regions, we have designated additional contact persons (local Compliance Officers) and established additional ways of reporting these issues. All of the information that is provided is treated with the strictest confidence, and carefully pursued so that we can take appropriate corrective measures.

If we are made aware of any conduct or situation that contravenes our Code of Conduct, we will report it to our superior or the Compliance Organization immediately.

DRIVING THE WORLD





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