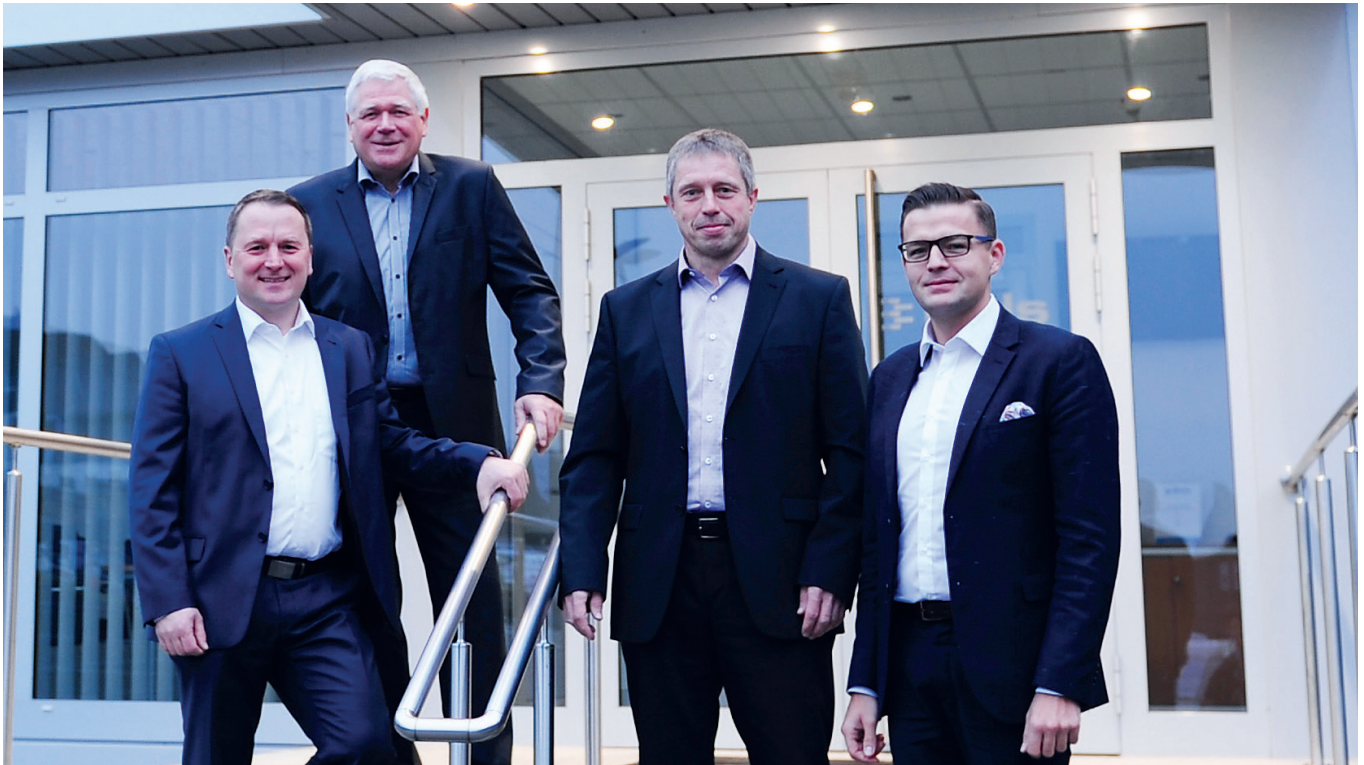


Code of Conduct



CODE OF CONDUCT



GENERAL PRINCIPLES

The business activities within Bals Elektrotechnik (Bals) are based on close, long-term relationships with customers, suppliers and other partners, and we strive to be perceived as a trustworthy, long-term and reliable partner. It is therefore essential that our business activities are run not only on the basis of business requirements, objectives and guidelines, but also that they meet high standards in terms of integrity and ethics. As a minimum, we must comply with applicable legislation and regulations in all countries where Bals companies operate, and with existing policies. Bals first and foremost chooses to collaborate with suppliers who share our principles. These are to be found in this Code of Conduct and in our Supplier Code of Conduct.

HUMAN RIGHTS

Anyone who works directly or indirectly for Bals shall be entitled to have their basic human rights respected in accordance with the UN's Universal Declaration of Human Rights.

Employment conditions

The employment conditions – including financial remuneration and work hours – that are offered to our employees must at least meet the minimum requirements of national legislation and collective agreements. All employees must be provided with their employment contract in writing and be informed of the conditions of employment.

Salaries, work hours and conditions must be fair and reasonable.

Work environment

We strive to be a respected employer and to continuously improve health and safety in the workplace. We must ensure a good work environment from a physical, psychological and social point of view, and strive to be attractive employers with regard to employees' personal development. All necessary safety measures must be taken, including providing appropriate safety equipment, training and information.

The relationship with and between employees must be based on mutual respect. As a minimum, we shall stric-

tly abide with national health and safety legislation as well as health and safety regulations in entered agreements and/or collective agreements.

Child labour

The UN Convention on the Rights of the Child, the ILO's Minimum Age Convention (no. 138) concerning Minimum Age for Admission to Employment, and the ILO's convention (no.182) concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, are guidelines for all activities.

Disciplinary measures

Employees must be treated with dignity and respect. No employee may under any circumstances be subjected to corporal punishment or other forms of physical, sexual or psychological punitive action, harassment or force. Salary deductions may not be imposed as a disciplinary sanction, unless this is regulated by collective agreement or approved by law.

Freedom of association

Employees shall be free to exercise their legal right to be members of, organize or work for organizations that represent their interests as employees.

Equality, diversity and discrimination

We do not permit discrimination or harassment in any form. Bals's employees shall be given the same opportunities for development regardless of gender, age, ethnic origin, religion, political views, sexual orientation, disability or other distinguishing features. In cases where there are inequalities in remuneration, for instance between men and women, we must strive actively to even these out. We also strive to achieve a more even gender balance and for equal rights to parental leave.

Forced labour

We do not accept forced labour, or involuntary or unremunerated work in any form. This includes contracts under forced conditions and illegal labour. Neither do we accept methods that restrict employees' freedom of movement. No individual may be kept at work against their will.

Political involvement

We observe political neutrality. Neither the name Bals, the name of a Group company, or any resource whatsoever under the Group companies' control may be used to promote the interests of political parties or candidates.

BUSINESS ETHICS

Anti-corruption standards

We do not accept corruption, bribes or unfair anti-competitive practices. Procurement, sales and marketing of our products and services must be handled professionally and in line with relevant legislation and regulations. We comply with applicable anti-corruption legislation and regulations.

Conditions for discounts, commission and bonuses must be reasonable and stated in writing.

We must not offer or give undue payments or other remuneration to any person or organisation in order to induce the person or organisation to establish or maintain a business relationship with our Group companies. We must not, directly or indirectly, request or accept any form of undue payment or other remuneration in order to induce the establishment or maintenance of a business relationship.

No employee may either give or receive gifts, remuneration, benefits or offers that may be considered to constitute an undue benefit. An undue benefit is one that may influence the recipient's behavior such that the person then acts in a disloyal or illegal manner towards their employer for their own gain.

Gifts to public agency employees or in connection with public procurements are never permitted.

We shall not do business with customers or suppliers where we have reason to believe that they are in breach of our anti-corruption regulations.

Conflict zones

We must ensure that no business that we do in any way supports war, conflict, extremism, money laundering, drug trade or slave trade.

This includes the use of conflict minerals.

The company's property and resources

We respect other companies' assets, and protect our tangible and intangible assets from loss, theft or infringement.

Customers and suppliers

We strive to provide products and services that meet or exceed our customers' expectations. We base our relationships with business partners on sound business and market practices, a high standard of ethics, and agreements that are clear and fair.

Impartiality and conflicts of interest

Bals's business relationships shall be impartial and all business decisions must be taken on the basis of what is best for the company, regardless of personal relationships or benefits. Conflicts of interest between employees and the company are to be avoided. Employees may not take part in activities that conflict with Bals's or the Group companies' interests.

Healthy competition

We support fair and free competition in all areas of our operations.

Accounting and reporting

All financial transactions must be accounted for in line with generally accepted accounting principles.



SOCIETY

Communication

We have an open approach in the dialogue with those who are affected by Bals's activities. We respond to external enquiries and communicate with affected parties in a correct and effective manner. Business-related issues are handled by the Group companies.

Confidential and proprietary information

Employees may not disclose information that could have a harmful effect on the business or negative implications for a co-worker. Information about staff members and salaries may also be sensitive and should therefore be treated carefully.

Social media usage

All employees should use social media carefully and avoid posting anything that can have a negative effect on work relations or business interests. Never give the impression that you are speaking on behalf of the company in any personal communication or social media.

Local involvement

Bals's companies have strong local affiliation and their businesses are often located in small towns. We strive to remain in those locations, and to make the most of and develop existing skills. We want to contribute to strengthening the community in which we operate by having an invigorating and long-term approach to our business activities. We strive to recruit new employees locally and to offer jobs to young people. Through active and constructive dialogue with the local community, we want to create conditions for growing locally.

Environmental responsibility

Bals is actively working to continuously reduce the Group's direct and indirect impact on the environment. The environmental perspective should be part of all important decisions in order to create long-term value for Bals's customers, employees, shareholders, and for society as a whole.

Taxes

In all countries where Bals operates, the tax laws and tax rules of each country must be followed.

IMPLEMENTATION AND COMPLIANCE

Implementation of the Code of Conduct

We require all employees to comply with the Code of Conduct.

Compliance with the Code of Conduct

Every Bals employee is responsible for reporting any cases of fraud or other criminal behavior. Any infringements of our Code of Conduct that come to the Company's attention will be followed by immediate action being taken. Employees who are uncertain as to whether a specific behavior may breach the Code of Conduct should consult their immediate superior for guidance.

We encourage employees to report relationships that may conflict with the Group's Code of Conduct to their immediate superior or to higher management. If for any reason the employee is unable to approach these individuals, the anonymous mail boxes allocated in the factories can be used instead.

There will be no penalty or other negative consequences for people who provide information in good faith and in line with the aims of the Code of Conduct.

Equality and Diversity Policy



Bals Elektrotechnik is convinced that future development is dependent on the ability to utilize all resources within our group. All employees shall have the same opportunities when working for Bals. We apply zero tolerance against discrimination, harassment, sexual harassment and bullying.

By diversity and inclusion Bals means that every employee, within their own abilities, qualifications and experiences, is an equal part of our group. All employees regardless of gender, ethnical background, religion or other belief, age, sexual orientation, gender identity and gender expression or physical ability should have equal access to development and career opportunities.

Gender equality and diversity of our employees are of strategic importance for sustainable profitability and to remain an attractive employer.

We are committed to

- Actively conduct equality work by promoting equal rights and obligations for all in terms of job content, terms of employment and development opportunities.
- Augment the knowledge about and the general awareness of equality and diversity.
- Recruit with a positive approach to diversity, to assure we select the best person for the job, based on merit and experiences. In all recruit processes we should have background and gender diversify candidates.
- Pursue a wage policy that eliminates any unequal difference in wages.
- Offer all employees the same opportunities for development, education and training.
- Promote equal rights to parental leave.

 made
 in
 Germany



Simply. Well. Connected.

Bals Elektrotechnik GmbH & Co. KG
D-57399 Kirchhundem-Albaum
Phone: +49 27 23/771-0
Fax: +49 27 23/771-177/178
E-mail: info@bals.com
Internet: www.bals.com