



# Code of Conduct



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## Our commitment

We aspire to be one of the world's most respected companies committed to creating energy-efficient solutions for a healthy and comfortable indoor climate. Zehnder Group Ltd. ("Zehnder") together with all its affiliates ("Zehnder Group" or "we" or "us") strives to improve the quality of life by providing its customers with the best indoor climate solutions.

Our Code of Conduct is integral to our success. It helps us do what is right: We all want to commit to an employer treating us fairly and with respect – to a workplace where we feel valued and encouraged and where we know our health and safety is a top priority and our personal and business information and data are safe. We all expect that Zehnder Group operates within the law – in a fair, ethical, safe way that helps us work together towards our common goals.

Long-term value creation, cooperation, mutual commitment, all aspects of sustainability, social responsibility and good corporate governance are key principles that shape our vision. Over the years, Zehnder Group has built up a reputation as a reliable, trustworthy, and successful business partner. We want to safeguard this reputation and to continue earning it every day by taking the right decisions and implementing the right measures.

Our aim is to be acknowledged as the leading supplier in our target market segments. We are curious, competitive and we have ambitious growth targets which we want to achieve. But not at any price! If the price means unprincipled or unethical conduct, then it is too high. How we achieve our business results is as important as the achievement itself.

This Zehnder Group Code of Conduct ("Code of Conduct") defines and specifies the conduct we expect of you and forms an integral part of the terms of employment of all associates of the Zehnder Group. Zehnder Group insists on full compliance and will not tolerate any misconduct.

We thank you for your continued support and commitment to our Code of Conduct.

Hans-Peter Zehnder  
Chairman of the Board of Directors

Matthias Huenerwadel  
Chief Executive Officer

January 2023

### WHEN IN DOUBT ASK YOURSELF

- Will my conduct allow Zehnder Group to maintain its reputation as a responsible and trustworthy corporate citizen?
- Would my superior, colleagues, family and friends think that my conduct was correct and ethical?
- Have I thought about the impact on those who will be affected by my conduct?
- Would I be comfortable if my conduct became public or investigated by law enforcement authorities?
- Is my conduct legal, fair, honest and compliant with the Zehnder Group values and principles (the "[Values & Principles](#)"), directives, rules and regulations?



## To whom does the Code apply

The Code of Conduct applies to

- all directors, officers and employees of the Zehnder Group (including its wholly owned affiliates and subsidiaries and joint ventures or other entities in which the Zehnder Group has a majority ownership interest or exercises effective control)
- all operations of the Zehnder Group, and in our business dealings any third parties with whom we work and who represent the Zehnder Group, such as but not limited to sales representatives and agents, whereby we expect them to adhere to business principles consistent with our own.

## Duties of the employees

All Zehnder Group associates and employees are obliged to read and understand the Code of Conduct and to act in full compliance with its terms.

Ask for advice. Should any questions arise on the Code of Conduct, employees are asked to contact their superior, Group Legal or any member of the Group Executive Committee ("GEC").

As an employee you are required to bring potential misconduct to the attention of the Zehnder Group management, either via your superior, your local HR representative, the Group Legal Counsel ([legal@zehndergroup.com](mailto:legal@zehndergroup.com) or +41 62 855 1509), the Head Group Internal Audit & Compliance, the Director Group Human Resources, a member of the GEC or the integrity line (see below), without further disseminating the information.

## Integrity line

At Zehnder Group we maintain the highest ethical standards and believe in transparency and trust. If employees and/or associates are concerned about a particular matter and do not wish to take this up with their superior, their local HR representative, the Group Legal Counsel, the Head Group Internal Audit & Compliance, the Director Group Human Resources or a member of the GEC, they can report a potential misconduct via our [integrity line](#)<sup>1</sup>, which is an online tool to report compliance breaches.

Every concern regarding compliance with this Code of Conduct will be taken seriously, investigated and responded to appropriately. This will require the facts to be established, so sufficient detail and information are necessary to follow up on the raised concern. Reports can be made anonymously. We are committed to exercise discretion to avoid disclosing the sources of information we receive and try to keep information confidential. Employees and/or associates who, in good faith, report potential misconduct or who provide information or otherwise assist in an inquiry or investigation of potential misconduct will be protected against retaliatory action, harassment and/or discrimination.

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<sup>1</sup> <https://zehndergroup.integrityline.com>

## **Duties of management**

In addition to the duties of each employee, managers are required to create a working climate that is consistent with and ensures full implementation of and adherence to the Code of Conduct.

Managers act as role models and live up to and abide by the Code of Conduct, our [Values & Principles](#) as well as the Zehnder leadership behaviors (the “Leadership Behaviors”).

## **Local additions to the Code of Conduct**

Each Zehnder Group company is permitted to supplement this Code of Conduct in the form of addenda.

However, these additions must be approved by Group Legal and may not in any way contradict this Code of Conduct or deviate from the wording or the spirit of the Code of Conduct. As a global company, there may be limited circumstances where local law or other legal requirements differ from the standards set forth in our Code of Conduct. In such instances we comply with applicable local laws *and* our Code of Conduct. If you become aware of discrepancies between our Code of Conduct and other local legal requirements, please contact the Group Legal Counsel.

This Code of Conduct is translated into the main languages used within the Group. In case of conflicts or discrepancies, the English version prevails.

## **Personal commitment**

Every person who acts for and on behalf of Zehnder Group is required to adhere to the wording and the spirit of the Code of Conduct. It helps us to act correctly in situations when our [Values & Principles](#) are challenged.

## **Breaches of the Code of Conduct**

Breaches of the Code of Conduct will not be tolerated and can lead to disciplinary action up to and including termination of employment and severe civil and criminal law proceedings.

## **The Code of Conduct**

### **Integrity, ethics and compliance**

Every employee is a representative of the Zehnder Group and is considered to be one of its business cards.

- We act in a professional manner and support Zehnder Group's legitimate interests in pursuing commercial success.
- We respect the applicable human rights, laws, rules, directives and regulations – in all areas, at all times and irrespective of what others might expect or demand. We support the principles of the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises or the ILO Core Conventions on Labor Standards. We strictly adhere to ethical business practices, and observe highest standards concerning labor, health, safety, environmental protection, management systems as well as due diligence & transparency regarding minerals/metals from conflict zones.
- We act in good faith and are reliable.
- We expect third parties with whom we work to adhere to business principles consistent with our own and to acknowledge and conform to our Supplier Code of Conduct.

### **Conflicts of interest and insider trading**

- Personal interests and relationships must be kept separate from business interests. Personal interests must not influence our business judgement or decision making. Employees and associates must disclose actual or potential conflicts of interest immediately to their superiors.
- Material non-public information (insider knowledge) about the Zehnder Group or any other company must not be used for personal financial gain or advantage. We also do not communicate such information to anyone who is not entitled to be aware of it.

### **Safeguarding corporate assets**

- We protect and defend the company's tangible and intangible assets (including intellectual property) against threats.
- Associates must properly use and maintain assets of the Zehnder Group and ensure that they are protected from misuse, loss, theft and waste. All assets of the Zehnder Group must be used for legitimate business purposes only.



- Associates must not appropriate any assets which are owned by or are the responsibility of the Zehnder Group.
- We respect the intellectual property of our competitors. We do not acquire knowledge about competitors in an illegal or unethical way.

### **Communication**

- We do not deceive anybody.
- We communicate in an open and honest way with customers, suppliers, business partners, in-house colleagues, shareholders and the public.
- Our reports are correct and transparent.
- We utilize our information and communication technology for our daily work with professionalism and respect.

### **Environment, health and safety**

- We safeguard the health, safety and privacy of employees and colleagues at their workplace.
- We ensure that our products do not put at risk the health and safety of employees and customers.
- We strive to reduce the ecological footprint of our operations and products through our sustainability goals and operational improvements. Where possible, we seek a regenerative impact and we promote environmental awareness and precautionary measures.
- During product development and innovation, we identify opportunities to minimize the potential environmental impact of our products, operations or services and prevent negative environmental effects.

### **Fairness, respect and anti-harassment**

- We respect the need for fairness and respect in all relationships and actions and we do not tolerate any form of harassment or discrimination.
- We protect associates from unfair or unethical working conditions, including forced or child labor or any unsafe working conditions.

## **Diversity, equity and inclusion**

- We are committed to an open, respectful and collaborative culture. We strive for an inclusive and diverse workforce and ensure equal opportunities where competence, performance and potential guide our employment related decisions, thereby fostering an attractive and equitable workplace.
- We value, welcome and leverage different strengths, perspectives and experiences – and ensure that everybody similarly situated receives equal and fair treatment regardless of work relation status, age, disability, gender, marital status, sexual orientation, pregnancy, maternity or paternity, race (including skin color, ethnic origin and national origin), religion or religious belief, or any other individual characteristics.

## **Confidentiality and data privacy**

- We protect confidential, non-public information and business secrets of the Zehnder Group or third parties that may be disclosed to us and must remain confidential.
- We respect the privacy and personal data of employees, customers and business partners. Personal data includes any information relating to an identified or identifiable natural person, which we collect, store, handle, transfer and disclose in accordance with applicable laws.

## **Competition and global trade**

- We respect the principles of fair competition and do not engage in any kind of (direct or indirect) anti-competitive collusion and/or unfair practices regarding prices, conditions, customers, bids, joint-boycotts, markets, volumes or areas neither with our competitors nor with any kind of distributors of our products or suppliers forming part of our supply chain. We do not exchange such information with business rivals or competitors. Even if we just witness any improper discussions among competitors, we immediately escalate this to the relevant superior and Group Legal.
- We market and sell our products in compliance with all applicable competition laws, rules and regulations and in line with the highest ethical standards.
- We only participate in meetings of recognized trade associations with an ethical, permissible and appropriate purpose. We regularly perform compliance reviews of any memberships in trade associations (e.g., with regard to ethical purpose, articles of associations, clear agendas and minutes as well as attendance or advice available through legal counsel concerning competition law).



- We are aware that market power and agreements that might affect competition require review from a legal perspective. Abuse of a dominant market position is prohibited.
- We comply with applicable customs regulations, export controls, and trade sanctions laws. We support the fight against money laundering and terrorism financing within our operational reach.

## **Corruption and gifts**

- Our business is based on the quality of our products and services, and not on corrupt practices. We do not tolerate any form of bribery or corruption.
- We do not offer, give or receive anything of value to, respectively from, any private person, governmental official (including employees of state-owned enterprises), or organization with a view to influence the decision-making process and/or secure any business advantages. This also applies to facilitation payments and indirectly, i.e., we do not use third parties (such as agents or sales representatives) for such corrupt practices or encourage them to act on our behalf.
- We acknowledge that bribes can take many forms and include practices, such as, providing cash, gifts, entertainment, hospitality, inappropriate discounts, kickbacks and/or hiring a family member or a friend with a view to seek influence and/or making donations.
- We keep appropriate and accurate records of all our business transactions (including books and accounts as well as the documents relating to the preparation of such records).
- We avoid unreasonable, excessive or lavish gifts to business partners and refuse unreasonable, excessive or lavish gifts from business partners. Small and appropriate gifts can only be offered as lawful tokens of normal business appreciations or social courtesy and when they are not intended to influence any party. They must be in accordance with our internal directives.

## **Quality**

- We are committed to develop and manufacture high-quality products that meet all regulatory requirements, and pursue quality beyond compliance in our products, services and processes.