

Hager Group's prosperity and sustainable development are reliant on the trust it inspires in its customers, suppliers and all the stakeholders – and this trust also needs to exist in the relationships between the company and its staff members, as well as between those staff members themselves. In order for that trust to develop and endure it requires, at all levels of the company, compliance with a number of principles and rules of conduct. The purpose of this Charter is to outline those principles and thereby guide the Company members as they come face to face with sometimes complex concrete situations.

## Chapter I - International Treaties, National Legal Provisions, Local Practices

We operate in compliance with international treaties, as well as with the directives of the European Union and in keeping with the commitments we made as signatories of the UN Global Compact. We apply the laws and regulations of the countries where we operate and act, wherever possible, in keeping with local customs and practices.

## Chapter II - Open Competition, Competitive Intelligence

We comply with European and international competition law, as well as with the legal provisions specific to each of the countries where we operate.

### Competitive intelligence:

We refuse to engage in any form of unfair competition toward our competitors and commit to limiting the collection and use of information related to our competitors' sales and industrial activities, in full compliance with legal provisions.

## Chapter III - Personal Safety and Protection of Property

### Product safety and quality:

Our reputation as a responsible company hinges on our ability to provide flawless reliability and quality in all products and systems. Each Hager Group employee shall be committed to achieve total product quality, from design to distribution. The Crisis Management Unit is the only one empowered to decide on the course of action, should a problem arise on a series of products. It can, in particular, decide to arrange for a product recall when a flaw is suspected, in particular when the products involved are intended to protect personal safety and property.

### Health and safety of individuals at Hager Group:

Any individual working at a group site in whatever capacity, must be able to conduct their activity in safe and healthy working conditions. Based on this principle, we have developed a Policy on Health and Safety in the workplace, compliance with and support of it is mandatory for all. In the event of a situation affecting the health of a broader population, an epidemic or a pandemic arising, the Crisis Management Unit must be contacted in order to minimise its consequences, using the alert procedure.

### Protection of immaterial property at Hager Group:

We have opted for great transparency and wide-ranging internal communication on business data and information. In exchange, it is our shared responsibility to protect that data and information from theft, loss, distortion, misappropriation, disclosure, copying, misrepresentation and any form of misuse.

## Chapter IV - Equal Opportunity, Diversity and Dignity

We implement a Human Resources policy designed to:

- prevent violations of Human Rights,
- offer everyone equal career development opportunities,
- deter all forms of discrimination or undermining of human dignity,
- respect the identity and physical and moral integrity of all individuals.

All employees shall work together in an open and respectful manner. Any behaviour or action infringing upon these rights is not accepted.

## Chapter V - Responsible Partnership and Humanitarian Action

### Responsible partnership:

As a manufacturer, our desire is to actively support the sustainable development of the Electrical Manufacturing industry. Our action is in full compliance with the principles set out by the UN Global Compact, which we strive to promote throughout the value chain, from the supplier up to the customer-installer.

The Ethics Charter applies to the entire group workforce and that of its subsidiaries throughout the world. It also concerns all Corporate Officers, members of the Hager Group Management Team and Senior Management of its subsidiaries throughout the world. Each employee is required to comply with these conduct rules in their everyday actions. The requirements set out in this Charter are not intended to replace those set out by the laws and regulations in effect in countries where Hager Group is present, nor those set out by existing internal local rules and regulations, but they are complementary to them, so that all

### Humanitarian action:

In the event of natural or humanitarian disaster, Hager Group or one of its subsidiaries may decide to take part in action programmes designed to help the impacted populations. Should this be the case, the Ethics Committee (see § X) shall set out the policy and approve the action programme, using the following as its key criteria:

- the Company has an establishment in the country impacted and employs staff there
- a humanitarian aid project is submitted and supported by an employee or group of employees from the Company
- the project is concrete and of recognised public interest.

The company participates as a partner, not taking on any responsibility as project designer or operator. Each employee is free to take part in humanitarian aid programmes of this kind by making donations, on an individual basis. The donations collected across the group will be put into a special account and released as the project progresses, under the supervision of the Ethics Committee.

## Chapter VI - Environmental Protection

Our Environment Policy forms an integral part of the Sustainable Development Policy to which Hager Group has committed. The Company constantly strives, wherever it operates, to mitigate and lower its environmental impact. We pledge that all action will be carried out in line with environmental protection principles and implement management systems based on international standards (such as ISO 14001). We promote a sense of environmental responsibility throughout the value chain and encourage both our suppliers and customers to abide by these principles.

## Chapter VII - Conflicts of Interest

Our work methods are interwoven with the principles of transparency and sensible cooperation. We must, of our own accord, report to our managers or the local Human Resources Department any situation in which our personal interests or those of the people around us might be impacted by a decision made by a Company department or entity. This applies not only to conflicts of interest, but also undue influence or favouritism.

## Chapter VIII - Invoicing, Settlement and Expenses

No fund transfer may be made outside the company's official financial channels. For every fund transfer, a substantiating accounting statement must be available; no invoice, settlement or reimbursement may be made to or received from a third-party, if the item in question is not specifically described in contractual and/or accounting documents referenced in the Hager Group's Financial Manual. Every amount payable or receivable must match exactly with a material item, in other words, an actual service or actual expenses; any amounts payable as reimbursement of expenditure must be substantiated by accounting documentation.

## Chapter IX - Corruption, Gifts, Undue Benefit

We base our development solely on the quality of the industrial, sales and administrative expertise found across the group. As such, the relationships we maintain with our stakeholders (customers, suppliers, partners, utilities, public authorities, shareholders or employees) are based solely on objectivity, integrity and transparency.

### Gifts/invitations:

Only gifts/invitations of modest value shall be tolerated, provided that they are in line with an accepted tradition of courteous business relations (whether the employee is the donor or recipient). It is our shared responsibility to show common sense and decline any gift or invitation that appears to induce a relationship of indebtedness to the donor party.

### Undue benefit:

Only the material benefit set out officially by working contracts or collective company agreements shall be allowed; these official benefits shall be reported to the relevant authorities, in particular the tax authorities.

members of Hager Group can uphold a set of principles and rules that must be applied at all times. Practical guidelines and specific policies can be drawn up and used to respond to specific issues, such as the Financial Manual or the Procurement Policy which already exist. We count on the commitment of each and every one of you, so that the Charter becomes jointly shared, understood and enforced.

## Chapter X - Alert procedure – Addressing Breaches

All employees of Hager Group and its subsidiaries worldwide are invited to report any practice, action or request they deem inappropriate or out of line with a principle stated in this Ethics Charter. Legitimate concerns expressed and information reported in good faith are encouraged; however, employees are not compelled to do so, such that reporting is fully voluntary.

You should report to the person in charge of the reporting procedure and appointed for the local unit, who may be either a member of the Human Resources Department, or failing this, the legal manager of your company. If no reporting procedure is in place in your location, or if the person responsible for its initiation is involved in the reported case, you may report that case directly to the Group Professional Ethics Officer. This officer will assess the admissibility of your claim and submit it to the Ethics Committee. The role of the Group Professional Ethics Officer is not to investigate the cases reported directly to its office, but rather to ensure these will actually be dealt with. This officer guarantees that the alert and settlement procedure as stated in this chapter is implemented effectively, and that information and promotion of principles and values included in this Charter are provided to all Group employees.

For its part, the role of the Ethics Committee is to address breaches following referral by the Group Professional Ethics Officer and under the above conditions, to check the evidence of the case and to suggest adequate measures to stop such activities, when a breach of some of the Ethics Charter's provisions has been proven.

### The Ethics Committee is composed of 3 members:

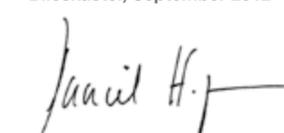
- the Company Secretary of Hager SE;
- a member of the Executive Board of Hager SE (Vorstand);
- the President of the Hager SE Works Council.

In order to complete its mission, the Ethics Committee has authority to carry out diligently any procedure, to conduct any investigation, either directly or with the help of qualified outside individuals, and to act as it deems appropriate to each specific situation, and in respect of such principles as open investigation (both against and favourable to the case) and neutrality. Based on the results of such investigation, the Ethics Committee will submit any proposal or recommendation to the legal manager in charge of the local unit to which reported personnel involved in the case belong.

The documents collected during investigation of the case and the reports and opinions issued by the Ethics Committee are addressed confidentially and archived for a period not exceeding the time prescribed applicable to the reported breach. Details for collection, analysis, processing and conservation of data related to the case shall be in accordance with the local provisions. If you are confronted with an issue regarding application of this Charter, please do not hesitate to contact your supervisor. Should you consider that ethical rules as applied in your company are in conflict with the rules stated in this Charter, or if you have specific questions or concerns regarding compliance with the rules set out in this Charter, you may also take them up with the Group Professional Ethics Officer.

The electronic version of the Ethics Charter, available on Hagernet and on our website [www.hagergroup.net](http://www.hagergroup.net) is the reference for updates.

Blieskastel, September 2012



**Daniel Hager**  
Chief Executive Officer



**Philippe Ferragu**  
Chief Group Resources Officer



**Bertrand Schmitt**  
Chief Operations Officer