

Our Constitution  
and Code of Conduct

Values  
and rules of conduct



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## Our Constitution and Code of Conduct

Dear employees,

Blaser Swisslube has earned itself a good reputation ever since it was founded in 1936 – thanks to our expert staff, our proximity to customers and our high-quality products and services. We want to take care of that.

Customers, business partners, shareholders, authorities and the general public place their trust in responsible and lawful conduct on the part of all of us. This trust is of great importance for the reputation and success of our company.

Even though Blaser Swisslube is active all over the world today, we have a common foundation – integrity. Our behavior is based on our corporate culture with its anchored values and principles. We maintain fair and open dealings both internally and externally. We are committed to upholding high ethical standards and applicable law.

Our core values are anchored in our Constitution. The Code of Conduct serves as a guideline for us to act correctly in our day-to-day business.

Each and every one of us contributes to the success of Blaser Swisslube. Thank you for living our values so that we can all enjoy working for Blaser and be proud of our company.

Marc Blaser  
Chairman of the Board of Directors

Peter Blaser  
Honorary President





We aspire to success for all stakeholders.

We measure our success by the satisfaction of our customers.

We reach our goals by teamwork.

We measure our success by the satisfaction of our customers – thanks to following our corporate philosophy in thought and deed.

Our common goal is corporate success.

We aim at all times for profitability to enable investments in the future, and for an appropriate return on investment.

We create the conditions required for each one of us to work fruitfully.

We produce cutting fluids and lubricants of outstandingly high quality. We develop our products in close contact with customers, and market them globally.

We provide all the means required for ongoing product development. In this connection we also leave room for unconventional solutions.

We develop new products in conformity with market needs and the specific requirements of target groups.

We take environmental concerns seriously at all times both in thought and deed.

As team members we are all personally committed to reaching the corporate goals with our entire capabilities. Goals that also convince ethically.

We are loyal at all times both to the company and to our colleagues.

We all aspire to a good working atmosphere, based on cooperation, trust, openness and mutual respect. We discuss tensions and conflicts openly, identify their causes and make every effort to solve them.

We are not afraid of criticism. It gives us the opportunity to make improvements. We learn from mistakes.







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Human resource development and coaching are important to us.

We believe in management by goal setting on an agreed basis.

We uphold personality development and coaching by on-the-job and off-the-job training.

We attach great importance to regular staff appraisal interviews. They promote development both on the employee and the management sides.

We give clear and regular information. We like people to ask questions.

We promote self-responsibility; that is why we prefer self-control to supervision.

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Our organization is clear and understandable.

Our organization has to be kept simple and clear to everyone. All competencies, rights and powers within our organization are job-related.

We allow the greatest possible freedom of action, to enable optimal entrepreneurialism at all levels.

Our job appointments are based on professional capability and team competence.

The salary is according to their level of responsibility, performance, capabilities and company results.

All our plant – the installations, equipment and buildings are in harmony with the high quality standard of our products.

Our constitution shows us the way to remain an outstanding company.

We are all called upon to address any deviations from the constitution.

We aspire to continuous improvement. Let us go on.







The Code of Conduct supplements our Constitution and provides us with the most important rules of conduct for correctly handling our day-to-day business.

# 1

## Message, scope and responsibilities

### 1.1 Message

We measure performance not only according to the results achieved but also by the manner in which such results are achieved. The Code of Conduct specifies with binding effect what the company expects from us.

Business partners, customers, shareholders, authorities and the general public place their trust in us all acting in a responsible and lawful manner. This trust is of great importance for the reputation and success of our company. We therefore expect all our employees to actively participate and take responsibility for implementing and complying with the Code of Conduct. Integrity is an essential element of our corporate culture. Accordingly, ethical and lawful behavior shapes our daily actions, the way we interact with each other and with our external stakeholders.

We are determined and committed to conducting business in accordance with high ethical standards and the applicable law. Therefore, in case of doubt, compliance and integrity always take precedence over any potentially critical business. Any unlawful or improper conduct, even if committed just by a single employee, can seriously damage the reputation of our company which has been built over the years.

We attach a great deal of importance to a culture of personal responsibility, mutual trust, openness and mutual respect. We are not afraid of direct criticism, which allows us to make improvements. Every employee can make an active contribution by maintaining an open dialog and through active participation. Everyone has a voice.

### 1.2 Scope of application

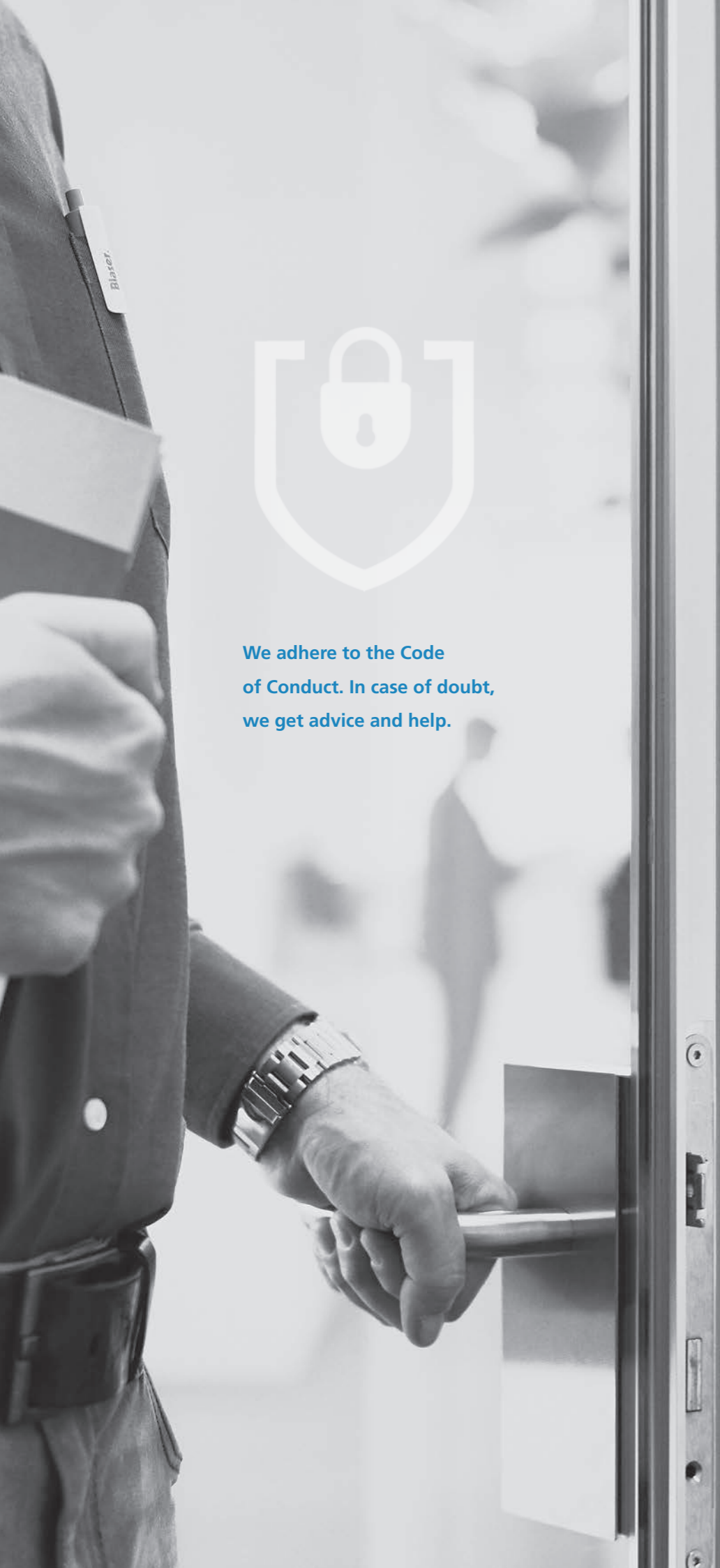
The Code of Conduct applies to the members of the Board of Directors, the members of the Executive Team, superiors and employees (collectively referred to as «employees») worldwide and constitutes a minimum standard.

### 1.3 Responsibilities

The Executive Team is responsible for the introduction and monitoring of compliance. Superiors must live up to their role model function and demonstrate a high level of social and ethical competence. They are therefore responsible for ensuring that the Code of Conduct is complied with and implemented in their area of responsibility. They promote a culture of compliance within the company. They inform their employees about legal and contractual obligations as well as internal regulations relevant to the performance of their duties at the appropriate level. Annually, they ensure that every employee is familiar with this Code of Conduct and its contents.

Each employee is personally responsible and obligated to know and comply with the external and internal provisions relevant to his work, to align his behavior with the Code of Conduct and to contact colleagues, the respective direct superior or the person responsible for the Code of Conduct in the event of questions or ambiguities and to speak about them openly (cf. 5.1).





We adhere to the Code of Conduct. In case of doubt, we get advice and help.

## 2 General guidelines

### 2.1 Compliance

We commit to comply with local, national and international laws, regulations, contracts and internal company standards (such as policies, guidelines, directives and processes). As an international company, we are expected to respect the basic local cultural conditions and rules insofar as these do not contradict with this Code of Conduct.

It is also prohibited to induce third parties to carry out illegal activities or to knowingly participate in such activities.

### 2.2 Personal responsibility and reporting obligations in case of misconduct

A Code of Conduct does not and cannot fully list all requirements for our behavior. If no clear requirements result from legal provisions, company standards or corporate practice, we act to the best of our judgment and with common sense. The following questions could be helpful:

1. Is my behavior in compliance with legal provisions or with the Code of Conduct or corporate standards?
2. Can my behavior lead to negative consequences for me, the company, its employees or third parties?
3. How would I feel if my behavior would be published in the local newspaper or reported to the public prosecutor?

We are expected to seek advice and help directly from our superiors or, if necessary, from the person responsible for the Code of Conduct if there should be any doubt regarding our own conduct or about legally or ethically dubious processes in our work environment (cf. 5.1). Therefore, loyalty, openness and a sense of responsibility are of essential importance. Repercussions will not be tolerated under any circumstances.

### 2.3 Accuracy of accounts and reporting

Records and reports (internal and published) must be accurate, complete and true to the best of our knowledge. Proper accounting and balance sheet principles must be adhered to. In particular, every accounting entry must be based on documents that correspond to the facts. In addition, all transactions must be recorded. All financial funds and assets must be listed on the accounts. Illegal funds and illegal accounts are strictly prohibited.





We handle data and assets carefully and responsibly.



## 2 General guidelines

### 2.4 Confidentiality and data protection

Among other things, we distinguish ourselves in the market due to our key assets: confidential information and intellectual property. These must be shielded from misuse or unjustified disclosure.

We ensure that confidential information is only passed on internally to persons who need it to perform their duties and are also authorized to receive it. Also, when passing on confidential information to third parties, a confidentiality agreement must be signed. The confidentiality requirement, which remains in effect not only during the employment relationship but also after its end, applies to internal confidential or protected information of our company and our employees.

Confidential information from or about suppliers, customers, consultants or other business partners must also be protected according to the legal provisions and contractual agreements if applicable. Any further use is only permitted after consultation and written consent with the parties involved.

### 2.5 The protection of company assets

We are committed to protecting the tangible and intangible assets as well as the financial resources of the company against theft, loss, misuse and squandering and to handling them with care. All assets are generally and primarily intended for use in business activities. Private use must be authorized in advance.







We are committed to a good working atmosphere. Our cooperation is based on trust, openness and mutual respect.

## 3 Conduct in the work environment

### 3.1 Cooperation

Employees should be able to perform their duties in a good working climate. This requires employees to treat each other with trust, decency, openness and mutual respect (also when dealing with superiors and subordinates). We address tensions and conflicts openly, explore and try to solve them. We also expect our employees to commit themselves to working together and to assume full responsibility for the tasks assigned to them.

### 3.2 Workplace and equal opportunities

We want to provide our employees with a safe and healthy workplace, offer them reasonable remuneration for their performance and ensure equal opportunities. We strive to support all employees in their personal and professional development.

### 3.3 Harassment

Harassment, discrimination and other forms of intimidation are not tolerated and consistently sanctioned.

### 3.4 Performance of duties in offices and institutions

The company welcomes its employees assuming duties or offices in public service or social institutions. If we intend to take on additional remunerable secondary employment (e.g. as an employee, a member of the board of directors or a foundation board) or to accept a political office, we must inform our direct superior in advance and have the project approved. This activity as well as honorary duties in an association or in other institutions outside of the company must not conflict with the interests of the company or affect any obligations under the employment agreement.

### 3.5 Private and business expenses

Business and private expenses are to be strictly separated; they must not be mixed. Apart from the local company standards (expenses guideline) all business expenses are subject to the principles of clarity, transparency and verifiability (receipts).

### 3.6 Communication

To ensure an open and effective communication on all levels, it has to be accurate, complete, truthful and timely. This applies regardless whether the communication in question is internal or external, and it applies to all relevant stakeholders, e.g. employees, superiors, customers, business partners, the public and authorities.

Social media (e.g. Facebook, LinkedIn, Instagram) make it possible to instantly communicate with a large group of recipients. In using these services, we must ensure that there are no violations of any locally applicable labor and data protection regulations and that the company standards are adhered to.







We are committed to fair competition and do not accept unfair business practices.

## 4 Dealing with business partners

### 4.1 Relationship with suppliers and customers

Business partners must be selected after comparing price, quality, performance and suitability based on objective criteria. Agreements with them must be made in a clear and unambiguous form and documented together with subsequent changes and additions.

### 4.2 Bribery/corruption/gifts

Corruption and bribery in dealing with business partners, particularly through intermediaries, are prohibited. We do not tolerate any forms of corruption and bribery (including bribes/«facilitation payments»). It is also prohibited to agree in any way to affect decision-making, including through illegal payment offers or by demanding or granting undue advantages.

With the exception of the following paragraph, such advantages are considered to be any gifts, invitations or other cash-equivalent advantages offered directly (or indirectly, i.e. through intermediaries) by one of the office holders or third parties for ourselves or for the benefit of other third parties (accepting advantages) or which we offer directly (or indirectly, i.e. through intermediaries) to an office holder or a private individual either for personal benefit or the benefit of other third parties (granting advantages).

Minor, socially customary advantages, such as modest gifts and invitations in accordance with local customs, are regarded as customary signs of courtesy between business partners and are set out in the directive on gifts and entertainment.

### 4.3 Conduct in relation to competitors

We are committed to fair competition in relation to competitors, customers and suppliers. It is not permitted to spread untruths or rumors among customers or suppliers that concern them, their products or employees. We comply with the applicable competitive and anti-trust laws such as but not limited to:

- No agreements with competitors to fix prices or sales conditions;
- No agreements with competitors to share markets and/or customers;
- No agreements with competitors on waiving the submission of a bid, offering a specific price or submitting a bid that is clearly less favorable than the offer submitted by a competitor as part of a tender process;
- No transmission of sensitive information to competitors such as current prices, future price developments, price margins, costs, offers, market shares, sales practices, terms, development or production plans, investments or other trade secrets;
- No agreements on absolute territorial protection or agreements on minimum or fixed prices;
- No abuse of a dominant market position when reaching agreements with customers and suppliers.

Moreover, we accept and follow the relevant international trade restrictions and regulations of different countries and international organizations such as the United Nations. If in doubt, planned actions or agreements that include provisions that could impede competition or violate international trade restrictions must be reviewed by a specialist.







We disclose the situation when personal interests influence our business activities.

## 4 Dealing with business partners

### 4.4 Secondary employment/ shareholding

Any secondary employment with companies that are in competition with our company (customers, suppliers, partners, competitors) is prohibited. Any exceptions must be approved by the members of the Executive Team.

Having any financial involvement in a competing company, in customers or suppliers is not allowed (exception: companies listed on the stock exchange).

### 4.5 Commissioning of business partners for private purposes

In order to avoid a conflict of interests between company and privacy, employees may not use the services offered by their business partners. Exceptions are to be arranged in advance with the superior or the responsible Human Resources Manager.

### 4.6 Conflicts of interest

Both within and outside of the company, situations are to be avoided in which our personal interests or the personal interests of third parties conflict or appear to conflict with the interests of the company. Any identified or suspected conflict of interest must be disclosed and immediately reported to superiors. If necessary, we will obtain written approval on how further action should be taken in such a case (e.g. to stand down).

If we wish to hire a person close to us, i.e. a person with whom we have a close personal relationship (e.g. family members, other residents of the same household or close friends), our superior is to be informed, who will then, together with Human Resources, decide how to proceed.







We are committed to our values and principles and report any behavior that deviates from them.



## 5 Reports of misconduct and questions

### 5.1 Basic principle

As employees, we are expected to express our concerns in the event of actual or assumed unlawful activities and not to remain silent or simply overlook them. In such cases, or if there are questions or ambiguities, we are to raise them directly to the person involved or discuss the situation, or the person responsible for the Code of Conduct.

If this is not possible for some reason, such concerns or questions may also be reported on an anonymous basis. In the speak-up process the corresponding procedure is recorded. The relevant information can be found on the Intranet.

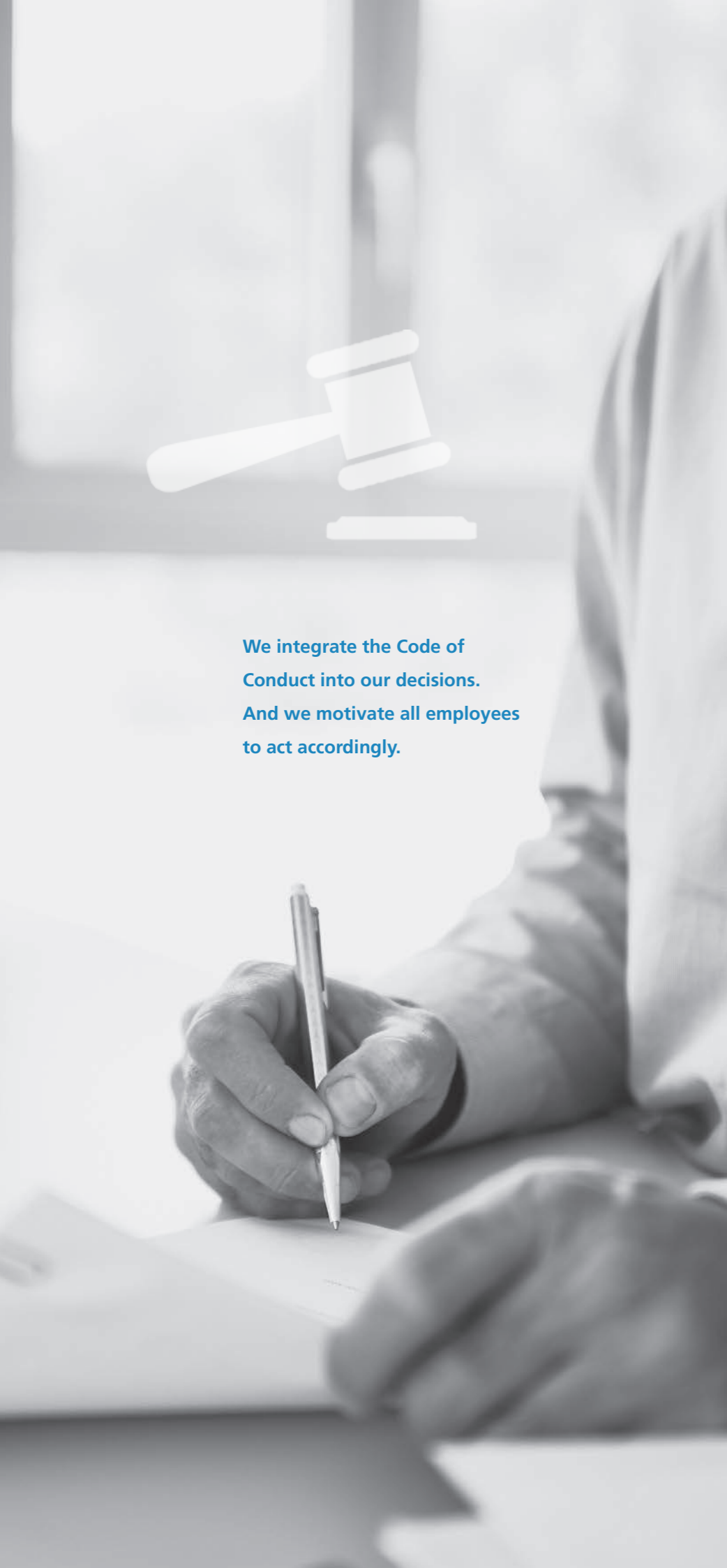
### 5.2 Protection of the reporting person

Employees who report actual or suspected violations of external or internal regulations in good faith are protected and no repercussions against them will be tolerated.

However, we do not tolerate employees making such reports contrary to their better knowledge, thus abusing their right to submit reports. Such employees must reckon with appropriate sanctions.







We integrate the Code of  
Conduct into our decisions.  
And we motivate all employees  
to act accordingly.

## 6 Final provisions

### 6.1 Implementation and training

As employees, we are committed to complying with the Code of Conduct. The company reserves the right to amend the Code of Conduct if necessary in line with its right to issue directives. The current version applies in each case. Any changes will be notified in good time.

We are made aware of the correct behavior by means of training courses and further documentation. Our superiors and the person responsible for the Code of Conduct support and advise all employees for questions and doubts regarding the Code of Conduct.

### 6.2 Violations and sanctions

The employees are obligated to actively collaborate in the implementation of the Code of Conduct. Intentional misconduct and violations of legal provisions or company standards such as this Code of Conduct or other policies or directives will not be tolerated and can, regardless of the hierarchical position in the company and depending on the level of severity and type of the violation, result in disciplinary (e.g. warning, reprimand) or legal consequences (e.g. termination, damages, fines, jail). All violations of the regulations will be investigated.

### 6.3 Publication

Every employee can find the current and valid version of the Code of Conduct on the Intranet.

### 6.4 Entry into force

This Code of Conduct was approved by the members of the Executive Team in December 2018.





**Blaser Swisslube**

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