

# ebm-papst Code of Conduct

Principles for responsible and lawful conduct and action

# ebmpapst

The engineer's choice



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**ebm-papst group of companies**  
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## Corporate Governance: Principles of company management

### **Dear Employees,**

ebm-papst is a special company — primarily thanks to the fundamental values which have guided us for more than 50 years. An important aspect of our company philosophy is that we do not base our actions solely on legal requirements but are also committed to ethical standards. We treat people and the environment with respect and esteem. The principles outlined in the following are binding for every single employee and are intended to help everyone adhere to our rules and act in accordance with our values. ebm-papst also fulfills the code of conduct of the Electronic Industry Citizenship

Coalition® (EICC®). This code of conduct sets down standards designed to ensure safe working conditions in the electronics industry supply chain and respectful treatment of workers, as well as environmentally sound and ethically acceptable business practices. Please contact your superior if you have any questions or doubts about how to act in a particular situation.

*Rainer Hundsdörfer,*

*Chairman of the Board of Directors of the ebm-papst Group*

**Overriding principle**

We think it only fair to act in accordance with the laws and we believe in honesty. We always abide by the laws of the countries in which we work. Illegal action is not an option and not in the interests of our company, as it is unethical, seriously damaging to our reputation and can lead to prosecution, claims for damages and loss of business.

Any employees who contravene the law must be aware that they themselves will be at risk of prosecution. Acting in conformity with the law is in the best interests of each employee.

All employees are required to familiarise themselves with the regulations applicable to their area of responsibility and to abide by these. In cases of doubt, the council of a senior employee should be sought.

We always abide by the law.

We reject bribery and corruption.

**Bribery, corruption, gifts, gratuities**

Bribery and corruption are illegal and unethical. Both constitute considerable risks for our employees and our company. Bribery and corruption represent a threat to the existence of any company. They are therefore neither an option nor an acceptable practice — even if this means a loss of revenue.

We neither offer impermissible benefits to our trading partners nor do we accept any such benefits ourselves.

We consider corrupt behaviour as being constituted by, e.g. facilitation payments, kickbacks and financial incentives as well as by having recourse to third parties/agents.

We exercise restraint with regard to both accepting and offering gifts and other gratuities (including invitations to dine or other activities for example). Any such action must never take a form which exceeds normal business hospitality, manners and courtesy.

### **Taxes and subsidies**

The tax laws of every country are binding for us and must therefore be strictly observed. Every employee must be aware that tax offences are liable to prosecution. This applies equally to both the company and the individual employee. On account of regular and thorough inspections by the tax authorities, there is a high risk of tax offences being discovered.

Suspicious circumstances very quickly lead to criminal investigations. If customers and suppliers are involved, cross-checks will be made with their tax authorities and vice versa.

The legal situation with regard to taxation and subsidies is often very difficult to assess. In cases of doubt, a senior employee should be consulted and/or clarification must be requested from the Managing Director Finance & Administration.

**We do not practise tax evasion.**

We believe in fair competition.

#### **Principle of fair competition**

Competition can only work if it is free and fair. Agreeing with competitors on coordinated market action is detrimental to competition. That is why we do not come to any arrangements with competitors regarding our business practices. We abide by the laws on the protection of competition. We specifically prohibit any agreements on prices and terms, the apportionment of markets and regions, the allotment of customers and the coordination of quotation, development and production strategies. Even exchanging information with competitors which could form the basis for coordinated behaviour (in particular with regard to prices, costs, margins, terms, customers, quotations, product developments and manufacturing capacity) cannot be tolerated and is strictly forbidden.

Any violation of these bans is rigorously pursued by the cartel authority and can lead to sanctions which may endanger the existence of our company.

### **International trade**

International trade is of vital benefit to ebm-papst. So supporting it and abiding by the pertinent rules is very much in our own interest. Consequently, we observe the existing import and export regulations, obtain the necessary permits and pay the applicable customs duties and taxes.

The authorities regularly check compliance with these regulations. Severe sanctions may be imposed in the event of any violation.

We respect the rules of international trading.



We respect physical property.

**We protect third party ownership rights.**

Property belonging to our or other companies is handled, treated and used carefully and responsibly.

This also means taking into account the integrity of our trading partners.

**Concepts, ideas and designs are all forms of property and therefore protected by law.**

We respect third party intellectual property. Being a technology supplier investing a lot of effort in research and development, the protection of inventions and expertise is vitally important to ebm-papst. That is why we treat business secrets with the utmost care. It must be ensured that confidential information is not passed on to unauthorised third parties.

The same also applies to confidential information we receive from our trading partners. If special circumstances (e.g. customers' sensitive development projects or company take-overs) require strict confidentiality, this must also be maintained, even with and towards colleagues.

We safeguard and respect intellectual property.

We observe the confidentiality of personal data.

**Data privacy**

We only use the personal data of our employees and contractual partners for the express purposes for which they have been provided and always treat such data confidentially. ebm-papst strictly observes all laws on personal data privacy.

**Business records**

Both internal and external reports must be accurate and complete to provide the recipient with the appropriate information. We concentrate on the representation of facts and use an objective reporting style.

Documents required for ongoing or anticipated internal enquiries or official investigations must never be destroyed, removed or altered.

We report correctly and promptly on all business activities.

We ensure the safety of our people and environment.

**Product safety, work safety and protection of the environment**

We demand the highest standards of quality and safety for our products and services. We monitor the quality of our products on the market and help customers avoid potential hazards.

We make sure the working environment is safe. Safety regulations must be strictly observed and checked with regard to their effectiveness. Any non-compliance is to be reported and rectified immediately.

We work economically with natural resources and design our products the same way (in keeping with our GreenTech company philosophy). We avoid anything which is harmful to the environment. Compliance with all environmental protection laws is a matter of course for our company.

### **Avoidance of conflicts of interest**

We make a clear distinction between business and private interests. Any sideline activities require the prior consent of ebm-papst. A superior must always be asked. This applies in particular to sideline work for any rival companies, customers or suppliers of ebm-papst or financial involvement in these. Notification should be given if any close family members are involved in such activities or participations.

Working for ebm-papst should also never be used to gain any private advantage. The placing of orders with business partners for private purposes is to be avoided. Trading partners are not to be given preference for private reasons.

We act in the interests of ebm-papst.

We respect other cultures and attitudes.

**We are part of a global society.**

Consequently, respect for other cultures and values is a matter of course for us. We treat other people fairly, openly and with esteem. We reject all forms of discrimination. We remain politically neutral in the company.

## Communications

Official statements on behalf of ebm-papst are only to be made by persons authorised to do so. Statements concerning the Group are to be coordinated with the Corporate Communications department in Mulfingen prior to publication.

### Contact:

Hauke Hannig

Press Spokesperson

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We practice coordinated communication.



## Addendum

**This code of conduct is binding for all employees of the ebm-papst Group.**

It can be substantiated and supplemented by regulations and training sessions on particular topics or for specific countries.

Our senior management has particular responsibility. They are expected to set a good example with regard to the ebm-papst rules and values set out in this code of conduct. They are the first point of contact for our employees on correct behaviour. Within their area of responsibility, it is their task to ensure compliance with the code of conduct.

Specific questions concerning the code of conduct or correct behaviour can be addressed to immediate superiors, the plant or branch management, or directly to the Managing Director Finance & Administration.

Any violation of the code of conduct will not be tolerated and may lead to dismissal or prosecution.

## Contact

### Responsible for compliance:

Hans Peter Fuchs

Managing Director Finance & Administration

ebm-papst group of companies

Bachmühle 2

74673 Mulfingen

Germany

For any matters and questions on the topic of compliance, please contact:

 [compliance@de.ebmpapst.com](mailto:compliance@de.ebmpapst.com)

More information:

 [www.ebmpapst.com/compliance](http://www.ebmpapst.com/compliance)



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