



OUR CODE OF CONDUCT

effective date August 1, 2020

Our core ethical principles

Our understanding of ethical business practices is based on the 5 core principles:

Employees

“We treat our employees fairly and respectfully”

Clients

“We are putting client’s benefit on top of our objectives”

Shareholders

“We are committed to sustainable performance with integrity”

Business Partners

“We strive to be a trustful, fair and respectful business partner”

Society

“We aspire to be a responsible corporate citizen”

The Kardex Code of Conduct lays down the binding general principles of ethical behavior for the Board of Directors, management and all staff of Kardex. The Kardex Code of Conduct is applicable to all business segments, subsidiaries and areas of activity of the Group. The values underlying these principles may be regarded as the common sense of everyone working at Kardex.

Our Code of Conduct reflects our commitments to meet the expectations of our stakeholders as a responsible corporate citizen and it contains the fundamental principles and rules concerning ethical business conduct. Specific policies, guidelines and manuals will supplement the principles specified in the Kardex Code of Conduct.

The Kardex Code of Conduct forms an integral part of the terms of employment of all employees of Kardex. Kardex insists on full compliance and will not tolerate any misconduct. As a globally active industrial company, Kardex is confronted with various laws, cultures, manners and customs, and these can lead to situations of uncertainty. Whenever reasonable, Kardex shall respect the manners and customs of the countries in which it conducts its business. It is the management’s responsibility to make sure that all employees are aware of the Kardex Code of Conduct, understand it and act accordingly.

We thank you for your support and commitment to our Kardex Code of Conduct. Our combined efforts will enable us to better meet the needs of clients, to deliver sustainable performance and strengthen our reputation in the market as good corporate citizen.



Philipp Buhofer
Chairman of the Board of Directors



Felix Thöni
Vice-Chairman of the Board of Directors

Employees

“We treat our employees fairly and respectfully”

Fair working conditions

We commit to provide our employees fair and competitive wages based on performance and ethical conduct.

We protect employees from unfair or unethical working conditions, including bonded, forced or child labor, or any unsafe working conditions.

Diversity and inclusion

We treat our employees fairly, equally and respectfully. We expect employees to demonstrate respect toward each other and we do not tolerate any form, of harassment or discrimination.

We are committed to ensuring, within our multicultural teams and our working environment, that nobody is harassed or discriminated against for any reason such as their nationality, origin, religion, belief, gender, age, sexual orientation or disability.

We seek to create an inclusive work environment where employees regardless of their backgrounds can contribute fully. We believe diversity is critical to our success.

We therefore attract, develop and retain highly talented people with diverse backgrounds and inclusive mindsets.

Employee development

Constructive dialogue between the employee and supervisor on goals, priorities and development needs is an essential part of the Kardex Performance Management Process. We offer opportunities for our employees to develop, grow and continuously improve individual skills to strengthen the competencies of Kardex as a whole.

Freedom of opinion, speech and association

We respect the right of employees to choose to join an association, provided that local law is respected. Kardex engages in constructive dialogue with employees and their representatives.

We recognize that every employee is entitled to freedom of opinion, expression and speech, provided these do not interfere with the employees' ability to fulfil their job responsibilities or conflict with the Kardex Code of Conduct.

All our dealings with one another shall be characterized by courtesy, fairness, openness and respect, and all our employees shall behave accordingly.

Clients

“We are putting client’s benefit on top of our objectives”

Client benefit

We expect our employees in all areas of our business to focus on enabling better client outcomes and providing innovative solutions to client needs around the world, while adhering to the respective laws governing those activities. Compromising client benefit is not an option.

Product quality and safety

We discover, develop and manufacture high-quality products that meet all regulatory requirements, and pursue quality beyond compliance in both our products and processes.

Shareholders

“We are committed to sustainable performance with integrity”

Financial integrity

We do not compromise our financial integrity. Financial risks and operational measures must be appropriately reviewed and approved.

We provide timely, accurate and complete financial information to our shareholders and financial markets. We maintain effective controls over financial reporting to ensure a complete and accurate record of our financial transactions.

Employees must not trade shares or other securities on the basis of material non-public information.

Business continuity

We believe that business continuity management is critical for our clients, employees and other stakeholders, and is part of responsible management practice. In the event of an emergency or significant business disruption, we are committed to doing our utmost to ensure uninterrupted supply of key products and services.

Safeguarding corporate assets

We work to protect assets of Kardex against threats. This applies to our employees, reputation, intellectual property, information, products, property and other assets.

We properly use and maintain assets of Kardex and ensure that they are protected from misuse, loss, theft and waste. All Kardex assets must be used for legitimate business purposes.

We protect our investments in intangible assets by obtaining, enforcing and defending intellectual property (IP) rights and by maintaining confidentiality of sensitive information. We also respect legitimate IP rights of others.

IP created, developed or obtained by employees and related to their employment belongs to Kardex.

Information security

We protect the confidentiality, integrity and availability of critical information, regardless of its form and location.

Kardex's archives are also maintained properly and in compliance with the relevant legal provisions. Business documents are a valuable company asset and must therefore be handled with the requisite care. All business documentation (including documentation created by employees in the course of their employment) is the sole and exclusive property of Kardex and may not be used by any employee for any illegal purpose.

Conflict of interest

Personal interests must not influence our business judgment or decision making.

Employees must disclose actual or potential conflicts of interest to their supervisor. Newly hired employees are requested to disclose any actual or potential conflicts of interest before they begin employment.

No employee may abuse their position, their knowledge of confidential information or the property of Kardex to their personal advantage, nor give preferential treatment to any individual internal or external person or company known to them which is not in line with Kardex's Group internal regulations.

All situations which could lead to a conflict between the interests of Kardex and the private interests of its employees must be avoided. In the event of uncertainty, a discussion must be sought between the employee and the employer, in which both parties should seek to resolve the issue in good faith.

Business Partners

“We strive to be a trustful, fair and respectful business partner”

Commitment to all laws and regulations

We comply with all laws and regulations applicable to our activities. We also implement and comply with our internal policies.

The management is responsible that all employees are aware of the rules and regulations which are relevant to their business activity. In view of the international nature of its business activities, Kardex is confronted with a wide range of legal frameworks and parameters. In certain individual cases, different views and scope for interpretation may exist on legal compliance issues. In such cases, Kardex will respect the legally valid and binding rulings of the courts responsible.

Client satisfaction

We strive for the highest client satisfaction. We listen to our clients and create solutions that add value and create mutual benefit for them and for Kardex.

Anti-bribery and anti-corruption

We do not tolerate any form of bribery or corruption neither in connection with public officials nor with private persons.

Gifts, hospitality & entertainment

Gifts, hospitality and entertainments are generally acceptable ways of fostering a business relationship. In the competition for customers and markets, however, we want to be successful solely on the basis of the quality of our products and services as well as the trust placed in us.

Gifts, hospitality & entertainments may therefore not be offered, promised or granted with the intention of improperly influencing business decisions. They must be in line with valid laws and local regulations and be proportionate to the occasion, position and function of the recipient. Particularly critical are gifts, hospitality and entertainments just before a business transaction is concluded or during tendering processes. Cash gifts may not be given under any circumstances.

Fair competition

We are committed to fair competition and will not breach competition laws and regulations.

Antitrust law may on no account be violated. Any such violation may result in substantial fines for Kardex and in fines or prison sentences for its employees. In particular, price-fixing among competitors (verbal, written or in any other form), market allocation and any other practices which may inhibit free competition are prohibited.

Third party integrity

We expect third parties with whom we work to comply with the law, to adhere to ethical business practices, and to observe our standard requirements concerning labor, health, safety, environmental protection and management systems.

Society

“We aspire to be a responsible corporate citizen”

Corporate citizenship

We understand our role in society as an organization contributing to positive social, ecological and cultural developments.

Transparency

We are open and transparent with respect to our business principles and practices and comply with applicable laws and regulations.

Human rights

We strive to ensure that activities within our sphere of influence do not negatively impact fundamental human rights, as set out by the United Nation’s Bill of Rights and the core conventions of the International Labor Organization, either directly or through our business relations.

Health, safety and environment

We systematically identify and manage health, safety and environmental risks in our activities and over the entire value chain of our products and services.
We proactively foster and encourage a strong culture of safe behavior.
We make efficient use of natural resources and minimize the environmental impact of our activities and products over their life cycle.

Data privacy

We respect the privacy rights of our employees, clients, and other stakeholders. Kardex does not divulge any confidential information about its customers, employees or business partners unless such divulgences required by law. Personal data may not be acquired by illegal means. Any processing of personal data must be of a reasonable extent to conduct business. Kardex shall also provide the technical and organizational means required to ensure that personal data is protected against unauthorized processing. No employee may pass on any confidential information or business secrets of Kardex to any third party (including family members or friends), nor use such information or secrets for any inadmissible purpose.
The above obligations shall continue to apply following any termination of employment with Kardex. All documents and any other data carriers containing confidential information shall be returned to Kardex upon termination of employment.

Implementation

The management is responsible that the actual version of the Kardex Code of Conduct is communicated and trained in an appropriate form and frequency. The management is available for any consultation in relation to the Kardex Code of Conduct and its applicability and understandability in particular.

The Kardex Code of Conduct will be published in all major languages. In any case the English version will be binding and prevail versions in other languages.

When in doubt you may ask yourself

In case an employee does not understand this Code of Conduct or elements thereof he or she is encouraged to ask for clarification from his or her superior.

Should there be any ethical conflict with colleagues and/or their superiors Kardex employees should apply their common sense. In doing so, they may find it useful to ask themselves:

- Have I informed myself adequately about the internal guidelines and external regulations?
- Have I thought about the impact on those who will be affected by my conduct?
- Have I adequately considered alternatives?
- Would I be comfortable if someone treated me the same way?
- Am I acting fairly, honestly and responsibly?
- Would my family and friends think that my conduct was ethical?
- Would I be comfortable if my conduct appeared in the media?
- Have I consulted my work colleagues and superiors?
- Could Kardex lose customers or shareholders if they found out about this?

If there is still uncertainty about how best to proceed, consult your superior, your local Human Resources representative, the head of your Division, the group Human Resources representative or any member of the group management.

Breaches

Breaches of the Kardex Code of Conduct will not be tolerated and can lead to disciplinary action up to and including termination of employment.

Such disciplinary action may be taken not only against persons violating the Kardex Code of Conduct, but also against any employees who consciously permit such violation or who attempt to influence or penalize subordinates for communicating such violations.

How to deal with potential misconduct

Employees who report potential misconduct or who provide information or otherwise assist in any inquiry or investigation of potential misconduct will be protected against retaliatory action.

Misconduct is any conduct that violates the Kardex Code of Conduct and pertinent policies and/or external law or regulation.

All employees are entitled to bring potential misconduct to the attention of Kardex. Employees with knowledge of potential misconduct, or employees receiving a report of misconduct, should notify their superior or report the issue via one of the other channels described below without further disseminating the information. If your supervisor is part of the issue or a trustful relationship with the supervisor is not given, employees can report potential misconduct to the following persons:

1. The local Human Resources representative
2. Head of Division
3. The global Human Resources representative (HoCHR)

An open and trustful dialogue with one of these persons is strongly supported compared to anonymous reporting. The dialogue allows a professional and confidential way to uncover and follow up on misconducts.

All such communications will be treated in strict confidence, and will not result in any disciplinary action against the person making them, even if the alleged violation proves unfounded in the subsequent internal investigation. In contrast, however, any violation of the Kardex Code of Conduct by the person making such communications, and any intentionally falsified claim of such violation (such as malicious and improper accusations) will result in disciplinary action.

Applicability

This Kardex Code of Conduct has been approved by the Board of Directors of Kardex Holding AG and is binding for all employees of Kardex.

