



## **HYDRATEC INDUSTRIES N.V. WORLDWIDE CODE OF CONDUCT**

Based on ISO 26.000

### **Proper Governance**

*Transparency, accountability, ethical behaviour, stakeholder interests, compliance with legislation*

Hydratec Industries N.V. is a globally-operating stock listed specialist in industrial systems and components with a focus on the Agri & Food, Automotive and Health Tech markets. Based on its innovative, market-driven product development and reliability, Hydratec and its subsidiaries are a partner to their customers, contributing to their success. This is achieved based on an inspiring work environment and partnerships with suppliers, and by centering on quality improvement.

Our aim is to reward our stakeholders, while simultaneously providing development options to our employees, our business partners and the society in which we operate. In all that we do, we strive for sincerity, fairness and integrity, and naturally compliance with the legislation and regulations of the countries we operate in.

This Code of Conduct is applicable to all Hydratec employees. In the event of non-compliance, the employee is held accountable for changing his/her behaviour. In the event of serious infractions, we will impose disciplinary measures. This may include the option of dismissal with immediate effect and/or reporting the infringement/offence to the relevant authorities.

All employees are expected to behave in a responsible and ethically sound manner, to consistently observe the Code of Conduct, its meaning and intention, and to act with integrity at all times.

Employees are expected to express the Code of Conduct in our business processes and practices, to serve as a role model by setting out and observing high ethical standards, and to create an ethical climate by encouraging and rewarding actions that are in line with our Code of Conduct. This Code does not give a clear answer to any and all questions.

Instead, we like to rely on the common sense and integrity of all employees. We encourage you to consult others if confronted with ambiguous situations. Your supervisor or the Compliance Officer can answer questions relating to interpretation issues relating to the Code. Any agreements to deviate from the Code are subject to prior assessment by the Executive Board. If necessary, such agreements will be made public.

Hydratec has a clear policy relating to conflicting interests: do not compete with Hydratec's activities and ensure that your actions on behalf of our company are never influenced or may appear to be influenced by any personal interests or your family's personal interests.



All apparent and actual conflicts of interest between personal and professional relations must be treated in a fair and ethical manner. Any conflicts of interest must be reported to your supervisor as soon as you become aware of their potential existence.

Examples of conflicting interests that must be resolved include:

- any financial or personal gain that you receive personally or through a family member from a company doing business or aiming to do business with Hydratec;
- being a member of the Executive Board or serving as a consultant to a company doing business or aiming to do business with Hydratec;
- possession of any assets (such as property rights or patents) that Hydratec may want to acquire or lease;
- external interests that obstruct performance of the job role due to diverting the required time and attention required from your responsibilities as a Hydratec associated partner.

### **Human Rights**

*Preventing infringement, anticipating high-risk situations, avoiding being an accessory, procedures after possible infringement, protection of vulnerable groups, respecting political and civilian rights, respecting economic, social and cultural rights, fundamental labour law, offering employment*

Hydratec respects the rights and integrity of all employees. We aim to treat our employees in a fair and objective manner. We aim to offer a safe and healthy work environment and do not tolerate any form of forced labour or child labour. Additionally, we naturally comply with all legislation and regulations applicable to employers.

We aim to offer all employees and applicants equal rights in all areas of recruitment and selection. This requires us to create a work environment without any issues relating to discrimination and sexual harassment. We strive for an environment where people feel comfortable and respected, irrespective of individual differences, talents or personalities. Our objective is to ensure that the diversity of our employees reflects the diversity in the population of the areas where we are active, and that the performance of our employees are assessed fairly based on their contribution and results.

### **Working Conditions**

*Offering social security, conducting social dialogue, health and safety at work, promoting personal development*

To our organisation, our employees are the most important. This is why we aim to create a work environment that offers all employees the opportunity to work to their full ability and contribute to Hydratec's success. We are committed to personal integrity and are of the opinion that performance is best assessed based on long-term results.



Hydratec encourages an inclusive culture in which all employees can make their best effort. This means:

- we are open to differences and recognise the benefits of differences;
- we treat each other with respect and fairness;
- we create an ambiance of trust and open, honest communications.

We are aware of everyone's needs for balance between work and life. We also respect the privacy of our employees and do not store any information on employees beyond what is necessary for the company's business operations and what is required by law.

Hydratec aims for creating a safe and healthy work environment for all employees, visitors, contractors and suppliers. In order to create an environment without threats, violence, intimidation or harassment, we conduct a zero-tolerance policy for any acts of violence.

We observe legislation and regulations relating to health and safety, we provide adequate health and safety equipment and measures, use of PPE (personal protective equipment) is mandatory, and the rules are to perform all work in a safe and responsible manner. Each employee has the responsibility to observe the company's policy and procedures relating to health and safety.

### **The Environment**

*Preventing pollution and contamination, use of sustainable production resources, protecting and restoring the living environment*

Hydratec aims to have a small ecological footprint. We aim to minimise the harmful effect of our work on the environment using methods based on corporate social responsibility, scientific proof and economic sense. We support programmes for environmental conservation, recycling and energy savings leading to clean air, clean water, less waste and sustainable use of natural resources. We strive to observe all legislation and regulations relating to the environment in the countries in which we operate.

Hydratec applies a policy aiming to prevent or limit soil contamination, water and air pollution, noise, production of waste products and use of hazardous substances as far as possible.

We also see to separation and collection of waste and efficient use of water and energy.

Hydratec aims to encourage environmental awareness and the motivation of both employees and other parties working at Hydratec's instructions to ensure that protection of the environment is on everyone's agenda.

Hydratec will impose all possible measures to avoid inconvenience to neighbourhood residents and businesses as much as possible, and take any consequences of noise, smoke or dust into consideration, limiting these wherever possible.



### **Fair in Doing Business**

*Anti-corruption, no political influencing, fair competition, corporate social responsibility in procurement, respect for property rights*

Hydratec believes that international trade promotes stability and peace based on economic growth, opportunities, and mutual understanding. We are aware of our obligation to act in the legitimate interests of the countries in which we operate. We strive to comply with all legislation and regulations of these countries. Our aim is to behave as a role model everywhere we operate.

Our business decisions are based on merit. This means we will never offer any third party, including a government representative or political party, something valuable in order to influence a business decision of that person in any way that could be seen as corruption or building an unfair competitive edge.

Business decisions should never be affected, or appear to be affected, by gifts or entertainment offered by or received by customers or suppliers. Hydratec will not offer any gifts or presents with a value exceeding € 250.

All gifts that employees receive from other relations are made available all employees.

Intentional infringement on intellectual property rights of third parties is not permitted.

### **Customer and Consumer Interests**

*Honest marketing, protecting health and safety, sustainable consumption, service, support and complaints processing, protecting private data, access to services, creating awareness*

We support free market mechanisms and the underlying legal and statutory base. This is why we are aware of legislation that prohibits trade limitations, detrimental economic activities and unfair, misleading and unethical business practices.

When interacting with consumers, customers, suppliers and competitors, we are committed to:

- not performing any unfair or misleading activities and always presenting services and products with honesty;
- treating all customers and suppliers fairly and objectively;
- selecting suppliers based on merit, and clarifying to suppliers that we expect fair and strong competition for our business;
- competing strongly with integrity;
- not making any statements on competing products unless well founded.

### **Social Involvement and Development**

*Pro-active involvement in society, maintaining and promoting education and culture, encouraging and developing skills, promoting technological development, creating prosperity and income, promoting health, investing in society*



To Hydratec, corporate social responsibility and development means contributing to the growing needs in Hydratec's main markets in a socially responsible way in terms of economic activities and environmental technology. Hydratec's commitment requires a balance of short-term and long-term interests. In this context economic, health and safety, environmental and social considerations are inevitable factors in our business decision-making process.

Hydratec is dedicated to contributing to society, encouraging its employees to partake in, for example, social and educational programmes, unless a conflict of interests arises due to participation in such activities.

Decisions that our employees make on spending time, money or other resources on political or community activities are entirely personal and voluntary.

Hydratec aims to show its social involvement from continually improving the ways in which we directly or indirectly contribute to the general wellbeing of the community in which we live and work.

Hydratec expects all its employees to immediately report any behaviour or situations that they feel are not in accordance with this Code of Conduct or the local, provincial or national legislation. Such reports can be submitted to the direct supervisor.

Such reports can be submitted anonymously if necessary. Hydratec will investigate such reports if submitted in good faith without delay, and implement corrective action where required. Hydratec has the right to audit.

Each employee is expected to fully cooperate in any investigation into reported behaviour or situations.

Hydratec also protects the rights of individuals reporting such issues to Hydratec. Any Hydratec employees undertaking revenge actions against any employee who exercised his/her rights pursuant to this Code of Conduct will be subject to corrective action. In the event of non-compliance with legislation, the relevant employees may be subject to legal proceedings.

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