

S&C's Required Ethical Standards



S&C Electric Company

S&C'S VALUES AND GUIDING PRINCIPLES

PERSONAL INTEGRITY ✓

- ✓ All of S&C's dealings are bound by rock-solid integrity.

RESPECT FOR PEOPLE ✓

- ✓ S&C strives to meet the highest standards for workplace safety.
- ✓ S&C's culture promotes trust, teamwork, dignity, and respect within our diverse workforce.
- ✓ S&C selects suppliers for the long term and favors those that support our continuous improvement. All relationships are based on quality, dependability, integrity, and mutually beneficial results.

COMMITMENT TO EXCELLENCE ✓

- ✓ S&C continuously improves what we do and how we do it by learning, contributing ideas, and initiating change.

RESPONSIBLE STEWARDSHIP ✓

- ✓ S&C is dedicated to private ownership, planning for the long term, and reinvesting the majority of earnings back into the business.
- ✓ S&C is committed to reducing the environmental impact of our products and business activities and enhancing the utilization of renewable energy sources.
- ✓ S&C maintains strong and supportive relationships with the communities in which we work.



A MESSAGE FROM ANDERS SJOELIN



**“S&C LEADERS
HAVE ADDITIONAL
RESPONSIBILITIES TO
LEAD BY EXAMPLE
AND TO HELP OTHERS
UNDERSTAND AND
MEET THEIR ETHICS
AND COMPLIANCE
RESPONSIBILITIES.”**

Anders Sjoelin

As we continue to grow as an organization, one thing that will never change is our commitment to operating with the highest ethical standards. We have our Values and Guiding Principles which capture who we are and what we stand for as an organization. In addition, our **Required Ethical Standards, Code of Business Conduct** (“Code of Conduct”) sets forth the standards by which we conduct our operations. It covers a range of subjects, from respect in the workplace, to use of corporate assets, gifts, conflicts of interest, and protecting confidential information. It applies to all team members and sets the expectation that our standards must be followed in all work-related activities, regardless of business pressures.

I ask that you read our **Required Ethical Standards** carefully and follow it and all other policies and laws. If you have any questions, the Code of Conduct includes information about other resources that are available. S&C leaders have additional responsibilities to lead by example and to help others understand and meet their ethics and compliance responsibilities.

If you have any questions or concerns, it is important that you speak up.

We are truly fortunate to have outstanding team members throughout our organization. I know I can count on each of you to use good judgment and to keep in mind our Values, Guiding Principles, and this Code of Conduct. Working together we will not only continue to grow, but we will always be proud of how we achieve our success.

Thank you for your continued support and hard work.

A handwritten signature in black ink that reads "Anders Sjoelin". The signature is fluid and cursive.

Anders

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MAINTAINING S&C'S GOOD REPUTATION

S&C's good reputation is one of the company's most valuable assets. To preserve this important asset, S&C requires the very best conduct from **every** team member ... whether you've just been hired or you're a member of our Quarter Century Club ... wherever in the world you're located ... and whatever you do.

S&C's Expectations for Every Team Member

As an S&C team member, you are expected to:

- Understand the needs of your customers—whether those individuals are within S&C or outside the company—and perform the work which best meets those needs.
- Behave ethically at all times.
- Treat all members of your team, customers, and suppliers in a manner that promotes trust, dignity, fairness, and respect.
- Maintain a safe workplace and seek ways to reduce S&C's environmental impact.
- Seek ways to continuously improve upon S&C's practices as well as your own work, to maintain the high standard of product and service quality for which S&C is known.
- Seek to ensure that S&C complies with all applicable laws, rules, standards, best practices, and regulations.
- Protect S&C's assets.

You must read, understand, and comply with this document. If requested, you must affirm, in writing, your responsibility to follow S&C's Required Ethical Standards.

Legal and Regulatory Compliance

S&C complies with all applicable laws, rules, standards, best practices, and regulations in the communities in which we operate. You are expected to help maintain compliance and to follow the legal requirements that apply to your work.

If you believe that there is a conflict between company policies and procedures, and laws and regulations, it is your responsibility to bring the matter to the attention of the Ethics & Compliance Office.

Asking Questions and Reporting Concerns

If you have any questions or concerns about work-related behavior you think might be in violation of law or **S&C's Required Ethical Standards**, consult with one of the contacts provided on [page 6](#), under Contacts.

Making Ethical Business Decisions

At times, you may need help to determine the best solution to a business problem. If you are faced with a difficult business decision, ask yourself the following questions:



MAINTAINING S&C'S GOOD REPUTATION

Contacts

If you have questions, or need to report work-related behavior you think might be in violation of law, our policies, or **S&C's Required Ethical Standards**, contact any of the following:

Your immediate supervisor

A manager at any level, Human Resources, or the Ethics & Compliance Office

POST: Ethics & Compliance Office
 S&C Electric Company
 6601 North Ridge Boulevard
 Chicago, IL 60626, U.S.

EMAIL: Compliance@sandc.com

Or, subject to local law, you can openly or anonymously ask questions or make a report to EthicsPoint, S&C's Helpline provider.

WEB: sandc.ethicspoint.com

TELEPHONE:

U.S. & Canada:	1-844-206-4945
China:	4008880364
Mexico:	800-288-2872 or 800-112-2020
Brazil:	0800-888-8288 or 0800-890-0288
United Kingdom:	0-800-89-0011 (British Telecom)
Australia:	1-800-551-155 (Optus) or 1-800-881-011 (Telstra)
	If prompted, enter 844-206-4945.

Cooperation with Investigations

You must fully cooperate with any investigation which S&C, or an agency authorized by S&C, undertakes in response to a report of behavior in violation of law or **S&C's Required Ethical Standards**.

S&C's Non-Retaliation Policy

S&C will not tolerate retaliation or disciplinary action against any team member who, in good faith, asks questions, makes a report, or assists in an investigation of work-related behavior in violation of law or **S&C's Required Ethical Standards**.

What If I Don't Meet S&C's Expectations?

Consequences will result. Depending on the severity of the infraction, such consequences could include corrective action or termination of your employment with the company ... even for a first offense.



YOUR BUSINESS CONDUCT

Health and Safety

S&C strives to meet the highest standards for workplace safety. You are expected to report to work fit for duty, follow all safety procedures, and work in a safe manner at all times.

You are strictly prohibited from:

- › Manufacturing, distributing, dispensing, possessing, or using illegal drugs on company premises or while performing company business.
- › Gambling during working hours or on company premises.
- › Threatening, or engaging in, violence, sabotage, intimidation, harassment, bullying, or stalking against individuals on company premises or on company business.

Environmental Sustainability

S&C is committed to reducing the environmental impact of our products and business activities and enhancing the use of renewable energy sources.

You are expected to help the company fulfill its commitment to environmental sustainability. Be proactive and look for ways to reduce waste and use energy and natural resources more efficiently. Recycle when you can and speak up if you have any suggestions about reducing our environmental impact.

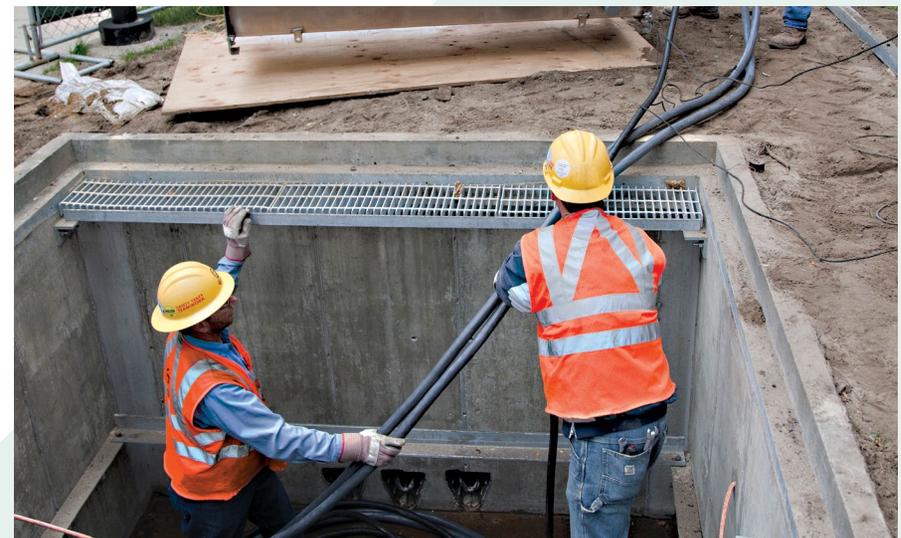
Diversity, Equal Opportunity, and Respect in the Workplace

At S&C, we work best when we work together as a team, treat each other with respect, and value the unique contributions of others.

S&C supports diversity and equal opportunity in employment. All employment decisions are based on job-related criteria such as skill, ability, and experience. You are expected to:

- › Always treat others professionally and with respect.
- › Develop and maintain productive, collaborative working relationships with all members of your team.
- › Maintain a working environment free from the damaging effects of sexual harassment, and harassment and discrimination on the basis of race, color, creed, religion, gender, gender identity, age, sex, sexual orientation, national origin, disability, veteran status, or marital status.

S&C complies with all applicable employment laws and regulations, including those that govern employee compensation and working hours. You are expected to help S&C maintain that compliance.



YOUR BUSINESS CONDUCT

Proper Use of Company Assets

You are responsible for the proper use and safeguarding of S&C’s assets, including equipment, information, and technology that S&C provides to facilitate your job.

You must not use, disclose, remove, transmit, publish or disseminate, any trade secrets or other confidential knowledge or data of the company, its customers, suppliers, or contractors. This prohibition continues even after your employment with S&C ends.

S&C’s assets include:

- › Our good reputation
- › Facilities, machinery, and office equipment
- › Technology, computer systems, and communication devices
- › Copyrights, trademarks, and patents
- › Confidential information and other intellectual property, and
- › All documents, records, and other information utilized or obtained in the course of conducting company business.

Protecting Our Information Systems and Data

S&C has developed policies and practices that are designed to protect our information networks, computers, programs, and data from attack, damage, or unauthorized access.

You are expected to:

- › Limit personal use of company-owned computers and phones. Occasional personal use is permissible as long as it does not interfere with your job responsibilities or productivity.
- › Protect your usernames and passwords.
- › Be alert for suspicious links in emails. Do not open them even if you think you know the source.
- › Avoid using unlicensed software or using your company-owned computers and phones for games, jokes, or viewing offensive or illegal material.

Maintaining Documents and Records

All documents, records, and other written material utilized in the course of conducting company business must be kept or, alternately, destroyed in accordance with S&C’s Records Policy. Records must be accurate and reliable, and reflect S&C’s position on the activity, transaction, or decision it represents.

Only sign documents, including contracts, if all the following conditions have been met:

- › The document has undergone appropriate legal review.
- › You have thoroughly reviewed and understand the document.
- › You believe it to be accurate and truthful and in the best interests of S&C.
- › You have confirmed, by reviewing the [S&C Signatory and Delegation of Authority](#) table, that you are authorized to sign it, and have conducted all qualifications for the responsibility type as defined in Page 1 of the table.

You must never falsify documents or misrepresent or inaccurately report financial information or transactions.

Disclosures and External Communications

To protect S&C’s reputation, use good judgment to ensure that every communication you create is appropriate and respectful.

If you are contacted by the media for information about S&C, contact the Vice President—Sales Enablement or the assigned/approved delegate, who will respond on behalf of the company.

When dealing with printed or electronic materials, software, or other media content, always respect S&C’s copyrights, trademarks, and license agreements, as well as those of others.

YOUR BUSINESS CONDUCT

Using Social Media

Social media is an excellent way to connect with friends, family, colleagues, and potential customers, but you must always be careful when writing anything that might be published online. If you use social media to discuss S&C or company-related matters, you are expected to do so in a responsible, professional manner that isn't disruptive, offensive to others, or harmful to the company.

- Unless you are authorized to do so, never comment on confidential and nonpublic company information such as S&C's current or future business performance or business plans.
- If you read an online comment about S&C that you believe is wrong, do not respond. Instead, forward this information to your leadership, your HR Business Partner, and the communications team at social@sandc.com so that appropriate steps can be taken.

Privacy and Confidential Information

Always handle private and confidential information with care. Any personal or other confidential information collected by or for S&C to which you have access is to be safeguarded and used for business purposes only, and in accordance with applicable laws and regulations. This includes nonpublic or private information about S&C, as well as S&C's team members, customers, suppliers, and contractors.

You are responsible for safeguarding and maintaining complete and up-to-date written records on all inventions and other intellectual property. You must provide these records promptly when requested, with the understanding that these records are S&C's property.

The unauthorized use of image- or sound-recording equipment is strictly prohibited on company premises or while performing company business.

Unless specifically protected by law in the country in which you are located, you should have no expectation of privacy in connection with any data stored or communication made using S&C equipment or technology, other than your personal passwords.



Anti-Corruption and Improper Payments

Bribery and corruption in all their forms are completely contrary to our Values and Guiding Principles. You are strictly prohibited from offering or accepting bribes, kickbacks, and similar payments, directly or indirectly. Do not offer, approve, or give money, gifts, or anything else of value to customers or government officials unless you have written approval from [S&C's General Counsel](#) to do so.

Always work honestly and with integrity and remember, we're not only responsible for our actions, but also for the actions of any third party who represents S&C.

Report any transactions which could be perceived as money laundering, such as overpayments and unauthorized payments to third parties. Follow company procedures related to acceptable forms of payment.

YOUR BUSINESS CONDUCT

Suppliers and Business Alliances

We seek to work with suppliers and business alliances who share our commitments to ethical business conduct, as well as health, safety, and the environment.

S&C's suppliers and business alliances are essential to our ability to do business. That's why S&C chooses our suppliers and business alliances carefully, using an objective, documented selection process.

Report any suspicions that a supplier or business alliance may not be meeting our standards or their contractual obligations.

Conflicts of Interest

Avoid situations that create, or appear to create, a conflict between your personal interest and the interest of S&C. You must disclose in writing, to one of the contacts provided on [page 6](#), under Contacts, all your outside activities, financial interests, and relationships that might present a conflict of interest or the appearance of one.

Do not use your position to solicit, demand, or accept any advantageous or favored treatment for yourself or others with whom you have a personal relationship, from suppliers, service providers, customers, or competitors.

Follow S&C guidelines for making charitable contributions in S&C's name. Each contribution must be approved in advance and in accordance with your S&C Business Unit processes.

Gifts and Entertainment

Use good judgment in giving business gifts and in entertaining on the company's behalf. Both should be in line with your position within the company and the recipient's business position. Gifts should be of nominal value and provide no reasonable expectation of improper influence. You are strictly prohibited from accepting gratuities of any kind.

Gifts and entertainment from suppliers, service providers, customers, or competitors must be consistent with local customs and practices as well as S&C policies—particularly if you're making decisions on S&C's behalf involving these parties.

Value of gifts should always be nominal. Any gift valued at more than US\$100.00 or its equivalent must be approved in advance by an officer of S&C or reported as soon as possible after receipt to the Conflict of Interest Disclosure site, sandccoi.ethicspoint.com.

Use good judgment when incurring business travel expenses. Such expenses are subject to specific S&C Business Unit guidelines and applicable local laws.

Competitive Practices

S&C competes fairly in the global marketplace, in conformance with international laws and regulations prohibiting non-competitive behavior. You must not engage in any behavior prohibited by S&C policies and procedures, or applicable competition-related laws. These laws prohibit price-fixing, bid-rigging, allocation of market/ customers, predatory pricing, and similar illegal behaviors.

Use good judgment in your communications with suppliers, service providers, customers, and competitors, to avoid all references which may be perceived as limiting competition. In particular, you must not discuss prices, bids, customers, or proprietary company information with competitors.

You must not use improper methods to obtain confidential or proprietary information of third parties. You must not disclose, use, or make available to S&C, directly or indirectly, any proprietary or confidential information acquired as a result of prior employment or relationships.

YOUR BUSINESS CONDUCT

Government Relations

S&C maintains strong and supportive government relations in the communities in which we work. You are expected to help the company maintain these relations.

Observe all S&C guidelines and local laws regarding hospitality when dealing with government officials.

As an individual, you have the right to voluntarily participate in the political process, including making personal political contributions as permitted by law. However, you need to make it clear that your views and actions are personal and not those of S&C. Company funds or resources are not to be used to support any political candidate or party, or any government lobbying activities you undertake on behalf of S&C, without approval in advance and in accordance with your S&C Business Unit processes.

International Trade Compliance

S&C is a U.S.-headquartered company and is required to comply with U.S. trade regulations. Exports and re-exports of commodities, technology, or software must be made in accordance with U.S. regulations. The U.S. imposes trade embargoes and other trade restrictions against specific countries, companies, individuals, and end uses for particular products.

U.S. companies are also prohibited from participating in any boycott that the U.S. has not sanctioned. You are expected to adhere to U.S. and local trade regulations for import and export of goods, services, and technology.

Human Rights

S&C is committed to respecting human rights, and we will not tolerate abuse of human rights in our operations or in our supply chain.

In our operations and those of our supply chain, we comply with all applicable laws pertaining to fair employment practices as well as laws prohibiting forced and compulsory labor, child labor, employment discrimination, and human trafficking.

Any suspicions or evidence of human rights abuses must be reported to one of the contacts provided on [page 6](#), under Contacts.

Waivers and Exceptions

No part of **S&C's Required Ethical Standards, Code of Business Conduct** can be waived for any team member without prior approval. A waiver will only be granted in exceptional circumstances. If a waiver is necessary, the Ethics & Compliance Office will obtain the approval and make sure all appropriate disclosures are made.



Related S&C Policies, Procedures, and Instructions

You can read related S&C policies, procedures, and instructions on [SourceOne](#) or by contacting Human Resources.

