



Corporate Values and Principles of the HBM Group

All employees of the HBM group of companies (Hottinger Baldwin Messtechnik headquartered in 64293 Darmstadt, Germany) are required to conform to the following Corporate Values and Principles.

These principles are an expression of the commitment we have made as a company to meet our legal and social responsibilities. The principles complement the company policy and strategy and all our employees must adhere to these values in their daily work. Senior management needs to require and promote adherence to these principles.

The following subject areas are covered:

1. Corporate Values
2. Health and Safety at Work
3. Environment
4. Human Rights
5. Ethics Policy
6. "Whistleblowing"

Should individual definitions of these Corporate Values and Principles allow more freedom than national law, they shall be substituted by the legal stipulations.

1. Corporate Values

We operate as a group and our values to which all our employees must adhere are:

- **Honesty & integrity**
Acting with absolute integrity in all that we do and being prepared to take personal responsibility.
- **Reliability & accuracy**
Living up to the best-in-class claim and precisely meeting targets and commitments for permanent reliability.
- **Innovation & speed**
"Always being one step ahead", in our field of competence and related to what is expected from us.

These values define who we are and how we do business, both as individuals and as a company. Employees must adhere to these values even when confronted by personal, professional or social conflicts, or financial pressures.

2. Health and Safety at Work

Our Health and Safety at Work policy requires that:

- all relevant health and safety legislation is complied with;
- all information, instructions, training and supervision necessary to ensure the health and safety at work of all employees and persons working at our site is provided;
- the necessary organization and line of responsibility for health and safety is established and maintained;
- the necessary safety devices and protective equipment are available;
- the co-operation of all employees is encouraged with a view to developing and promoting measures to ensure health and safety at work;
- the effectiveness of such measures is checked on a regular basis.

HBM undertakes to take every step to ensure a healthy and safe working environment for all employees, so far as is reasonably practicable. Everything reasonably practicable shall be done to provide and maintain plant and equipment, all service installations, systems of work, a workplace and a



working environment which are safe and without risk to health. This is a similar responsibility insofar as the transport of articles and chemical substances is concerned. Local management shall be responsible for implementation. The following has to be ensured:

- instruction and training of employees at regular intervals;
- immediate taking of measures to remedy defects or potential risks;
- providing of an adequate working environment for disabled employees;
- clear instructions for handling hazardous substances;
- security of the factory premises (security checks, parking, use of electronic tools, e.g. for surveillance, etc.);
- maintaining effective fire protection (behavior in case of a fire, fire extinguishers, etc.);
- appointing of first aiders and safety-at-work officers;
- non-smoker protection and prohibition of alcohol and other intoxicants.

Equally, it is the duty of every employee to take reasonable care for the health and safety of himself and his fellow workers or other persons who may be affected by his/her actions at work. This applies particularly when pharmaceuticals could affect ability. And to co-operate with any other employee to enable statutory duties and requirements to be fulfilled.

Whilst there is a statutory duty to comply with regulations and codes of practice, this is regarded as a minimum requirement. It is HBM's express goal to endeavour to secure the co-operation of all concerned to achieve generally high standards in all respects of Health and Safety at Work.

Any significant Health and Safety at Work issues or incidents shall be described and, remedial actions detailed, reported to General Management in Darmstadt (CEO or CFO). This also applies to any circumstances capable of leading to an insurance claim or legal action. General Management in Darmstadt shall, if necessary, immediately report to Spectris.

3. Environment

HBM has been aware of the importance of environmental issues to our and to subsequent generations for many years and has aimed its policy accordingly for a long time. This is also expressed in our Environmental Policy published on the occasion of certification of our environmental management system per ISO14001 in 1996 (→ [Environmental Policy](#)¹).

Adherence to applicable laws and regulations is prerequisite which we also expect from our business partners.

4. Human Rights

The company's human rights policy is consistent with the Principles of Human Rights, as set out in the International Labour Organization's (ILO) core conventions.

Thus:

- all legislation relating to employment rights and equal opportunities is to be adhered to; in particular, discrimination or harassment on the basis of ethnic origin, colour, religion, gender, age, marital status, disability, sexual orientation or any other local criteria is prohibited;
- physical, verbal or psychological abuse, or sexual or other forms of harassment towards employees is not tolerated;
- disabled persons are to be, without discrimination, recruited, trained and promoted on the basis of aptitude and ability; if employees become disabled, every effort must be made to retain them and when necessary re-train them for appropriate posts;
- wages and benefits have to meet or exceed national minimum requirements and working time regulations need to be adhered to where applicable;
- forced labor or employment of workers under the school-leaving age of the country of employment must not be used;

¹ see: http://www.hbm.com/fileadmin/mediapool/about_us/co_environmentpolicy_en.pdf



- a safe and secure workplace is to be provided and good health, safety-at-work, and environmental practices are to be promoted;
- applicable laws regarding the freedom of employees to associate or bargain collectively without fear of discrimination are to be adhered to.

5. Code of Ethics

Based on and complementing our company values and the Spectris Code of Business Ethics ², the following principles whose implementation must not be in conflict with national and international legislation or codes of conduct and, in case of doubt, shall be of lesser importance shall apply:

- Any act (incl. incitement of third parties or omission) that can be punished as unlawful is prohibited, even if it should benefit the company.
- All principles regarding safety at work and health, the environment and human rights (see respective sections) are to be complied with.
- Any form of property (intellectual, material, financial) of the company must be protected against loss, theft and unauthorized or improper use.
- On principle, business connections must comply with national and international commercial, customs and export regulations.
- All business partners must be treated with fairness and respect. Contractual obligations are binding, confidential information must not be disclosed without consent and the rights and (intellectual) property of third parties must be respected.
- Employees must treat each other with respect and fairly. The company promotes the constructive dialog with employees through information and involvement with the goal of fair reconciliation of the interests of the company and its employees.
- Personnel decisions must only be made on the basis of the individual performance and merits of a person and the company's requirement.
- Corruption or the giving of extra contractual gratuities, inducements, bribes or similar shall be forbidden. This also includes payments to authorities or governmental organization and their staff, for example for facilitating approval procedures or speeding up customs formalities etc. National and international bribery regulations and laws must be adhered to.
- Employees or persons working for us must not provide to employees of business partners or government officials any gifts, whether in cash or kind, including meals or entertainment unless
 - a) in the course of normal business entertainment; and
 - b) legal under local and relevant international bribery laws; and
 - c) not in conflict with published or known internal regulations of the recipient's organisation; and
 - d) with the intent only to build a business relationship or offer normal courtesy and not to influence the recipient's objectivity in making a business decision; and
 - e) of only nominal value (for example, modest occasional meals, occasional attendance at ordinary sports or cultural events, or promotional gifts such as pens or calendars, etc).
- Employees must not receive from business partners any cash gifts. Receiving gifts in kind is prohibited as well, unless
 - a) legal under local and relevant international bribery laws and
 - b1) in the course of normal and modest business entertainment or
 - b2) less than the local tax-free limit and not exceeding the value of €25 and
 - c) decisions and activities of the employee are not influenced. May refusal of a gift cause offense for cultural reasons, superiors need to be consulted.
- Any form of agreement infringing competition law or achieving unfair competitive advantages shall be forbidden. Relevant competitive laws must be adhered to. This also applies to third parties when working on behalf of us. Use of confidential information about competitors is subject to prior authorisation.
- Donations to political parties or similar organizations are prohibited; this includes sponsorship, subscription or provision of employee time or facilities.
- Data protection requirements and relevant legal standards must be complied with.
- Licenses or similar authorization must be purchased for any software that is used.

² see <http://www.hbm.com/en/menu/about-us/corporate-responsibility/>



- Information received (potentially) regarding the financial situation, performance, public appearance or legal consequences for the company must always be correctly, immediately and completely forwarded to General Management.
- Only authorised persons are allowed to distribute information about the company not publicly available to externals.
- Volunteering of employees in associations, events and similar is allowed and desired, however, it must not be in conflict with legitimate interests of the company. This applies in particular to senior management when acting or being considered as representatives of the company.
- Conflicts of interest between employees' private (financial) activities and their part in the conduct of HBM or Spectris business must be avoided.
- All employees are required to be free from actual or potential conflicts of interest - meaning that they must not have any personal interests, or prospect of direct or indirect (through family or close relations) personal gain, that conflict with the interests of their employer or that might influence or appear to influence their judgement or actions while performing their corporate duties. Examples include employees acting without prior written approval for one or relevant business shares in a company that competes with or has a business relationship with HBM or any other member of the Spectris group or intends to do so.

We expect, at least from our suppliers and third parties representing our company or selling our products, that they have similar company values and principles. Should we notice grave discrepancies in these values and principles or in their implementation, we shall not establish any business relationship or terminate an existing business connection.

6. "Whistleblowing"

In the event of serious deficiencies, all employees shall be at liberty and required to communicate these to senior management. HBM assures that adequate investigation shall be made and the employees shall be safeguarded from retaliatory action.

Examples for deficiencies are:

- breach of legal obligations
- danger to health and safety
- damage to the environment
- financial impropriety
- breach of company policies or principles
- deliberate concealment or falsification of facts or information.

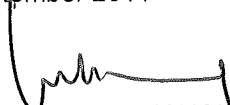
Employees shall communicate their concern primarily to HBM General Management in Darmstadt. If felt necessary or in the event of inadequate investigation, it can also be communicated to the hotline especially installed for that purpose. The hotline can be reached by phone (phone numbers see Spectris Code of Business Ethics ²) or via www.spectrishotline.com.

HBM assures that employees shall be safeguarded from retaliatory actions provided their disclosures are:

- delivered in good faith and in seeking to safeguard the best interests of the company;
- not delivered to the media; and
- not motivated by self-interest or malice.

Disciplinary action shall be taken against anyone who threatens or engages in retaliation, retribution or harassment against any other person who has reported or is considering reporting a concern in good faith.

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Andreas Hüllhorst (CEO)