



**WORLDWIDE CODE OF EMPLOYEE  
AND BUSINESS CONDUCT**

04.09.2006

Compliance with the Code is essential for the preservation and enhancement of the reputation of Bobst Group as a responsible corporate citizen, which benefits all its stakeholders and continues to add value for its shareholders.

## LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear Fellow Employees

At Bobst Group, we have always understood that our success is fundamentally based on two unquantifiable factors one cannot find in our financial statements:

- firstly, our reputation as a responsible modern Company and as superior, reliable and competitive supplier to the industries which we serve and
- secondly, the level of competence and the know-how of our employees.

In today's world, reputation becomes more and more important but at the same time fragile. Indeed, an unlawful or unethical behaviour of one single employee can have immense negative consequences on our Company and all its employees. In addition, such behaviour is totally contrary to the values which we have been promoting for decades.

For these reasons, we have decided to issue, after the "Human Resources Vision and Values", a "Bobst Group Worldwide Code of Employee and Business Conduct". These basic documents are much more than just paper or web documents. The principles which they contain are the foundation of our day to day business behaviour and decisions. I ask you to live them as such. I also ask management to attach the necessary importance to the promotion of these documents through proper training.

I truly believe in our values, elaborated over our long history, shared by thousand of employees past and present. Let's live them and promote them even more intensively in the days, months and years to come. All of us will be proud to work for a Company applying these values.



A. Koopmann

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## **BOBST GROUP** Human Resources

### **Respect**

Each and every Employee has to be respected by all members of the organisation. This is the basis for positive human relationships.

### **Attitude**

Professional attitude and behavior are essential.

### **Team work and commitment**

The success of the Group is achieved by everybody's willingness and ability to work in team. This vital value is sustained by extraordinary commitment and motivation from each Employee.

### **Knowledge**

Product & Market knowledge is a key success factors for us. We expect every Employee to strive to obtain this knowledge in addition to continuously maintain his/her professional skills to the state-of-the-art level.

### **Customer focus**

Achieving customer satisfaction in a profitable way for the Group is the main goal for all of us. This goal must guide our decisions and actions each day. External customers are our primary focus, but we should not forget we all have internal customers that expect and deserve satisfaction.

### **Initiative & creativity**

Initiative and creativity within our Group strategy, and the risk-taking that goes along with them, are considered virtues. It's accepted for an Employee to make a mistake, as long as he or she learns from it! Complacency is unacceptable. Challenge yourself as an individual every day as you challenge the organisation.

### **Intelligence**

Our products are of a technical nature. Yet, we consider emotional intelligence to be just as important as technical intelligence. Manage your work and people with your heart !

### **Transparency**

Information is essential in the understanding of the challenges we face and to motivate all of us. Management has the duty to properly inform their Employees on relevant business issues.

### **Success**

Career development is first based on personal ambition and effort and then on the Group's internal promotion policy. To ensure our future success, the Group will continue to invest in the training of its Employees.

### **Be positive !**

It is the responsibility of each individual Employee, and the management at all levels, to constantly strive to create a positive working environment.

### **Vision**

**Our Employees, their inspiration, motivation and competencies, are the cornerstone of our past and future successes and set us apart from our competition.**

### **Values**

To preserve this vision, we strongly promote these values in our organisation at all levels. These are valid in all the different countries and cultures in which we operate.

## INTRODUCTION

Bobst Group<sup>1)</sup> is a multinational corporation with operations in many countries in several continents.

Therefore, Bobst Group reflects the different corporate and social characteristics that result from a variety of nationalities, cultures, and languages.

Compliance with the law and a perfect ethical behaviour are fundamental principles for our organization. No violation will be tolerated and regardless of the sanctions foreseen by the law, disciplinary action up to dismissal may be taken.

To a very substantial degree, the reputation and image of Bobst Group, its brands, trade names and local legal entities are determined by the way each of us presents and conducts himself/herself, not only in his/her professional life, but also in his/her private contacts when speaking about Bobst Group. Every employee must be concerned with the good reputation and image of Bobst Group. This is the key to all our future success.

This "Bobst Group Worldwide Code of Employee and Business Conduct"<sup>1)</sup> has the purpose of helping all employees to understand what behaviour and ethics Bobst Group requires from him or her every single day, from the start to the end of his or her employment.

We also recognize that not all aspects in all professional life situations can be covered in a document kept as short as possible. There may still be grey areas. In case of any doubt, you should talk it over with colleagues, your supervisor or somebody in the Human Resources Department.

Ultimately, questions can always be addressed to the Head of your legal entity.

<sup>1)</sup> For this document "Bobst Group Worldwide Code of Employee and Business Conduct" (in short: the Code), the term "Bobst Group" means the holding Company Bobst Group SA and its directly and indirectly affiliated legal entities.

## WORLDWIDE CODE OF EMPLOYEE AND BUSINESS CONDUCT

### **Application of the Code**

The Code applies to all employees of Bobst Group. Management is responsible for ensuring that each staff member under their responsibility knows and understands this Code. Human Resources Departments assist Management in fulfilling this responsibility.

Although Bobst Group may not be able to require adherence to the Code in every joint venture and related company in which it participates, the principles contained in the Code are universal and so we should encourage its use in such organizations.

Similarly, if business partners do not adhere to this Code, they have to be aware that Bobst Group will take this into account when reviewing its business relationship with such partners.

### **Books and Records**

All financial transactions are to be properly recorded in the books of account and accounting procedures are to be supported by the necessary internal controls. In turn, all books and records must be available for audit, internal and external.

Open and effective cooperation within the organization as well as with business partners and stakeholders requires accurate and truthful reporting. This applies equally to the relationship with investors, employees, customers and suppliers, as well as with the public in general and with all governmental offices.

All records and reports produced, whether they are distributed externally or not, must be accurate and truthful. Data and other records must always be complete, correct, and appropriate in terms of time and system. The requirement of truthful statements applies to expense reports as well.

Documents and records should not be disposed except as expressly permitted by the Company's disposal policy. Also, do not conceal, alter or destroy documents or records once you have knowledge that there is or may be a governmental or private inquiry, investigation, claim or litigation to which any such document or record might pertain.

As far as practicable, contracts to which Bobst Group is a party should be in writing, leaving as little uncertainty as possible. Same applies to amendments or modifications to such contracts. All contracts which materially deviate from established standards or which are “non-repeat” contracts have to be reviewed with a legal counsel of the legal entity before signature. “Side letters” or “comfort letters” that are not referred to in the main document should also only be accepted or given with the advice of a legal counsel of the legal entity.

## **Conflicts of Interest**

It is essential that all employees avoid or disclose commitments and relationships that involve, or could involve, a conflict of interest with Bobst Group.

A conflict of interest can exist if you have a direct or indirect personal interest in a decision where that decision should be made objectively, free from bias and in the best interests of Bobst Group. It is important that even the appearance of a conflict of interest be avoided.

An employee who believes that he or she may be affected by a conflict of interest must immediately disclose all relevant details to his or her supervisor.

Anything that could present a conflict of interest to an employee could also present a conflict of interest if it is passed on to a family member or a third party who is receiving benefits for the employee. Common sense and good judgement must be exercised to avoid any perception of conflict of interest.

Employees of the Company, who seek outside employment or receive compensation for services outside the Company, in activities related to or close to the activities of Bobst Group, must get prior written consent from an officer of the Company.

Permission for such an activity may be denied if it might adversely affect the work performance or be contrary to the employee's duties within the Company, or threatens to present a conflict of interest.

## **Competition Issues**

Bobst Group must act independently and in its own interest in all commercial situations affecting competitive conditions of trade and avoid practices that restrict competition.

Employees must never enter into any agreement or tacit understanding with a competitor and must avoid discussing such matters as the price or other terms on which Bobst Group sells products, the costs incurred or profits made by Bobst Group in manufacturing products, or the customers to whom Bobst Group sells products. When participating in industry associations involving competitors, employees must limit communications to those subjects actually required for the legitimate business of the event.

Employees must avoid any use of coercion in the sale of products to customers, such as forcing a customer to purchase unwanted products, and refrain from using any market power or market information in a way which may restrict competition.

Employees must avoid any unfair or deceptive act or practice.

It is the responsibility of each manager to comply with the letter and spirit of all competition laws as they apply to Bobst Group. In order to interpret specific situations, or whenever in doubt, competition-sensitive issues must be brought to the attention of a legal counsel of the legal entity.

## **Selling and Purchasing**

It is our policy to demonstrate the highest standards of integrity in all aspects of Bobst Group's business and to do business fairly and equitably.

This policy extends to the sale or purchase of services (including banking, consulting, advertising, engineering and IT maintenance, etc...) as well as to the sale or purchase of tangible goods and products.

Employees must deal fairly with all customers and after presenting and defending all true and pertinent arguments and facts why he should give us the business, respect our customer's decision even if it is not in our favour;

In marketing and sales, we must be fair when comparing our products, services or employees with those of our competitors.

## **Confidential Information, Intellectual Property and Data Protection**

Confidential information includes: technical information about products or processes; vendor lists or purchase prices; cost, pricing, marketing or service strategies; non-public financial reports; customers' lists; and information related to divestitures, mergers and acquisitions.

Intellectual Property (IP) includes: know-how, patents, copyrights, trademarks and trade secrets.

Confidential information, including that which relates to IP, is a valuable asset that could benefit a competitor if known to it or otherwise harm the Company if made public. We must be careful not to disclose such information to unauthorized persons, either within or outside Bobst Group and must exercise care to protect the confidentiality of such information received from another party.

Confidential information can be protected under the law as a trade secret if it has value to others and the owner takes the necessary steps to protect it.

Employees must not disclose or use any Bobst Group confidential information for personal profit or advantage during their employment with Bobst Group or after having left Bobst Group.

Employees who are entitled to discuss Bobst Group's confidential information must obtain a written confidentiality undertaking from persons outside the Company (including Bobst Group consultants) before making any disclosure of confidential information.

Employees must obtain competitive information only in accordance with sound business and ethical principles and when approached with any offer of confidential information, must ensure that both parties understand and accept the conditions under which the information is received; and

We must always protect Bobst Group's confidential information and IP rights and we must also respect the same rights of others.

Bobst Group's trademarks, brands and trade names are among our most valuable assets. The presentation, use and protection of Bobst Group's trademarks, brands and trade names are

governed by the corporate identity guidelines available on the intranet. In case of doubt, consult our communication specialists.

Bobst Group's policy is to licence software. We must not copy software protected by copyright law or licence agreements, unless the owner of the copyright or licence holder specifically grants permission to do so.

Data may only be collected, stored, used and transmitted within the Group or to third parties pursuant to Data Protection laws applicable in various countries.

## **Drugs and Alcohol**

It is forbidden to possess or consume illegal drugs while working on Bobst Group premises or while working on premises of Customers or Suppliers of the Bobst group. To remain competitive in today's business environment, it is essential that we make the best decisions; therefore, we expect that all our judgements be clear and unimpaired by drugs or alcohol.

## **Use of E-mail and Internet**

E-mail and Internet systems are provided by Bobst Group for business use.

E-mail is easy to use and fast, but e-mail is not entirely secure and may be susceptible to interception and creates a permanent record. Any e-mail you send may be printed by the recipient and forwarded by the recipient to others, and is probably retained on Company computers for a substantial period of time. Therefore, Bobst Group employees should exercise the same care, caution and etiquette in sending an e-mail message as they would in normal written business communications.

Some of Bobst Group's employees have to have access to Internet. If you are in such a case, do not download any data that is unprofessional or inappropriate for business use. In addition, all employee e-mail and Internet usage may be the subject of monitoring according to local law.

## **Employee use of Company Property**

Company property is for Company use.

Some activities may have benefits to Bobst Group as well as to an individual employee and the distinction between the two may be difficult to establish. Accordingly, it is important that any use of Bobst Group property or services that is not solely for the benefit of Bobst Group be approved in advance by your supervisor.

Any suspected fraud or theft by employees or third parties must be reported.

## **Environment, Health and Safety, Workplace Security**

At Bobst Group, our goal is to protect the environment and promote the health and safety of our employees and the communities where we operate.

As part of the overall approach to environment, health and safety (EH&S), employees must be familiar with all EH&S policies, procedures and practices and take responsibility for their environment, personal health and safety and that of co-workers and strictly adhere to EH&S regulations and practices. Employees must identify hazards, assess risks and whenever possible, initiate corrective action and bring matters to the attention of management.

Employees must use personal protective equipment correctly and actively participate in EH&S training activities.

It is essential that environmentally friendly designs, high technical safety standards and health protection goals are set and implemented at the product development stage.

## **Government Relations**

In the conduct of our business, government relations include all contacts with governments, their agencies and representatives, in national and local jurisdictions around the world. Many employees interact with various government agencies on a routine basis in accordance with established practices and procedures.

Though customs may vary from one country to another, there is only one standard for Bobst Group representatives, and that is conducting ourselves according to the highest ethical standards in all our dealings with governments. No payment or gifts must be made to public official or other civil servants.

## **Offering and Granting Advantages**

We battle for orders with the quality and the price of our innovative products and services.

No employee may directly or indirectly offer or grant unjustified advantages to others, including employees of Bobst Group, in connection with business dealings, neither in monetary form nor as some other advantage, even at the cost of foregoing business opportunities.

Gifts to business partners' employees must be selected so as to avoid any appearance of bad faith or distortion of judgement in the mind of the recipient. If the recipient declines the gift, this means that this person himself/herself considers the gift to be improper.

Employees concluding contracts with consultants, agents, or other intermediaries must see to it that they do not offer or grant unjustified advantages.

## **Demanding and Accepting Advantages**

No employee may use his or her position to demand, accept, obtain, or be promised advantages. This does not apply to the acceptance of occasional gifts of insignificant value, but any other gifts must be refused or returned.

All gifts received should be notified to your Supervisor as a matter of courtesy.

## **Rules for Awarding Contracts**

Employees whose work involves the awarding of contracts must inform their supervisors of any personal interest they could possibly have in connection with the execution of their professional duties. They must avoid unfair discrimination for or against any suppliers in their competition for contracts.

Invitations from business partners may only be accepted if the occasion and scope of the invitation are appropriate and if refusing the invitation would be discourteous, and gifts from business partners must be refused and returned unless they are occasional gifts of insignificant value.

All gifts received should be notified to your Supervisor as a matter of courtesy.

No employee may enter into private contracts with companies with which he or she has company business dealings if he or she could derive any advantage therefrom. This is particularly applicable if the employee exercises or is capable of exercising a direct or indirect influence upon having that company receive a contract from Bobst Group.

## **Human Rights and the Workplace**

As a multinational organization, we work with women and men of many different nationalities, cultures, religions and races.

Bobst Group is guided by principles of non-discrimination, respect for human rights and individual freedoms and conducts its business in a manner that makes it an employer of choice.

In many ways, our workplace is our second home, where all of us are entitled to be treated with respect. Respect is central to a harmonious workplace, where the rights of employees are upheld, and where their dignity is affirmed, free of intimidation, discrimination or coercion of any kind.

It is for this reason that Respect is mentioned as the very first point in our Bobst Group “Human Resources Vision and Values”.

We want to create a work environment where personal dignity is respected and do not accept the use of inappropriate language in the workplace, including profanity, swearing, vulgarity or verbal abuse. We do not permit coercion or intimidation in the workplace and are unequivocally opposed to forced or child labour.

We respect employees’ rights in relation to employment matters. While the Company will promote its position in a fair and legal manner, we recognize the right of employees to organize legally and bargain collectively.

## **Sexual harassment, Workplace Harassment and Violence**

Bobst Group does not tolerate sexual harassment, which may include unwanted sexual advances, sexual jokes, subtle or overt pressure for sexual favours, sexual innuendoes, and offensive propositions.

Bobst Group does not permit discrimination or harassment on the basis of race, gender, national and ethnic origin, religious belief or on the basis of any personal characteristic.

Harassment creates an intimidating, hostile or offensive work environment, interferes with an individual's work performance and limits an individual's opportunities for employment or advancement. We do not tolerate workplace harassment or violence of any kind. This includes threats, intimidation, bullying, subjecting individuals to ridicule or unwarranted exclusion.

Report any such behaviour or concerns, particularly about your personal safety or that of your colleagues, to your Supervisor, Human Resources Department or Local Manager, or external adviser appointed by the Company. When the Company believes that harassment or violence has occurred, appropriate disciplinary action will be taken against those responsible, which may include dismissal.

## **Conduct of Business**

As we operate on a global basis, we are subject to national and local laws and regulations that vary from one jurisdiction to another. Our policy is to comply with the laws wherever we do business.

In particular, we must ensure that payments made to agents or distributors are always for services rendered and are reasonable according to the nature of those services.

We must be aware of dealings with countries that are involved in conflicts or that are subject to international sanctions, and for our exports, observe all regulations that govern the shipment of Bobst Group's products and services to the importing country, as well as applicable international trade agreements.

## **Political Activity**

As a general rule, we refrain from participating in political activities in the name of Bobst Group or in organizing such activities on Bobst Group property.

Where local law permits, a contribution to political parties may be made with the approval of Bobst Group's Chief Executive Officer.

From time to time, issues of significant importance to the financial and business well-being of Bobst Group may arise in a political context. Bobst Group may participate in such political processes, according to local laws and guidelines set forth in this Code, in order to advance its legitimate interest. Participation may include lobbying, publication of its views in the media and

support of interested organizations. Any such situation has to be discussed with Bobst Group's Chief Executive Officer prior to becoming active.

As private citizens each of us participates in the political process, including contributing to candidates or political parties of our choice. Such personal political activities or contributions must not involve or even appear to involve use of Company funds or resources. All such activities must be on the employee's own time.

## **Shareholder, Media and Community Relations**

We value, and have benefited from, good relations with our shareholders. We always attempt to respond to their inquiries and requests as quickly as possible, in a fair and equal manner.

Requests from investors or shareholders for information concerning Bobst Group and its business should be forwarded to Bobst Group's Investor Relations department.

Communications with external audiences, i.e., with the news media and investors, is essentially about communicating in an equitable, credible and timely manner. Bobst Group's credibility is key to building the value of its name and enhancing shareholder value.

All media contacts other than those with specialized media covering the industries we serve are the direct responsibility of Bobst Group's Chief Executive Officer. Any such contact needs his prior consent. From time to time, he may appoint a Company spokesperson.

Therefore, media interaction is the responsibility of authorized Bobst Group spokespersons, who ensure the timely and informed communication of relevant information. All spokespersons, or anyone dealing with the media, must demonstrate high standards of integrity and transparency, while refraining from unauthorized disclosure of proprietary or non-public information.

Bobst Group is committed to demonstrating that an even-handed stakeholder approach is compatible with achieving interesting returns for its shareholders. Our objective is to balance the interests of Bobst Group and its stakeholders, i.e. the legitimate interests of shareholders, of employees, customers, suppliers and banks, as well as government and the public at large. We take into account the differing social, economic and environmental aspirations of the communities in which we are active.

Bobst Group encourages all employees to play a voluntary role in the community. In all instances of voluntary, community and political activity, except in specific cases approved by senior management, Bobst Group employees participate without remuneration, in their own names and on their own time.

## **Securities Law and Insider Trading**

We must refrain from buying or selling Bobst Group securities (shares, bonds, options, etc...) while in possession of material non-public information about Bobst Group, and refrain from passing such information on to others, which includes family and friends.

"Material non-public information" is information which is significant enough, if it became publicly known, to have the potential to affect the market price of any of Bobst Group's securities.

Such information includes unpublished financial results, including unreleased quarterly and annual results, major acquisitions or divestitures by Bobst Group; important contracts that are signed or terminated, dividend proposals, significant investment projects or significant changes to investment projects, changes in senior management or in the Board of Directors of Bobst Group SA, and take-over bids or other change-of-control situations.

Whenever in doubt as to whether you may trade or exchange information with others, contact your Supervisor.

### **Compliance with the Code**

Any employee who fails to comply with the Code, or who withholds information during the course of an investigation regarding a possible violation of it is subject to disciplinary action up to and including dismissal. Depending upon the nature of the non-compliance, Bobst Group may have the legal obligation to report the non-compliance to the appropriate authorities.

Violations of the Code must be reported immediately to your supervisor, to your Human Resources department, or to the Head of your legal entity.

All information will, to the extent possible, be received in confidence. No retaliatory action will be taken against anyone for making in good faith a report of a violation. However, anyone who takes part in a prohibited activity may be disciplined even if they report it. An employee's decision to report will, in all cases, be given due consideration in the event any disciplinary action is necessary.

No employee will be disciplined, lose a job, or be retaliated against for asking questions or voicing concerns about the Company's legal or ethical obligations.

Compliance with this Code will be subject to audits, which will include review of the awareness of this Code in the organization.