



Swiss Association
for Quality and Management
Systems (SQS)

Code of Business Ethics

Introduction

Since its foundation in 1983, the business activities of the Swiss Association for Quality and Management Systems (SQS) have been based on credibility, neutrality, independence, honesty and incorruptibility. With this Code of Business Ethics, we want to specify these principles and affirm their binding nature towards all parties involved.

The SQS Code of Business Ethics describes our values and principles and sets binding standards for conduct. It serves as a benchmark for all our activities and our integrity, both internally and externally. As complementary documents, the Code of Business Ethics and the Personnel Regulations provide a framework for ethical behaviour at SQS.

Employees are encouraged to contact their direct supervisor, a member of the Executive Management, the Human Resources Department or the independent supervisory committee if they are uncertain about the correct behavior. Each and every individual has the responsibility to make the right decisions and to be guided by the following principles.

These apply equally to the Board, Executive Management and all employees of the Swiss Association for Quality and Management Systems (SQS), its subsidiaries SQS Business Services GmbH and SQS Deutschland GmbH as well as its branch office in Italy.

The Code of Business Ethics is publicly available on the websites of our group companies www.sqs.ch, www.sqsde.de and www.sqs.it and can be viewed internally via SQS's integrated management system.


Andrea Grisard, President


Felix Müller, CEO

Zollikofen, 25 August 2023



Principle 1

Our core Values

SQS is committed to its five core values and demands compliance with these values from all employees. They have shaped our identity and integrity since we were founded.



Credibility

Credibility requires transparency, reliability, conscientiousness and professionalism. These aspects are crucial to build trust and maintain long-term business relationships.



Neutrality

Our neutrality is based on two important aspects. First, we are impartial and act objectively, without personal bias. Secondly, we are committed to our own principles as well as to the applicable law and regulatory and normative requirements. This combination enables us to exercise our duties and responsibilities in a responsible framework.



Independence

We act free of any special interests and the influence of specific interest groups. Furthermore, we are not affected by any shareholder dependency. This independence enables us to make our decisions and actions exclusively in the best interests of regulators, standard setters and society.



Honesty

Honesty is a basic prerequisite for trusting relationships. We value honesty, integrity and transparency. Through open and honest communication, we strive for clarity and create an environment where trust can flourish. Our actions and decisions are based on these principles to build sustainable relationships and ensure long-term success.



Incorruptibility

We are not bribable and make our decisions with uncompromising personal responsibility. We refuse any form of gift beyond usual hospitality to ensure our integrity. With our incorruptibility, we maintain the trust of our stakeholders and cultivate fair, ethical business relationships.

Principle 2

Compliance with legal, regulatory and internal requirements

SQS and its employees comply with the applicable laws, regulatory and normative requirements as well as internal guidelines in all their activities. Together, these form the supporting foundation of our activities and are a prerequisite for our market access.

Principle 3

Competition and fair business conduct

We are convinced of the benefits of free competition. SQS is able to compete successfully with other companies. We comply with the federal act on cartels and other restraints of competition and against unfair competition as well as the antitrust laws and competition rules of the EU and stand for fair business practices. We set business agreements (written, verbal or otherwise) and prices independently. We do not enter into any formal or informal agreements with competitors or third parties on competition-related matters. The sharing of customers, territories or product markets between SQS and competitors is not permitted. Employees are encouraged to contact the executive management in case of uncertainty.

Principle 4

Bribery and corruption

We firmly reject any form of bribery and corruption. It is in no way permitted for our employees to offer or promise improper financial or other advantages; either directly or through intermediaries, in their own name or in the name of SQS, in order to establish or maintain business relationships or other advantages with third parties. Likewise, such benefits must not be accepted in return for preferential treatment from third parties. Furthermore, our employees must do everything necessary to avoid even the impression of such an act or attempt.

Principle 5

Discrimination and harassment

SQS respects and upholds the personal dignity, privacy and individual rights of each and every employee. Our aim is to ensure employment free from discrimination and harassment. Discrimination or harassment based on origin, nationality, religion, ethnicity, gender, age, sexual orientation or other circumstances is prohibited. Employees who believe that their workplace does not comply with the above principles are encouraged to bring their concerns to the attention of their supervisor, a member of the Executive Management, the Human Resources department or the independent Supervisory Committee.

We promote diversity and inclusion when recruiting staff to bring in different perspectives and backgrounds. Our goal is a team that fosters an atmosphere of openness, tolerance and mutual appreciation.

Principle 6

Contributions to political parties, sponsoring

Due to its impartiality and neutrality, SQS refrains from making any donations to political parties or candidates.

We practice sponsorships with the utmost restraint and consistently orient ourselves to the purpose of the association. All sponsorships must be free of conflicts of interest and must be morally and content-wise in line with the objectives of our association.

Principle 7

Acting in the interest of SQS, avoiding conflicts of interest

Conflicts of interest arise when personal or third-party interests conflict with those of SQS. Employees should avoid critical situations by applying our core values. However, if potential conflicts of interest arise, the line manager, a member of the Executive Management, the Human Resources department or the independent Supervisory Committee must be informed. The aim is to respond adequately to the situation in order to find an appropriate, fair and transparent solution.

Principle 8

Activities outside SQS work

We are proud of the reputation of SQS and the proven competence of our employees. Employees also safeguard the interests and reputation of SQS in the context of other professional activities. Outside SQS, no activities may be carried out that conflict with the interests of SQS, the regulatory requirements or the responsibilities and mandates of the employee(s).

Activities of permanent employees (full or part-time) in other companies or in their own name must be approved in advance by the CEO of SQS. Unless directed by SQS, employees take on external positions or activities at their own risk, at their own expense and outside their regular SQS workload.

Principle 9

Family- and kinship relations

Close family members, partners of employees are not in principle excluded from employment or consultancy work for SQS. For such persons, too, the qualification, performance, skills and experience are decisive for the establishment and/or continuation of the business relationship with SQS. Engagement is made on the understanding that there is no direct subordination between the employee and his or her relative or partner. These principles apply to all aspects of employment, including compensation, promotion and transfer. They also apply in the event that the partner- or kinship relation only develops after the employee has joined.

Principle 10

Business opportunities

We are committed to the development and promotion of our association and its affiliated companies. In doing so, we observe that employees do not compete with SQS. Employees are not permitted to exploit business opportunities arising from their activities or the certification mandates for their personal or business advantage. Should employees identify business opportunities that could be of interest to SQS, they shall inform their responsible member of the executive management. The latter decides whether SQS wishes to take advantage of these opportunities. Even if SQS does not take advantage of an opportunity, employees may only pursue it if it is ensured that it does not create any direct or indirect competition for SQS.

Principle 11

Confidential information

We protect confidential information, both our own and that of our business partners, customers and other parties. Confidential information includes business secrets, internal processes and documents, data from SQS IT systems, marketing plans, customer data, calculation concepts and unpublished financial data. Employees are prohibited from disclosing confidential information unless legally required or authorised to do so by the Executive Management. Employees are also required to take all necessary measures to avoid inadvertent disclosures by exercising special care when storing and transmitting confidential information. We respect the efforts of third parties to protect their own confidential information and treat it with the same care as our own confidential information. This obligation also applies after termination of employment.

Principle 12

Protection of corporate assets, accounting

We attach great importance to honesty and respectful treatment of the assets and property of SQS. Employees are prohibited from engaging in fraudulent or illegal activities, namely those relating to the property, assets, financial reporting or accounting of SQS or third parties.

The financial records of SQS are essential for the management of the business and the fulfilment of obligations to various stakeholders. For this reason, all financial records must be accurate and comply with accounting standards.

Our employees handle the property of SQS with care and use it exclusively for the intended purposes. It is the responsibility of each employee to protect the tangible and intangible assets entrusted to him or her, including hardware, software, data, know-how, confidential information and information systems from loss, damage, misuse, theft, fraud or destruction. Subject to applicable laws, SQS reserves the right to review all emails, data and files stored on the network computers or the cloud.

Principle 13

Gifts, invitations and favours

Employees must neither be influenced by favours nor influence others by favours. They may accept reasonable hospitality and small gifts, but may not accept gifts, hospitality or invitations that could give the appearance of unduly influencing the business relationship. In accordance with the staff regulations, the maximum equivalent value for small gifts is CHF 100 per customer/business partner per year. It is prohibited to accept or offer money from third parties. Employees adhere to the most restrictive local or industry practice to avoid any inappropriate behaviour. In case of uncertainty, they consult their direct supervisor.

Principle 14

Violation of the Code of Business Ethics

We align our work and our actions with the Code of Business Ethics and comply with its regulations. Making the right decisions and maintaining integrity is the personal responsibility of each and every individual and cannot be delegated. Any failure to comply with this Code may result in disciplinary action up to and including termination and, if warranted, legal proceedings or criminal prosecution.

Principle 15

Reporting of illegal conduct or conduct violating the Code

We all have a responsibility to act with integrity at all times. Employees are encouraged to report any practices or activities they believe to be potentially illegal or in violation of the Code to their supervisor, a member of the Executive Management team, the Human Resources department or the independent Supervisory Committee. We treat complaints confidentially and provide anonymity, if requested, through the SQS Independent Supervisory Committee. Every complaint is thoroughly investigated. SQS prohibits any form of retaliation against employees who make reports in good faith, while protecting the rights of those accused.

Reporting portal for external bodies

Organisations, consumers, authorities and other parties can report their dissatisfaction with the activities and services of the SQS or with the activities and services of an organisation certified by SQS via the reporting portal on the SQS website:

<https://www.sqs.ch/en/appeals-and-complaints>

Reporting procedure for employees

Step 1 – Supervisor

In principle, the employee will first contact his or her immediate supervisor to report the situation. The supervisor is the first point of contact and will take appropriate steps to investigate and resolve the situation and, if necessary, involve members of the Executive Management, the Human Resources Department and/or the Independent Supervisory Committee.

Step 2 – Executive Management

If the report concerns the supervisor or if the employee is unable to contact the direct supervisor for any reason, the employee may contact a member of the Executive Management. This person will objectively examine the situation and take appropriate measures and, if necessary, involve members of the Executive Management, the Human Resources Department and/or the independent Supervisory Committee.

Step 3 – Human Resources department

If the employee has concerns or prefers to make a report independently of supervisors or members of the Executive Management, the Human Resources Department is available as another reporting point. Employees can confidentially contact the HR department, which will then process the report, ensure safeguards and, if necessary, involve the independent Supervisory Committee.

Step 4 – Independent Supervisory Committee

If employees are dissatisfied with the previous contact persons, if they lack confidence in these contact persons or if they prefer an external, independent reporting office for other reasons, they have the option of turning to the independent Supervisory Committee. The independent Supervisory Committee examines the report, takes appropriate steps and guarantees the integrity and confidentiality of the procedure. Contact Supervisory Committee: Dr. Michael G. Noth
noth@timesattorneys.ch

In all procedural steps, the personal rights of those involved are protected.