

## Global Policy Anti-Corruption

**We are against corruption in all forms and vigorously monitor compliance in our business activities and in the activities of those who represent us and supply goods and services in support of our business activities.**

### WHO IS THIS POLICY FOR?

All Employees and the employees of companies that are joint ventures with Rockwell Automation or have a role in supplying goods and services, developing, marketing, and selling or buying products or services on behalf of Rockwell Automation. Typically this includes our distributors, agents and other channel partners.

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### Key Policy Principles

- We will actively combat corruption and avoid even the appearance of corruption in all our business dealings. We are all responsible for understanding and following rules related to giving and receiving hospitality and gifts and will refrain from giving or accepting hospitality or gifts that improperly influence commercial decisions or regulatory approvals.
- Our policy against corruption applies globally. We reject the idea that our policies should be flexible based on the acceptance of bribery as a common practice in a given country. We prohibit all forms of bribery, no matter how small the amount given or received.
- All [Company](#) suppliers, service providers and channel partners must conduct business in accordance with this anti-corruption policy. We will terminate relationships with our suppliers, service providers or channel partners that do not demonstrate the willingness to follow our anti-corruption policy.

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### Laws on Anti-Corruption

Every country in the world prohibits bribery and other forms of corruption.

- A growing number of countries have laws that apply to activities outside that country. For example:
  - The Foreign Corrupt Practices Act is the U.S. law that prohibits [Employees](#) or representatives of a U.S. corporation from giving anything of value, directly or indirectly, to an official of a government (or an official of a company that is owned or controlled by a government, a so-called “state-owned” company) in order to obtain or retain business or influence an official act or decision. The FCPA prohibits bribery and restricts gift giving and hospitality everywhere the Company does business. Penalties for violators include fines, disgorgement of ill-gotten gains, and – for individuals – imprisonment of more than one year.

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- The U.K. Bribery Act of 2010 makes bribery a crime in both private and public transactions. As with the FCPA, the U.K. Bribery Act of 2010 applies to the global business activities of any company doing business in the U.K. (which we do). The U.K. Bribery Acts prohibits bribery and restricts gift giving and hospitality wherever we do business. Penalties for violators include fines, debarment from European Union public sector contracts, director disqualification, and – for individuals – imprisonment for a maximum of 10 years.
  - Many countries have laws that restrict gift giving and hospitality in local commerce, in both public and private transactions. To avoid corruption, many public laws and private policies define the value at which a gift becomes a means to improperly influence a decision maker. As an example, purchasing officers of the US government are prohibited by law from accepting any hospitality. You must do your research to learn which rules apply with your customers or suppliers. This policy requires that Employees and those covered by this policy comply with all public laws and private policies on gift giving and hospitality.
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## **Our Requirements**

- We will not give or receive bribes, kickbacks or other illegal payments.
- You will not be penalized for delays or loss of sales suffered because you refused to pay a bribe.
- We will not maintain or use funds or assets for any illegal or improper purpose; all funds and assets must be accurately disclosed in the books and records of the Company.
- You must not make false or misleading entries in Company books and records; you must accurately describe payments made by or on behalf of the Company and support them with appropriate documents and records.
- You cannot make a political contribution to an individual candidate or elected official, directly or indirectly, by or on behalf of the Company.
- All managers have the obligation to educate their direct reports on this policy on a regular basis – and at least annually.
- All Employees who buy goods, engage service providers, or authorize another company or person to use the Company brand have the obligation to select providers who conduct business ethically, understand our anti-corruption policies and agree to abide by our anti-corruption policies. We use a risk-based approach to meeting this obligation of due diligence, training and agreement. Implementing procedures for this risk-based approach are included as attachments to this policy. This policy and the procedures define how Employees must conduct due diligence, provide training, and secure the agreement of another company or individual before entering into business relationships.
- Employees who violate this policy will be subject to disciplinary action up to and including termination.

## **Gifts and Hospitality Rules**

- Our policy provides safeguards for giving and receiving gifts and hospitality so that gifts or hospitality do not become or appear to become a means to improperly influence a decision maker.
- Our policy restricts the types and values of gifts that may be given or received in connection with Company business. A **gift** is something that you give to another person to use or have which is

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separate from the gift-giver or the business dealings. Common examples of acceptable gifts include: flowers, food baskets, pens or notebooks. Examples of unacceptable gifts in a business context may include jewelry, a cruise or limousine ride, a spa treatment, or even securing admission for a customer's child at a school or university. Incentives we give to Rockwell Automation Employees or the employees of our channel partners are not gifts. A customary tip paid to a provider of transportation, meal, hotel or other services is also not a gift.

- Our policy restricts the type of hospitality that may be extended or accepted in connection with the Company. **Hospitality** is payment for goods or services on behalf of another person in connection with a business transaction. Unlike a gift, hospitality is generally shared with another person. A simple example of hospitality is the “business lunch” involving one or more Rockwell Automation Employees and customers or suppliers – where only one of the participants pays the bill. Another common example of hospitality is the payment for hotel or travel costs associated with a business meeting. Hospitality may take the form of an event (such as a sporting event) with Company Employees and a customer or supplier in attendance - with one participant paying for the event.
- Some types of gifts and hospitality are strictly prohibited. **Cash and cash equivalents (such as bank gift cards) may not be given or received as gifts.** Hospitality that involves sexual services is strictly prohibited as is hospitality at locations that would place the Company or any of its business associates in an unfavorable light. Hospitality where alcohol is combined with driving or operating machinery also is prohibited.
- Employees should exercise caution when accepting gifts or hospitality from suppliers or service providers. When possible, Rockwell Automation should fund travel and travel-related expenses associated with supplier or service provider evaluation and management.
- We specifically prohibit **Facilitating Payments** or “grease payments” to public (government or state owned enterprise) employees. The Company believes that a small bribe is corrosive to ethical business practices and erodes public confidence in governments. Our policy also respects local law prohibiting payment by companies to individuals working for governments in connection with the performance of official duties.
- At our Company, management approval ensures that gifts and hospitality are transparent and appropriately used. Our gift and hospitality limits are set forth in the Gift and Hospitality Approval Limits Chart.
- Further, each employee offering a gift or hospitality must learn local laws and customer policies – which may set limits that are more restrictive than our approval thresholds.
- Managers approving gifts and hospitality must ensure that each expense is reasonable and proportional under the circumstances. Managers must consider:
  - The cost of the gift or hospitality in light of the level of employee and the frequency of the hospitality or gift;
  - The timing of the gift or hospitality in light of bidding activity or the award of a contract;
  - The characteristics of the customer, including whether the customer is employed by a state-owned department or business; and,
  - The nature of the hospitality, included whether this is a limited-access event, whether spouses are included, and whether a meaningful business discussion is part of the program.
- Where managers are unsure of the acceptability of an expense, managers should either:
  - Seek guidance from legal or finance; or

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- Request a higher level approval.
  - Any hospitality funded by the Company for a third-party or a third-party's employee and associated with attendance at a large multi-day Company event (Automation Fair, RSTech Ed, or similar events) must be approved in advance by a Company lawyer. Proposed itineraries and customer invitation letters must be submitted to the finance department of the hosting Business Unit or Region and then routed to a Company lawyer for approval. Our guests must bear all expenses for non-business portions of the itineraries. Further, no per diem payments or "spending money" payments are permitted. To the extent possible, the Company should make payment directly to the air or hotel provider and not to the guest.
  - Invitations to employees of state-owned or state-controlled entities for Company-provided hospitality must be sent to the invitee's manager. It is wise to obtain the approval of the invitee's manager.
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## **Rules Related to Engagement with Other Companies**

### **Contractors, Suppliers and Service Providers**

We believe that working with ethical contractors, suppliers and service providers is critical to the ongoing success and good reputation of the Company. The Company's agreements with suppliers, contractors and service providers must explicitly prohibit bribery and corruption in business dealings with or on behalf of the Company. A Company lawyer must approve deviations from this policy.

- For those suppliers who qualify as Preferred Suppliers:
  - The Employee responsible for engaging a Preferred Supplier must investigate the candidate's reputation for ethical conduct as part of the qualification process;
  - Strategic Sourcing will perform periodic monitoring of business ethics as part of the Preferred Supplier risk assessment process;
  - The Employee responsible for engaging the Preferred Supplier will ensure the Preferred Supplier understands and agrees to the terms of the Supplier Code of Conduct;
  - The responsible Employee will confirm that the Preferred Supplier is aware of the Rockwell Automation Ombudsman program; and,
  - Strategic Sourcing will train Preferred Suppliers annually on the Supplier Code of Conduct.
- For those service providers who assist the Company in securing approvals or licenses from governmental authorities:
  - The Employee responsible for engaging the service provider will conduct an investigation of the business ethics of the service provider; and,
  - The Employee responsible for engaging the service provider will discuss the anti-corruption provision of the Company's agreement with the service provider and confirm compliance with this provision before executing an agreement with the service provider.

### **Sales Agents, Sales Consultants, and Distributors**

The Company coordinates its activities with a network of partner companies. The highest level of coordination is with our distributors, sales agents and sales consultants ("Sales Intermediaries"). Commercially and legally,

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many of these Sales Intermediaries act as an extension of the Company's marketing and selling organization. Because of this special relationship, we must extend our anti-corruption policy to our Sales Intermediaries. The following obligations apply to all engagements of Sales Intermediaries:

- Each Employee engaged in appointing, retaining or managing a relationship with a Sales Intermediary must:
  - Confirm the Sales Intermediary's commitment to follow our anti-corruption standards using the tools identified in the Market Access Procedure;
  - Complete or verify the completion of training, as defined in the Market Access Procedure;
  - Confirm an agreement containing an anti-corruption provision has been signed by the Company and by the Sales Intermediary before conducting business with the Sales Intermediary;
  - Notify the Sales Intermediary of the Ombudsman process;
  - Regularly monitor the business practices of the Sales Intermediary; and,
  - Complete specialized anti-corruption training according to our Company training plan
- Each Employee responsible for the Company's appointment of a Sales Intermediary must ensure the Sales Intermediary completes the due diligence required by the Market Access Procedure.
- The finance professional responsible for the Business Unit or Region engaging a Sales Intermediary will audit compliance with this anti-corruption policy in accordance with the Market Access Procedure.
- The Company will terminate the appointment of any Sales Intermediary that violates this anti-corruption policy.
- Any sub-agent or sub-distributor working through an authorized sales agent or distributor is subject to this anti-corruption policy.
- No deviations from this policy are permitted unless approved by a Company lawyer.

**Solution Partners, Recognized Systems Integrators, and Machine Builder Partners**

We grant the privilege of using our brand and joining our conferences to a select group of systems integrators and machine builders. We have an important interest in confirming that these companies understand our anti-corruption policy and comply with this policy. Employees who engage and manage Solution Providers, Recognized System Integrators and Machine Builder Partners will:

- Investigate the partner company's reputation for ethical conduct as part of the qualification process and perform periodic monitoring of business ethics as part of the annual renewal process.
- Ensure that our agreement or program guide with the partner company includes our anti-corruption provision.
- Provide training on this provision at least annually, generally as part of the PartnerNetwork conference.
- Require acknowledgement of the anti-corruption provision as part of the annual renewal process

**Customs Brokers**

Customs brokers represent us at government customs offices around the globe. We must take active steps to ensure our customs brokers understand that our anti-corruption policy does not allow money to be paid to individuals to expedite processing or have them overlook defects in documentation.

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- Employees responsible for engaging and supervising customs brokers (typically, logistics and sourcing Employees) must confirm the technical competence of customs brokers selected and must confirm that the rate schedule is appropriate in the country. The supervising Employee is also encouraged to observe annually how the customs broker handles our goods.
- The Employee responsible for engaging or retaining a customs broker must ensure the customs broker understands and agrees to comply with this policy.
- Customs brokers must be engaged using our standard brokerage agreement, including a provision prohibiting the payment of bribes. Within 30 days of first providing services on behalf of Company, the customs broker must either sign a standard brokerage agreement or sign a certification that no bribes will be paid.
- Finance professionals must audit payments made to customs brokers for conformity to our brokerage agreement on a regular basis.

**Encompass Partners**

Our ongoing relationship with our Encompass Partners and shared branding requires that we have a common philosophy about ethical business practices. Employees who qualify and manage relationships with Encompass partners must:

- Actively consider anti-corruption practices of a potential Encompass Partner before admitting them into our Partner Program.
- At least annually, train our Encompass Partners on our anti-corruption policy.
- Include anti-corruption language in Encompass Partner agreements.

**Strategic Alliance Partners**

We establish ongoing relationships with partner companies involving shared technology and shared marketing. Each strategic alliance must be built on shared business values. Employees involved in engaging or managing relationships with our strategic alliance relationships must:

- Include anti-corruption language in Strategic Partner agreements.
- Obtain evidence of an anti-corruption program at the partner company.
- Secure cooperation of the partner company to participate in due diligence to the extent requested by the Company legal department.

### **Joint Venture Partners**

In some cases, we conduct business through a joint venture with an unrelated company. Our ability to control the business practices of the joint venture increases as our ownership approaches 50%. Where we own 50% of the joint venture – whether the joint venture is accounted for by consolidation or equity accounting – our joint venture is subject to this anti-corruption policy. Employees forming a joint venture must:

- Engage the legal department to assess the proper level of due diligence required and secure the cooperation of the joint venture partner(s) to complete the required due diligence
- Include anti-corruption provisions in the joint venture agreement.

### **Acquisition Targets**

Employees involved in acquisition activities must involve a Company lawyer before executing a letter of intent. The Company lawyer will plan due diligence based on the risk factors that apply to the target.