

HELUKABEL Code of Conduct

Effective October 1st, 2018

Introduction

This code of conduct has been written in order to outline how business is conducted at HELUKABEL to its employees, suppliers, and clients.

This code of conduct defines that all employees must conduct themselves sincerely and ethically in every respect. HELUKABEL will not condone the activities of employees who achieve results through coercion, manipulation, duress, or unethical or unlawful business dealings.

This code of conduct applies to every employee of the HELUKABEL Group (herein known as "HELUKABEL").

1. Who is included

The code of conduct applies to all HELUKABEL employees. Key managers are required to read and sign the Code of Conduct; furthermore, they are responsible for discussing the Code of Conduct with their staff members. Employees responsible for buying or selling products or services regularly, are also obligated to read and sign off on the Code of Conduct annually. Other employees may be asked to read and sign this document at management's discretion.

2. Conflict of interest

No executive, manager or employee is allowed to conduct personal/external business interests that conflicts with the interests of HELUKABEL or appears as such. A conflict of interest exists if an employee profits for him/herself or for his/her family, apart from their regular salary.

It is impossible to name every single situation where an employee finds him or herself in a conflict of interest. A few examples are mentioned below:

a) Use of the company's resources and assets

HELUKABEL's assets comprises tangible as well as intangible assets. This includes technology, concepts, strategies, and plans as well as information about business activities. Employees are neither allowed to generate profit from these assets for their own gain, nor permit others (family, friends, etc.) to take advantage of the company's resources.

b) Confidential information

A part of your activities could be accessing confidential information about clients, suppliers, and competing companies of HELUKABEL. This information shall not be forwarded to colleagues that do not require the information for commercial purpose or to non-affiliated external sources unless they have been released publicly by the chief executive. This kind of information includes product information, data sheets, results derived from research and development, news about product/service development, financial data, business strategies, operating plans, the company's manual, organizational structure, and systems, etc.

c) External activities

Employees are restricted from external employment or activities that negatively impact their performance at HELUKABEL or conflict with their obligation to HELUKABEL. Examples:

- If an employee is simultaneously an employee, consultant, or receives compensation from a company which HELUKABEL or one of its branches is doing business with, or is attempting to do so, or is competing against, unless the relationship is known and authorized by HELUKABEL's chief executive officer.
- If an employee receives payment from an external source for a service or time which he/she is being paid for by HELUKABEL or one of its branches unless this relationship is known and authorized by HELUKABEL's chief executive officer.
- If a member of management or an employee of the marketing department, sales department or administrative management or a close relative of such employee has a capital participation in an advertising agency or another organization that offers HELUKABEL or one of its branches advertising, marketing or sales promotion services.

3. Business with suppliers, clients and third parties

The foundation of HELUKABEL's business is integrity with its suppliers and clients. This is why any employee or a close relative of an employee is not permitted to take personal advantage from the purchasing of goods and services for HELUKABEL or one of its branches, or gain a personal benefit from a business transaction that he/she is conducting on behalf of the company.

The following guidelines are recommended to help every employee make the right decision when being in a questionable situation:

Bribes and discounts

Procurement or sales of goods are strictly prohibited from employees or their families receiving bribes or discounts.

Gifts, payment from third parties

An employee is proscribed from accepting monetary gifts or asking for direct/indirect non-monetary gifts or any other kind of personal reward from suppliers or clients under any circumstance.

Employees and their close relatives are allowed to accept non-solicited gifts from a supplier or from a client that does business with HELUKABEL or is attempting to do so only if

- a) The gift is of very little value or
- b) The gift is of advertising or sales promotional nature.

Gifts that are in excess of little value are only allowed to be accepted if they are required due to protocol, politeness, or if there are other special circumstances. All gifts of this nature have to be reported to HELUKABEL's chief executive officer who decides whether the employee is allowed to keep the gift or whether he/she must return it.

Refunds or other payments from third parties, including public or governmental organizations, are always made to HELUKABEL. Any kind of third-party payments to an employee have to be reported immediately to HELUKABEL's chief executive officer.

Invitations

An employee must neither encourage nor ask for direct/indirect invitations from a person or company which HELUKABEL is doing business with. An employee is only allowed to make and/or accept an invitation if the invitation is appropriate, does not occur frequently, and does not result in luxurious expenses.

4. Payment to consultants or distributors

Agreements with representatives, distributors, and consultants have to be made in written form and be approved by two respective legal representatives to ensure checks and balances. The services that need to be performed, the basis of remuneration, the applicable discount, rate, or fee have to be clearly defined. The amount cannot be excessive and must be in alignment with usual commercial practices to match the performed services. (Commission payments or other sales oriented remuneration exceeding 10% before taxes of the related order require formal written authorization from the chief executive officer or a person designated by the chief executive officer.) The representative, distributor, or consultant has to consent that the agreement can be disclosed publically. In any and all cases, the compensation has to comply with local laws and regulations.

All contracts with representatives, distributors, and consultants in the aforementioned sense are only permissible if:

- The representative, distributor, or consultant has to be evaluated according to his/her integrity. The representative, distributor, or consultant has to fill out and sign the "Compliance Procedures Sales Agent Questionnaire". Questionnaires are valid for twelve (12) months and must be re-signed annually. If there is no valid questionnaire on file, payment to the representative, the distributor, or the consultant cannot take place.
- The contract with the representative, distributor, or consultant has to be made in written form with the involvement of a minimum of two HELUKABEL executives.
- The contractual terms have to be defined precisely and the activities and results have to be reported on a regular basis (e.g. through monthly reports).
- The representative, distributor, or consultant must prove relevant technical aptitude and subject matter expertise.
- The representative, distributor, or consultant is not directly/indirectly employed by the potential customer or has any other kind of conflict of interest.
- The representative's, distributor's, or consultant's remuneration matches the services performed.
- Compensation to the representative, distributor, or consultant is based on successful accomplishment of activities performed by the representative, distributor, or consultant leading to order placement. The payment is only done after the placement of the order through the customer and after the receipt of payment from the customer (pro-rated in alignment with partial payments).
- Payment to the representative, distributor, or consultant is done through crediting his/her account in his/her country's place of business. This account has to be named in the contract. Direct cash or check payments are prohibited. If the payments need to be done in another country, a bank certificate has to be presented in order to prove that the representative, distributor, or consultant is the owner of the account.
- It is contractually excluded that the representative, distributor, or consultant acts on behalf of HELUKABEL.

Any questionable and/or suspicious activity causing a compliance risk has to be reported to HELUKABEL GmbH's chief executive officer to determine further activity. A commission or continued employment of the third party can only be considered after a compliance check and can only take place with an authorization through the chief executive officer or a person designated by the chief executive officer.

Questionable and/or suspicious activities could be:

- A third party employee asks for a reward for him/herself or a third party,
- The third party asks for an illegitimate, unusual, or non-transparent kind of payment (e.g. cash payment, payments to off-shore accounts, staggered payments),
- The third party tries to hide or falsify details of the fulfilment of the order or transaction,
- The third party asks for payment of performance or expenditures that are not clearly defined or which are not correlated with the supplied services,
- Suspicion of a conflict of interest with the third party.

5. Payment to other countries than residence of the payee

Demands of payees (third parties) to have remittance of their compensation or premium for invoices of the payee to a country other than his/her residence or place of business are prohibited without the authorization of the chief executive officer.

6. Payment to a government official or employee

It is prohibited to offer or execute payments, gifts, services, invitations, or any kind of valuable objects to any government official or employee of any country.

7. Import restriction

During a business trip the legislation of the country considering declaration of an import of money, negotiable documents and goods have to be met by the employee. Any employee is prohibited to import goods without the required import license. If there are any questions concerning the legislation of a country, they have to be forwarded to the chief executive officer.

8. Accounting books and documents

Financial accounting and corresponding documentation has to represent the respective business transactions precisely and openly. It is every employee's responsibility to make sure that receipts for accounting (revenue, expense, etc.) are issued in a manner that reason and purpose of the business transaction are evident. Compliance with proper accounting procedures in regards to accounting documents must be ensured.

9. Activities of competition

It is prohibited to cooperate with competing companies if the activity contravenes against a law, e.g. pricing, production, marketing, inventory audit, product development, market, sales goals, market analysis and information that is protected by relief or is confidential.

We, as a competing company in the marketplace, always strive to gain market intelligence about our competitors. However, we do not make use of illegal or illegitimate means in order to obtain company secrets about a competing company, e.g. customer lists, information about factory equipment, technical developments, or procedures. Furthermore, we do not employ the competing company's employees in order to receive confidential information and we do not ask the competing company's employees or customers to disclose confidential information.

Examples of confidential, competition-relevant information include specific data about pricing, quantities, margins, strategic business plans, orders, deliveries, revenues as well as planned innovations or investments. One should be especially careful if competition is limited because of the prevalent market structure (e.g. few suppliers, substitutable products, regional limitation). Illegitimate conspiracy agreements are not made with competing companies but also with suppliers, subcontractors, and clients (vertical agreements). For example, this could be exclusive agreements with suppliers or other business partners under certain circumstances.

If a competing company shares information unsolicited that might be helpful for influencing competition, the employee is required to inform the source that such exchange of information is not desired. Furthermore, the incident has to be reported to the chief executive officer immediately.

At industry or association meetings, the promotion or exchange of information that impacts the competitive environment is prohibited. HELUKABEL's participants have to examine the agenda in advance of the industry or association meeting concerning such delicate subjects and initiate changes to the agenda if necessary. If there is an illegitimate exchange of information or agreement taking place during the meeting, all of HELUKABEL's participants have to protest against such activities. If the meeting continues unchanged, HELUKABEL's participants have to leave the meeting. Such incidents have to be reported to the chief executive officer immediately.

10. Data Protection

At HELUKABEL we attach great importance to protecting the personal data of our staff, customers, suppliers, and other contractual partners, as well as to complying with national and international data protection standards. Personal data means any information relating to an identified or identifiable real person ("data subject"); this includes the name and contact data of the contacts at our customers. Other specific types of personal data are subject to additional protection, for example, data on racial and ethnic origin, religious beliefs, trade union membership and health. Sensitive data of this type may only be processed where absolutely necessary.

Our objective is to establish uniform, appropriate, and global data protection standards for all members of the HELUKABEL Group and for all our staff to ensure compliance with applicable data protection rules. All companies of the HELUKABEL Group and all members of our staff are expressly required to abide with our internal data protection rules. The company management will ensure compliance with data protection rules and implement them in a binding manner. Any external service providers that we use will also be required to sign separate contracts in which they agree to comply with our internal company policy.

We are committed to the following principles in processing personal data:

- Personal data should be processed lawfully, fairly, and in a transparent manner in relation to the data subject (lawfulness, fairness, and transparency).
- Personal data should only be collected for specified, explicit, and legitimate purposes and not further processed in a manner that is incompatible with those purposes (purpose limitation).
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- Personal data should be appropriate, relevant, and limited to the necessary amount in relation to the purposes for which they are processed (data minimization).
- Personal data should be accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that personal data which are inaccurate in relation to the purposes for which they are processed, are erased or rectified without delay (accuracy).
- Personal data should be kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed (storage limitation).
- Personal data should be processed in a manner that ensures adequate security of the personal data, including protection against unauthorized or unlawful processing and against accidental loss, destruction, or damage by using appropriate technical or organizational measures (integrity and confidentiality).

These principles will be implemented throughout the HELUKABEL Group, in particular through appropriate data protection agreements, policies, and transparent guidance on handling personal data. If you have any questions, please contact the internal data protection coordinator or data protection officer.

11. Political activity and support

HELUKABEL supports every employee acting as a responsible citizen, taking part in political processes. Each employee has to be aware of the fact that HELUKABEL is prohibited in supporting political candidates, political parties, or party functions according to the legislation of most countries. Each employee who is active in politics has to make sure not to speak or act on behalf of HELUKABEL.

12. Consumer interests

HELUKABEL follows consumer protection legislation as well as appropriate sales, marketing, and information practices when involving consumer interests. Especially groups that are in need of protection (e.g. youth protection) receive special attention.

13. Human rights

HELUKABEL supports the assistance of human rights. It follows human rights according to the UN Declaration of Human Rights, especially the following:

13.1 Privacy

Protection of privacy.

13.2 Health and security

Protection of health and safety at work, especially promoting a healthy and safe work environment in order to prevent accidents and injuries.

13.3 Harassment

Protection of the employees from bodily harm and physical, sexual, psychological, or verbal harassment or abuse.

13.4 Freedom of speech

Protection and ensuring the right of free speech and free expression.

14. Work environment

HELUKABEL follows the core labor standards of ILO.

14.1 Child labor

Child labor is prohibited, i.e. employment of a person younger than 15 years, unless local legislation opposes a higher age limit and unless exceptions are given.

14.2 Forced labor

Forced labor of any kind is prohibited.

14.3 Salary

Working standards concerning salary, especially level of salary according to legislation.

14.4 Employees' rights

Respecting employees' rights of freedom of association, freedom of assembly, as well as collective bargaining and collective wage negotiations as far as it is legitimate according to the country's legislation.

14.5 Anti-Discrimination

Non-discriminatory treatment of employees.

15. Working time

HELUKABEL follows labor standards concerning maximum permissible working time.

16. Environmental protection

HELUKABEL follows the legislation and standards concerning environmental protection at its respective facilities and acts environmentally responsible at every site. HELUKABEL responsibly handles natural resources according to the principles of the Rio Declaration.

17. Statements

As HELUKABEL's employee you are being asked to inform your superior about any dishonest or illegal activity, as well as any suspected violation of any regulation mentioned in this code of conduct. If you do not receive a satisfactory answer from your superior, you are directed to contact the chief executive officer.

18. Other

Rental or sale of movables or real estate requires the authorization from the management board of HELU KABEL GmbH.

The employment of relatives requires authorization from the management of HELU KABEL GmbH.

The management of HELU KABEL GmbH has to be involved in the selection process for hiring executives and managers. This also applies to the hiring of all employees in the financial department.

Executives and managers

Every executive and manager is responsible for discussing the code of conduct with their employees and colleagues. New employees have to read the code of conduct and if required will be asked to sign the document before commencing employment with HELUKABEL.

