

CODE OF CONDUCT

How we do what we do



Introduction

Tech Power Electronics Group with its 1500 employees in 8 countries works together with people from different cultures, different skills and different points of view.

Since 17.05.2021 TPEG is official member of the UN Global Compact.

Our strength and success is based on our close relationship to customers, suppliers and numerous organizations around the world.

We are a global company and we understand what it means to act responsibly and with integrity.

Our Code of Conduct, established in 2017, defines clear ethical standards for our daily work and operations.

This includes quality management, customer relationships, business integrity as well as corporate responsibility and workplace conduct.

Our Code of Conduct defines rules and guidelines to support all of us with security and orientation in our daily business.

The Code of Conduct also communicates to our customers, suppliers and the public that we are a reliable partner that combines best products and services with a strong sense of responsibility.

This Code of Conduct will become an integral part of our corporate culture in all countries.

We ask you as employee, customer, supplier and partner to understand your part as supporter to make sure that we will stay on course.

Only by maintaining our integrity and high ethical standards at all times we can sustain our success over a long term.

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OUR CODE OF CONDUCT.

The Code of Conduct is binding for all countries and companies of TPE Group, and each of us can contribute to the success of our company by living the Code of Conduct.

This Code describes the objectives and rules that reflect our commitment to responsible, ethically irreproachable and legally compliant behavior.

The letter and spirit of this Code correspond to the Group-wide rules and regulations that govern our business lives each day and form part of our corporate culture.

Our employees are ambassadors of this culture.

I. WHAT IS CORRECT CONDUCT?

TPE Group is permanently in contact with a variety of companies, people and organizations and representatives of diverse interests.

Our image as a company depends on how our employees conduct themselves in the business world.

There is no substitute for personal integrity and sound judgement. When faced with a difficult situation, consider these questions:

1. Is my action or decision legal?
2. Does it comply with the letter and spirit of this Code and other Group policies?
3. Is it right and free of any personal conflicts of interest?
4. Could my action or decision withstand public review? What would it look like in a newspaper?
5. Will my action or decision protect the reputation of TPE Group as a company with high ethical standards?

If the answer to each question is “yes”, the action or decision complies with the following principles of conduct and is most likely the correct one. If you are not sure, ask.

And keep asking until you are sure!

II. OUR ETHICAL COMMITMENT.

Laws and Ethical Standards

TPE Group strives for sustainable development of its business founded on economic performance and corporate responsibility. We honor the diverse interests of our customers, employees and business partners with integrity, fairness and honesty.

We strive for excellence in both our business development and our ethical behavior.

We operate our business with integrity and comply with all laws applicable to our business in all regions and countries. We recognize that laws and ethical standards may vary from country to country according to national specifics.

Human Rights

TPE Group is guided by the principles of the United Nations Global Compact.

We respect the principles of the 1998 International Labour Organization “Declaration on Fundamental Principles and Rights at Work” in accordance with national law and practice.

We respect human rights within our sphere of influence and conduct our business in a manner that makes us an employer of choice. We are clearly committed to the elimination of all forms of forced or compulsory labor and to the effective abolition of child labor.

III. OUR BUSINESS PRACTICES.

Quality Focus

Our commitment to quality is core to our business.

In order to achieve the highest quality standards, we work constantly to improve our structures and processes for the benefit of our customers. This applies not only to our products, services and management, but also to our behavior.

Customer Satisfaction

We place the highest priority on making our customers successful, knowing that customer success guarantees our own success.

Our activities are governed by our knowledge of the global and local requirements of our customers and markets. We include and prioritize the customer focus in our business processes, projects and dealings.

We know that we will be measured by our ethical, social and environmental performance as much as by the quality of our service. We therefore strive for best practice in all these areas to secure customer trust.

Transparency

We are committed to openness in our dealings with our customers, shareholders, employees, suppliers, business partners and other organizations and institutions.

Transparency and honesty are the guiding principles in all our communication activities, internally and externally. The public have access to information, in line with internationally recognized standards of corporate governance.

Business Partner Dialogue

We are committed to dialogue and partnership with our business partners throughout the world.

We share principles of ethical behavior, social engagement and respect for the environment with our suppliers, subcontractors, agents and consultants.

We communicate our principles to our business partners and encourage them to adhere to the same standards we do.

IV. OUR STANDARDS OF WORKING TOGETHER.

Individual Responsibility and Involvement

The skills and commitment of our employees are our greatest assets. We expect our employees to conduct their business in an entrepreneurial way and accept their individual responsibility. We endeavor to involve our colleagues in our projects and decision-making processes in order to achieve our common goals with reliability and commitment.

Mutual Respect and Openness

It is part of our corporate culture that all relations between board members, managers and employees of all levels, units and regions shall be guided by mutual respect, openness, honesty and the spirit of trust and cooperation.

We give and seek feedback and we communicate actively and openly with each other. We are committed to a fair and open debate and seek varying opinions. We encourage our colleagues to speak up promptly and to express their ideas and concerns. Team spirit is fostered by open-mindedness. We never encourage or direct our employees to achieve business results at the expense of compliance with the law, ethical standards or with this Code of Conduct.

TPE Group does not tolerate any kind of violence in the workplace, including but not limited to threatening and intimidating behavior.

Each employee is required to contribute to an environment of respect that precludes any kind of harassment, including workplace bullying, unwelcome sexual advances, unwanted physical contact, inappropriate propositions or a working environment tainted with harassing jokes, words or demeaning comments.

Our employees are free to join or not to join a union/employee representation of their choice, free from threat or intimidation. We recognize and respect the right to collectively bargain in accordance with applicable law.

Diversity

We consider the diversity of our employees to be a real strength. We promote an inclusive work environment in order to attain the highest possible productivity, creativity and efficiency. The main criteria for employee selection and promotion are skills and qualification. We do not discriminate or tolerate discrimination with respect to gender, race, religion, age, disability, sexual orientation, national origin or any other characteristic protected under law.

IV. OUR STANDARDS OF WORKING TOGETHER.

Health and Safety at Work

We firmly believe that the well-being and safety of our employees are essential to our financial success.

We are therefore committed to compliance with our health and safety policies. We strive to foster the physical and psychological well-being of our employees sustainably.

Our goals are continuously efficient and committed employees, as well as fewer illnesses and a lower accident rate. We promote healthcare as a key element of our sustained productivity and the quality of our services.

We establish shared values through our commitment to health and safety.

Our health and safety policies, active in all locations throughout the world, include a ban on illegal drugs in the workplace.

Company Property

Each employee has a responsibility to safeguard and make proper use of TPE Group property.

The use of company property, including labor, supplies, equipment, buildings or other assets, for personal benefit is prohibited where not explicitly allowed by agreement.

Intellectual property is a valuable asset and must be protected from unauthorized use or disclosure. Such property includes trade secrets, confidential information, copyrights, trademarks, logos, but also customer lists, business opportunities and product specifications, whether owned by TPE Group, affiliated companies or business partners.

Legal Proceedings

Employees must avoid activities that could involve or lead to the involvement of TPE Group or its personnel in any unlawful practice, including the employment of our personnel or use of company assets for illegal gain.

Lawsuits, legal proceedings and investigations concerning TPE Group must be handled quickly and properly in order to protect and defend the company.

Employees who are threatened by a lawsuit or other legal proceedings or investigation in a business-related matter are required to contact their TPE Group Legal Department immediately.

V. OUR BUSINESS INTEGRITY.

Accounting and Reporting Standards

TPE Group relies on the authenticity and accuracy of information recorded in its accounting records for proper decision making. It is of the utmost importance that records dealing with security and personnel, as well as accounting and financial data, are protected. All business transactions must be reflected accurately in our accounts in accordance with established procedures and auditing standards and generally accepted accounting principles.

Accounting records will reflect and describe the nature of the underlying transactions.

Ban on Insider Trading

In order to maintain our shareholders' and investors' trust, it is essential that all employees respect the legal ban on insider trading. All employees are prohibited from using inside information for buying or selling insider securities, from disclosing inside information to a third party without authorization and from inducing a third party to buy or sell on the basis of this information. Inside information is any information not publicly known, relating to issuers of insider securities or to the securities themselves that would be taken into account by a reasonable investor when making an investment decision.

Conflicts of Interest

We require all of our employees to maintain high ethical standards in handling conflicts of interest. They should disclose to a supervisor any relationship with persons or firms with whom TPE Group does business, which might give rise to a conflict of interest.

Such relations include a relationship by blood or marriage, partnership, business partnership or investment.

Fair Competition

We are committed to free enterprise and fair competition. Company business must be conducted solely on the basis of merit and open competition. We will hire suppliers, agents or other intermediaries only by careful and fair assessment.

We are legally bound to make business decisions in the best interests of the company, independent of any understanding or agreement with a competitor. TPE Group and its employees will avoid any conduct that violates antitrust laws.

Bribery and Corruption

We trust that the excellence of our services is the key to our business success. Therefore we deal with all our customers, suppliers and agencies in a transparent manner and in compliance with international anti-corruption standards, for example those in the United Nations Global Compact as well as applicable anti-corruption and bribery laws.³

Gifts and Benefits

Gifts and other benefits are permitted if they are usual business practice and ethical. None of our employees may solicit gifts or other personal benefits from customers, suppliers or other business partners. The giving and receiving of gifts and other benefits is prohibited in particular if they appear to influence upcoming business decisions or breach a law, regulation or policy.

V. OUR BUSINESS INTEGRITY.

Money Laundering

TPE Group requires all employees to strictly comply with all laws and regulations designed to combat money laundering activity. This includes those rules and regulations that state that currency transactions with blocked persons must be reported.

Trade Regulations

TPE Group believes that free trade increases prosperity and affluence throughout the world. While always seeking to comply with applicable laws, including sanctions and embargoes, we exist in order to serve customers – wherever they may be.

Data Protection

Our employees shall not disclose information that is not known to the general public for personal gain or the benefit of anyone other than the company. Such information includes technical data, financial data, operating data, customer information, memoranda and other information regarding the company's business and operational activities and future plans. Employees shall adhere to relevant laws and company regulations with respect to personal data, especially that of customers, employees and shareholders. The collection, processing and use of personal data of natural and (where legally equivalent) legal persons must be in line with the applicable laws.

General Data Protection Regulation (GDPR)

With the GDPR, TPE group ensures uniform protection of personal data of individuals as well as the free movement of data within the European Union. This EU regulation , will be effected in all sites of TPE Group worldwide.

VI. OUR CORPORATE RESPONSIBILITY.

Our corporate responsibility is based upon our will to make a positive contribution to society and the environment. As a global company we have an impact on the communities in which we work and the world in which we live. We want to live up to our responsibility as a global company and have therefore integrated corporate responsibility into our corporate strategy.

This is further reflected through our commitment to fundamental charters and initiatives such as the Universal Declaration on Human Rights, the United Nations Global Compact, and the OECD Guidelines for Multinational Enterprises.

We aim to act responsibly in all of our activities and apply our core competencies and the expertise of our employees to make our planet a better place. We are in continuous dialogue with our stakeholders to take their views as citizens and consumers into consideration when we run our business.

Living Responsibility

We focus our efforts on improvements in areas in which we believe we can have the highest positive effect: environmental protection and socio-economic development.

We advocate and support the spread of environmental and social standards throughout the world. We consider our employees' commitment and active involvement to be an important success factor for our efforts.

We support community development in partnerships with non-profit organizations.

We recognize that we are measured by our actions outside the workplace and therefore call on our employees to respect the local culture and understand the issues of communities in which they work.

We acknowledge the impact of our business activities on the environment and are committed to improving our environmental track record through precautionary measures and the use of environmentally friendly technology. We have set ourselves a measurable carbon efficiency target and regularly assess and monitor our impact on the environment.

By identifying and leveraging ecological initiatives, we strive to support constant improvement of our environmental performance by means of environmental audits and risk management. We do this in order to use natural resources more efficiently. We measure our processes and services against the highest national and international environmental standards.

VII. INFORMATION AND REPORTING CHANNELS, WAIVERS AND CHANGES TO THE CODE OF CONDUCT.

Information

We recognize that you may need help in understanding company policies, making difficult decisions, or helping the company live up to its Code of Conduct. There are several options for you to take action:

- Consult your supervisor
- Talk with Human Resources

Reporting a Violation

Should you become aware of a potential issue of compliance with this Code of Conduct, we encourage you to speak up. You can consult your supervisor or talk with your Human Resources department.

All reports of a breach of the Code of Conduct will be kept confidential. No employee will be disadvantaged in any way for any efforts made in good faith to report a potential issue regarding compliance with this Code of Conduct.

For the sake of an open working environment and a more efficient follow-up to your report, we encourage you to identify yourself when reporting a possible violation.

However, should you find it necessary to make an anonymous report, we will also accept such reports.

If required by the applicable law, information regarding the identity of the employee reporting a possible violation must, however, be disclosed to the relevant persons or authorities involved in an investigation or subsequent judicial proceedings under certain circumstances.

Actions, Waivers and Changes to the Code of Conduct

In case of non-compliance with this Code of Conduct, the company will take action and allocate the adequate resources to properly address any issues. First and foremost, the company will try to fix the issue by explaining the importance of our Code of Conduct to the employees concerned, thereby motivating them to change their behavior. However, employees who fail to adhere to this Code of Conduct may be subject to appropriate disciplinary action, as stated in the applicable regulations.

The company will not grant waivers from the requirements of the Code of Conduct without good reason. Waivers of provisions of the Code shall be granted by the Board of Management only.

VIII. RELATED POLICIES AND REGULATIONS, LOCAL CODES.

The Code of Conduct sets the principles for all policies and regulations relating to ethical conduct at TPE Group. Local agreements may be made to reflect special characteristics, although the substance of the current Code of Conduct must always be incorporated. Amendments may be made to take into account local laws, customs and business practices.

Local codes may include additional, specific policies or regulations. However, in no event shall any term contradict or be more lenient than this Code of Conduct. All local codes shall be reviewed and approved by TPE Group.

Commitment:

We are all part of the Code of Conduct and we will do our best to increase the way we do our business of our daily workstream in the Tech Power Electronics Group

P. Baskaran
MS India

Jaanus Luberg
MS Balti

Yann Garnier
TPE France

Doru Hodarnau
Romanelec

Rainer Jungk
MS Schmelzer GmbH

Ameur Hanzouli
SIMO, Tunisia

Ralf Freytag
Deftron GmbH

Marinela Temelie
Transformatorul

Dr. Björn Martin
MCT Transformatoren GmbH

Stefan Marcial
TP Electronics Group

Salvatore Gora
TP Electronics Group

Dr. Roger Pierenkemper
PI-SM GmbH

Contact for questions related to the Code of Conduct:

Stefan Marcial, Director of QM/RM, TPE Group

Mobil: +49-173-46 46 46 9

Mail: s.marcial@tpe.group