

# **CiS – CODE OF ETHICS and CODE OF CONDUCT**

## **Code of conduct**

Contents: 12 pages, status January 2021

### **Mission Statement: Commitment to integrity**

---

#### **Our values**

##### **1. Conduct towards business partners**

- 1.1 Conflicts of interest
- 1.2 Offering and conferring gifts or other benefits
- 1.3 Requesting and accepting gifts or other benefits
- 1.4 Representatives of official bodies, political donations, sponsorship
- 1.5 Rejecting business relations under certain conditions
- 1.6 Expectations for our suppliers and business partners
- 1.7 Trading controls

##### **2. Conduct towards employees**

- 2.1 Dealings with each other – non-discrimination principle
- 2.2 Occupational safety and health protection
- 2.3 Dealing with internal knowledge
- 2.4 Environment

##### **3. Conduct towards the Company**

- 3.1 Company property
- 3.2 Confidentiality
- 3.3 Communication with the public and the media
- 3.4 Data protection

##### **4. Application, compliance with and implementation of the Code of Ethics and Conduct**

- 4.1 Introduction of the Code of Ethics and Conduct and questions
- 4.2 Violations and sanctions

##### **5. Attachment: The Ten Principles of Global Compact**

## CiS – CODE OF ETHICS and CONDUCT

### MISSION STATEMENT - Commitment to integrity

---

Integrity is part of our company's understanding of what it is. CiS considers itself an "honourable company" in the sense of a honourable businessperson.

It is essential that sincerity, honesty, openness, a strong sense of justice and trustworthiness determine the actions and conduct of each employee with mutual respect both within the company and externally. Our motto "connect with confidence" is not an advertising slogan but the way we understand ourselves.

Our company's credibility and the trust of our clients, suppliers, banks, employees and the public are significantly influenced by the behaviour of each individual employee.

We expect all CiS employees to know the principles of the CiS Code of Ethics and Conduct and to observe them at all times. We have values that make our actions predictable and that give us and our business partners security. We support and live out the 10 principles of the "Global Compact" of the United Nations and these also form the basis for our values.

It goes without saying that employees of the CiS group shall observe the respective laws of the states in which they operate and respect and observe generally recognised customs consistent with these laws. These include, for example, laws on the criminality of bribery and corruption in business dealings and, for example, the internationally applicable human rights that set our social standards, but also good manners and customs.

The present Code of Conduct is binding for all CiS employees. All management staff in our company undertake to live out, clearly communicate and independently ensure compliance with the principle of integrity imparted by these regulations.

CiS group, January 2021



Peter M. Wöllner  
Owner of the CiS group



Thomas Klaffke  
Managing director



Markus Kordel  
Managing director



Doris Wöllner  
CSR officer



Axel Vornhagen  
Managing director



Marius Milonean  
Managing director

## OUR VALUES:

We expect each of our employees to make decisions and conduct themselves on the basis of the values of CiS.

The fundamental values of CiS are integrity, trust, socially responsible cooperation and responsibility. These are considered yardsticks for the assessment of our decisions and actions.

### **Integrity**

Our decisions and actions are always and persistently in harmony and compliance with our values.

### **Trust**

Each individual works in such a way that the trust in their decisions and actions will be strengthened.

### **Socially responsible cooperation**

The achievement of our company goals and the socially acceptable or interpersonal and business dealings with each another are always in harmony with one another.

### **Responsibility**

Each individual employee accepts responsibility for the clear consequences of their decisions and actions. This applies both to the responsibility before a decision or action (there is clarity over the potential consequences of the action) and for the possible consequences after a decision and/or action.

## Our business principles

The following guidelines are based on our value system and are binding for our company:

### **1. We respect our stakeholders and our internal and external partners**

CiS strives to optimise our own commercial success and that of our partners. For this reason, we operate our business such that we are compliant with legislation and that we are fair in our dealings with employees, customers, suppliers and society and that we exhibit the highest levels of integrity.

### **2. We strive for sustainable corporate success**

The objective of our focus on results is the assurance of the long-term existence of the company.

### **3. We support a climate of trust**

We always make decisions and act in such a way as to strengthen and promote the trust in CiS internally and externally. In the event of competing interests, we take into account the consequences for all parties involved.

**4. We support a growing identification with CiS**

We always make decisions and act such that our external and internal partners can identify at all times with the CiS values, principles, decisions and actions, and can therefore win long-term and valuable partners.

**5. We are committed to understandable information and transparency**

We make decisions and act in such a way that all partners feel well informed and able to understand our decisions at all times.

**6. We promote and develop skills**

The success of CiS is based on the professional, technical and social skills of the employees. We take the promotion and development of these skills into account with our decisions and actions.

**7. We promote and support independence and personal responsibility**

CiS has established and developed its corporate structure such that it is possible for all parties involved, both internally and externally, to implement independent decisions and actions.

**8. We promote and support commitment and performance**

The commitment of all internal and external partners is self-evident for CiS. We undertake to promote and develop this.

The capabilities of all internal and external partners will be promoted in our decision making and actions and simultaneously taken into account with the delegation of tasks, projects and goals.

**9. We will not tolerate discrimination**

We have respect for different cultures. In addition, we take the rights of each individual into account. Each of our partners will be dealt with on an equal footing. For this reason, we have established a working climate that is free from discrimination.

## 1. CONDUCT TOWARDS BUSINESS PARTNERS

A clear line must be drawn between the normal framework of a business relationship and private interests when dealing with business partners (clients, suppliers, banks, competitors, etc.) and representatives of official and state bodies.

CiS sets the highest standards in avoiding and fighting any form of corruption and adheres to respective applicable anti-corruption laws without reservation.

The offering, conferring, requesting or acceptance of money or valuables in connection with any and all business activities is strictly prohibited for CiS employees.

All business transactions must be fully and properly documented in agreement with statutory provisions and customer-specific requirements (e.g. tax and commercial obligations to retain annual accounts, accounting documents, business letters and contracts).

In all cases, business partners may contact our responsible managing director CFO, Mr. Dipl.-Betriebswirt Thomas Klaffke, +49 2151 – 378720 or [t.klaffke@cis.de](mailto:t.klaffke@cis.de), at the Krefeld company address. These queries will be processed neutrally and with strict confidentiality.

### 1.1 Conflicts of interest

CiS expects loyalty towards the company and its business partners from its employees. All employees must avoid situations where their personal or financial interests conflict with the interests of the company or the interests of the business partners. This also means that employees should not publicly state their private opinions in connection with their role in the company.

### 1.2 Offering and conferring gifts or other benefits

Benefits of any kind by CiS employees to business partners, their employees or other third parties in return for preferential treatment are strictly prohibited.

Payments and return payments (e.g. discounts) for contracting parties may only be paid on a contractual basis and to the business account of the business partner.

Courtesy gifts which to some extent are part of normal business practices should in any case be arranged so that the recipient does not have to conceal its acceptance and that they are not forced into a position of binding dependency. The accepted threshold value for tax-deductible operating expenses may serve as a guideline here. Gifts of higher value are always subject to the approval of a superior. The negative tax implications for CiS should also be taken into account.

Invitations (e.g. relating to hospitality or events) to business partners or their employees may only be made if they do not overstep the normal bounds of business.

### **1.3 Requesting or accepting gifts or other benefits**

Gifts or invitations by business partners are to some extent part of normal business practices. However, acceptance may lead to conflicts of interest and jeopardise the company's good reputation.

No employee may use their position or role in the company to request, accept or obtain personal advantages. The acceptance of occasional gifts of low value is permitted. The acceptance of gifts beyond this and other advantages granted for oneself and related persons must be communicated to a superior and requires their approval.

### **1.4 Representatives of official bodies, political donations, sponsorship**

Personal benefits of any kind shall not be offered to officeholders at home or abroad.

Exceptions include normal gestures of politeness such as hospitality or other allowances which have low, normal and appropriate value and which do not influence decisions relevant to business. Any kind of personal contribution like this requires approval from the superior. Bear in mind that the administrative regulations for the conduct of governmental bodies in this regard sometimes provide for different and very low values, meaning that the utmost restraint is generally advisable.

### **1.5 Rejections of business relations under certain conditions**

CiS does not enter into business relations with business partners that violate international human rights such as child labour, forced labour, gross breach of occupational safety measures, etc.

### **1.6 Expectations for our suppliers and business partners**

Our suppliers and business partners are particularly important in supporting the regulations of conduct mentioned. We expect all suppliers to share the value principles of CiS and to ensure compliance with ethical standards and statutory provisions. The basis for business relations is the strict adherence to the 10 principles of the "Global Compact" of the United Nations. These also form the basis for our values.

Procurement of primary products:

We expect our suppliers to act as a responsible social company in procuring primary products, components and raw materials. This also includes the fact that these procurements are not carried out in those regions where war and oppression are funded with the money from the extraction of raw materials. This includes in particular the materials tantalum, gold, tin and tungsten from the Congo region and neighbouring countries. We rely on your responsible conduct and assume in good faith that as our supplier, you will only use materials which do not come from this region even if a separate notice is not included in the delivery.

## **1.7 Trading controls**

In principle, CiS follows all export control and customs laws and regulations applicable to its business activities in the respective countries. Export control laws may apply in connection with direct or indirect exports from or imports to sanctioned countries or in connection with third parties against which, for example, there are allegations regarding national or international security or which are involved in illegal activities. Violations of these laws and regulations may lead to severe penalties such as fines and officially mandated exclusion from simplified import and export procedures (i.e. interruption of the seamless supply chain).

All employees involved with the import and export of goods as described above, are obligated to comply with all applicable economic sanctions, export controls and import laws and provisions.

## **2. CONDUCT TOWARDS EMPLOYEES**

We hold all of our employees in the same regard. Our company therefore stands out due to the fact that all of its employees are polite, fair and open to one another and treat one another with understanding, respect and tolerance.

Accordingly, we expect each of our employees to deal with colleagues and co-workers on all levels and in all areas of the company in an objective, friendly and fair manner. All managers and employees with leadership responsibility are obliged to live out this Code of Ethics and Conduct as a model for all employees.

### **2.1 Dealings with each other – discrimination**

No employee may be discriminated against, i.e. disadvantaged for no objective reason, based on his or her race, sex, age, nationality, ethnic origin, skin colour, political opinion, sexual orientation, religious conviction, social background, physical constitution or other personal characteristics.

We encourage all employees to generate an atmosphere of respectful cooperation where any kind of personal harassment is excluded.

This includes workplace bullying, unwanted sexual advances, unwanted physical contact, indecent propositions or a working environment poisoned by rude or hurtful comments or humiliation. We also encourage in particular stabilising friendships between our German, Czech, Polish and Romanian employees and consider ourselves a “CiS family”.

### **2.2 Occupational safety and health protection**

The health of our employees is our top priority. CiS guarantees occupational safety and health protection in all workplaces and fulfils all respective national provisions in this regard. The consumption of alcohol is prohibited and is not consumed directly before or during working hours as a matter of principle. Exceptions for special occasions (e.g. wedding, birth of a child,

major contract, etc.) require the consent of management, whereby statutory regulations shall be followed and the safety of employees and the company shall not be jeopardised. A glass for raising should be the standard here. It goes without saying that smoking is prohibited in all areas. All technical devices, machinery and plant, alarm and fire systems, defibrillators, etc., are monitored for your technical safety. All CiS employees are encouraged to actively cooperate in the continuous improvement of occupational safety and health protection.

### **2.3 Dealing with internal knowledge**

CiS employees communicate openly with one another and exchange information as a matter of course.

Knowledge relevant to the activity must not be unduly withheld, falsified or passed on selectively. Information should be passed on to other departments properly and in full, always provided that there are no other priority interests (e.g. secrecy).

### **2.4 Environment**

The careful use of ecological resources will be a factor at all times in our actions and decisions. With the introduction of active environmental management, CiS ensures that the effect on the environment and the conservation of resources will be as effective and as reasonable as possible. CiS has the energy efficiency of specialist companies checked from time to time in order to uncover and tap any potential for optimisation. CiS also participates in the environmental initiative "Welt-Wald-Klima" by the "Senate of Economy" and encourages CO2 reduction by supporting global reforestation. ([www.senat-deutschland.de](http://www.senat-deutschland.de)) CiS electronic GmbH has been climate-neutral on all its sites in Germany since July 2012. (See [www.cis.de](http://www.cis.de))

## **3. CONDUCT TOWARDS THE COMPANY**

The commitment to integrity is also reflected in our daily business practice.

CiS employees are loyal and always treat the company's assets in a careful, responsible, economical, environmentally friendly and legally compliant manner. Each employee is responsible for the quality and performance of his work and is also aware of the fact that human life may depend on the quality of our products. Employees are obligated to report any irregularities discovered or grievances that they may have internally within the company or, if necessary, to contact our ombudsman in order to address these. Public denunciations, such as in social media, are undesirable.

### **3.1 Company property**

Each employee will ensure that the property of CiS and the property of our clients and business partners entrusted to us will be protected against damage, loss, theft or misuse. It goes without

saying that one should not look away when this rule is disregarded but rather one should actively step in with moral courage and flag up any breaches.

The private use of company property, including work services, equipment, buildings and other assets is prohibited – unless permitted by special agreements. Company facilities and property also may not be removed from the company's premises without the express permission of the responsible body within the company.

Intellectual property is also a valuable asset which we protect from unauthorised use and disclosure. This includes business secrets, confidential information, copyrights, trademarks, logos and client lists, business opportunities and product specifications. Protection applies irrespective of whether the intellectual property is owned by CiS, affiliated companies or business partners.

Each employee respects the protection rights of third parties in force and shall not use them without authorisation. No employee may acquire or use secrets of a business partner and/or other third party without authorisation.

### **3.2 Confidentiality**

CiS employees will protect all operating and business secrets from being disclosed to unauthorised persons. This applies both for the duration of the employment relationship and after termination of the employment relationship. This also includes internal company interests as well as any information on CiS clients and their business secrets.

Internal and external information are subject to the protection of absolute secrecy. The only exception to this is information already accessible to the public or to third parties or which is requested by official bodies.

In the event of conflicts of interest within the company, we avoid any negative external impact. We will maintain absolute silence towards third parties and seek an internal solution. The company's interests and trusting interaction in terms of business relations with clients, business partners and the public must not be harmed under any circumstances.

### **3.3 Communication with the public and the media**

Company data and information will be disclosed to the public and the media exclusively by the CEO Managing Director, or with his approval.

This includes financial data, information on accidents and crises, mergers and takeovers or staff changes in the management structure. Business-related information exchanged directly with individual business partners, authorities, banks, auditors, etc. should be communicated carefully by expressly authorised employees.

The COO Managing Director may be responsible for product and marketing information.

Irrespective of whether the statements can be interpreted positively or negatively for CiS, approval should be sought for individual employees to state their opinions relating to the

company to the media. Each employee shall ensure that they are fair in their dealings with colleagues and the company in private and on social media. Defamatory or slanderous statements are forbidden and damage our ethical values.

### **3.4 Data protection**

We collect, process and use personal data only to the extent necessary for specified, explicit and legitimate purposes.

At CiS we take measures to protect data that the company receives from employees, business partners and clients. Our measures, safety concepts and processes are monitored and audited by a neutral data protection supervisor.

The use of data must be clear to the person concerned. Their rights to information and correction, as well as to revocation, blockage and deletion, if necessary, shall be protected.

An essential component of data security is the internal CiS guidelines which regulate in detail the way the respective communication systems (IT systems, email, Internet, intranet) will be handled. These regulations are binding for all employees.

## **4. APPLICATION, COMPLIANCE WITH AND IMPLEMENTATION OF THE CODE OF ETHICS and CONDUCT**

With our Code of Ethics and Conduct we are committed to our ethical basic principles. At the heart of our company values lies the honest, direct and fair interaction with our employees and clients. We are friendly to the environment and use raw materials and energy economically. It contains standards that are binding for each employee in the CiS group. It should also help to overcome legal and ethical challenges in daily work, create a sense of direction and thus further increase trust in the company's performance and integrity.

There are no alternatives to personal integrity and sound judgement. Each employee that finds himself faced with a difficult situation should ask himself the following questions:

- Is my action or decision legal?
- Does the action serve the economic goals and strategies of CiS?
- Does it match our values, our concept of quality and meet our guidelines?
- Is it right objectively and free of personal interests?
- Does my action or decision stand up to scrutiny?
- Does my action or decision protect the reputation of CiS as a company with high ethical standards?

If all questions can be answered with "yes" then the action or decision is correct in our opinion and meets the preceding guidelines of the Code of Conduct.

#### 4.1 Maintenance of the Code of Ethics and Conduct and questions

The Code of Ethics and Conduct will be handed over to management, especially the executives and department managers of the CiS group and can be viewed in its current version on the intranet and on our homepage. It is the task of each manager to ensure that the employees entrusted to them receive a personal copy of the Code of Conduct, and know and follow its contents. Newly appointed employees will receive sufficient training during the probation period and this will be documented in the personnel files until the end of the probation period. If there are any questions or uncertainties regarding proper conduct, each employee may confidentially contact our works council, their superior or the competent CSR officer Ms. Doris Wöllner in her role as ombudsman [Ombudsmann@cis.de](mailto:Ombudsmann@cis.de), or the company address in Krefeld, Czech or Romania. In principle, the respective manager is responsible for compliance with our regulations in their area of responsibility.

#### 4.2 Violations and sanctions

Violations of the Code of Conduct may result in consequences for the employment relationship and its continuation as well as in claims for damages. Each employee can be sure that comments pertaining to violations are conducive to our value concept and are not detrimental to them personally.

### 5. Attachment: The Ten Principles of Global Compact

With its Code of Conduct, CiS supports the ten principles of the United Nations' Global Compact:

The UN Global Compact's ten principles in the areas of human rights, labour standards, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights,
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work,
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

#### Human Rights

- Principle 01: Businesses should support and respect the protection of internationally proclaimed human rights
- Principle 02: make sure that they are not complicit in human rights abuses.

#### Labour standards

- Principle 03: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 04: The elimination of all forms of forced and compulsory labour.
- Principle 05: The effective abolition of child labour.

- Principle 06: The elimination of discrimination in respect of employment and occupation.

#### Environmental protection

- Principle 07: Businesses should support a precautionary approach to environmental challenges.
- Principle 08: Undertake initiatives to promote greater environmental responsibility.
- Principle 09: Encourage the development and diffusion of environmentally friendly technologies.
- Anti-Corruption
- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



The Management

January 2021