

PARAT®

CODE OF CONDUCT

SUPPORTS YOU IN YOUR DAILY WORK.

PREAMBLE

PARAT[®]

DEAR EMPLOYEES,

We all make an important contribution to the success of PARAT through our individual actions. Only if we work together every day and do our very best, we can achieve our goals and be successful in international business. This also means that we show ourselves in our best light at any time. We strive to be a reliable, trusted and upright partner to our customers, business partners, colleagues and to the general public. We can only gain and keep their trust, if we take responsibility for our actions. It is therefore a logical consequence for us that we comply with applicable laws, respect ethical values and act sustainably - anywhere anytime. This is our social responsibility that each of us must assume - both management and every single staff member.

This Code of Conduct supports our efforts to provide binding guidelines and describe how to handle critical situations in our everyday business using examples. In common with our corporate values such as customer focus, integrity, mutual respect, team spirit, and determination as well as further guidelines derived in this way, this Code of Conduct is thus forming the framework within which we operated each day.

For this reason, you should familiarize yourself with the content in this Code of Conduct and observe it at all times without exception in your day-to-day activities. Talk about the examples given with your colleagues and do not hesitate to contact the relevant contact person in case of doubts and questions or turn to the authorized, external ombudsperson.

Let us act together in complete responsibility for our society and be an example for the next generation.

Bertram Göb
Managing Director

Christian Wimmer
Managing Director

PARAT[®]

CONTENT

DER CODE OF CONDUCT

Please read carefully.

Version 1.0

Valid from 01.07.2023

PARAT[®]

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OUR GOAL?

BE THE BEST TOGETHER!

CUSTOMER ORIENTATION

WE SOLVE THE PROBLEMS OF OUR CUSTOMERS.

The principal objective within our company is to continuously deliver products of outstanding quality to our customers. Only satisfied customers form a strong foundation for the economic success of a company. We, therefore, have closely linked our quality policy to our principle of putting the customer first.

INTEGRITY

We become role models through proper action:
We keep our promises.
We are accountable for our actions.
We comply with all laws and compliance standards.

TEAM SPIRIT

We are a strong team.
We are joining forces to reach first place.
We will stand together, we will win or lose together.
We are setting ourselves a challenge to improve still further.

DETERMINATION

We grow beyond ourselves.
We provide solutions to the challenges we face.
We take the next step with commitment and motivation.
We learn from our mistakes.

RESPECT

We assume social responsibility through our actions.
We respect every individual and foster a responsible approach towards environment.
We treat others as we would wish to be treated.
We value listening and strive to comprehend each other's viewpoints.

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OUR RESPONSIBILITY TOWARDS COMPLIANCE

One decisive factor for the success of our company is that all of us, from Managing Board to each individual member of staff, must act with honesty and integrity and in an ethical manner. This also means that our internal and external reporting and communications must be truthful, comprehensive and timely.

Our shared goal is to fulfil our responsibility to our company and to protect the reputation of our corporate brand. In keeping with our commitment to sustainability, we are well aware of our responsibility with regard to the economic, social and environmental impact that our business activities may have. This also includes that we all must follow and adhere to our organization's policies, at any time or place. Our Managing Directors bear a very special responsibility in this context: They are role models for their team and must prevent non-compliant behavior within the company, protect all employees and present the company with integrity to the inside and outside. The present behavioral guidelines (Code of Conduct) will help us by highlighting potential areas of risk and conflict and their link to our company and illustrating them with examples.

The contents in this CODE OF CONDUCT are grouped under three basic headings:

1. OUR RESPONSIBILITY AS A MEMBER OF SOCIETY
2. OUR RESPONSIBILITY AS A BUSINESS PARTNER
3. OUR RESPONSIBILITY IN THE WORKPLACE
4. HELP AND CONTACT

OUR RESPONSIBILITY TOWARDS COMPLIANCE

This Code of Conduct exclusively serves as a binding guideline in our day-to-day business. It is supplemented by internal guidelines and provisions in employment contracts. It also goes without saying that we all comply with national and international statutory provisions. This also implies that we will not engage in activities that may base on fraud, blackmail, embezzlement, theft, defalcation or any other deliberate damage to the assets of our customers or any third party.

Non-compliance with this Code of Conduct may result in considerable damage, not only to our enterprise, but also to us as staff members as well as business partner and further stakeholders. This is why the Code of Conduct is binding on all of us, irrespective of whether our role is that of a staff member or a managing director. We will not tolerate violations of this Code of Conduct. Anyone who violates this Code of Conduct, must expect appropriate consequences which - depending on the seriousness of the violation - can range from actions under labor law or claims for damages under civil law through penalties under criminal law.

To make sure that does not happen, it is up to each and everyone of us to familiarize ourselves with the contents of this Code of Conduct, to integrate it into our own behavior, and to bear this Code of Conduct in mind whenever making decisions. In order to provide our employees with a fair opportunity to report any legal violations, we have enlisted the assistance of an external ombudsperson who can receive reports from our employees anonymously. Our employees can report any violations they know or believe to be true without fear of retaliation.

#1

OUR RESPONSIBI- LITY AS A MEMBER OF SOCIETY

Being conscious of our social responsibilities, we observe and comply with the law as a matter of course. In all our social decision-making processes, we have a duty to observe the law under which we operate. Every PARAT employee must be aware of their social responsibility, particularly as regards the well-being of people and the environment, and ensure that our company contributes to sustainable development.

PARAT's corporate responsibility specifically gives rise to the guidelines that follow:

PARAT[®]

EQUAL OPPORTUNITIES FOR EVERYONE



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1.1 OUR RESPONSIBILITY HUMAN RIGHTS

The Universal Declaration of Human Rights by the United Nations and the European Convention for the Protection of Human Rights and Fundamental Freedoms state what is required and expected of the international community when it comes to observing and expecting human rights.

CORPORATE PRINCIPLE

We respect, protect and promote all legislation in force to protect human rights and children's rights (hereinafter referred to as human rights) as a fundamental and general requirement throughout the world. We reject any form of child labor and forced or compulsory labor as well as all forms of modern slavery and human trafficking. This applies not only to cooperation within our company but also as a matter of course to the conduct of and toward business partners.

MY OWN CONTRIBUTION

As an employee, I can also make an active contribution to respecting human rights. I regard human rights as a fundamental guideline and I am vigilant against human rights abuse happening around me. If I have concerns about human rights abuse in my professional surroundings, I try to prevent it and/or stop it. If necessary, I'll inform my superior, the managing board or the authorized, external ombudsperson on these matters.

EXAMPLE

You are responsible for purchasing specific goods. You receive information that a supplier with which you do business uses children in their production process, or that employees are made to work in inhuman conditions (e.g. exposed to health-endangering risks).

Immediately take the necessary steps and inform your superior and the units responsible for sustainability in supplier relations. Our enterprise must examine business relations with this business partner more closely and break them off, if necessary.

1.2 OUR RESPONSIBILITY EQUAL OPPORTUNITY & EQUAL TREATMENT

Equal opportunity and equal treatment are key cornerstones of a fair, unprejudiced and open approach. PARAT encourages respectful cooperation in a spirit of partnership, diversity and tolerance. That is how we achieve a maximum degree of productivity, competitive and innovative capability, creativity and efficiency.

CORPORATE PRINCIPLE

We offer equal opportunities for everyone. We do not discriminate and do not tolerate discrimination on the grounds of national or ethnic origin, gender, religion, views, age, disability, sexual orientation, skin color, political opinion, social background or any other characteristics protected by law. We embrace diversity, we actively promote inclusion and create an environment that encourages each employee's individuality in the interests of the company. As a matter of principle, our employees are chosen, hired and supported based on their qualifications and skills.

MY OWN CONTRIBUTION

I observe the principles of equal opportunity and equal treatment and encourage people around me to do the same. If I see the principles of equal opportunity and equal treatment being contravened (e.g. through discrimination, harassment and bullying), I make the persons involved aware of their misconduct. If I am not in a position to influence the events directly, I will notify my line manager, the managing board or the authorized, external ombudsperson of the incident.

EXAMPLE

You find out from a colleague who is a friend of yours that an applicant had been rejected in the department due to his/her national identity, although he/she was the best suited for the post applied for.

Help clarify the situation by reporting the case in order to enable the necessary steps to be taken.

1.3 OUR RESPONSIBILITY PRODUCT CONFORMITY & PRODUCT SAFETY

Countless people come into contact with our products and services on a daily basis. PARAT is responsible for ruling out, to the extent possible, any risks, detrimental effects or hazards to the health, safety, environment and assets of our customers or any third party that could arise when handling and using these products and services.

CORPORATE PRINCIPLE

For that reason, it is not only a duty under law but also our mission to comply with all statutory and official provisions as well as internal standards that apply to our products. Our products incorporate the current state of engineering and are developed in accordance with legal requirements. This is monitored continuously and systematically through our processes and structures, as well as through product surveillance under real field conditions. We guarantee that suitable measures can be taken in good time whenever discrepancies occur.

MY OWN CONTRIBUTION

Stelle ich fest oder habe ich Bedenken, dass möglicherweise von unseren Produkten Gefahren ausgehen oder Vorschriften nicht eingehalten werden, wirke ich dem entgegen. Ich melde den Fall meinem Vorgesetzten und den entsprechenden Stellen im Unternehmen, beispielsweise dem Ansprechpartner für Qualitätssicherung oder Produktmanagement.

EXAMPLE

A customer reports a damage to a tool case delivered. You are not sure whether the damage is a result of a production fault or failure or due to a mistake by the customer's part or caused during transport.

Raise the issue. It must be ensured that PARAT will solve a problem for which it is responsible. Even improper handling by the customer may require the company to respond (e.g. by improving the outer packaging and packaging management).

ENVIRONMENTAL SAFETY & SUSTAINABILITY



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1.4 OUR RESPONSIBILITY ENVIRONMENT P ROTECTION

PARAT is a global provider of innovative and sustainable storage solutions. In this context, the company is aware of its special responsibility towards the environment.

CORPORATE PRINCIPLE

As a commercial enterprise, we bear responsibility for the environmental compatibility and sustainability of our products, sites and services. We focus on environmentally friendly, advanced and efficient technologies. We are a responsible member of society. In this context, we seek dialogue to shape a development process that will bring sustainable ecological benefits.

MY OWN CONTRIBUTION

Within the scope of my employment, I take account of the interests pertaining to the protection of the environment and use resources and energy in an expedient and economical way. I ensure that the potential negative impact of my activities on the environment is reduced as far as possible.

EXAMPLE

I have noticed that there is a leak in a container and liquid is escaping into the environment.

Immediately report the issue to one of the employees responsible and draw attention to the problem. Do not rely on somebody else reporting the leak.

1.5 DONATIONS, SPONSORSHIPS AND CHARITY

PARAT makes donations (contributions on a voluntary basis with no expectation of a consideration in return) and grants sponsorship monies (contributions made on a contractually agreed consideration) with the objective to positively shape our reputation and public perception. In order to avoid conflicts of interest and to ensure standard conduct within the company, the granting of donations and sponsoring measures is only permitted in the context of the respective legal framework and in accordance with PARAT's applicable internal rules.

CORPORATE PRINCIPLE

We make monetary or product donations to support science, education, society and culture. Furthermore, sponsoring measures are allowed in the sectors economy and sports. Donations and sponsoring measures are only granted in accordance with a transparent approval process.

MY OWN CONTRIBUTION

If I consider a particular sponsorship measure is definitely worth supporting, I make initial contact with the Managing Board. The granting of donations must be transparent at all times, that means, the purpose, the recipient of donations, and the donation receipt issued must be documented and verifiable. I adhere to the internal processes and initiate no donations that could bring about damage to our company's reputation.

SOCIAL COMMITMENT TO THE PUBLIC



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TRANSPARENT & RESPECTFUL INTER- ACTION



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1.6 OUR RESPONSIBILITY COMMUNICATION & MARKETING

PARAT believes it is important to communicate clearly and openly with employees, business partners and investors, the media and other stakeholders using honest and lawful means. Every member of our staff has the responsibility to practice a respectful and polite communication, both internally and externally, in order to ensure that we present a unified and consistent image of the company. To do this, each and every employee recognizes the achievements of those they engage with and respects their professional and personal standing.

CORPORATE PRINCIPLE

In order to maintain the confidence of customers, investors and other stakeholders, we take care of a consistent and clear communication.

MY OWN CONTRIBUTION

I do not issue any public statement for my company and always refer any requests in this context to the marketing department. If I make any comments at public, trade, cultural events or on the internet, I make it clear that I am voicing solely my own personal opinion. I consult the marketing department for advice on proper conduct in social networks.

EXAMPLE

You read a comment on the Internet from someone who is discriminating against a colleague, but you know exactly that the points raised are entirely unfounded.

Even if you would like to correct the misrepresentation straightaway, contact the marketing department first, because they are in a position to respond appropriately and comprehensively to this comment.

1.7 OUR RESPONSIBILITY POLITICAL REPRESENTA- TION OF INTERESTS

Politics and legislation exert an influence on economic framework for economic action. PARAT's participation in commercial trade means that it also has an impact on society and can specifically promote its interests during decision-making processes (such as those for legislation plans) in the context of political interest groups (political lobbying).

POLITICS AND LEGISLATION

We undertake lobbying activities centrally and stick to the principles of openness, accountability and responsibility. Neutrality with regard to our interactions with political parties and interest groups is a matter of course. Dishonestly influencing policymakers and government is not permitted.

MY OWN CONTRIBUTION

I do not attempt to intervene in political decisions on behalf of the company if I am not authorized to do so. In case I am authorized to do so, I observe the relevant internal guidelines in the performance of my duties.

EXAMPLE

An acquaintance of yours is member of parliament. You know that a legislation proposal that is important for PARAT is currently being discussed in the parliament. You contemplate the idea of contacting your acquaintance to explain the company's interest in connection with this draft decision.

Do not approach your acquaintance about this issue. Political lobbying at PARAT is exclusively coordinated centrally and conducted openly and transparently. The appropriate point of contact for such lobbying action is the management board.

NEUTRAL PARTICIPATION IN POLITICAL DECISION-MAKING



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#2

WE AS A BUSINESS PARTNER

Integrity, transparency and fairness are key to creating credibility and trust in business practice. That is why PARAT sets particularly great store by systematically implementing its legal framework, the corporate policies and values, and by communicating them clearly. This also includes that we distribute our products and services exclusively through our authorized distribution channels.

PARAT's corporate responsibility as a business partner specifically gives rise to the guidelines that follow:

PARAT®

2.1 OUR RESPONSIBILITY CONFLICTS OF INTEREST

There is a potential conflict of interest if the private interests of a PARAT employee clash or could clash with PARAT's interests. Such a conflict of interest may particularly arise as a result of secondary employment. If employees place their personal interests above those of the company, it could damage PARAT.

POLITICS AND LEGISLATION

We respect the personal interests and the private lives of our colleagues. However, we also attach great importance to avoid any conflict between private and business interests, or even the appearance of such a conflict.

We make decisions solely on objective criteria and do not allow ourselves to be swayed by personal interests or relations.

MY OWN CONTRIBUTION

I avoid even the appearance of any conflict of interest and disclose any apparent or actual conflicts of interest to my superior. We jointly seek a solution that is not detrimental to the company's interests.

EXAMPLE

Your boss asks you to review bids from several suppliers of operational materials. You notice that one of the most favorable bids is from the company of a good friend.

Help to clarify this issue and inform your superior, pointing out a possible conflict of interest. Coordinate with your superior how to proceed further and contact the management board or the authorized, external ombudsperson, if need be.

2.2 GIFTS, HOSPITALITY AND INVITATIONS

Benefits in the form of gifts, hospitality and invitations are prevalent in business relationships. These benefits are not a cause for concern as long as they are within reason and do not contravene any internal or statutory rules. However, if such benefits exceed what is reasonable and are misused to influence third parties, this may constitute a criminal offence.

POLITICS AND LEGISLATION

Internal regulations has been set out on handling gifts, hospitality and invitations to events and what benefits are considered to be appropriate, as well as the steps to be taken when accepting and granting benefits.

MY OWN CONTRIBUTION

I familiarize myself with the guiding principles on handling gifts, hospitality and invitations, and strictly abide by them. I check my conduct in this regard to see whether there may be any conflicts of interest or whether any could arise.

EXAMPLE

A supplier's employee gives you a valuable birthday gift that you are probably not permitted to accept under the relevant policies.

Even if you are sure that the acceptance of such gift does not affect business relationships with the supplier, you are not permitted to disregard the corporate policies applicable on handling gifts, hospitality and invitations to events. Do not accept a gift if in doubt about its appropriateness. If you are concerned that rejecting the gift could be misconstrued, contact your superior and agree on a solution with him/her. Please contact the management board or the authorized, external ombudsperson if you have any questions.

2.3 OUR RESPONSIBILITY PROHIBITION OF CORRUPTION

Corruption is a serious problem in commercial trade. It produces decisions based on improper grounds, prevents progress and innovation as well as distorting competition and damaging society. Corruption is a criminal offense. It may entail financial penalties for PARAT and may have consequences under criminal, civil and labor law for the employees involved.

POLITICS AND LEGISLATION

Product and service quality provided is the key to our success. We will not tolerate corruption. We may only grant benefits to business partners, customers or other external third parties under the legally permissible conditions and in line with the rules laid down in the relevant corporate policies.

MY OWN CONTRIBUTION

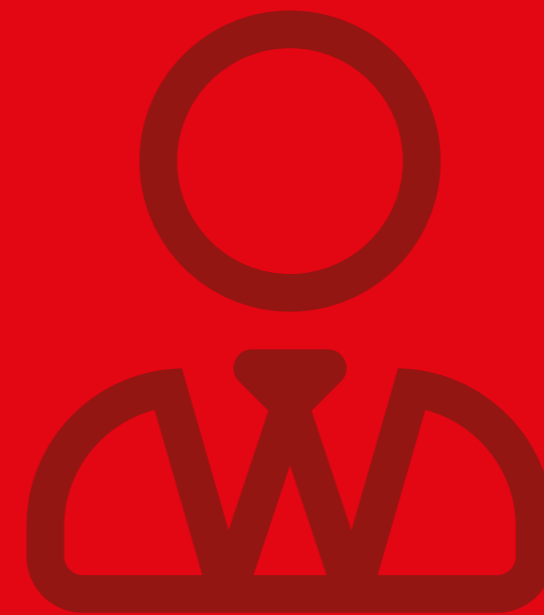
I do under no circumstance bribe other persons and I never accept a bribe, either directly or indirectly. I inform myself independently about PARAT's corporate policies before I give or accept a gift, issue or accept invitations, or offer or receive hospitality. If I receive any corruption-related tip-offs, I immediately inform my superior, the management board or the authorized, external ombudsperson.

EXAMPLE

You are responsible for sales at PARAT and would like to outstrip this year's revenue target. You prepare a bid for a major contract where a potential customer has issued a call for tender. The decision maker responsible at the customer office offers to influence award of the contract in PARAT's favor against an appropriate consideration.

The customer's demand constitutes corrupt behavior. Inform your superior, the management board or the authorized, external ombudsperson immediately.

OUR RESPONSIBILITY AS A BUSINESS PARTNER



PARAT®

2.4 OUR RESPONSIBILITY OFFICES AND AUTHORITIES

Special legal requirements do very often apply to the dealing with office bearers, members of parliaments and other public bodies, whereby individual breaches may have serious consequences and may bar PARAT from public contract awards for good

POLITICS AND LEGISLATION

Our contacts with office bearers and members of parliament adhere strictly to all applicable laws and regulations as well as internal guidelines for avoidance of conflicts of interest and corruption. Furthermore, we do not make any 'facilitation payments', that means sums paid to office bearers, that may accelerate routine administration actions.

MY OWN CONTRIBUTION

I am aware that particularly strict rules apply when dealing with public contract awarders, and I obtain thorough information about them. If I have any questions, I address my superior, the managing board or the authorized, external ombudsperson.

EXAMPLE

You have learned that an authority is planning to launch a major public tender. You consider phoning the authority employee responsible for the solicitation, whom you know from a previous project, and asking him to design the solicitation in such a way that it fits PARAT to ensure that PARAT wins the contract.

Please abandon your plans in any case. Exerting this type of influence would be illegal.

2.5 DEALINGS WITH CONSULTANTS AND AGENTS

When initiating and/or conducting its sales-based business dealings, PARAT commissions external consultants in some areas of the business who act in a sales support capacity in the interests of or by order of PARAT in various ways. However, there is no guarantee that these consultants will follow the same high ethical principles of conduct that PARAT itself does because they are not part of the company. In order to rule out the risk of the remuneration paid by PARAT being used as corruption funds insofar as possible, care must be taken when using consultants. Legal violations by these types of consultants can also damage PARAT's reputation and even lead to the company being liable to third parties as well as very high penalties.

POLITICS AND LEGISLATION

PARAT only uses consultants in line with general statutory rules and the provisions of the corporate policy on engaging business partners with an intermediary and/or representation function. This ensures that remuneration is only paid for consulting and agency services that are actually rendered and that the payments are commensurate with the performance rendered.

MY OWN CONTRIBUTION

I check the integrity of potential consultants and agents carefully before issuing instructions and executing payments and proceed in line with the corporate policy on engaging business partners with an intermediary and/or representation function. I ensure that the contracts for which I am responsible stand up to legal and business scrutiny, even with regard to comparable contracts with other agents.

EXAMPLE

PARAT takes part in a public solicitation for bids. An agent approaches you and informs you that he/she can make sure that the contract will be awarded to PARAT in exchange for an additional agency fee.

You may be liable to prosecution if you approve the additional agency fee and the agent uses this fee as a bribe to ensure that PARAT is awarded the contract. In order to rule out this risk, you must check the integrity of the agent using the rules laid down in the corporate policies on engaging business partners with an intermediary and/or representation function.

2.6 OUR RESPONSIBILITY MONEY LAUNDERING AND TERRORISM FINANCING

In almost all country in the world exist laws to prevent money laundering and terrorism financing. Money laundering occurs when funds or other assets originating directly or indirectly from criminal offenses are put into circulation in the legal economy, making their source appear legal. Terrorism financing occurs when money or other resources are transferred to commit criminal acts of terrorism or to support terrorist organizations. Liability for money laundering does not require the person involved to be aware that money is being laundered through the legal transaction concerned or the transfer concerned. Even unintentional involvement in money laundering may already be sufficient grounds for serious penalties for everyone involved.

POLITICS AND LEGISLATION

We carefully verify the identity of all our customers, business partner and other third parties with whom we intend to do business. It is our declared aim to only conduct business relationships with reputable business partners operating in line with legal provisions and using funds from legitimate sources. Incoming payments must be assigned to the corresponding services and posted accordingly without delay. We ensure transparent and open cash flows.

MY OWN CONTRIBUTION

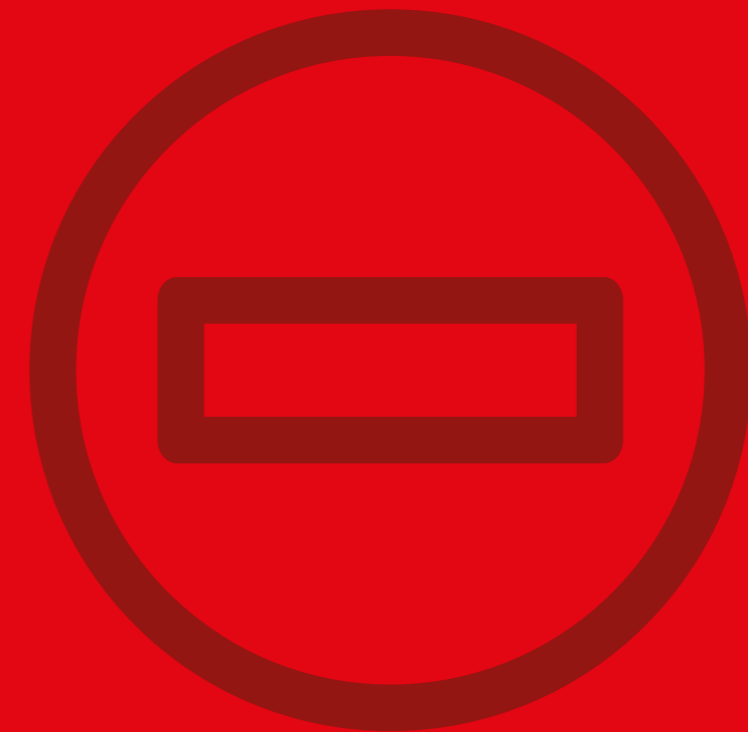
I adopt no measures whatsoever that could infringe domestic or foreign money laundering regulations. I am alert and investigate the suspicious conduct on the part of customers, business partners or other third parties. If any such evidence exists that provide sufficient grounds for suspicion, I immediately address my superior, the management boards or the authorized, external ombudsperson. I follow all accounting and record-keeping requirements applicable in connection with transactions and contracts within my area of responsibility in the accounting system.

EXAMPLE

One of PARAT's customers has overpaid and asks for the excess amount to be repaid by transferring it to an account held in Switzerland or by paying it in cash instead of via bank transfer to the original business account.

Such request requires explanation. Do not accept the suggestion readily, instead, ask the customer why the amount cannot be repaid in the same way it was originally paid. Seek advice from your superior before acting or address the managing board or authorized, external ombudsperson.

BAN ON MONEY LAUNDERING & TERRORIST FINANCING



PARAT®

TRANSPARENCY & CORRECTNESS



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2.7 OUR RESPONSIBILITY ACCOUNTING & FINAN- CIAL REPORTING

PARAT can only build and retain the trust of the general public, shareholders and contract partners through proper accounting and correct financial reporting. Any irregularities may have serious consequences for the company as well as for those responsible.

POLITICS AND LEGISLATION

We strictly adhere to the legal framework for proper accounting and financial reporting. Transparency and correctness are our ultimate ambitions in this respect. With this in mind, we keep all capital market players regularly informed on the current financial position as well as business development. We punctually publish our period-end closures, which are prepared in accordance with national accounting rules and principles.

MY OWN CONTRIBUTION

In my area of responsibility, I organize processes in such way that all financial data can be entered into the accounting system correctly and promptly. If I have any questions about the correct recording of data, I contact my superior or the appropriate finance department.

EXAMPLE

You urgently need new equipment. However, the budget in your department for the current fiscal year has already been used up. You consider acquiring the equipment nevertheless and posting the costs in the next fiscal year when your budget is replenished.

Please refrain from such action. Entries must always be posted according to the cost-by-cause principle. Posting entries inaccurately may have serious consequences for the company or individual employees.

2.8 OUR RESPONSIBILITY TAXES & CUSTOMS

As a result of our global activities and when opening up new markets, we have to meet a raft of statutory requirements relating to foreign trade, tax and customs legislation. Following all tax and customs regulations builds trust with customers, financial authorities, and the general public. Any irregularities can cause significant financial damage for PARAT, also seriously impacting the company's reputation and having negative consequences for the employees responsible as well.

POLITICS AND LEGISLATION

We are aware of our social responsibility to meet our obligations with regard to taxes and customs, and we explicitly pledge to uphold national and international laws and regulations.

MY OWN CONTRIBUTION

Within my area of responsibility, I set up internal structures and processes in such a manner as to ensure that the taxes and customs to be paid by the respective group companies are calculated correctly, promptly and in full, are disclosed in reporting and are paid to the appropriate fiscal authorities. If I have information concerning the possible infringement of tax and customs regulations in my professional environment, I take every chance to prevent or stop this infringement. If that is not possible, I address the competent contact person for taxation and customs.

EXAMPLE

You are the responsible person for entering certain business transactions, such as general overheads (maintenance expenses) and manufacturing costs, in the statutory financial statements. A project exceeds certain controlling parameters early in the financial year. This is why you are instructed to make an entry under maintenance expenses even though the transaction unquestionably relates to an investment and must therefore be treated as capitalized production costs.

In any case, post the costs in line with legal regulations. All business transactions must be recorded according to statutory commercial and tax regulations for accounting because these accounting records form the basis for tax returns. Errors in accounting may lead to faulty tax statements and serious consequences in the context of tax and customs law both for the company and the responsible employees.

COMPLYING WITH REGULATIONS



PARAT®

PROTECTION OF ETHICAL PRINCIPLES



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2.9 FAIR AND FREE COMPETITION

Fair and free competition is protected by competition and antitrust legislation. Complying with this regulation ensures that competition on the market is not distorted - which is to the benefit of all market players. In particular, agreements and concerted practices which have as their object or effect the prevention or restriction of competition are prohibited. Abusing a dominant market position is also inadmissible. Such abuse can, for example, take the form of treating customers differently for no objective reason (discrimination), refusal to supply, imposing unreasonable purchase or selling prices and conditions or unjustified tie-in arrangement for the requested additional service. Anti-competitive conduct has the potential not only to significantly damage PARAT's good reputation, but also to incur severe fines and penalties.

POLITICS AND LEGISLATION

Our company businesses are conducted solely on the basis of merit and market economy principles as well as free and unhindered competition. We like to measure ourselves against our competitors, always abiding by rules and regulations as well as observing ethical principles. We do not enter into any anti-competitive agreements with competitors, suppliers or customers. Should PARAT attain a dominant market position, we do not abuse it. When dealing with our authorized distribution partners, we adhere to the specific antitrust provisions for distribution systems.

MY OWN CONTRIBUTION

Whenever I come into contact with competitors, I always ensure that no information is imparted or received that allows conclusion to be drawn about the informer's current or future business conduct. I consciously avoid conversation or any other contact with competitors about issues that are important among the competition. This includes, among others, prices, pricing, business plans, levels of development statuses or delivery deadlines.

EXAMPLE

You talk to a competitor's employee at a trade fair. After a while, you notice that he/she is trying to coax information about PARAT's business planning for the next fiscal year out of you. In return, he/she offers to divulge the same information about his/her company.

Make it unequivocally clear to the competitor's employee immediately that you will not talk to him/her about such issues. This type of conversation - apart from the unauthorized disclosure of business secrets - is also in breach of prevailing competition and anti-trust legislation and could have drastic consequences for you personally, for PARAT and

both the competitor's employee and his/her company. Immediately inform your superior, the managing board or the authorized, external ombudsperson and discuss the further course of action.

2.10 OUR RESPONSIBILITY PROCUREMENT

PARAT is bound by contract to a large number of suppliers and service providers in its business operations.

POLITICS AND LEGISLATION

We carefully select suppliers and service providers based on objective criteria. When purchasing products and services, we involve the purchasing department responsible.

MY OWN CONTRIBUTION

I do not favor a supplier or service provider one-sidedly with no objective reason and avoid any conflict of interest. I do not purchase any products or services without first having looked at the market and alternative suppliers.

EXAMPLE

It comes to your attention that a PARAT employee - contrary to the procurement policy in force - would like to commission a supplier without involving the responsible purchasing department.

Contact the responsible purchasing department or your superior, the managing board or authorized, external ombuds-person to ensure that the quote most-effective for the company has a chance.

STRONG EUROPEAN NETWORK



PARAT®

CROSS-BORDER ECONOMIC TRANSACTIONS



PARAT[®]

2.11 OUR RESPONSIBILITY EXPORT CONTROL

Cross-border economic transactions are subjected to prohibitions, restrictions, prior approval or other monitoring measures within the framework of export control. Not only goods, also technologies and software are subject to the provisions of export control law. Apart from export activities per se, export controls may also apply to the temporary cross-border transfer, e.g. carrying items and engineering drawings on business trips, as well as technical transmission processes, e.g. via email or cloud.

Regardless of any delivery process, any business with individuals or enterprises named in sanction lists is forbidden as a matter of principle.

POLITICS AND LEGISLATION

We comply with all provisions for importing and exporting goods, services and information.

MY OWN CONTRIBUTION

When making a decision concerning the import or export of products and services, I consciously examine whether this decision may fall under export control. If in doubt, I seek advice from the department responsible for customs and foreign trade regulation.

EXAMPLE

You receive an inquiry from a potential customer wishing to place an order with PARAT to supply products in a country probably subject to embargo.

Clarify the matter by asking the responsible department about export restrictions that apply to the country to be supplied (e.g. UN embargo) and do not conclude any contracts binding PARAT to export to such country until the issue has been fully clarified.

#3 WE AS AN EMPLOYER

It is in the very own interests of PARAT to protect the health and safety of each individual employee. The principle of protection and security also applies to employee and customer data as well as company-specific know-how and assets.

PARAT's corporate responsibility in the workplace specifically gives rise to the guidelines that follow:

PARAT[®]

3.1 OUR RESPONSIBILITY OCCUPATIONAL SAFETY & HEALTHCARE

PARAT takes its responsibility for the safety and health of its employees very seriously. Our top priority is to guarantee the safety and health of employees at work, in accordance with all relevant national laws and regulations.

POLITICS AND LEGISLATION

We preserve and promote the health, performance and job satisfaction of our employees through continuous improvements in the working environment and a raft of preventive healthcare and health promotion measures.

MY OWN CONTRIBUTION

I comply with the occupational health and safety rules. I never put the health and safety of my colleagues or business partners at risk. I take all appropriate and statutory precautions to ensure that my workplace always enables safe working. I make an active contribution to maintaining and promoting my health by voluntarily participating in preventive healthcare and health promotion measures.

EXAMPLE

You notice that a machine in your department obviously has an electronic fault.

Take the machine out of operation applying an "out of order" sign and notify the responsible superior. Repairing electrical equipment yourself is not permitted and could be dangerous.

3.2 OUR RESPONSIBILITY PERSONAL DATA PROTECTION

There are special statutory rules to protect privacy when dealing with personal data. As a general rule, collecting, storing, processing and other use of personal data require the consent of the person concerned, a contractual agreement or some other legal basis.

POLITICS AND LEGISLATION

We protect the personal data of employees, former employees, customers, suppliers and other affected parties. We collect, gather, process, use and store personal data strictly in accordance with legal provisions.

MY OWN CONTRIBUTION

I ensure that personal data is collected, stored, processed or used in any other way only with the consent of the person concerned, under a contractual agreement or on some other legal basis.

All data processing components must be secured in such a manner that the confidentiality, integrity, availability, verifiability and reliability of such sensitive data is guaranteed, and that unauthorized internal or external access is prevented. When in doubt, I contact my superior or the appropriate data protection officer or coordinator.

EXAMPLE

You have organized an event for PARAT with external participants and receive personal data from the participants for it. A colleague from the sales department asks you to pass the addresses on.

Do not pass this data on without consulting your superior or your data protection officer or coordinator. As a general rule, data may be used only for the purpose for which it was communicated.

INFORMATION, KNOW-HOW AND INTELLECTUAL PROPERTY



PARAT[®]

3.3 OUR RESPONSIBILITY IN THE WORKPLACE

PARAT holds nationally and internationally protected patents and also has extensive trade and business secrets in addition to technical know-how. This knowledge is the basis of our business success. Unauthorized transmission of such knowledge may lead to extremely high losses for PARAT and to consequences under labor, civil and criminal law for the employee concerned.

POLITICS AND LEGISLATION

We are aware of the value of our company's know-how and take great care to protect it. We respect the intellectual property of competitors, business partners and other third parties.

MY OWN CONTRIBUTION

I handle all PARAT information carefully and do not disclose it to unauthorized persons. I take particular care with regard to information relating to technical know-how, patents, and trade and business secrets.

EXAMPLE

You are involved in the development of an innovative technology. You are to present your development at third parties' sites and want to take your laptop, on which the relevant documents are saved, with you for presentation purposes. You intend to go over these documents again on the plane or train on the way to the individual sites.

Ensure that no one obtains knowledge of sensitive information belonging to PARAT, as this could lead to serious competitive disadvantages. Do not retrieve this type of information in places where third parties can access it or take note of it.

3.4 OUR RESPONSIBILITY IT SECURITY

Information technology (IT) and electronic data processing (EDP) have become an integral part of everyday life at PARAT, however, at the same time, they involve numerous risks. This particularly includes impairment of data processing as a result of malware (viruses), loss of data due to program errors, and data misuse (e.g. due to hackers).

POLITICS AND LEGISLATION

We respect IT and EDP security and abide by the applicable regulations.

MY OWN CONTRIBUTION

I familiarize myself with the applicable IT security regulations and observe the rules contained therein. I am aware that unencrypted data exchange (e.g. by email or USB stick) is not a secure means of communication.

EXAMPLE

You are out of the office and are given a USB stick in order to exchange a document at a meeting.

Use only PARAT data carriers or data exchange systems and proceed according to the guidelines for information classification. Arrange for the document to be e-mailed to you, for example. However, never open emails or attachments that appear to be suspicious or that come from unknown email addresses; this is the way to prevent malware from entering the company network.

3.5 HANDLING COMPANY ASSETS

PARAT's tangible and intangible assets serve to help our employees achieve our corporate business objectives and may be used within the framework of the corporate regulations only.

POLITICS AND LEGISLATION

We respect PARAT's tangible and intangible assets and do not use them for non-business purposes.

MY OWN CONTRIBUTION

I adhere to the company's rules and exercise care when handling company assets.

EXAMPLE

Your leisure club is planning a club party at the weekend. The organizing person asks whether you, as a PARAT employee, can organize appropriate products for the party.

PARAT products can generally be purchased by PARAT employees at market conditions. You cannot be given products produced by PARAT free of charge for private use, nor can such products be made available to third parties, unless approved by the managing board.

#4

PARAT IS ALWAYS AT YOUR SIDE

Our Management Board provides support in dealing with the Code of Conduct, if need be. In addition, voluntary commitments and principles are applicable for all persons active in the company.

We are able, within the framework of the corporate regulations in place, to direct any complaints to our superiors, to the management board, authorized, external ombudsperson or any other body responsible for those issues.

PARAT[®]

HELP & CONTACT

SUPPORT

Securing the future business of PARAT and its employees is based on a spirit of cooperative conflict management and social commitment on the basis of, and with the goal of, achieving economic and technological competitiveness. Economic efficiency and job security are equally important and common corporate objectives.

HELP & CONTACT

We ensure compliance with all provisions for importing and exporting goods, services and information. Our first point of contact is our superior for any questions and uncertainties concerning the Code of Conduct. In addition, every employee may trustfully approach the authorized representative of the executive management.

We may also address any internal body or respective department for any questions that could arise in this context.

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SELF-TEST FOR DECISION GUIDANCE

If at any time I am unsure whether my conduct is in accordance with PARAT's Code of Conduct, I should ask myself the following questions:

1. Did I take all relevant matters into consideration and weigh them properly when making a decision? (Content Test)
2. Am I confident that my decision is within the constraints of legal and company requirements? (Legality Test)
3. Do I stand by my decision when it is revealed? (Supervisor Test)
4. Am I in favor of all such cases being decided the same way company-wide? (Universality Test)
5. Do I still think my decision is right when my company has to justify it in public? (Public Test)
6. Would I accept my own decision if I were affected? (Involvement Test)
7. What would my family say about my decision? (Second Opinion)

If my answer to questions 1–6 is “yes” and the answer to question 7 is positive, my behavior is very likely to be compliant with our principles. If questions remain unanswered or if I have any doubts, I should get in touch with any of the points of contact listed in this document.

MOST UP-TO-DATE VERSION OF THE CODE OF CONDUCT:

For better readability, individuals are sometimes referred to using solely the masculine form in the latest version of the Code of Conduct. It goes without saying that in such instances, words importing the masculine gender shall equally include all other genders.

CODE OF CONDUCT

SUPPORTS YOU IN YOUR DAILY WORK.