



# Carling Technologies®

Innovative Designs. Powerful Solutions.

January 2021

## A Message from Our Chief Executive Officer

Our success as a company will be judged as much by the manner in which we conduct business as by our financial results or the products we deliver to our customers. To this end, Carling Technologies has adopted these Corporate Policies and Code of Conduct as a reaffirmation of our commitment to ethical conduct and fair dealing as cornerstones of our business. These policies reaffirm our commitment to full compliance with all laws and regulations governing our business, and our respect for international consensus regarding human rights and the environment.

The policies contained in the Code of Conduct cannot provide answers for every situation that may arise, but rather are intended to assist us in deciding the right course of conduct when confronted with difficult business situations and issues. Not every company policy or directive is contained in this document.

Each and every employee has a role to play in ensuring compliance with these policies, and employees in management positions have a special responsibility to foster an environment supportive of these policies. Please take the time to read and understand these policies, and if you have any questions don't hesitate to contact your manager, HR representative or the Legal Department.

Thank you for contributing to the legacy of integrity we enjoy at Carling Technologies.

Sincerely,

Richard Sorenson  
President



## Introduction

Our success as a company will be judged as much by the manner in which we conduct business as by our financial results or the products we deliver to our customers. To this end, the shareholders of Carling Technologies, Inc. and its subsidiaries (collectively, “Carling”) have approved this Corporate Policy Manual and Code of Conduct (this “Code” or the “Policies”), as a reaffirmation of our commitment to corporate social responsibility, ethical conduct and fair dealing as cornerstones of our business. This Code reaffirms our commitment to full compliance with all laws and regulations governing our business, and our respect for international consensus regarding human rights and the environment.

Carling Technologies is built upon a foundation of strong corporate values and business practices. We are fully committed to serving our customers and employing individuals with personal standards consistent those of our Company: integrity, professionalism and commitment to superior results. Our Corporate Policies and Code of Conduct are designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely, and understandable disclosure in reports and documents we file with regulatory agencies and in our other public communications;
- Compliance with applicable laws, rules, and regulations;
- The prompt internal reporting of violations of this Code; and
- Accountability for adherence to this Code.

The Code applies to all Directors, Officers, and employees of the Company and its subsidiaries. Agents and contractors of the Company are also expected to read, understand, and abide by this Code.

This Code should help guide the conduct of Carling’s employees in the course of our business. Many of the principles described in this Code are, however, general in nature, and the Code does not cover every situation that may arise. Use common sense and good judgment in applying this Code. If you have any questions about applying the Code, it is your responsibility to seek guidance. This Code is not the exclusive source of guidance and information regarding the conduct of our business. You should consult applicable policies and procedures in specific areas as they apply, including the RBA’s Code of Conduct and Operations Manual.

## I. Labor

Having a diverse workforce--made up of team members who bring a wide variety of skills, abilities, experiences and perspectives--is essential to our success. We are committed to the principles of equal employment opportunity, inclusion and respect. The seven standards set forth below establish the commitment of the Company to protect the human rights of workers, and to treat them with dignity and respect. These standards apply to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The labor standards are:

### A) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility or on entering or exiting company-provided facilities including worker dormitories or living quarters. As part of the hiring process, workers must be provided with a written document in their native language that contains a description of terms and conditions of employment prior to the worker departing from his or her country of origin, and such conditions may not be changed prior to arrival in the work destination unless required by law. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment, upon reasonable notice if required, without penalty. Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to employees' identity or immigration documents, such as government-issued identification, passports or work permits, unless the holding of work permits is required by law.

Workers shall not be required to pay employers or agents recruitment fees or other aggregate fees in excess of one month's salary. All fees charged to workers must be disclosed and fees in excess of one month's salary must be returned to the worker.

### B) Young Workers

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. Carling and its suppliers shall implement appropriate processes to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Carling and its suppliers shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. The Company shall provide appropriate support and training to all student workers. Unless permitted by local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. In the event that it is discovered that a worker under the age of 15 has been employed by the Company in error, the

Legal and Quality departments must be consulted to determine the best course of action to provide for the welfare of the subject worker in accordance with local laws.

C) Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased turnover and increased injury and illness. Workweeks are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations, which must be approved in advance by the responsible Vice President or the legal department, and in no event shall workweeks of more than 60 hours exceed 1% of the total workweeks during any 13-week period for each facility and under no circumstances shall any workweek exceed 72 hours.

Workers shall have at least one day off every seven days.

D) Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the most stringent limits provided by laws applicable to the jurisdiction in which the worker is employed.

E) Humane Treatment

There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, gender-based violence or harassment, bullying, corporal punishment, mental or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

F) Non-Discrimination

Carling and its suppliers must be committed to a workforce free of harassment and unlawful discrimination. Neither Carling nor any of its suppliers shall engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. U.S. locations shall post notices that workplace harassment is illegal, with information on how to report incidents of harassment. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests or physical exams, including pregnancy or virginity tests, that could be used in a discriminatory way.

## G) Freedom of Association

In conformance with local law, Carling and its suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

## II. Environment

Carling believes that business can have a profound impact in protecting our environment and safeguarding the future of our planet. As a society, we now are confronted with challenges ranging from depletion of resources to global climate change. Carling is committed to being a leader in taking actions that will help address these environmental issues, with the goal of insuring a healthy, safe and economically thriving world for all of us.

With this significant responsibility in mind, Carling commits to, and requires its suppliers to commit to, meeting or exceeding all applicable laws and regulations for the protection and conservation of the environment. Consistent with this commitment, the following standards shall be followed and made part of Carling's operating philosophy:

### A) Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

### B) Pollution Prevention and Resource Reduction.

Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance and facility processes; or by other means. The use of natural resources, including water, fossil fuels, mineral and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling or other means.

Carling and its suppliers shall establish programs, including objectives and targets, to identify, manage, minimize or eliminate at the source emissions and discharges of pollutants and generation of waste and conserve the use of natural resources. The use of natural resources, including water, fossil fuels, mineral and virgin forest products, is to be limited, where feasible, by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling or other means.

### C) Hazardous Substances.

Chemicals and other materials posing hazard if released to the environment are to be identified, labeled and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

D) Solid Waste.

Carling and its suppliers shall implement a systemic approach to identify, manage, reduce, and responsibly dispose of, or recycle, solid waste.

E) Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated, as required, prior to discharge. Carling shall monitor the performance of its emission control systems.

F) Material Restrictions

Carling and its suppliers shall comply with all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal, including without limitation any REACH and/or RoHS directives.

G) Water Management

Carling and its suppliers shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seek opportunities to conserve water; and control channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. Wastewater treatment and containment systems are to be routinely monitored to ensure optimal performance and regulatory compliance.

H) Energy Consumption and Greenhouse Gas Emissions

Carling Technologies will establish a corporate-wide greenhouse gas reduction goal and publish the goal and performance to the goal on its website. Energy consumption and all relevant Scope 1 and 2 greenhouse gas emissions are tracked, documented and publicly reported against the greenhouse gas reduction goal. Carling and its suppliers shall explore and implement cost-effective methods to improve energy efficiency and to minimize their energy consumption.

### **III. Health and Safety**

Carling recognizes that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production, and worker retention and morale. Ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace.

A) Occupational Safety

Health and safety hazards that workers may be potentially exposed to (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) are to be identified and assessed, mitigated (by hazard elimination or substitution of processes or materials), and controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures

(including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials regarding the potential risk they may be exposed to. Reasonable steps must also be taken to remove pregnant women/nursing mothers from working conditions with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers, including those associated with their work assignments, and provide reasonable accommodations for nursing mothers.

B) Emergency Preparedness

Potential emergency situations and events shall be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property. Emergency drills shall be conducted as required by local law, but no less frequently than annually.

C) Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including provisions to: encourage worker reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

D) Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled according to Hierarchy of Controls. Potential hazards are to be controlled or, if possible, eliminated through proper design, engineering and administrative controls. When hazards cannot be adequately controlled by such means, workers are to be provided, free of charge, with and use appropriate, well-maintained, personal protective equipment. Protective programs shall be continuous and include educational materials about the risks associated with these hazards.

E) Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

F) Machine Safeguarding

Production and other machinery shall be evaluated regularly for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

G) Sanitation, Food, and Housing



Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, heat and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space along with reasonable entry and exit privileges.

H) Health and Safety Communication

Workers shall be provided with appropriate workplace health and safety information and training in the language the worker can understand for all identified workplace hazards that workers are exposed to, including but not limited to; mechanical, electrical, chemical, fire and physical hazards. Health and safety related information shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training is provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise safety concerns.

#### **IV. Unauthorized Payments/Bribery/Money Laundering**

Employees may not offer, pay, promise to pay, or authorize payment any Carling company funds or other assets to any person in his individual capacity for the purpose of obtaining or retaining business, or for obtaining or rewarding favorable treatment in any government or commercial relationship. Such payments may be regarded as bribery and may violate the laws of many countries. Payments prohibited by this policy may not be made indirectly through an intermediary. Furthermore, payments may not be made under circumstances which suggest such payments will be used in a manner in violation of this policy.

The following are examples of prohibited payments:

A) Suppliers and Customers.

No payment may be made to an employee or agent, in his individual capacity, of a vendor or customer for the purpose of influencing his conduct in relation to the vendor's or customer's business with Carling. Payments of nominal amounts or items of nominal value may be made in accordance with established local business practices, so long as properly disclosed and reported in the company's books and records, in order to provide casual entertainment gifts or gratuities to individuals other than government officials.

B) Governments.

No payment may be made to an official, employee or agent, in his individual capacity, of any government for the purpose of (a) influencing his conduct in his official capacity, or (b) inducing him to use his influence to affect any act of government for the purpose of obtaining or retaining business for Carling. Such payments may be illegal and may result in significant criminal penalties.

The anti-bribery laws of many countries prohibit Carling from offering or giving any money or anything of value, directly or indirectly, through a third party, to a government official for the

purpose of improperly obtaining or maintaining business or securing an improper advantage. The prohibition applies to gifts and gratuities of any kind, travel and entertainment, offers of employment or contributions to charity. A "Government official" generally includes not only officers and employees of a government or government-controlled entity or enterprise, but also officers or employees of a public international organization, a political party or official thereof, or a candidate for public office.

In particular, the U.S. Foreign Corrupt Practices Act (FCPA) makes it a crime for Carling, or any of its subsidiaries, officers, agents, or employees to directly or indirectly offer or pay a bribe to a foreign official. The FCPA applies to payments to any foreign official, regardless of rank or position. The term "foreign official" refers to any person acting in an official capacity for any of the following:

- Any foreign government including any department, agency, military branch, court or legislature
- Any partially or wholly-owned government entity, such as a nationalized corporation or industry
- Any political party, including party officials or candidates
- Employees of public international organizations (or any of their departments or agencies) such as The World Bank, the International Finance Corporation or the Red Cross
- Any member of a royal family

Payments to a foreign official are considered corrupt when made for the purpose of influencing a foreign official to misuse his or her official capacity in a way that helps our company obtain or retain business or obtain legislation, regulation, or rulings that would benefit our business. If Carling cannot obtain a contract without paying a bribe, you should report the matter to your supervisor and the Legal Department and cease any negotiations with the subject party.

In limited circumstances, payments of nominal amounts may be made in accordance with established local business practices, so long as such payments are fully disclosed and accurately reported in the Company's books and records, in order to induce government employees with administrative or clerical duties to properly perform their governmental acts and services. Because the laws that apply to government employees are complex, the Legal Department must be consulted before any offer of any gift, entertainment or benefit of any kind is made to a government employee. No such payment, however, may be made without the prior approval of the senior local manager.

#### C) Non-Employee Representatives.

Any person who is not an employee but acts on behalf of Carling in any manner (e.g., a consultant, agent, etc.) must comply with this policy and any applicable anti-bribery laws.

Carling forbids knowingly engaging in transactions that facilitate money laundering or result in unlawful diversion. The Company shall take affirmative steps to detect and prevent unacceptable or illegal forms of payment and financial transactions. Anti-money laundering laws of the United States and other countries and international organizations require transparency of payments and the identity of all parties to transactions. We are committed to full compliance with anti-money laundering laws throughout the world and will conduct business only with reputable customers involved in legitimate business activities and transactions.

## **V. Antitrust and Fair Competition**

Carling is committed to compliance with all applicable laws regarding antitrust and trade regulation in the countries where Carling does business. Carling representatives shall at all times engage in open and fair procurement activities regardless of nationality or the size of the transaction. Suppliers shall be selected on a competitive basis based on total value, which includes quality, suitability, performance, service, technology, and price.

The following business arrangements may potentially raise issues under various antitrust laws in many countries:

- A) Price Fixing. Agreements between competitors to fix or influence the prices at which they sell to, or buy from, third parties can be illegal. An illegal agreement may be implied without formal contracts, writings, handshakes, or even express words indicating agreement.
- B) Resale Price Maintenance. It may be illegal for a supplier to agree with a distributor on a minimum resale price for the supplier's product.
- C) Division of Markets or Product Limitations. It may be illegal for competitors or potential competitors to agree to divide markets by geographic areas, customers or product lines, or limit the volume of goods which they sell.
- D) Boycotts. It may be illegal if two or more parties agree not to do business with a third party, even though each party may have a legitimate basis for an individual refusal to do business. A company, acting unilaterally, however, is normally free to select the parties with which it will deal.
- E) Tying, Reciprocity & Exclusivity. It may be illegal to sell certain goods or services only on the condition that the customer also buys some other goods or services from the seller. It may also be illegal to condition purchases from a supplier on reciprocal purchases of other goods or services by the supplier. It may be illegal to require a customer to buy its requirements of a particular product from a single seller.
- F) Restrictions on Distribution. In certain circumstances, some restrictions on distribution may be illegal, such as restricting territories within which distributors may operate or the customers to whom they may sell.
- G) Discrimination Between Customers. A legal question may be raised if the same goods are sold to competing customers at different prices. In the U.S., the price discrimination may be justified if the differences are cost justified or prices have been established in good faith to meet a competitor's prices. It may be illegal to provide advertising or promotional allowances, or to provide other sales assistance to customers, unless the payments or services are made available on "proportionally equal terms" to all customers.

H) Monopolization & Attempts to Monopolize. A monopolization charge is a risk if a company controls a dominant segment of the market for a product or service in a given geographic area, or if a company engages in unfair actions to attain that position.

I) Unfair Methods of Competition. Certain deceptive or unfair practices which take unfair advantage of customers, competitors, or the general public may be illegal. These practices include, but are not limited to, making misleading or unsubstantiated advertising claims, theft of trade secrets or disparaging competitors by making false statements about their products or financial status.

U.S. federal law requires that certain government procurement rules related to ethics and business conduct are flowed down to subcontractors. Employees are expected to know and comply with all government procurement rules applicable to our business.

## **VI. Employee Information Privacy**

Carling respects the confidentiality of the personal information of its employees. This includes employee medical and personnel records. Access to personal information shall only be authorized when there is a legitimate and lawful reason, and access is only granted to appropriate personnel. Requests for confidential employee information from anyone outside the Company under any circumstances must be approved in accordance with our policies.

Any transmission of personal data shall be made only in compliance with applicable laws governing the privacy of employee data, both in the home country of the employee and of the Carling entity transmitting and receiving such data.

## **VII. Confidential Information**

Many employees in the course of their employment have access to confidential information that is of considerable value to Carling or that could potentially expose Carling to liability if improperly disclosed. Confidential information, for example, can be financial, (revenues, earnings, sales), product related (future product plans, technical advances, drawings and specifications), or personnel and facilities decisions.

Employees who possess such information have a special responsibility to keep such information confidential. This means that precautions should be taken not to disclose confidential information unless necessary for business purposes. Carling is involved in a number of relationships with outside parties, including customers, which require additional care with respect to confidential information. Disclosure of such non-public information may, in some cases, constitute a crime and subject the discloser to criminal penalties.

Releases of confidential information outside the Company should only be made with the approval of a Vice President with the most direct responsibility for the matter, who will consult with the CEO in the case of matters of major significance. Financial information should only be released with the approval of the Chief Financial Officer.

Technical know-how and trade secrets are particularly sensitive. All such information recorded in drawings, blueprints, reports, memos, emails and other documentation must carry the legend “Carling Technologies Confidential and Proprietary Information”. It is the responsibility of the most senior manager at each location to control access to company premises by visitors to prevent the inadvertent disclosure of confidential information.

## **VIII. Procurement**

We believe in doing business with third parties that embrace and demonstrate high principles of ethical business behavior. We rely on suppliers, contractors, and consultants to help us accomplish our goals. To create an environment where our suppliers, contractors, and consultants have an incentive to work with Carling, they must be confident that they will be treated in an ethical manner. We offer fair opportunities for prospective third parties to compete for our business. The manner in which we select our suppliers and the character of the suppliers we select reflect on the way we conduct business.

All procurements of goods and intangibles shall be made through the Purchasing Department or employee assigned purchasing responsibility at the specific Carling location. Each procurement requires a written contract, either in the form of a properly executed standard purchase order (for tangible goods) or an agreement prepared or reviewed by the Legal Department (for services and intangibles).

Each person dealing with a potential supplier should notify such supplier that the company will not be committed to any procurement without a purchase order or agreement. This is particularly important because oral communications under certain circumstances may be considered binding. Only Purchasing Department personnel are authorized to sign purchase orders and commit Carling to procurement of goods. Where services and intangibles are purchased, the terms and conditions of the Company’s relationship with the service provider shall be governed by an agreement reviewed or prepared by the Legal Department.

The Company shall maintain a Procurement Manual specifying the detailed procedures and requirements for procurement. Every supplier must be qualified pursuant to procedures specified by the Quality Control personnel at each location, which is responsible for maintaining a current list of all qualified vendors. All suppliers must comply with the Company’s Code of Conduct for Suppliers prepared from time to time.

## **IX. Conflicts of Interest**

Every employee has a duty of undivided loyalty to Carling. This means that employees should make decisions objectively and in the Company’s best interests. Competing personal interests can interfere with an employee’s judgment or create an unfavorable impression or implication of impropriety.

For these reasons, each employee should either avoid or fully disclose in writing to the company any activity, interest, association or relationship that could conflict with the independent exercise of

his or her judgment in the best interests of the company. Carling believes that most questions involving a potential conflict of interest can be equitably resolved if adequately disclosed to and reviewed by management.

Following are examples of circumstances in which conflicts of interest frequently arise:

- Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business, or competes with the Company;
- Holding a second job which may interfere with an employee's ability to do his/her regular job;
- Employing, consulting, or serving on the board of a competitor, customer, supplier, or other service provider;
- Hiring a supplier, distributor, or other agent managed or owned by a relative or close friend;
- Soliciting or accepting any cash, gifts, entertainment, or benefits from any competitor, supplier, or customer, where the benefit exceeds common business courtesies of modest value consistent with customary ethical business practices;
- Employing a family member or someone with which you have a close personal relationship; and
- Taking personal advantage of corporate opportunities in which the Company has, or may have, an interest.

No policy can set out a complete list of all possible conflicts of interest. Some circumstances will clearly indicate a conflict, and in those cases, an employee should on his own initiative resolve or avoid the conflict. However, the following restrictions have been adopted to avoid certain conflicts of interest:

#### A) Gifts.

No employee or member of his family or other close personal relation should accept any gift, service, hospitality or other benefit from any party doing or attempting to do business with Carling, or from a competitor, where that gift, service, hospitality or other benefit exceeds \$50 individually, or \$100 in the aggregate in any year, or where the gift is likely to influence the decision to do business with such entity. All gifts, regardless of value, must be reported at the time of receipt to the senior local manager and the Legal Department, and also disclosed on the self-disclosure form found at the end of this Code of Conduct. Gifts provided to our business partners may not exceed the greater of the above amount or any applicable limits provided by the recipient's policies.

#### B) Family/Personal Relationships

Family members or employees with a close personal relationship should not be employed in a situation where one will supervise or evaluate directly or indirectly the other's performance or where the working environment may be affected by the relationship. Additionally, if any employee proposes to enter into any business transaction with a family member (or where a family member is the primary business contact), such relationship should be disclosed to the Legal Department prior to transacting any business.

## **X. Trade Compliance**

Employees and other representatives of Carling are responsible for complying with applicable laws and regulations that govern the import and export of products, technical data and services. All products imported or exported into any country shall be properly marked in accordance with such laws and regulations, and any accompanying paperwork required under such laws must be timely submitted.

The Legal Department may issue policies or instructions regarding compliance with applicable laws and regulations from time to time, and these policies and instructions must be strictly adhered to. Laws and regulations governing imports and exports are complex and may change frequently. Failure to comply with these laws and regulations can result in significant criminal and civil penalties, including loss of import privileges. Employees should seek advice from the Legal Department.

## **XI. Conflict Minerals**

Carling Technologies has a policy and will exercise due diligence on the source and chain of custody of tantalum, tin, tungsten and gold in the products we manufacture to reasonably assure that they are sourced in a way consistent with the Organization for Economic Cooperation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

## **XII. Management Systems**

Carling will maintain a management system, whose scope is related to the content of this Code. The management system is designed to a) ensure compliance with applicable laws, regulations and customer requirements related to Carling's operations and products; b) ensure conformance with this Code; c) improve identification and mitigation of operational risks related to this Code, and d) facilitate continuous improvement. The management system will contain the following elements:

### **A) Company commitment**

A Corporate social and environmental responsibility policy statement affirming Carling's commitment to compliance and continuous improvement, endorsed by executive management and posted in each facility in the local language.

### **B) Management Accountability and Responsibility**

Identification of senior executives and company representatives responsible for ensuring implementation of the management system and associated programs. Senior management shall review the status of the management system on a regular basis.

### **C) Legal and Customer Requirements**

Implementation of a process to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this code.

### **D) Risk Assessment and Risk Management**

Implementation of a process to identify compliance, environmental, health and safety and labor practice and ethics risks associated with Carling operations. Determination of the relative significance for each risk and implementation of appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

E) Improvement Objectives

Establishment of objectives, targets and implementation plans to improve Carling's social and environmental performance, including a periodic assessment of performance in achieving those objectives.

F) Training

Utilization of training programs for managers and workers to implement Carling policies, procedures and objectives and to meet applicable legal and regulatory requirements.

G) Communication

Communication of clear and accurate information about Carling policies, practices, expectations and performance to workers, suppliers and customers.

H) Audits and Assessments

Utilization of periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code and customer contractual requirements related to social and environmental responsibility.

I) Corrective Action Process.

Implementation and utilization of a process for timely correction of deficiencies identified by internal or external assessments, inspection, investigations and reviews.

J) Documentation and Records

Maintenance of documents and records to ensure regulatory compliance and conformity to Carling requirements along with appropriate confidentiality to protect privacy.

K) Supplier Responsibility

Communication of Code requirements to suppliers and monitoring of supplier's compliance to the Code.

## **Reporting Violations**

To report violations of the Code of Conduct without fear of retribution, employees may make anonymous reports of violations. The Company has established a Compliance Line which will be operated by an outside agency to offer a simple way to make anonymous reports of violations or other irregularities. Employees may call the Ethics Hot Line at 1-866-530-8140 toll free 24 hours a day, or may log reports online by visiting <https://CarlingTech.EthicalAdvocate.com>.

Any employee who reports a violation will be treated with dignity and respect and will not be subjected to any form of discipline or retaliation for reporting in good faith. Retaliation against



anyone who provides information or otherwise assists in an investigation or proceeding regarding any conduct that the employee believes in good faith constitutes a violation of applicable laws or regulations, this Code of Conduct, or Carling's related policies is prohibited and will, in itself, be treated as a violation of the Code of Conduct.

### **Compliance**

Employees are responsible for understanding and complying with this Code of Conduct. Supervisors are responsible for assisting their staffs in understanding these policies and ensuring compliance. If a violation is found, the appropriate Carling company official will take appropriate disciplinary action, which will include one or more of the following sanctions: a warning (which may be noted in employee personnel record), suspension, termination, and referral for civil action or criminal prosecution.

Disciplinary action may also be taken against employees who deliberately fail to report a violation, employees who deliberately withhold relevant and material information concerning a violation, and employees who falsely report violations.

### **Certification**

In order to ensure that each employee is aware of his/her obligations under this Code of Conduct, the importance of complying with such obligations, and the avenues in which violations of this Code of Conduct may be reported, the Company requires each employee to acknowledge that he/she has read and understood each of the Policies set forth in this Code on an annual basis. The acknowledgement form will be provided to each employee in January of each calendar year, and includes a section in which employees may identify potential conflicts of interest and violations of the Code of Conduct.

TO: Legal Department, Carling Technologies, Inc.

CERTIFICATE

I hereby certify that I have read and understand all of the policies set forth in the Carling Technologies, Inc. Corporate Policies and Code of Conduct and I have complied and will continue to comply with those policies, except as otherwise disclosed below.

\_\_\_\_\_  
(Employee Signature)

\_\_\_\_\_  
(Please Print Name)

\_\_\_\_\_  
(Date)

DISCLOSURE:

REPORTING VIOLATIONS

To report another's violations of the Company's Code of Conduct without fear of retribution, or to request advice when in doubt about the propriety of a particular act or omission, call or write to the Legal Department at +1 (860) 793-7772 or [ryan.roth@carlingtech.com](mailto:ryan.roth@carlingtech.com).

Employees also may, if they wish, make reports of violations of the Code of Conduct anonymously. The Company has a Compliance Hotline operated by an outside agency to offer a simple way to make anonymous reports of violations or other irregularities. Employees may call the Ethics Hotline at 1-866-530-8140 toll free 24 hours a day, or may log reports online by visiting <https://CarlingTech.EthicalAdvocate.com>.