



*Code
of
Business
Conduct*

1 Preamble

As a small company (SME) we plan activities strategically and with a long-term perspective. Financial strength and the pursuit of stability for the company combined with continuous investment into state-of-the-art technologies characterize our economic actions.

Innovative strength has always been the basis for our technological leadership. We strive to find the most sustainable responses possible to demographic and social developments as well as legal changes.

During nearly 20 years since founding, the company has gained a worldwide reputation as a reliable and fair partner. Because of these values, together with first-class technical solutions, AXTAL is a reputable and leading manufacturer and sales partner of crystal oscillators, frequency control products and piezo sensors.

We want to maintain and further extend this position also in the future. In fulfilling this purpose, this Code of Business Conduct shall be our ethical and legal compass. It contains the basic rules for our conduct within AXTAL and towards our business partners and the public. The management expects every employee and especially the executives of AXTAL to comply with the Code of Business Conduct. AXTAL's business activities are therefore guided by the following principles:

- Customer satisfaction is our primary goal and precondition for our success
- Utmost flexibility to support and to meet our customer's special requirements
- Firm commitment to assure and to improve continuously our level of quality, dependability and reliability
- Apply and push advanced technologies in our products, our designs and manufacturing methods
- Commitment to sustainability through responsible action and clear objectives in three fields of action: People and society, Ecology and environmental impact as well as Economy and technology
- Being and staying THE EXPERT for Frequency Control and Piezo Sensors

2 Basic principles of behaviour

2.1 Compliance with laws

AXTAL is obliged to comply with the national and international laws and stipulations, industrial standards, general conventions as well as other relevant regulations of the countries in which it operates in all its business actions and decisions.

Adherence to the code of business conduct as well as the standards specified above is not to be circumvented through contractual agreements or similar measures.

2.2 Data protection and information security

The protection of personal data in general, but especially of data of employees, partners, customers and suppliers has a very high value for AXTAL. As a matter of principle, AXTAL collects and processes personal data only when it is strictly necessary for the performance of the task in question or when it has been ordered by law. In all cases AXTAL pays attention to data security, transparency and data minimization and processes personal data only after obtaining the consent of the data subject, always in compliance with the rules and principles set forth in the European Data Protection Regulation.

3 Principles of social and societal responsibility

3.1 Human Rights

AXTAL respects internationally recognized human rights according to the UN Human Rights Charter, dignity and personal rights and supports their observance.

3.2 Equal treatment and non-discrimination

In the company and towards business partners, AXTAL lives a culture of mutual trust and respect.

AXTAL promotes equal opportunities, tolerance and respectful and honest dealings with each other and prevent any discrimination, especially in the hiring of employees and in the promotion or granting of training and development measures. We treat all employees and partners equally, regardless of gender, age, skin colour, culture, ethnic or geographic origin, sexual identity, disability, religious affiliation or world view.

3.3 Employee rights and labour conditions

Companies are carried by people. Our employees decisively shape the success of AXTAL.

Therefore, AXTAL is committed to fair labour conditions in accordance with applicable laws and regulations, including but not limited to remuneration, regulation of working hours and

protection of privacy. A planned, ongoing qualification of employees in technical, methodological and social terms is an essential investment in the future in order to be able to successfully meet the increasing and diverse demands of the markets and the world of work.

The protection of health, the prevention of injuries and the preservation of working capacity are a human as well as a business concern. AXTAL systematically assess the risks and effects of the workplaces, machines, plants and working materials for or on the health of our employees. On this basis, protection against hazards from mechanical exposures, working materials, electricity, noise, heat and vibrations is ensured.

Qualification, awareness-raising and regular training are key factors in ensuring that occupational health and safety is firmly anchored in the actions of our employees. Compliance with legal requirements in the area of occupational safety forms the backbone of occupational safety.

AXTAL strictly rejects any form of forced labour and child labour.

3.4 Environmental responsibility and energy efficiency

For AXTAL, environmental protection and energy efficiency are essential obligations on the way to achieving the formulated company targets. In this sense, the protection of the environment and the responsible use of natural resources – in particular also of energy sources and conflict materials – are not an end in itself, but secure the future of the company and the quality of life of future generations. This is based on the relevant regulations such as RoHS, REACH and WEEE together with Conflict Minerals Reporting. All of our developed products are manufactured to be REACH and RoHS compliant. We do not source or process conflict minerals and avoid to purchase material that contains these conflict minerals.

Every employee is co-responsible for environmental protection at his work area and has to observe the laws, regulations and standards on environmental protection.

4 Principles of fair competition

4.1 Prohibition of bribery and corruption

AXTAL stands for competence, innovative strength, customer orientation and motivated, responsibly acting employees.

AXTAL rejects corruption and bribery in any form. The applicable criminal law on corruption is strictly adhered to, and personal advantages in return for unfair preferential treatment in business transactions may neither be granted nor accepted.

Exceptions to this are gifts and invitations of low value that are within the scope of customary business hospitality and courtesy.

4.2 Financial integrity and money laundering

AXTAL only cooperates with reputable business partners who comply with all legal regulations and who do not use any illegal financial resources.

All business transactions must be fully documented and executed in accordance with statutory provisions. Every violation of these rules can result in investigations due to balance sheet manipulation, falsification of documents, accusations of fraud, tax offences or accusations of money laundering.

4.3 Behaviour towards business partners

AXTAL respects fair competition. The applicable laws regulating competition are observed. This prohibits any unfair agreements between competitors or between customers and suppliers.

A self-declaration according to § 6 para. 3 VOL/A respectively § 50 para. 1 VgV in the form of Annex 2 to the Commission Implementing Regulation (EU) 2016/7 of 5 January 2016 establishing the standard form for the European Single Procurement Document (OJ L 3, 6.1.2016, p. 16–34) is provided on request prior to contracts. Where applicable, a non-disclosure agreement is concluded to protect any company secrets.

4.4 Company Secrets

AXTAL shall take the necessary steps to protect confidential information and business documents from access and inspection by employees not directly involved in the specific business transaction and other third parties in an appropriate manner. Employees who possess information that is not generally known or readily available may not disclose or otherwise make public such information.

5 Principles of responsibility of each employee in the company

5.1 Appearance and communication in public and in the company

Each employee ensures that his reports, information and communications, both internal and external, are complete and correct and comply with applicable law and internal guidelines. Every employee upholds and promotes AXTAL's reputation and acts in a fair, respectful and trustworthy manner in all activities and business relations.

In addition, each manager is required to adhere to the company's core values, to evaluate employees only on the basis of their performance, and to ensure compliance with this policy within his area of responsibility.

Respect, tolerance, honesty and integrity among employees are the cornerstones of collaboration.

5.2 Protection of company assets

Each employee undertakes to use AXTAL's property and resources properly and with care and to protect them from loss, theft and misuse. AXTAL's intellectual property represents a competitive advantage and therefore an asset worthy of protection, which must be defended against any unauthorized access by third parties.

The tangible and intangible property is always used for business purposes, unless private use has been authorized. Even in the case of business trips and other company-related expenses, each employee is committed to the principle of economic efficiency and thus to an appropriate relationship between the cost and the type and scope of the event.

5.3 Information Obligation

Besides mandatory training by the company, every employee has to inform oneself about the laws, regulations and internal instructions applicable to his area of responsibility. In case of doubt the management of AXTAL has to be consulted.

6 Consequences of Compliance Violations

For employees, compliance violations can have the following consequences:

- Complaint
- Warning letter
- Dismissal
- Damage claims of third parties

For AXTAL, compliance violations can have the following consequences:

- Reputational damage
- Damage claims of third parties
- Costly court proceedings