



THE CODE OF CONDUCT

Foreword

„Committed to cable solutions“



We at the SKB-GROUP have been operating as an owner-managed family business for over 125 years. This long-standing and successful tradition would undoubtedly not have been possible without a strong grounding in clear ethical and moral principles. We aim to continue to implement this integrity in our everyday business and consider the personal responsibility of every single employee to form an essential part of this commitment.

This Code of Conduct and its associated regulations are not seeking to „invent“ new approaches. Instead they aim to clearly demonstrate the obligations we must fulfil nowadays. The aim of these regulations is also to provide easy-to-implement instructions to meet these requirements.

By publishing the SKB-GROUP Code of Conduct on our homepage we make it accessible to all our business part-

ners and interested parties to demonstrate both externally and within the company that ‘compliance’ is not just a buzzword for the SKB-GROUP – it is a very serious matter. In addition, a comprehensive set of internal regulations for our employees is available on the intranet at any time.

As the managers and owners of the SKB-GROUP, we will not accept or tolerate any breach of the provisions of this Code of Conduct or the internal regulations.

Please take the time to read through the Code of Conduct and the regulations. We expect you to play your part in ensuring that the SKB-GROUP continues to meet the highest ethical standards.

A handwritten signature in blue ink, appearing to read 'A. Truesch'. The signature is written in a cursive style with a large initial 'A'.

Schwechat, 04.04.2016

Table of Contents

Preface

Compliance and whistleblowing 3

Gifts and invitations 4

Donations and sponsorships 5

Corruption 5

Conflicts of interest 5

Cartel law 6

Protection and use of company property 6

Data protection and confidentiality 7

Safety and accident prevention 7

Validity and changes to the Code of Conduct 8

Compliance and whistleblowing

‘Compliance’ relates to the adherence of companies to legal and internal specifications.

Our company does not tolerate any violations of the law and as such will not protect perpetrators from sanctions imposed by the authorities. Any breaches of the law, international standards or internal regulations may also have disciplinary consequences (including termination of the employment contract) and result in civil or criminal prosecution.

Violations of the law can almost always be avoided by seeking advice and further information at an early stage. In cases where there is doubt surrounding a particular conduct, especially in terms of whether this conduct is in breach of the law or other regulations, all employees are required to consult their line manager and/or Compliance Officer in order to check the matter and specific behaviour involved.

In cases of a suspected or known violation of the law or company regulations, written notification should be sent to the Compliance Officer immediately. Such notifications can also be sent anonymously. All reported cases will be investigated in-depth and handled in confidence. The deliberate provision of false information is prohibited and may lead to disciplinary measures.

The on-site Compliance Officer is the contact partner in all cases of violation of regulations and for all issues relating to this matter.

The Chief Compliance Officer is responsible for establishing and maintaining the compliance system and is supported in this key role by the Compliance Officers. The Chief Compliance Officer informs the Managing Partner of any compliance-related issues arising in the business environment as part of a regular reporting process.

Chief Compliance Officer / Compliance Officer Austria
E-MAIL compliance@skb-group.at

Compliance Officer Czech Republic
E-MAIL compliance@prakab.cz

Compliance Officer Slovakia
E-MAIL donasac@ics-cables.sk

‘Whistleblowing’ is a form of communicating information and reporting misconduct. Whistleblowing measures form part of the internal control and compliance system in the employment relationship.

Corruption, data misuse and violations of the Code of Conduct are detrimental to the company and to society as a whole. Secure mailboxes enable anonymous notifications to be sent to the Compliance Officer. Any potential breaches of the law or regulations in any of the areas relating to the companies of the SKB-GROUP can be reported via this system.

The SKB-GROUP will take appropriate action against any employees who are proven to have breached the Code of Conduct. Informants are advised to use the whistleblowing system responsibly and refrain from knowingly providing false information.

The report forms are available to download from the intranet and are also provided at the secure mailboxes installed for this purpose.

To ensure that notifications can be submitted anonymously, the secure mailboxes are situated in discrete areas without video surveillance.

Secure mailboxes have been installed at the following sites:

Austria: SKB Industrieholding GmbH, Schwechater Kabelwerke GmbH, SKG Netzwerktechnik GmbH

Czech Republic: PRAKAB Prazska Kabelovna, s.r.o.

Slovakia: ICS Industrial Cables Slovakia, spol. s r.o., FCS Fiber – Components – Slovakia s.r.o.

Reports can also be sent to the line manager and the Compliance Officer at any time. If the line manager receives a report, he/she must immediately notify and forward the report to the Compliance Officer.

Gifts and invitations

Gifts and invitations from business partners are a generally-accepted business practice. However there are many more restrictions on such activities today than in the past.

The giving and receiving of gifts and invitations is permitted if these are deemed to be a gesture of courtesy in general business practice and can in no way be regarded as an improper means of influencing a business decision or action in advance. This also applies to gifts and invitations given or received as part of official company events or business conferences.

The offering, granting, demanding or accepting of cash or any other contributions which could be regarded as cash equivalents is prohibited under all circumstances.

Donations and sponsorships

The SKB-GROUP supports organisations and events through donations and sponsorships.

It is prohibited to give donations in cash or in kind or to allocate sponsorship agreements to individuals, political parties or organisations whose aims contradict our fundamental corporate principles.

All donations and sponsorship agreements must be transparent and fully documented and require the prior consent of management.

Corruption

The SKB-GROUP adopts a zero tolerance policy as regards corruption. Our collaboration with our business partners is based on objective criteria such as quality, service, price, reliability and sustainability.

Any form of bribery (or attempted bribery) of employees, trade representatives and other individuals from the SKB-GROUP or individuals acting on behalf of the SKB-GROUP is prohibited. The aforementioned groups must not under any circumstances request or accept any material benefits (e.g. cash, gifts or other personal benefits) which might be interpreted as an attempt to influence business decisions. Likewise, employees from

other companies, officials and other business partners must never be promised or granted any personal benefits with the intention of securing an order or business deal or granting the SKB-GROUP any unfair advantage. The promising and granting of personal benefits with the aim of securing a fair advantage (to which the SKB-GROUP is legally entitled) is also punishable in many cases and therefore should be avoided at all costs.

Due diligence checks are carried out on new business partners to avoid entering into business relations with business partners who contravene the SKB-GROUP Code of Conduct, in particular its anti-corruption regulations.

Conflicts of interest

The SKB-GROUP expects its employees to make all business decisions in the best interests of the company and to protect the reputation of the SKB-GROUP in this regard. Conflicts of interest should therefore be avoided.

Personal relationships or interests should not influence business activities in any way. This means that personal interests should not contradict the interests of the SKB-GROUP or influence decision-making and no impression to this effect should be given.

You should not, for example, make any investment, safeguard any interests or join any organisation which might cause a third party to doubt your fairness, integrity or objectivity.

Cartel law

The ban on cartels prohibits any agreements which have the purpose or effect of preventing, limiting or distorting competition. This applies to agreements made between companies at the same production or distribution level and to agreements made between companies at different production or distribution levels.

Cartel agreements are harmful to competition. They lead to inflated prices, reduced innovation and less choice for companies and consumers.

Unlawful cartels include, in particular, agreements and concerted practices which have the purpose or effect of limiting or preventing competition. Unlawful practices include price fixing, quota agreements and the allocation of markets between competitors.

Practices by dominant companies may constitute market abuse if other companies or customers of companies are disadvantaged in any way. Unlawful practices in this context include the enforcement of excessive prices, discrimination against contractual partners, restrictions on sales and the selling of goods below cost price.

Protection and use of company property

Every employee is required to adopt a responsible approach to company property and to protect the assets of the SKB-GROUP against loss, damage, theft, misuse and unauthorised use. Intangible assets such as internal expertise, intellectual property rights and copyrighted works are also considered as company property and must be protected.

Any misuse of company property for non-business purposes is prohibited.

Operating resources are intended for business purposes and not for personal use. Company property may therefore not be used for private purposes without the express written permission of the line manager. Private use of company property is in any case only to the extent permitted by law.

It should be noted, that the internal regulations for the use of company property are to be followed. Furthermore, the relevant provisions of the employment contracts are respectable. Employees of the SKB-GROUP are required to adopt a responsible approach to any operating resources entrusted to them.

Company property may not be removed from the company premises without explicit approval of the line manager.

Data protection and confidentiality

Personal data may only be collected, processed and used within the scope of the applicable data protection laws of the relevant countries and only to the extent required for specified and legitimate purposes.

The SKB-GROUP is particularly careful to secure personal data against any unauthorised access and guarantees the highest of standards in this regard.

All employees are responsible for the security of their access data. The use of personal data must always remain transparent for those involved.

The rights of data subjects such as the right to access, modify or delete personal data must be observed.

Safety and accident prevention

Protecting the health and well-being of employees and avoiding accidents are key concerns of the SKB-GROUP.

All employees of the SKB-GROUP have a high level of responsibility for the operating equipment entrusted to them. Employees of the SKB-GROUP are also responsible for the safety of their colleagues and customers. For this reason, the SKB-GROUP expects its employees to meet high standards when it comes to their sense of responsibility, assumption of responsibility and discipline in the workplace.

Safety in the workplace, the health and well-being of employees and prevention of accidents are a top priority across the SKB-GROUP.

The misuse and consumption of alcohol, drugs and other intoxicants or narcotics are strictly prohibited during working hours.

Validity and changes to the Code of Conduct

The Code of Conduct will enter into effect on the day of its publication and is therefore binding. It will be published on the internet and intranet.

The SKB-GROUP is exclusively responsible for approving and publishing the Code of Conduct.

Further details about the compliance programme of the SKB-GROUP can be found on the intranet, where all documents are available for download.

Any changes to the Code of Conduct will be announced on the intranet and in notices at the mailboxes.



SKB Industrieholding GmbH

Himberger Straße 50 | A-2320 Schwechat
Tel +43 (0)1 70170-0 | Fax +43 (0)1 70170-86
office@skb-group.at | **skb-group.at**