



SPI Lasers UK Ltd Code of Conduct



Dear Colleague,

At SPI Lasers UK Ltd we strive for exemplary quality in our products and processes – and also in our conduct. The foundation for this are the values which we have held to since the Company's formation.

The conduct of each employee at SPI Lasers has a significant influence on the reputation of our company. As the Management of SPI Lasers, we have specified in this Code of Conduct the basic standards for ethical business conduct which we expect all employees of the SPI Lasers group of Companies, worldwide to adhere to.

Our role model is a business person who acts with integrity. Guided by this model, the Code of Conduct specifies good ethical behaviour. In addition, it aims to foster sensitivity and judgment regarding problematic conduct. It is crucial that, above all, the laws and statutes are complied with and that the interests of SPI Lasers are not unduly compromised.

We expect each and every employee to act in accordance with this Code and the values of SPI Lasers and remind you to be conscious of the responsibility that you bear for the reputation of our company. This reputation is of immeasurable value to us.

A handwritten signature in black ink, appearing to be 'M. Greenwood'.

Mark Greenwood
Chief Executive Officer
SPI Lasers UK Ltd

January 2018



1. Guiding Principle

We comply with the law.

The laws and statutes of the countries in which we do business must be complied with. This corresponds to our fundamental values and applies regardless of the threat of prosecution.

Unlawful actions are not in the interest of our company because they are unethical, lead to a serious loss of reputation and can result in criminal prosecution, civil damages and loss of business.

Employees who act unlawfully must be aware that they are themselves subject to criminal prosecution. Compliance with the laws therefore serves to protect the employees themselves. This is especially true in countries where criminal prosecution does not always comply with the principle of due and fair process.

Every employee is obligated to ensure that they are familiar with the current regulations concerning their area of responsibility and to abide by these regulations accordingly. Where there is doubt the supervisor must be consulted unless experts from other company functions offer themselves as primary contact.

2. Respect for Fair Competition

We believe in fair competition.

We do not collude with competitors and we abide by the competition laws. It is, in particular, prohibited among competitors to enter into agreements concerning prices and sales conditions, to allot markets, regions or customers and to coordinate strategies concerning quotes, development or production. Not only express agreements but also concerted practices are illegal in this respect.

An exchange of information with competitors (in particular concerning prices, costs, margins, sales conditions, customers, offers, product developments, production capacities) may constitute a concerted practice and is not permitted.

Violations of the rules fostering fair competition are consistently prosecuted by the authorities and can lead to sanctions which could pose a threat to the continued existence of the company.

3. Bribes, Gifts and Other Benefits

We reject bribery and corruption.

Bribery and corruption are unethical and against the law and are associated with a high risk for our employees and our company. They are unequivocally not in the interest of SPI Lasers and are to be refrained from at all times.

We do not offer any improper benefits to our business partners and we also do not accept such. We are conservative when providing and accepting gifts and other benefits (for instance invitations for meals or events). Under no circumstances may these be arranged in such a way that their acceptance must be kept secret by the recipient or places him or her under a personal obligation. In case of doubt, consult with your supervisor. Proceed with extreme caution with respect to officials; here, legal requirements are very strict all over the world.

Commissions and compensation which dealers, agents or consultants are to receive may only be paid for actually performed services of proper nature and must be in a reasonable proportion to the value of these services.

4. Taxes and Subsidies

We do not engage in tax evasion or subsidy fraud and we do not aid and abet such behavior.

Each employee must be aware that the risk of discovery of tax fraud is particularly high due to regular and thorough audits by tax officials. Suspicions very quickly lead to intervention by the law enforcement authorities. If customers or suppliers are involved, tax audit tracer notes are sent to their competent tax authorities and vice-versa.

The assessment of tax or subsidy matters is often difficult. In case of doubt, consult your supervisor or have the issue clarified by the Corporate Finance Department.

5. International Trade

We comply with all regulations applying to international trade.

This includes compliance with applicable import or export restrictions, obtaining the required permits and paying the relevant customs duties and taxes. The export managers must be consulted where further clarification is required.

Compliance with these rules is subject to regular verification by officials and significant sanctions apply in case of violation.

6. Product Safety, Safety in the Workplace and Environmental Protection

We avoid putting people and the environment in danger.

The highest standards apply to the quality and safety of our products and services. We continuously monitor the performance of our products on the market and assist the customer in the prevention of any hazards.

We ensure a safe working environment. Safety instructions must be strictly followed and continuously monitored for effectiveness. Deficits must be reported and corrected immediately. The supervisors bear particular responsibility in this respect.

We do not waste natural resources and strive to make our products do the same. We avoid environmental hazards and comply with the laws for the protection of the environment.

7. Conflicts of Interest

We promote the interests of SPI Lasers and avoid whatever is in conflict with SPI Lasers' interests.

Secondary jobs or business activities require prior approval by SPI Lasers. This applies in particular to jobs or business activities for competitors, customers or suppliers of SPI Lasers or financial participation in the same. If close family members are involved in such jobs, activities or participation, your local management must be notified.

We keep business and private interests strictly separate and do not use our employment at SPI Lasers to obtain private benefit. Avoid hiring business partners for private purposes and do not favor certain business partners over others out of private interest.

8. Company Assets and Proprietary Information

We protect the intellectual and material property of SPI Lasers.

We handle equipment with care and use it according to its intended purpose. We do not use it – namely personal computers, laptops, landlines or mobile phones – for private purposes, unless this has been explicitly approved.

Funds are to be used with responsibility and care. Unnecessary costs must be avoided. We make business decisions on the basis of thorough commercial analysis of opportunities and risks. We also pay attention to the integrity of our business partners.

As a technology company with high investments in research and development, SPI Lasers is particularly dependent on the protection of its inventions and its know-how. We therefore handle proprietary information with special care. It must be ensured that unauthorized third parties have no access to our proprietary information. This also applies to confidential information which we receive from our business partners. If special circumstances (e.g. critical development projects for customers or activities relating to mergers and acquisitions) require a particularly high level of confidentiality, we keep the information secret from other colleagues of ours who do not have a need to know.

9. Protection of Personal Data

We handle personal data responsibly.

We use the personal data of our colleagues and business partners exclusively for the purposes for which we have been given access to them, and keep them strictly confidential. The laws governing the protection of personal data must be strictly complied with.

10. Documentation of Business Transactions

We document significant business transactions clearly and in a timely manner.

Internal and external reports must be correct and complete so that the recipient is given an accurate record. We keep to the presentation of facts and a professional mode of expression. Premature conclusions are to be avoided.

Documents which may be required for on-going or anticipated internal follow-up or official investigation may not be destroyed, removed or modified.

11. Scope, Implementation and Sustainability

This Code of Conduct is binding for all the worldwide employees of SPI Lasers.

Topic- or country-specific procedures and training may be specified and extended where appropriate.

Our managers bear special responsibility. Each manager is called upon to set an example for the rules of behaviour and SPI Lasers values described in this Code, and he or she is the first point of contact for questions from the members of their department concerning correct behaviour in specific cases. It is also their task to ensure compliance with this Code in their area of responsibility.

Questions about this Code or the correct behaviour in specific cases should be directed to your supervisor, the management of your SPI Lasers company or the Corporate Legal Department.

Violations of this Code of Conduct will not be tolerated and will result in disciplinary measures. Any indication of such violation will be investigated. In case of information provided in good faith, the identity of the information provider will be kept confidential.

You may direct any information to your supervisor, the management of your SPI Lasers company, the Corporate Legal Department or to any member of the Management of SPI Lasers. E-mails may be directed to the following address of the Corporate Legal Department:

Compliance@spilasers.com

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