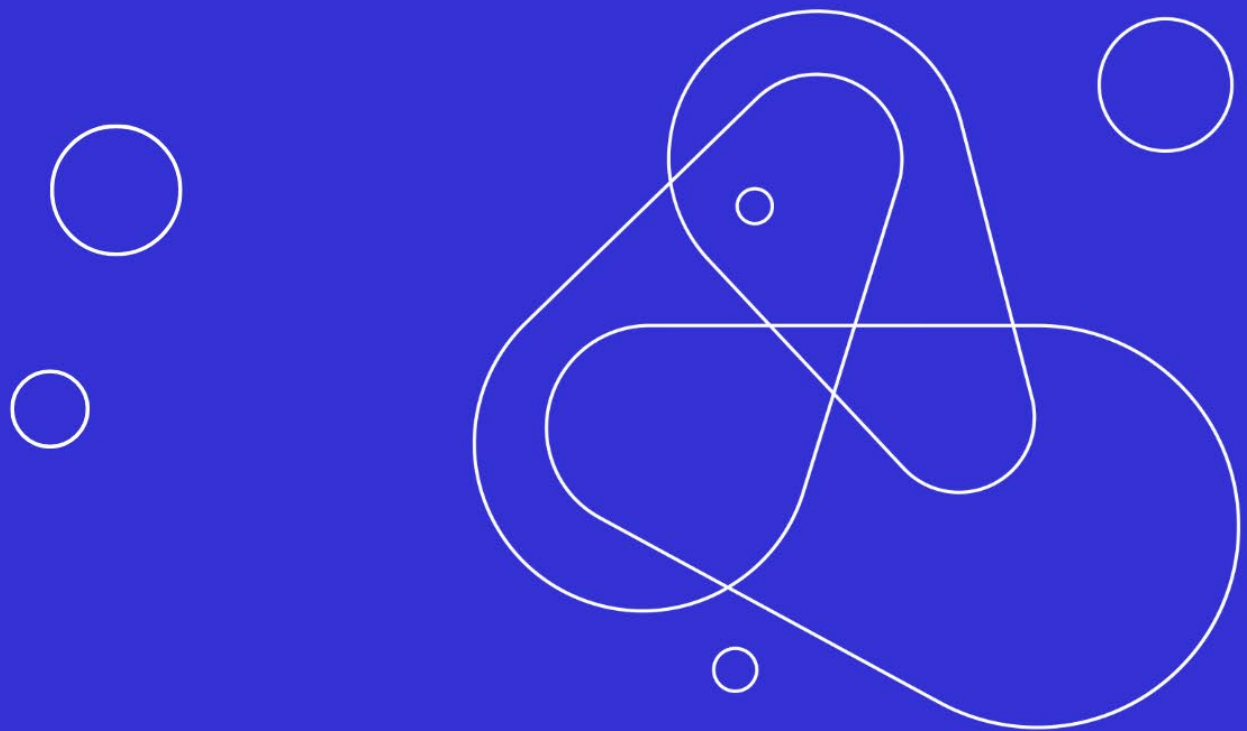


variosystems

Code of Conduct



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Message from the CEO

Dear Colleagues,

Being a responsible and ethical corporate entity is deeply ingrained in Variosystems' DNA and is an essential foundation for our sustained success as a company. Committed to a shared mission of delivering value in all aspects of our operations, we collaborate with our clients to achieve more. Our strength lies in a blend of strong values, cutting-edge technology, and a unified team spirit that transcends geographical boundaries, cultural differences, and time zones.

Our Code of Conduct serves as a comprehensive framework for how Variosystems as an organization interacts with our colleagues, customers, suppliers, communities, regulators and all other stakeholders. Regardless of our global reach, each member of our team is required to adhere to the Code of Conduct and allow it to guide our daily activities.

People are the cornerstone of our business, and we strive to be recognized as a responsible employer and a trusted business partner. Our Code of Conduct serves as a compass in our daily efforts and sets the gold standard for our business conduct.

We require all our employees to read, understand and comply with this Code of Conduct.



Stephan Sonderegger

CEO

Scope

This Code of conduct applies to all Variosystems units, their employees and relevant stakeholders.

Purpose

The purpose of the Code of Conduct is to define Variosystems' ethical approach to every activity in which the company is involved. Variosystems expects its management, employees and business partners to comply with the standards set forth in this Code. This Code addresses the most important situations that could give rise to legal or ethical issues, but it should not be considered

exhaustive. It is the responsibility of each Variosystems employee to follow and promote this Code. Variosystems takes an active, open and ethically sound approach to the implementation of this Code of Conduct. Variosystems aims to prevent violations of the company's values and the ethical principles set forth in this Code of Conduct by providing guidelines and instructions to be followed.

The Variosystems Code of Conduct is based on the principles of the Electronic Industry Code of Conduct from the Electronic Industry Citizenship Coalition (EICC).

Variosystems conducts its business with the highest ethical standards and in compliance with all applicable national and international laws. Variosystems complies with the requirements of good corporate citizenship in each of the countries in which it operates and conducts its business, including all transactions, agreements, procedures and other activities conducted by Variosystems, in accordance with the applicable laws.

This includes, but is not limited to, laws relating to antitrust and unfair competition, corporate governance, prevention of bribery, illicit payments and corruption, export control laws and applicable sanctions regimes, labor laws and practices, the environment, human rights laws and internationally recognized standards. It also includes the protection of intellectual property and company assets. Variosystems practices good corporate citizenship wherever it does business.

The Code will be revised and updated as necessary to reflect changes in Variosystems' policies, business needs and regulations.

Values

Variosystems has defined three company values that form an essential part of the day-to-day interactions and behaviors.

Integrity

- Our employee, customer and supplier relationships are nurtured by respect, approachability and mutual trust.
- We demonstrate reliability through clear definition of roles and responsibilities and a strong attitude of ownership.
- We value and practice transparency, honesty and appreciation in how we communicate and present ourselves.

Courage

- We take calculated risks and bold steps to support our customers' success.
- We embrace change, think outside the box, try new things, and regularly leave our comfort zone.
- We seek honest and constant feedback, admit when something went wrong, and learn from our experiences.

Responsibility

- We take ownership and are accountable for our actions, behaviors and results.
- We make sound decisions and deliver what we have committed to.
- We strive for sustainable growth while ensuring respect for our resources and our environment.

Human Rights and working conditions

Variosystems is committed to upholding the human rights of workers and treating them with dignity and respect as understood by the international community. This applies to all workers, including temporary, migrant, student, contract, direct hire, and any other type of worker.

The following labor standards apply:

1 Freely Chosen Employment

We do not use forced, bonded or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons. This includes transporting, harboring, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There are no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities. As part of the hiring process, workers are provided with a written employment agreement in the respective country's official language prior to the worker departing from his or her country of origin, which contains a description of terms and conditions of employment. All work must be voluntary and workers are free to leave work at any time or terminate their employment. Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to their identity or immigration documents, such as government-issued identification, passports or work permits, unless such holdings are required by law. Workers are not required to pay employers' or agents' recruitment fees or other related fees for their employment.

2 Prohibition of Child Labor, Young Workers

Child labor is not 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. 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 mandated night shifts and overtime. We 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. We provide appropriate support and training to all student workers. In the absence of 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.

3 Working Hours

Variosystems fully complies with local laws and directives regarding maximum working hours and vacation time. We ensure that weekly working hours do not exceed the applicable maximum hours regulated by law. Exceptions are emergencies or unusual situations.

Employees are given at least one day off every seven days. Working times are arranged such that work accidents resulting from physical and intellectual fatigue are avoided and the health of our employees is maintained.

4 Wages and Benefits

Compensation paid to workers complies with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers are compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure are not permitted. For each pay period, workers are 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 limits of the local law.

5 Humane Treatment

There is no harsh and inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse of workers; nor is there any threat of such treatment. Disciplinary policies and procedures in support of these requirements are clearly defined and communicated to employees.

6 Non-Discrimination and equal treatment

We are committed to a workplace free of harassment and unlawful discrimination. We do not discriminate on the basis of race, color, age, gender, sexual orientation, gender identity and expression, ethnic 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 pay, promotions, benefits and access to training. In addition, employees or potential employees are not subjected to medical tests or physical examinations that could be used in a discriminatory manner.

7 Freedom of Association

In conformance with local law, we 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 can openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

8 Rights of local communities

We abide by local, national, international and traditional land, water, forest and resource rights, especially the rights of indigenous folks and local communities. We obligate ourselves to not take part in land grabs. We practice no illegal forced evictions and no illegal dispossession of land, forests and waterways during the acquisition, development or other use of the land, forests and waterways, the use of which ensures natural resources for another person.

Health and Safety

Variosystems recognizes that a safe and healthy work environment not only minimizes the incidence of work-related injuries and illnesses, but also improves the quality of products and services, consistency of production, and employee retention and morale. We also recognize that ongoing employee involvement and education are essential to identifying and resolving workplace health and safety issues.

Recognized management systems such as ISO 45001 and the ILO Guidelines on Occupational Safety and Health have been used as references in the development of the Code and may be a useful source of additional information.

The health and safety standards are:

1 Workplace Safety

The potential for worker exposure to safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicle and fall hazards) is identified, evaluated and controlled through appropriate design, engineering and administrative controls, preventive maintenance and safe work practices (including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are provided with appropriate, well-maintained personal protective equipment and educational materials about the risks to them from these hazards.

2 Emergency Preparedness

Potential emergency situations and events are to be identified and evaluated, and their effects minimized through the implementation of emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, employee training and drills, appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, and recovery plans. Such plans and procedures focus on minimizing harm to life, the environment and property.

3 Work Injury and Illness

Procedures and systems are in place to prevent, manage, track and report work-related injuries and illnesses, including provisions to: encourage reporting by employees; classify and record cases of injury and illness; provide necessary medical treatment; investigate cases and take corrective action to eliminate their causes; and facilitate employees' return to work.

4 Industrial Hygiene

Employee exposure to chemical, biological and physical agents is identified, evaluated and controlled according to the hierarchy of controls. Potential hazards must be eliminated or controlled through appropriate design, engineering and administrative controls. When hazards cannot be adequately controlled by these means, employees are provided with and use appropriate, well-maintained personal protective equipment.

5 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 identified, evaluated and controlled.

6 Machine Safeguarding

Production and other machinery is evaluated for safety hazards. Physical guards, interlocks and barriers are installed and properly maintained where machinery poses a risk of injury to workers.

7 Sanitation, Food, and Housing

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

8 Health and Safety Communication

We provide employees with appropriate health and safety information and training in a language the employee understands for all identified workplace hazards to which employees are exposed, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety information is clearly posted throughout the facility. Training is provided to all employees before work begins and periodically thereafter. Employees are encouraged to raise any safety concerns.

Environment

Variosystems recognizes that environmental responsibility is an integral part of producing world-class products. In manufacturing operations, adverse impacts on the community, environment and natural resources shall be minimized while protecting the health and safety of the public. Recognized management systems such as ISO 14001 and the Eco Management and Audit System (EMAS) have been used as references in the development of this Code and may be a useful source of additional information.

The environmental standards are:

1 Environmental Permits and Reporting

All required environmental permits, approvals and registrations are obtained and regularly updated. Their operational and reporting requirements are followed.

2 Pollution Prevention and Resource Reduction

The use of natural resources such as water, fossil fuels and raw materials, as well as the generation of all types of waste, is either reduced or eliminated wherever possible. This is done either directly at the point of origin or by promoting closed-loop systems with procedures and measures such as modifying production and maintenance processes or sequences in the company, using alternative materials, reducing, recycling and reusing materials. The sustainability of the procedures and measures is constantly respected in order to prevent contamination and reduce the resources consumed.

3 Hazardous Substances

Chemicals and other materials that pose a risk to people or the environment must be identified, labeled and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

The specifications from the conventions for the use of hazardous substances are followed, for example:

- the Minamata Convention (use of mercury),
- the Stockholm Convention (persistent, organic pollutants) as well as
- the Basel Convention (cross-border shipment of hazardous waste and its disposal).

4 Solid Waste

We have implemented a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).

5 Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated by our operations are characterized, routinely monitored, controlled and, if necessary, treated prior to discharge. We routinely monitor the performance of our air emission control systems or as required by local law.

6 Materials Restrictions

We adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

7 Water Management

We have implemented a water management program that monitors water sources, use and discharge, seeks opportunities to conserve water and controls sources of contamination. Wastewater is monitored and treated as necessary prior to discharge or disposal. We routinely monitor the performance of our wastewater treatment and containment systems to ensure optimal performance and regulatory compliance.

8 Energy Consumption and Greenhouse Gas Emissions

Energy consumption and greenhouse gas emissions are tracked and documented at the facility and corporate levels, or as required by local law. We continually seek cost-effective ways to improve energy efficiency and minimize energy consumption and greenhouse gas emissions.

9 Animal protection

Our business activities also take into account the welfare of animals. We respect the World Organization for Animal Health's (WOAH) five principles of animal welfare. We comply with national and international animal welfare and animal experimentation regulations (where applicable).

10 Biodiversity, land use, deforestation and soil quality

We protect the ecosystems affected by our operations, particularly key areas for biodiversity. In our land and forest use (where applicable), we use certified sustainable land and forest management practices and do not contribute to deforestation or degradation of natural forests.

We do not contribute to the alteration, deforestation or degradation of natural forests or other ecosystems. Where appropriate, we monitor and manage our impacts on soil quality to prevent soil erosion, nutrient depletion, subsidence and contamination.

Ethics

To be socially responsible and successful in the marketplace, Variosystems adheres to the highest ethical standards, including:

1 Business Integrity

The highest standards of integrity are maintained in all business interactions. We have a zero-tolerance policy against all forms of bribery, corruption, extortion and embezzlement.

2 No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given or accepted. This prohibition covers promising, offering, authorizing, giving or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.

Monitoring and enforcement procedures are implemented to ensure compliance with anti-corruption laws.

3 Disclosure of Information

Information regarding Variosystems' labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with

applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

4 Intellectual Property

Intellectual property rights are respected; transfer of technology and know-how is done in a manner that protects intellectual property rights. In addition, customer and supplier information is protected.

5 Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are upheld.

6 Protection of Identity and Non-Retaliation

Programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers are maintained, unless prohibited by law.

Our partners and employees have the opportunity of reporting behavior that is not compliant with stated guidelines in their or our environments by means of an anonymous letter to the following address:

Variosystems AG
CHRO
Ampèrestrasse 5
9323 Steinach
Switzerland

Our complaint process makes it possible for all reporting people to report any concerns about behavior in their or our environment that is not compliant with the stated guidelines without the fear of retaliatory measures.

Our management is responsible for any further action to be taken concerning these reports.

7 Responsible Sourcing of Minerals

When applicable, Variosystems develops measures and action items, which according to best knowledge make sure that the tantalum, tin, tungsten and gold in the products we manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. We exercise due diligence on the source and chain of custody of these minerals and make our due diligence measures available to customers upon customer request.

8 Privacy

We are committed to protecting the reasonable privacy expectations of everyone with whom we do business, including suppliers, customers, consumers and employees. We comply with privacy and information security laws and regulatory requirements when collecting, storing, processing, transferring and disclosing personal information.

Management System

Variosystems has established a management system whose scope is related to the content of this Code. The management system is designed to ensure:

- (a) compliance with applicable laws, regulations and customer requirements related to our operations and products;
- (b) conformance with this Code; and
- (c) identification and mitigation of operational risks related to this Code. It also facilitates continual improvement.

The management system contains the following elements:

1 Company Commitment

The executive management commits itself in its corporate policy to social and environmental responsibility, which affirms the commitment to compliance with laws and regulations and continual improvement.

2 Management Accountability and Responsibility

The Board of Management identified company representatives responsible for ensuring implementation of the management systems and associated programs. Auditors review the status of the management system on a regular basis.

3 Legal and Customer Requirements

Processes have been established to identify, monitor and understand applicable laws, regulations and customer requirements, including the requirements of this Code.

4 Risk Assessment and Risk Management

Processes have been established to identify environmental, health and safety, labor and ethics risks associated with our operations. The relative significance of each risk and the implementation of appropriate procedural and physical controls to manage the identified risks and ensure compliance have been determined.

5 Improvement Objectives

Our executives establish written performance objectives, targets and implementation plans to improve social and environmental performance, including a periodic assessment of the performance in achieving those objectives.

6 Training

We conduct training for managers and workers to implement our policies, procedures and improvement objectives and to meet applicable legal and regulatory requirements. During orientation and at regular intervals, employees are informed of and trained in the content of the Variosystems Code of Conduct.

7 Communication

We have established a process to communicate clear and accurate information about policies, practices, expectations and performance to workers, suppliers and customers.

8 Employee Feedback, Participation and Grievance

We have established an effective grievance mechanism to obtain feedback on or violations against practices and conditions covered by this Code and to foster continuous improvement. The Variosystems Code of Conduct is subject to continuous improvement by employee feedback.

9 Audits and Assessments

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

10 Corrective Action Process

A process is in place for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

11 Documentation and Records

Documents and records are created and monitored to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

12 Export Control

As a global company, Variosystems ensures all national and international trade regulations and import and export control laws that affect our global business transactions. Each employee contributes to compliance with laws, regulations and internal rules in this area.

13 Supplier Responsibility

Processes have been established to communicate the requirements of the Code to suppliers and to monitor supplier compliance with the Code.

Obligation to Report

Each of our employees and business partners is encouraged to contact the Variosystems contact points in confidence if they become aware of violations of this Code of Conduct or other violations of applicable laws, regulations or internal company rules. In addition to the mentioned point of contact under "Ethics - 6 Protection of Identity and Non-Retaliation" the following points of contact apply:

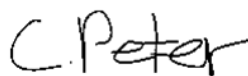
- Supervisor
- Human Resources Department
- General Manager or Chief Executive Officer

The respective supervisor is the first point of contact for employees' questions and concerns. Supervisors pass all important information on to the General Manager, Chief Executive Officer or Chief Human Resources Officer, who coordinates and initiates any further action.

Steinach, January 2024



Stephan Sonderegger
CEO



Christine Peter
CHRO

Locations



Switzerland

Variosystems AG
Ampèrestrasse 5
9323 Steinach

Sri Lanka

Variosystems (Pvt.) Ltd.
Nelumwatta, Kotadeniyawa Road
11538 Badalgama

USA

Variosystems Inc.
901 S. Kimball Ave.
Southlake, TX 76092

China

Variosystems Electronics (Suzhou) Co. Ltd.
No. 43, Tianedang Road, Yuexi
215104 Suzhou, Jiangsu

Croatia

Variosystems d.o.o.
Koprivnička ulica 17c
42230 Ludbreg

Mexico

Variosystems MX
Avenida Fuentes No. 321
32437 Ciudad Juárez

Singapore

Variosystems Asia Pacific Pte. Ltd.
Fraser Tower, Level 17
182 Cecil Street
SG-069547 Singapore