

# Wulfsberg Electronics Code of Ethics and Business Conduct

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From: <http://www.wulfsberg.com>

## **Treat in an Ethical Manner Those to Whom Wulfsberg Electronics Has an Obligation**

For our employees we are committed to honesty, just management, fairness, providing a safe and healthy environment free from the fear of retribution, and respecting the dignity due everyone.

For our customers we are committed to produce reliable products and services, delivered on time, at a fair price.

For the communities in which we live and work we are committed to observe sound environmental business practices and to act as concerned and responsible neighbors, reflecting all aspects of good citizenship.

For our shareholders we are committed to pursuing sound growth and earnings objectives and to exercising prudence in the use of our assets and resources.

For our suppliers and partners we are committed to fair competition and the sense of responsibility required of a good customer and teammate.

**We are committed to the ethical treatment of those to whom we have an obligation.**

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## **Obey the Law**

We will conduct our business in accordance with all applicable laws and regulations. The laws and regulations related to government contracting are far-reaching and complex, thus placing responsibilities on Wulfsberg Electronics beyond those faced by companies without government customers. Compliance with the law does not comprise our entire ethical responsibility. Rather, it is a minimum, absolutely essential condition for performance of our duties.

**We will conduct our business in accordance with all applicable laws and regulations.**

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## **Promote a Positive Work Environment**

All employees want and deserve a workplace where they feel respected, satisfied, and appreciated. As a global enterprise, we respect cultural diversity and recognize that the various countries in which we do business may have different legal provisions pertaining to the workplace. As such, we will adhere to the limitations specified by law in all of our localities, and further, we will not tolerate harassment or discrimination of any kind -- especially involving race, color, religion, gender, age, national origin, disability, and veteran or marital status.

Providing an environment that supports honesty, integrity, respect, trust, responsibility, and citizenship permits us the opportunity to achieve excellence in our workplace. While everyone who works for the Company must contribute to the creation and maintenance of such an environment, our executives and management personnel assume special responsibility for fostering a work environment that is free from the fear of retribution and will bring out the best in all of us. Supervisors must be careful in words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to deviate from acceptable ethical behavior.

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## **Work Safely: Protect Yourself, Your Fellow Employees, and the World We Live In**

We are committed to providing a drug-free, safe, and healthy work environment, and to observe environmentally sound business practices throughout the world. We will strive, at a minimum, to do no harm and where possible, to make the communities in which we work a better place to live. Each of us is responsible for compliance with environmental, health, and safety laws and regulations. Observe posted warnings and regulations. Report immediately to the appropriate management any accident or injury sustained on the job, or any environmental or safety concern you may have.

We are committed to providing a drug-free, safe, and healthy work environment.

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## **Keep Accurate and Complete Records**

We must maintain accurate and complete Company records. Transactions between the Company and outside individuals and organizations must be promptly and accurately entered in our books in accordance with generally accepted accounting practices and principles. No one should rationalize or even consider misrepresenting facts or falsifying records. It will not be tolerated and will result in disciplinary action.

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## **Record Costs Properly**

Employees and their supervisors are responsible for ensuring that labor and material costs are accurately recorded and charged on the Company's records. These costs include, but are not limited to, normal contract work, work related to independent research and development, and bid and proposal activities.

Employees and their supervisors are responsible for the Company's records.

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## **Strictly Adhere to All Antitrust Laws**

Antitrust is a blanket term for laws that protect the free enterprise system and promote open and fair competition. Such laws exist in the United States, the European Union, and in many other countries where the Company does business. These laws deal with agreements and practices "in restraint of trade" such as price fixing and boycotting suppliers or customers, for example. They also bar pricing intended to run a competitor out of business; disparaging, misrepresenting, or harassing a competitor; stealing trade secrets; bribery; and kickbacks.

Antitrust laws are vigorously enforced. Violations may result in severe penalties such as forced sales of parts of businesses and significant fines against the Company. There may also be sanctions against individual employees including substantial fines and prison sentences.

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## **Know and Follow the Law When Involved in International Business**

Corruption erodes confidence in the marketplace, undermines democracy, distorts economic and social development, and hurts everyone who depends on trust and transparency in the transaction of business. The Company is committed to conduct its activities free from the unfair influence of bribery and to foster anti-corruption awareness among its employees and business relations throughout the world. The Foreign Corrupt Practices Act (FCPA) is a United States law that prohibits corruptly giving, offering or promising anything of value to foreign officials or foreign political parties, officials or candidates, for the purpose of influencing them to misuse their official capacity to obtain, keep, or direct business or to gain any improper advantage. In addition, the FCPA prohibits knowingly falsifying a company's books and records or knowingly circumventing or failing to implement accounting controls. Employees involved in international operations must be familiar with the FCPA and with similar laws that govern our operations in other countries in which we do business.

International transfers of equipment or technology are also subject to laws and regulations -- such as the International Traffic in Arms Regulations (ITAR) in the United States -- that may contain prior approval, licensing, and reporting requirements.

Additionally, it is illegal to enter into an agreement to refuse to deal with potential or actual customers or suppliers, or otherwise to engage in or support restrictive international trade practices or boycotts.

It is always important that employees conducting international business know and abide by the laws of the countries which are involved in the activities or transactions. These laws govern the conduct of Wulfsberg Electronics employees throughout the world. If you participate in these business activities, you should know, understand, and strictly comply with these laws and regulations. If you are not familiar with these rules, consult with your supervisor and the Legal Department prior to negotiating any foreign transaction.

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### **Follow the Law and Use Common Sense in Political Contributions and Activities**

Wulfsberg Electronics encourages its employees to become involved in civic affairs and to participate in the political process. Employees must understand, however, that their involvement and participation must be on an individual basis, on their own time, and at their own expense. In the United States, federal law prohibits corporations from donating corporate funds, goods, or services, directly or indirectly, to candidates for federal offices -- this includes employees' work time. Local and state laws also govern political contributions and activities as they apply to their respective jurisdictions, and similar laws exist in other countries.

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### **Carefully Bid, Negotiate, and Perform Contracts**

We must comply with the laws and regulations that pertain to the acquisition of goods and services by our customers. We will compete fairly and ethically for all business opportunities. In circumstances where there is reason to believe that the release or receipt of non-public information is unauthorized, do not attempt to obtain and do not accept such information from any source.

Appropriate steps should be taken to recognize and avoid organizational conflicts in which one business unit's activities may preclude the pursuit of a related activity by another Company business unit.

If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that all statements, communications, and representations to prospective customers

are accurate and truthful. Once awarded, all contracts must be performed in compliance with specifications, requirements, and clauses.

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### **Avoid Illegal and Questionable Gifts or Favors**

The sale of Wulfsberg Electronics products and services should always be free from even the perception that favorable treatment was sought, received, or given in exchange for the furnishing or receipt of business courtesies. Employees will neither give nor accept business courtesies that constitute, or could be reasonably perceived as constituting, unfair business inducements or that would violate law, regulation or policies of the Company or customer, or could cause embarrassment to or reflect negatively on the Company's reputation. Although customs and practices may differ among the many marketplaces in which we conduct our business, our policies in this regard are substantially similar within the United States and elsewhere throughout the world. As a matter of respect for the rich and diverse customs practiced among our business relations internationally, permissive conduct may differ somewhat in accordance with applicable policy or upon guidance from the business unit's Ethics Officer and Legal Department.

### **Gifts, Gratuities, and Business Courtesies to U.S., State, and Local Government Employees**

Federal, state and local government departments and agencies are governed by laws and regulations concerning acceptance by their employees of entertainment, meals, gifts, gratuities, and other things of value from firms and persons with whom those government departments and agencies do business or over whom they have regulatory authority. It is the policy of Wulfsberg Electronics to comply strictly with those laws and regulations.

#### **Federal Executive Branch Employees**

Wulfsberg Electronics employees are prohibited from giving anything of value to federal Executive Branch employees, except as follows:

- Wulfsberg Electronics advertising or promotional items of little intrinsic value (generally \$10.00 or less) such as a coffee mug, calendar, or similar item displaying the Company logo;
- Modest refreshments such as soft drinks, coffee, and donuts on an occasional basis in connection with business activities; or
- Business-related meals and local transportation having an aggregate value of \$20.00 or less per occasion, provided such items do not in aggregate exceed \$50.00 in a calendar year. Although it is the responsibility of the government employee to track and monitor these thresholds, no Wulfsberg Electronics employee shall knowingly provide meals and/or transportation exceeding the \$20.00 individual or \$50.00 annual limit.

- Certain other exceptions regarding widely attended gatherings and business activities outside U.S. borders are detailed in company policy.

### **Federal Legislative and Judiciary Branches, and State and Local Government Employees**

Employees of the federal Legislative and Judiciary Branches and employees of state and local government departments or agencies are subject to a wide variety of different laws and regulations. These laws and regulations and Corporate Policy Statements pertaining to them must be consulted prior to offering such employees anything of value.

### **Business Courtesies to Non-Government Persons**

#### **Meals, Refreshments and Entertainment**

- It is an acceptable practice for Wulfsberg Electronics employees to provide meals, refreshments, entertainment, and other business courtesies of reasonable value to non-government persons in support of business activities, provided:
- The practice does not violate any law or regulation or the standards of conduct of the recipient's organization. It is the offeror's responsibility to inquire about prohibitions or limitations of the recipient's organization before offering any business courtesy; and
- The business courtesy must be consistent with marketplace practices, infrequent in nature, and may not be lavish or extravagant. While it is difficult to define "lavish or extravagant" by means of a specific dollar amount, a common sense determination should be made consistent with reasonable marketplace practices.

#### **Gifts**

Wulfsberg Electronics employees are prohibited from offering or giving tangible gifts (including tickets to sporting, recreational, or other events) having a market value of \$100.00 or more, to a person or entity with which the Company does or seeks to do business, unless specifically approved by his or her supervisor, and the Company's General Manager.

#### **Business Courtesies to Foreign Government Personnel and Public Officials**

The Company may be restricted from giving meals, gifts, gratuities, entertainment, or other things of value to personnel of foreign governments and foreign public officials by the Foreign Corrupt Practices Act and by laws of other countries. Employees must obtain prior Legal Department approval where the hospitality (i.e., meal, gift, gratuity, entertainment or other thing of value) to be given is not clearly permissible.

**Employees must discuss the following situations with the Company's General Manager who will consult with Legal Counsel...**

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### **Steer Clear of Conflicts of Interest and Know the Rules About Employing Former Government Officials**

Playing favorites or having conflicts of interest -- in practice or appearance - runs counter to the fair treatment to which we are all entitled. Avoid any relationship, influence, or activity that might impair, or even appear to impair, your ability to make objective and fair decisions when performing your job. There are extensive conflict of interest laws and regulations regarding the employment or use of former military and civilian government personnel. These rules extend to contact or negotiations with current government employees to discuss their potential employment by the Company or their use as consultants or subcontractors. Conflict of interest laws and regulations must be fully and carefully observed. When in doubt, consult corporate and company policies and procedures, and share the facts of the situation with your supervisor, Legal Department, Human Resources, or General Manager.

When in doubt, share the facts of the situation with your supervisor, Legal Department, Human Resources or Ethics Officer

#### **Here are some ways a conflict of interest could arise:**

- Employment by a competitor or potential competitor, regardless of the nature of the employment, while employed by Wulfsberg Electronics.
  - Acceptance of gifts, payment, or services from those seeking to do business with Wulfsberg Electronics.
  - Placement of business with a firm owned or controlled by an employee or his/her family.
  - Ownership of, or substantial interest in, a company which is a competitor or a supplier.
  - Acting as a consultant to a Wulfsberg Electronics customer or supplier.
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### **Maintain the Integrity of Consultants, Agents, and Representatives**

Business integrity is a key standard for the selection and retention of those who represent Wulfsberg Electronics. Agents, representatives, or consultants must certify their willingness to comply with the Company's policies and procedures and must never be retained to circumvent our values and principles. Paying bribes or kickbacks, engaging in industrial espionage, obtaining the proprietary data of a third party without authority, or gaining inside information or influence are just a

few examples of what could give us an unfair competitive advantage in a government procurement and could result in violations of law.

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### **Protect Proprietary Information**

Proprietary Company information may not be disclosed to anyone without proper authorization. Keep proprietary documents protected and secure. In the course of normal business activities, suppliers, customers, and competitors may sometimes divulge to you information that is proprietary to their business. Respect these confidences.

#### **Keep proprietary documents protected and secure.**

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### **Obtain and Use Company and Customer Assets Wisely**

Proper use of Company and customer property, electronic communication systems, information resources, material, facilities, and equipment is your responsibility. Use and maintain these assets with the utmost care and respect, guarding against waste and abuse, and never borrow or remove them from Company property without management's permission. Be cost-conscious and alert to opportunities for improving performance while reducing costs. While these assets are intended to be used for the conduct of Wulfsberg Electronics's business, it is recognized that occasional personal use by employees may occur without adversely affecting the interests of the Company. Personal use of Company assets must always be in accordance with corporate and company policy -- consult your supervisor for appropriate guidance and permission.

All employees are responsible for complying with the requirements of software copyright licenses related to software packages used in fulfilling job requirements.

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### **Do Not Engage in Speculative or Insider Trading**

In our role as a multinational corporation and a publicly owned company, we must always be alert to and comply with the security laws and regulations of the United States and other countries.

#### **... we must always be alert...**

It is against the law for employees to buy or sell Company stock based on material, non-public "insider" information about or involving the Company. Play it safe: don't speculate in the securities of our parent Company, Cobham plc., when you are aware of information affecting the Company's business that has not been publicly released or in

situations where trading would call your judgment into question. This includes all varieties of stock trading such as options, puts and calls, straddles, selling short, etc. Two simple rules can help protect you in this area: (1) Don't use non-public information for personal gain. (2) Don't pass along such information to someone else who has no need to know.

This guidance also applies to the securities of other companies (suppliers, vendors, subcontractors, etc.) for which you receive information in the course of your employment at Wulfsberg Electronics.

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### **For More Information:**

In order to support a comprehensive Ethics and Business Conduct Program, Wulfsberg Electronics has developed an education and communication program.

This program has been developed to provide employees with job-specific information to raise their level of awareness and sensitivity to key issues. All employees participate in a formal Ethics Awareness training session at least once a year. Newly hired employees receive an Ethics orientation.

### **Warning Signs - You're On Thin Ethical Ice When You Hear...**

"Well, maybe just this once..."

"No one will ever know..."

"It doesn't matter how it gets done as long as it gets done."

"It sounds too good to be true."

"Everyone does it."

"Shred that document."

"We can hide it."

"No one will get hurt."

"What's in it for me?"

"This will destroy the competition."

"We didn't have this conversation."

You can probably think of many more phrases that raise warning flags. If you find yourself using any of these expressions, take the Quick Quiz below and make sure you are on solid ethical ground.

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### **Quick Quiz - When In Doubt, Ask Yourself...**

Are my actions legal?

Am I being fair and honest?

Will my action stand the test of time?  
How will I feel about myself afterwards?  
How will it look in the newspaper?  
Will I sleep soundly tonight?  
What would I tell my child to do?  
How would I feel if my family, friends, and neighbors knew what I was doing?

If you are still not sure what to do, ask... and keep asking until you are certain you are doing the right thing.

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### **Our Goal: An Ethical Work Environment**

We have established this Code of Ethics and Business Conduct to underscore our commitment to ethical conduct throughout our company.

You are urged to ask questions to the HR Department or the General Manager whenever you have a question or concern that cannot be readily addressed within your work group or through your supervisor.

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### **Contact the Ethics Office**

In addition, if you need information on how to contact your local **Ethics Officer; the General Manager of Wulfsberg Electronics** -- or wish to discuss a matter of concern with the Corporate Office -- you are encouraged to use one of the following confidential means of communication:

Call:               The Wulfsberg Electronics General Manager  
                          1-928-708-1550

Write:              HR Department Office of Ethics and Business Conduct  
                          Wulfsberg Electronics  
                          6400 Wilkinson Drive  
                          Prescott, AZ 86301-6164

Fax:                 928-541-7627

Internet E-Mail: [HR@wulfsberg.com](mailto:HR@wulfsberg.com)

When you contact your Company Ethics Officer or the Corporate Office of Ethics and Business Conduct:

- You will be treated with dignity and respect.
- Your communication will be protected to the greatest extent possible.

- Your concerns will be seriously addressed and, if not resolved at the time you call, you will be informed of the outcome.
- You need not identify yourself.
- Remember, there's never a penalty for contacting any staff member of Wulfsberg Electronics about Business Ethics or the Wulfsberg Code of Conduct. People in a position of authority can't stop you; if they try, they're subject to disciplinary action up to and including dismissal.