



Date: _____

Message from the General Manager

To the employees of S.C Elmet International S.R.L.:

Elmet International undertakes to perform our activity ethically and with professional integrity. Our success as a company depends on our freedom to distance ourselves from even the corruption aspect. All the employees of our organizations have a role in maintaining ethical values, and continuing and improving our reputation for honest conduct is essential to our business conduct around the world.

Our commitment to these standards of conduct must be demonstrated in all business activities and relationships, and the principles outlined in this Code of Ethics of Business Conduct ("**Code of Ethics**") must guide our business activities and personal behavior at all times. The management of the Company undertakes to act in accordance with this Code of Ethics. It is extremely important that every employee and person doing business on our behalf understand these principles and undertake to fully comply with them.

Thank you for integrating the principles of this Code of Ethics into the daily practices of your business.

Sincerely,

Radu Biceri
General Manager
S.C Elmet International S.R.L



1. INTRODUCTION

A. Importance of Ethics. Conducting our business honestly, ethically and appropriately is extremely important to the continuing success and development of the Company. We have long had procedures that are related to business conduct in order to help us maintain our reputation and conduct our business activities in a compliant manner.

B. This Code of Ethics. In order to achieve our commitment to an ethical business conduct, our board of directors has approved this Code of Ethics. It summarizes ethical conduct in business. Compliance with this Code of Ethics by our managers, officials and employees helps us to carry out our business activities successfully, maintain a good reputation and create a positive and efficient work environment.

C. Other Procedures And Policies of the Company. The Code of Ethics is supplemented by other Company policies and procedures related to compliance issues with ethical and anti-bribery principles, including but not limited to:

- Policy of Compliance with the Anti-Bribery and Anti-Corruption Principles (“**ABCC Policy**”);
- Denunciations and Investigations Procedure (“**Whistleblower Procedure**”)
- Procedure for the Prior Verification of the Anti-Bribery and Anti-Corruption Principles (“**DD Procedure**”);
- Policy on Protocol and Gifts in Business (“**Business Entertainment Policy**”); and
- Supplier Code of Conduct (“**Supplier Code**”).

D. Where to Find the Code of Ethics and Related Policies and Procedures. This Code of Ethics and each of the above mentioned procedures and policies are part of the Inner Regulation of the Company, being attached to this document. Each employee shall take note of the Inner Regulation together with the Code of Ethics and the related Procedures and Policies and shall sign to demonstrate that they have become aware of it. It can be found by request at the Human Resources Department.

E. Where You Can Ask Questions. If you have any doubts about a situation that might violate our ethical standards, or if you have any other questions regarding conduct issues, you should contact the Human Resources Department, our legal advisor or similar persons presented in the Denunciation Procedure referred to in Section 1.C from above. The matter will be considered and appropriate measures will be taken consistent with this Code of Ethics, other applicable policies, Company procedures and laws.



2. SUMMARY OF WHAT WE EXPECT YOU TO KNOW AND DO

A. Familiarize yourself with the Code of Ethics. We expect you to become familiar with this Code of Ethics and other Company policies and procedures.

B. The Code of Ethics is just a General Informative Principle. This Code of Ethics serves as a statement with basic principles and standards and does not include the specific rules that apply to each situation. Also, this Code of Ethics must be analyzed in other policies, procedures, practices and instructions as well as within the framework of the legal provisions. In addition, the absence of a company-specific policy, procedure, practice or instruction covering a particular situation does not exempt you from the responsibility of acting ethically in those circumstances.

C. Checklist of Things to Take into consideration. In many situations it can be difficult to know the right way forward. Since this Code of Ethics does not anticipate every situation that may arise, it is important to address a new question or problem deliberately:

- (1) Determine whether you know all the facts and identify exactly what concerns you.
- (2) Discuss the matter with a supervisor or Human Resources Department or legal advisor, or if you are a senior manager or a director, or, with the Responsible of the Compliance Office of the parent Company.
- (3) Seek help from other sources such as other management employees.
- (4) Ask for guidance before taking an action that you think is, or may be unethical or inappropriate.

D. The standards according to which you will be responsible. We expect you to comply with the following compliance standards:

- (1) You are personally responsible for your own conduct and for compliance with all provisions of this Code of Ethics and for proper reporting of known or suspected violations.
- (2) If you are a supervisor, manager or head you must make every effort to ensure that employees understand and comply with this Code of Ethics.
- (3) No one has the authority or right to order, demand or even influence this Code of Ethics or the law. A request or order from another person will not be an excuse for your violation of this Code of Ethics.
- (4) Your attempt to induce a Director, person in charge or employee of the Company to violate this Code of Ethics, whether successful or not, is in itself a violation of this Code of Ethics and may be a violation of the law.
- (5) Any retaliations or threats against any director, person in charge or employee of the Company for refusing to violate this Code of Ethics, or for reporting in good faith the violation or suspicion of



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violation of this Code of Ethics, is in itself a violation of this Code of Ethics and our related policies and may be a violation of the law.

E. Violations will be subject to Disciplinary Actions. Violation of any of the standards contained in this Code of Ethics, or other policies, practices or instructions of the Company, is considered a misconduct and may lead to disciplinary action, including dismissal and civil or criminal proceedings against the person who violated the standard.

3. SCOPE

You are subject to this Code of Ethics if you are a director, person in charge or employee of the Company. In addition, this Code of Ethics applies to our own actions as well as those that you carry out indirectly through relatives, friends or other personal relationships. We also expect our suppliers and vendors to comply with certain ethical standards as reflected in our Supplier Code referred to in Section 1.C from above.

4. VALUES

We are committed to promoting the following core values:

- **Honesty and Ethics:** Honesty, respect and integrity are the key principles guiding us.
- **Focus on the Client:** We are open to the needs of our customers and we respond to them with affordable, comprehensively proven operational solutions that provide a qualitative advantage to performance.
- **Employee Excellence:** Great people are the key to our vision. We use a team-spirit, motivated, world-class workforce and create a dynamic atmosphere where employees can flourish and reach their own potential.
- **Innovation, Creativity and Technological Advancement:** We promote an environment that supports innovation, creativity and a leading position in the technical field.
- **Teamwork and Synergy:** Personal interaction and mutual trust form the basis for achieving our goals. In our complex world, cooperation and teamwork lead to synergy.
- **Leadership, Personal Responsibility and Liability:** We are committed to the Company's success through personal responsibility and leadership.
- **Social Sustainability:** We contribute to improving the quality of life and the environment of the communities in which we live and work through a variety of educational, social and ecological activities.
- **Responsibility to the environment:** The environmental impact of professional activities is taken into account and solutions are implemented to reduce pollution below the permissible limits. The integrated management system complies with the requirements of the international standard ISO14001:2015.



5. HONEST CONDUCT AND ETHICS

Every person complying with this Code of Ethics is responsible for acting honestly and ethically in the conduct of activities on behalf of the Company. Your responsibility applies to your interaction with other directors, managers and employees, and the Company. We expect you to act in good faith and with responsibility, with the proper attention, the necessary skills and diligence. You must use your independent judgment about questionable behavior and behave at all times in a manner that meets our ethical standards.

6. COMPLIANCE WITH LAWS, REGULATIONS AND RULES

You have to comply with all applicable laws, rules and regulations of the Government. This includes, but is not limited to, regulations relating to the conduct of government tenders and the integrity of the procurement. Although we do not expect you to know the details of all applicable laws, rules, and regulations, we expect you to familiarize yourself with the Company's published policies and procedures and seek advice from our Legal Department if you have any questions about whether a legal requirement applies to a particular situation or what conduct may be necessary to comply with any law, rule or regulation.

7. PUBLIC DISCLOSURES

The Company's policy is to properly disclose the information in all reports and documents that we or the parent company submit to, or present to the applicable national security authorities and stock exchanges, as well as in all public communications made by the Company.

8. INSIDE TRADING

Since parent company shares are publicly traded, all individuals who have "inside information" about our activities are subject to applicable laws and regulations related to "inside trading". If you have access to the materials, non-public information, it is forbidden to use or share information for the purposes of trading shares or for any other purpose than that of conducting our business. All non-public information about the Company must be considered confidential information. Inside trading is the use of material, non-public information for your personal financial benefit or to "bribe" other people who could make an investment decision based on this information, is not only immoral, but also illegal. The prohibition of inside trading applies not only to the securities of the parent company, but also to the securities of other companies if you learn material non-public information about these companies during the performance of your tasks for the Company.



Violations of this prohibition against trading from the inside may be subject to criminal or civil liability, in addition to disciplinary actions applied by the Company.

9. COMPLIANCE WITH THE ANTI-BRIBE AND ANTI-CORRUPTION PRINCIPLES

The company is committed to conducting its business according to the highest ethical principles, including compliance with anti-bribery and anti-corruption standards. We have a Zero Tolerance policy for corruption. We are active on many markets, requiring compliance with anti-bribery and anti-corruption laws in several jurisdictions. This includes applicable Romanian law, such as Law 78/2000 on the prevention, discovery and punishment of corruption practices, with the related amendments and completions. In addition to the laws applicable to Romanian companies, as the parent company shares are publicly traded on the US NASDAQ National Market, we are subject to the United States Law on Corrupt Practices Abroad („FCPA”). There are also anti-bribery and anti-corruption laws around the world that apply to the countries where we conduct business. Our policy on compliance with anti-bribery and anti-corruption standards, as well as business and gift protocol, is included in our ABCC policy, in the Pre-Check Procedure and the Business Protocol Policy, each of which is mentioned above in Section 1.C.

10. HUMAN RIGHTS AND FAIR WORK PRACTICES

We expect you to treat all people you interact with in connection with the Company with dignity and respect for human rights and fair working practices. Company Policy supports measures to prevent human trafficking and modern slavery, relating to our human resources activities and those of our supply chain.

11. CORRECT BEHAVIOR

You must behave fairly towards our suppliers, competitors and employees as well as others with whom the Company concludes business. You should not take advantage of anyone by manipulating, concealing, abusing privileged information, misrepresented facts or other unfair practices.

12. CONFLICTS OF INTERESTS

You must ethically treat any actual or apparent conflict of interest between your personal and business relationships. Conflicts of interest are prohibited under our policy. A “conflict of interests” exists when the personal interest of a person occurs, or it can be reasonably considered to affect in any way the interests of the Company. A conflict situation arises if you act or have interests that affect your ability to perform your business for the Company objectively and effectively. Conflicts of interest may arise if you or a member of your family or other person affiliated with you as defined in Section 12.F



“Indirect Violation” below, receives an undue personal benefit as a result of your position within the Company.

If you learn information about any transaction or relationship that could reasonably cause a conflict of interest, you must promptly report them to the Human Resources Department of the Company or to the legal advisor or otherwise in accordance with the provisions of the Whistleblower Procedure referred to in Section 1.3 above. Some possible conflicts of interest may, after being analyzed by the Legal Department, be considered permissible. The possibility that the situation may lead to an undesirable appearance of impropriety is among other factors to consider.

The following examples refer to standards that apply to certain common situations where possible conflicts of interest may arise. These examples should also be read in the light of indirect infringement situations as described below.

A. Gifts, Protocol and Other Personal Benefits. Gifts, protocol and other personal benefits may be offered or accepted only by persons doing business with or on behalf of the Company if this is done in a reasonable manner throughout the regular business relationship. In addition, the frequency and cost of these gifts, protocol and personal benefits must be only in nominal amounts/value, so as not to affect, or seem to affect the ability to make independent business decisions. Please refer to our Policy on the Business Protocol referred to in Section 1.C from above.

B. Financial Interests for Other Organizations Determining whether an external investment, financial arrangement or other interests in another organization are undue depends on the facts and circumstances of each case. Your ownership in another organization may be inappropriate if the other organization has a significant business relationship with, or is a direct competitor of, the Company. In this case, your financial interests would be inadequate if they are of a size that affects or could affect your ability to make independent business decisions on behalf of the Company. As a general rule, a passive investment may not be considered inappropriate if it: (1) is in publicly traded shares; (2) represents less than 1% of the outstanding shares of that organization; and (3) represents less than 5% of your net value. Other interests may also be inappropriate, depending on the circumstances.

C. Foreign Affairs Activities. Determining whether any external position the employee might hold is inappropriate will depend on the facts and circumstances of each case. Your involvement in trade associations, professional and charitable companies and similar organizations does not normally create a conflict of interest. However, to avoid a possible conflict of interests if you take an official position (such as a director) or receive compensation in connection with these activities, you must receive prior approval from the Human Resources Director and the legal advisor. For a director, employment or affiliation to an organization with which the Company does business or is competing



must be fully disclosed to our Board of Directors and must satisfy any other standards set forth by applicable laws, rules (including the rules of any applicable scholarship) or regulations and any other guiding principles of company governance that the Company may establish.

D. Opportunities within the Company. It is forbidden to exploit for your personal advantages, opportunities that are discovered through the use of resources, information or position within the Company, unless all necessary approvals are obtained. Similarly, you cannot compete with the Company. You are responsible for supporting the legitimate interests of the Company when the opportunity arises to do so.

E. The Employment Process. Employment decisions must be made only on the basis of professional considerations and not on the basis of personal considerations. In addition, situations that may be considered nepotism, such as hiring close family members of directors, managers or employees in certain situations, should be avoided. The employment of persons previously employed by, or who are close relatives of, persons employed by, organizations that have a partnership with the Company must be analyzed in advance with the Human Resources Director and the legal advisor to avoid inappropriate or inadequate situations. These organizations include independent auditors, other service providers, subcontractors, customers, end-users, regulators and competitors.

F. Indirect Situations of Violation. You must not have any indirect interest (through a spouse, family member, related person, friend, partner, associate or entity with whom you have an active or significant business relationship) or engage in any activity that would violate this Code of Ethics if you had a direct interest or if you are involved in the activity. Any such relationship must be fully disclosed to the Human Resources department of the Company or to the legal advisor (and in the case of a Director of the Board), to determine whether the relationship is inappropriate based on the standards of this Code of Ethics.

13. POLITICAL ACTIVITY

The Company's policy is not to promote specific political affiliations. However, you are free to engage in political activities in your free time as long as these activities do not interfere with your activity within the Company, and do not engage the company in or associate it with those activities in any way. The use of the Company's property or its resources for political purposes is prohibited.

14. PROTECTION AND PROPER USE OF COMPANY GOODS

You must properly protect and use the Company's goods and property. Theft, negligence and waste have a direct impact on your profitability. All assets of the Company must be used only for



justified business purposes. The use of our computer networks and other communication channels for inappropriate purposes is prohibited. The use of computer networks and communication channels for personal purposes must be reasonable, at a minimum level and not interfere with professional activities.

15. CONFIDENTIALITY

The obligation of employees to protect the Company's assets includes our proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing, financial, human resources, technical and administrative information which has not been properly launched in the public domain. Unauthorized use or distribution of this information violates the Company's policy. It can also be illegal and lead to civil and even criminal sanctions. Unless disclosure is specifically authorized or legally binding, you must maintain the confidentiality of all non-public information you have obtained during your work activities, whether or not entrusted to you by the Company or persons with whom we do business.

16. SOCIAL MEDIA USAGE

A. The Social Media Goal. We admit that external social networks and online social networking sites ("Social Media") provide opportunities for sharing information, ideas and perspectives that are widely used in many aspects of everyday life. Examples of Social Media include Facebook, Twitter, YouTube, LinkedIn, Instagram and various blogs, among others. Because the Company understands that private use of social networks has become a common part of our lives, employees and any other persons representing the Company must know that accessing or using social networks in any way in connection with the Company creates risks for the Company and is regulated strictly according to description below.

B. Possible Risks. Employees should be aware that even private use of social networks that refer to the Company or our activities has potential risks. Improper use of social networks has the possibility to cause damage to you and the Company if it can be identified from the social network that you are an employee of the Company. Anything you post on the social network may become public and may be displayed for a long time. The online environment nowadays also poses significant risks from politically motivated hostile sources as well as from cyber-criminals, both regarding the Company and in general. Not only are there potential risks of cyber attacks if you are connected to the Company's IT systems in using social networks, but there is also the risk that your private computer and email address being used related to Company activities may expose you to cyber criminals or politically motivated cyber attacks or other forms.



C. Social Media Usage Rules. Due to the risks mentioned above, the following rules will apply to the use of social networks by employees and representatives of the Company:

1. When you join or connect to social networks - make sure you only use your personal email address and not the Company's email address.
2. We expect you to keep privacy. Do not discuss on social networks anything related to the Company's business, whether or not related to the Company's proprietary information.
3. Make sure that any comments you make privately on social networks may be linked to the Company if it is possible for outsiders to identify you as an employee or representative the Company. These comments may damage the Company's image or reputation or expose the Company to possible legal action.
4. You must be aware that posting the Company logo, mentioning on social networks that you are working for the Company or "labeling" photos with you or other employees may create risks for you, the Company or other employees. Therefore, it is recommended that you do not do this. Also, posting a CV on social networks mentioning specific projects, customers or products is an inappropriate and unacceptable exposure of Company information.
5. If you believe that there is potentially harmful information about the Company appearing on social networks, or that a response to a matter about the Company appearing on social networks is required, notify the Company Spokesperson for solving. Do not make statements or give answers on behalf of the Company and do not engage in dialogs about the Company on social networks, even if you believe that you are defending the Company or saying something positive.
6. You are personally responsible for what you publish on social networks, and we expect you to follow the above guiding principles. Unauthorized and potentially harmful comments are considered misconduct and will be followed by disciplinary action.

17. INTERPRETATIONS OF THE CODE OF ETHICS AND APPROVALS

If it is not clear to you whether a particular activity or relationship is inappropriate or if approval is required under this Code of Ethics or other related policies or procedures, you must disclose this to the Human Resources department of the Company or to the legal advisor (and if you are a director, to the Board of Directors). It will then be determined whether there is a breach of the Code of Ethics or whether an approval can be granted. You may be asked to agree to the terms before receiving the requested approval. Approval given to a person in charge or director may require disclosure required by regulations or other requirements.



18. REPORTING ILLEGAL AND UNETHICAL BEHAVIOR

A. Importance of Reporting. Employees are encouraged to speak with appropriate supervisors, directors or other staff when in doubt about the best path in a particular situation. Reporting illegal or immoral conduct is an important element in our ability to meet the standards described in this Code of Ethics. You must promptly report violations of laws, rules, regulations or this Code of Ethics, to the Human Resources Department or our legal advisor as referred to in the Whistleblowing Procedure referred to in Section 1.C from above. Although we encourage our employees to report in a fully transparent and detailed manner violations of applicable laws, rules, regulations and of this Code of Ethics, we will accept reports sent anonymously.

B. The No Retaliations Policy It is our policy not to allow actual retaliation or threats of retaliation, harassment or discrimination due to reporting inappropriate conduct by employees in good faith.

C. Investigations. All reports of violations of this Code of Ethics will be promptly investigated and, if found to be accurate, timely action will be taken. We expect employees to cooperate in internal investigations of misconduct. For more information see the Whistleblowing Procedure referred to in Section 1.C from above.

19. FRAUD, MISLEADING, MISCONDUCT AND APPLICABLE SANCTIONS

Fraud is an act of deception committed to obtain personal gain or cause a loss to another party.

You must not seek to obtain any advantage of any kind by fraudulent act, deception of people or false statements or allow anyone to do so. This includes fraud or theft from the company, from a client or third party, and any type of illegal appropriation of property.

Misconduct is an act related to work and consisting of an action or inaction committed with guilt by the Employee, by which he violated the legal norms, Internal Regulations, applicable individual work contract or collective work contract, orders and legal provisions of the higher ranking officers.

The employer has disciplinary prerogative, having the right to apply, according to the law, disciplinary sanctions to its employees whenever it finds that they have committed disciplinary misconduct.

Employees who have misconducts shall be sanctioned regardless of their position or office.

Misconducts:

- *Written warning;*
- *Demotion from office;*



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- *Diminishing of the base salary for a period of 1-3 months by 5-10 %;*
- *Diminishing of the base salary and/or, as applicable, of the management allowance for 1-3 months by 5-10%;*
- *Disciplinary termination of the work contract.*

Note: The actions mentioned in Annex no. 4 of the Internal Regulation are misconducts.

20. SCOPE

The Code of Ethics is for the benefit of the Company, and no other person or entity is entitled to implement this Code of Ethics. This Code of Ethics does not create, and must not be interpreted to create, any legal action by private persons or any remedy related to persons or entities for the violation of the Code of Ethics. In addition, this Code of Ethics is not to be interpreted as an employment contract and does not change the employment status of any person.