

Code of Conduct

Code of behavior and ethics



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1. Scope and Purpose

In accordance with:

- International Labor Organization (ILO),
- Greek legislation
- European Union (EU) Directives
- Declaration of the World Health Organization (WHO)
- Universal Declaration of Human Rights,
- United Nations (UN) Convention on the Rights of the Child
- United Nations Convention on the Elimination of All Forms of Discrimination Against Women

KAPACHIM SA (here in after mentioned as “the company”) adopts and implements this Code of Conduct (hereinafter mentioned as “the Code”), which should be respected equally by all Company’s associates.

The Code aims to capture the principles and rules which should govern the commitment of management to all employees working at KAPACHIM SA as well as the latter’s professional behavior. The Code provides a general statement of the Company’s expectations regarding the ethical standards that its employees, officers and directors should adhere every time when performing the duties, responsibilities or obligations of their job or position within the Company or acting on its behalf, while being a rulebook of acceptable behavior (between all employees and/or third parties, physical or legal entities, private or public, domestic or foreign) applicable to all employees regardless of their hierarchical position in the Company.

2. Responsibilities

This code is written by the CEO and approved by the board of directors and the shareholders of the company during the annual general meeting of 2013 and is being revised accordingly to any changes in company policies, procedures or state legislation. Responsible for compliance to this Code is the “Code of Conduct Affairs Committee”. President of the committee, acting also as “Chief Ethics and Compliance officer” of the company, will be the Quality Assurance Manager. The Human Resources Manager and the Chief Accountant will staff the committee as members of the board.

3. Our Values

People: We create the best possible environment in which our people are trained, developed, treated with respect and rewarded for achieving the best results while enjoying their job. The Company provides continuous guidance and training to employees on safety generally with emphasis on the personal and environmental security.

Quality: We are always moving in the direction of providing the highest quality products in terms of customer specifications, expectations, processes, as well as in all aspects of company operations. We are committed to conducting business with our associates responsibly and with total transparency in order to achieve our goals.

4. Our commitment

Compliance with the laws: Complying with the law both in letter and in spirit is the foundation on which the Company’s ethical standards are built. We comply with all applicable laws and regulations and apply the minimum industry standards. We adopt the conventions of the International Labor Organization and the United Nations as well as all other relevant legal requirements.

Wages: The salaries for normal working hours and overtime exceed the minimum legal limits and industry standards. We do not accept or apply any illegal, unauthorized disciplinary deductions from wages. Vacation

time, leave periods, sick leaves, holidays and leaves in general are offered and paid in consistency with applicable laws and regulations.

Working hours: The Company complies with applicable laws and industry standards on working hours and holidays. Overtime is done exclusively on a voluntary basis and paid according to current legislation.

Health and Safety: The Company provides a safe and healthy working environment by taking effective measures to prevent possible accidents and injuries caused by, related to, or occurring during labor by minimizing, to any possible extent, the causes of workplace hazards. We implement and abide by a clear set of rules and procedures related to health and safety in the workplace, emphasizing on the provision and use of personal protective equipment, access to clean sanitation establishments and access to drinking water.

Environment and Safety: The procedures and company standards meet or exceed the minimum legal requirements.

Antidiscrimination: The Company will not tolerate any discrimination, against any person, in matters of recruitment, salary, access to training, promotion, termination of contract or retirement based on gender, age, religion, race, caste, birth, social class, disability, ethnic and national origin, nationality, membership in workers' organizations including unions, involvement in political parties, political beliefs, sexual orientation, family responsibilities, marital status or any other situation that could lead to discrimination.

Child labor: Child labor is strictly prohibited, as specified in Conventions of the International Labor Organization and the United Nations and/or national legislation.

Forced Labor: The Company is explicitly opposed to any form of forced labor that violates basic human rights and to all forms of trafficking. Deductions from wages or benefits, withdrawing of property or documents aiming at forced labor are expressly prohibited. All work is voluntary and workers are free to leave the facilities of the Company after the normal working day. They are also free to terminate their employment within reasonable notice. The Company treats all employees with dignity and respect, thus the use of any corporal punishment, mental or physical coercion and verbal abuse of staff will not be tolerated.

Management Systems: The Company has a policy of social responsibility and also applies a policy against bribery/corruption in all business activities. Management is responsible for the proper implementation and continuous improvement, by taking corrective measures and periodically revising the Code as well as notifying the personnel about the requirements of the Code. The General Management is also responsible for resolving employees' related issues of non-compliance of employees with the Code.

Drugs and Alcohol: Alcohol and drugs are prohibited, in the premises of the Company, while the same applies for employees being on external duty.

5. Our commitment to the employees

KAPACHIM considers that its employees as partners whose collaboration is essential for attaining its goals. Quality employment is based on an environment which is committed to training and career development and to fostering different abilities, cultures and, beliefs and nationalities while ensuring equal rights and working conditions. The Company operates with a sense of responsibility, consistency and investing in employees is an integral part of our corporate culture. For this reason, Management is committed to creating and maintaining a work environment that promotes mutual trust, cooperation and recognition, ensuring that the development of the Company's employees is continuous and supported by creative thinking, expression and fulfillment of personal and professional aspirations. The Company provides equal opportunities and adopts recruitment practices and criteria that comply with legal requirements and are based on skills and the

educational level of each individual, regardless of gender, nationality, color, sexual orientation, place of origin or physical ability, etc.

The Company complies with all laws regarding intellectual property, protecting the confidentiality of employee records and allowing only authorized personnel to use these records in connection with Company business.

a) Employment Contracts

The Company is staffed only with permanent employees who sign contracts, according to the law, which clearly state the terms and conditions of employment. The contracts are written in a clearly-defined manner understandable by the employee. A signed copy is given to the employee; another is maintained in the Company's files and a third one is submitted to the Labor Department. We do not use successive short-term contracts for permanent jobs.

Should the Company need to hire temporary staff, the contracts will be drawn up in accordance with current laws. This also applies to trainees. Apprenticeship (e.g. hiring students for practical experience) will be for a limited time period and will only be used to provide students with practical experience and/or prepare them for permanent employment. The terms and conditions of employment are clearly defined in writing and explained in detail to the employee at the time of recruitment and prior to signing the contract (if the prospective employees are unable to read the text, it is explained in their native language).

The Company is opposed to any form of work performed under duress or sanctions (forced labor) as this would constitute a violation of human rights. The Company is against child labor under the age of sixteen years old and in case of recruitment of a person at the age of eighteen, the relevant legislation will be strictly applied.

b) Personnel Records

The Company preserves the confidentiality of employee records, informing employees about the type and purpose of use of their personnel records and allows only authorized persons to use the files solely for purposes relating to the Company. Employees can check and inquire about all personal data (except for confidential letters of recommendation, information regarding other employees and material collected during an internal audit) requesting an amendment if necessary. The Company complies with all applicable laws regarding the maintenance of employee records.

c) Working Hours

We expect strict adherence to the agreed-upon working hours. Employees are monitored for compliance through electronic cards time and attendance system. Employees may leave the workplace, only after consulting the supervisor, providing this does not occur on a regular basis. All employees have free access to drinking water and restrooms throughout the day with access restrictions being enforced only when necessary for safety and/or health reasons. Overtime, other than the agreed upon, is at all times voluntary.

d) Salary

The Company is obliged to pay the agreed salary at set dates, to ensure the protection of life, health, personality and ethics of the employee, to offer time off as specified by law, to pay all legal employer contributions/compensations and to comply with labor and insurance regulations. Employees are obliged to execute their duties (within the framework of their contracts) and to display their loyalty (e.g., confidentiality, not engaging in activities putting at risk the competitiveness of the Company).

e) Health and Safety in the Workplace

The main concern of the Company is the welfare of all employees. Maintaining high health and safety standards is our first priority. Achieving a "zero accident rate" at work is a responsibility shared by

Management and staff. Management maintains high safety standards in all its facilities and ensures the systematic compliance and periodic inspection of safety standards. We strive to maintain a healthy and safe working environment as the health, well-being and productivity of our personnel are of utmost importance. In addition, every effort is being made to facilitate employment for people with physical disabilities who are able to work.

f) Human Rights

The Company selects, delegates tasks, rewards and compensates employees on the basis of aptitude and performance based on their position requirements without any discrimination. Our commitment is to provide equal employment opportunities to all, regardless of race, color, religion, sex (including pregnancy), gender identity and expression, age, marital status, sexual orientation, ethnicity, nationality, disability or any other category protected by law.

The Company is committed to ensuring the implementation of its policies on hiring, firing, compensation, promotion, training, apprenticeship or other terms, conditions and privileges of employment. We comply with all laws and regulations that prevent discrimination.

If you believe you have a disability that requires an adjustment in order for you to perform basic duties of your position or you need a specific religious setting, you must contact the Assistant Director. The Company will work with you to determine reasonable settings. All employees must respect the diversity of other employees, suppliers or the Company's customers and not tolerate behavior that may offend one's dignity or lead to discrimination of any kind. The Company is opposed to illegal work, and especially supports the protection of children and minors. It also prohibits sexual or other harassment or exploitation of their employees in the workplace. It ensures impartial behavior and respects the privacy of each employee. For this reason, the collection, processing, use and maintenance of personal data are carried out within strict legal guidelines.

The Company offers equal employment opportunities. Selection and compensation are based on solely on required skills, without any discrimination, and always in accordance with applicable laws.

The Company is committed to maintaining a decent working environment in which values such as equality, justice, respect, courtesy and dignity are a high priority. We have zero tolerance for discrimination or harassment, verbal or physical abuse caused by an employee, supervisor, client, supplier, consultant, guest or other person at the Company or where Company activities take place. The Company will act swiftly and appropriately if a breach of this policy occurs and may result in disciplinary action leading to dismissal. Any form of discrimination or harassment based on race, color, religion, age, sex (including pregnancy), marital status, sexual orientation, ethnicity, nationality, disability or other issues protected by laws and regulations will be considered as a violation of this policy and will be treated as a disciplinary matter.

Additionally, to ensure a professional working environment of respect, any behavior which does not violate the law, but is inappropriate in the workplace, is also prohibited.

g) Quality

Attaining and sustaining a high degree of quality service is vital to the Company's operation. The main commitment of Management, and all of its employees, is to meet the needs of customers, providing them with quality services. Relationships with suppliers and customers are governed by transparency, trust, respect, honesty and integrity. Transparent transactions with customers and suppliers are important and essential for stable and long-term relations with the Company. They are based on objective criteria, such as quality service and products, unrivalled and prompt customer service, pricing policy, financial soundness, punctuality in delivery, compliance with the basic environmental and safety principles. The company will terminate any business relationship should a supplier or contractor engage in illegal or unethical business practices.

h) Environment and Assets

The Company's goal is that all procedures and products have a minimal negative impact on the environment. We are all responsible for safeguarding the company's assets from loss, theft, misuse, damage and waste in order to preserve their value.

6. Obligations of the Employees

a) Compliance

Compliance and adherence to relevant laws and to the Company Code of Conduct is a fundamental and non-negotiable obligation for all employees. All employees must learn the rules and regulations according to their position and the work that they perform. The participation in the relevant training programs is obligatory. After having read and understood the Company Code of Conduct, employees are handed over a form of declaration of compliance as an attachment of this publication which are required to duly sign. The signed form is kept on file for each employee.

b) Conflict of Interest

During working hours, all employees must avoid activities that are for their personal gain (financial or otherwise). Such activities violate company loyalty and are not in line with professional conduct (conflict of interest). Employees are advised to consult their supervisor if they have any doubts whether certain actions would result in a conflict of interest. All employees are required to conduct fair business transactions with customers, suppliers and competitors and to behave according to the rules of fair competition. We expect that you will act only in the best interests of the Company and avoid conflicts of interest by making sound and unbiased decisions. In every business transaction conducted, the interest of the company must be placed above personal interest or gain.

c) Gifts

If, in the course of professional activity, you need to give or receive gifts, meals, any form of entertainment or services, you must be very careful as this may jeopardize the objectivity and integrity of corporate transactions or, in some cases, violate the law. Partner and product selection is based on criteria such as quality, price and reliability, and we expect our partners to behave in the same way. Gifts, meals, any form of entertainment or services are considered acceptable only if they are granted relatively rarely, are in accordance with the laws, are in accordance with the relevant Company policies and procedures, do not make you liable to the person who gave you the gift, do not involve cash and are not offered or received by any government official unless you have prior approval. Bribes and other improper payments and gifts can take various forms e.g. direct cash payments, illegal commissions, unexplained refunds or discounts, invoices for alleged expenses or excessive products and services for personal use. Failure to comply with the above could result in disciplinary action up to and including dismissal.

d) Company Assets

All employees have a responsibility to protect the assets and resources of the company, to use them wisely and carefully and to avoid wastage, damage, destruction or theft. E-mails, messaging, internet and telephones can be used for personal reasons as long as this use is limited, occasional, sensible and does not interfere with work responsibilities or violates the Code in any other way. The above mentioned tools facilitate our work in many ways making it more effective and efficient. However, it is everyone's responsibility to help preserve the confidentiality, integrity and availability of the communications infrastructure. We draw your attention to all message content that may be annoying, offensive, harassing or demeaning to others, such as messages of sexual nature, jokes or offensive comments against any race etc. We should also be very careful about opening attachments in suspicious e-mails (e.g. unknown source).

Passwords are strictly personal and confidential. They are provided by the IT Department and can be replaced if necessary, either due to violation, or after the IT Director's decision to secure the electronic data of the Company. Those who, due to the nature of the work, keep records, have to ensure their accuracy and completeness.

e) Confidentiality

Each employee, while performing his duties or in any transaction or while dealing with third parties, must not disclose or make available in any way Company information that is confidential or secret. Confidential information may refer to: financial data, technical data, contracts, personal data, plans for acquisitions/mergers and management changes or important information relating to the development and strategy of the Company, pricing information, customer or suppliers lists, as well as information related to business choices or habits and plans of customers, etc. It is your obligation to safeguard confidential and sensitive information of the Company, regardless of how and why such information arrived to you, and not to communicate it to people outside the company, including members of your family or friends, during the entire period of employment with the Company and thereafter.

If you have prior knowledge or gain access to confidential information, you must store it in a place where non- authorized persons have no access so it will not be seen. You should not discuss confidential information in places where someone can hear your conversation. You must also be careful not to leave confidential information undetected in empty rooms or throw out confidential information in a public place where others can recover it. You must also be careful when using mobile phones, laptops, wireless devices, and any other type of communication that is not secure. Your obligation to protect confidential company information or other confidential information applies even when you leave the company, as long as the information remains confidential and is not available to the general public.

Examples of confidential information:

- Commercial secrets, policy or pricing,
- operational or strategic plans or prospects,
- non-public financial information of the Company or its customers, business partners or suppliers,
- development plans or projections,
- customer information including contact details, specifications and preferences,
- contracts and deals,
- information about the competition,
- subscriptions list,
- employees, clients, business partners or suppliers lists with or without contact information,
- software,
- merging, buying or selling plans,
- projects,
- internal communications, etc

We respect the confidential information relating to other organizations or individuals, including customers, business partners and suppliers. If you come across confidential information about another company or individual during work or as a result of your position, you should protect it with the same way you would protect confidential company information.

The company expects its employees, third consultants, contractors, business partners and suppliers to comply with applicable laws and regulations relevant to data protection.

f) Discrimination & Harassment

If you believe you were a victim of discrimination or harassment you should report your case to your supervisor and collaborate with him on any investigation conducted. Each report of discrimination or

harassment will be investigated promptly and thoroughly. We will try to keep the investigation confidential to the extent possible.

We prohibit any form of retaliation against individuals who make reports of alleged discrimination or harassment or who cooperate in the investigation of such reports. However, we reserve the right to take disciplinary action against you if you make any accusation without reasonable belief in the correctness or accuracy of the information or if you deliberately provide inaccurate information or submit false accusations. If you suspect that any measures taken against you are an act of retaliation, you must submit a written report (via email) to the Company's designated Person of Reference (HR Manager) responsible receiving and handling your report accordingly.

g) Health & Safety in the Workplace

The company strives to provide a healthy and safe working environment for its employees and accordingly expects that you:

- Carry out your work according to current laws, regulations and government policies regarding health and safety, in order to protect the health and safety of all employees, clients, associates or visitors.
- Follow all instructions and procedures of current laws on health and safety, Company's rules and risk management suggestions.
- Complete any mandatory training, which helps you fulfill all your work obligations with safety.
- Follow all safety instruction as presented through internal trainings (Seminars on Fire protection, correct use forklifts etc.).
- Always stay alerted and point out to your supervisor any safety issues that may concern you.

h) Violence & Bullying

The Company has zero tolerance for acts of violence, threats, or hostile acts towards any individual or a group of individuals. To the extent permitted by law, this applies to any actions that take place outside the Company's facilities and may have a negative impact on the Company's reputation or interests and/or the safety of its employees. No one is allowed to carry a weapon or any other hazardous material at the Company's premises or at any other place the Company operates. The list below depicts forbidden behavior that violates the Code:

- Behavior that aims to cause or may cause any kind of injury to another individual
- Threatening acts or statements, verbal or written, direct or indirect
- Aggressive, threatening or hostile behavior
- Behavior that aims to cause or may cause any kind of damage to any individual's property or Company's assets
- Direct or indirect surveillance or unauthorized supervision
- Commitment or threat to commit violent acts

If you are under the belief or suspicion that you or another person is threatened or subjected to violence, or if you take notice of any suspicious activity, you should immediately inform your supervisor or another member of the Administration. Possessing, using, buying, attempting to buy, selling, attempting to sell, distributing or manufacturing any kind of illegal substances, including legal substances without prescription is strictly prohibited while working for the Company. This also applies for the use of alcohol. When permitted by law, the company reserves the right to take appropriate measures to investigate compliance with the above mentioned, including investigation in the workplace or examination for drugs and alcohol by specialized professionals.

i) Raising Concerns and Complains reports

It is your responsibility to report any violation or suspected violation of the Code including the cases that this is prompted by others. As part of the continuous improvement of the infrastructure and procedures of the company, employees are encouraged to report their concerns written via email to their supervisor or the to the Company's designated Person of Reference (HR Manager). Any reporting of complaints will have no effect on the employee making the report.

Any form of physical or verbal abuse as well as any reduction in wages as a means of punishment for reporting complaints is strictly prohibited. If you are under the suspicion or have knowledge of any of the above, you must report it at once so that necessary actions are taken. Company's designated Person of Reference (HR Manager) or any other person appointed by the Company, is responsible for processing complaints. Any investigation, if needed, will be carried out in absolute secrecy and discretion and will not be disclosed to any third parties, unless such an action is essential for the matter to be settled as long as the party who reported the complaint agrees. Reports will be answered in writing within a reasonable time that will not exceed one month's period.

j) Compliance with the Code of Conduct

If you are not sure about how to act or have any doubts about the content of the Code, please seek guidance and consult your supervisor. Improper behavior or behavior that is not consistent with the Code will result in an oral warning from the Administration. The warning will be given with discretion, respecting the employee's ethics and will take place at a private meeting. The employee will have the opportunity to apologize and provide the appropriate explanations. If behavioral misconduct continues, a written warning will follow. Should any of these actions fail to bring the desired result; the issue will be resolved in the appropriate manner by the Administration, provided that both the employee and the supervisor are present. This policy will be reviewed and updated when necessary.