



**STATEMENT
OF PRINCIPLES**



FORWARD

The sign of a great company is a commitment to doing business in an ethical way. And so, this Statement of Principles strives to set a marker—staking a philosophical approach to doing business and defining who we, collectively aim to be every day in our interpersonal relationships and communications. To that end, this document is a social contract between and among all people who touch the Designetics brand—employees, vendors, business partners.

We have built the trust of our customers and suppliers by developing a reputation for conducting our business with integrity and the highest ethical standards. As such, **our reputation as an ethical company is one of Designetics' most valuable assets.**

We are not simply committed to complying with laws and regulations, but exceeding expectations wherever we conduct business. Each employee contributes to the care and maintenance of Designetics' most important asset—our reputation for integrity. What's more, this viewpoint is held in the highest regard by all our employees, not just management.

We share a responsibility for ensuring Designetics maintains its reputation as an ethical company, one espousing value rooted in doing good and extending good fortune to those in our surrounding community and the world at large. To this end, we have crafted a set of work guidelines to continually reinforce our philosophy.

OUR VALUES AND PRINCIPLES

The foundation of Designetics is built on values guiding our action. We conduct our business in a socially responsible and ethical manner, while respecting the law, protecting the environment, and supporting human rights and the community we work and live. We act with integrity in all we do, following the standards on which the company was built:



INTEGRITY AND HONESTY

is at the heart of our every interaction. With each other. With Customers. With the community.



RESPECT IS KEY

to our work relationships, our interactions with customers and the community at large. We respect for others' beliefs, values and moral disciplines.



ATTENTION TO DETAIL

is the difference between simply doing work and excelling and growing. So, we focus on the tiniest aspects of each job to ensure we exceed customer expectations, as well as our own.

SETTING A TONE FROM THE TOP

Management has the responsibility for demonstrating, through their actions, the importance of our Code of Conduct. In any business, ethical behavior does not simply happen; it is the product of clear and direct expectations, modeled by everyone and demonstrated by example.

To make our Code successful, managers are responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers do not consider employees' ethics concerns as threats or challenges to their authority, but rather another encouraged form of business communication. **At Designetics, the ethics dialogue is a natural part of daily work.**

BUILDING TRUST AND CREDIBILITY

The success of our business is dependent on the trust and confidence we earn from our employees, customers and shareholders. **We gain credibility by adhering to our commitments, displaying honesty and integrity, and reaching company goals solely through honorable conduct.** It is easy to say what we must do, but the proof is in our actions.

When considering any action, we ask: will this build trust and credibility for Designetics? Will it help create a working environment in which Designetics can succeed over the long term? Is the commitment we are making one we can follow through with? The only way we will maximize trust and credibility is by answering “yes” to those questions and by working every day to build our trust and credibility.



RESPECT FOR THE INDIVIDUAL

We all deserve to work in an environment where we are treated with dignity and respect. **Designetics is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our business success.** We cannot afford to let anyone’s talents go to waste.

Designetics is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types, from abusive, offensive or harassing behavior.

CREATING A CULTURE OF OPEN AND HONEST COMMUNICATION

At Designetics we want everyone to feel comfortable to speak his or her mind. Managers have a responsibility to create an open and supportive environment where employees feel comfortable asking questions or raising concerns. It is an organizational benefit when each member exercises their power to prevent mistakes or wrongdoing by asking the right questions.

Designetics will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found, the company will take appropriate action. We will not tolerate retaliation against employees who raise concerns in good faith.

OUR CODE OF CONDUCT AND ETHICS

No corporate code can cover every possible question of business conduct and ethics. **When in doubt, we ask before we act.**

Designetics' commitment to integrity begins by complying with laws, rules and regulations where we do business. Further, each of us must have an understanding of the company policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or Designetics policy, we seek advice from the resource expert. We are responsible for preventing violations of the law and for speaking up if we see possible violations.

The Code states our core values and sets expectations for every employee about how we conduct business; work with customers, suppliers and other business partners; serve our shareholders; and interact with one another. Each employee is responsible for upholding this Code and the Law.

HEALTH, SAFETY: DESIGNETICS WILL CONDUCT BUSINESS IN COMPLIANCE WITH APPROPRIATE SAFETY AND ENVIRONMENTAL LAWS AND REGULATIONS.

It is Designetics policy to operate its facility in a manner that protects its employees and the environment.”





MANAGEMENT'S COMMITMENT

Designetics pledges to its employees that as long as the affairs of this company are in management's hands, the principles will govern our actions.

Designetics employees and their welfare are very important to the company's success. Our long-range objective is the continuous development of a growing and prospering business through which both the employees and the company will benefit. Every employee is considered a member of our team. Designetics' success as a company is built on the recognition of the skills and efforts contributed by each employee. It is the policy of Designetics to work with all members of our team in a fair and friendly manner and to treat each team member with dignity and respect.

The management of Designetics will work continually for the benefit of our present and prospective customers as well as our employees to improve the competitive position of Designetics. This will enable us to provide excellent jobs for our team members. General conditions such as safety, cleanliness, and employee accommodations will be evaluated periodically for possible improvement and will always compare favorably with best practice.

Designetics will devote management's best effort to conducting an expanding business within which will prevail an atmosphere of harmony and opportunity for all employees.

QUALITY AS A WAY OF LIFE

In addition to a Code of Conduct to guide our way, we also have a Quality Policy in place to help maintain our high standards of excellence.

Our goal is to meet and exceed the needs and expectations of our customers by providing innovative, high-value products and services, which are cost effective, and of world-class quality. We will achieve this goal through breakthrough and continual improvement in design, manufacturing, the Quality Management System, and delivery of our products and services.

The following actions and stakeholders are essential for us to achieve our goal:



CUSTOMERS

Customer Satisfaction is our number one priority.



QUALITY

It is our policy to ensure both internal and external customers receive the highest quality product possible. Internal customers are defined as the next process step in the flow of material and information.



CONTINUOUS IMPROVEMENT

We continuously improve our products and processes to guarantee customer satisfaction.



EMPLOYEES

Create a safe working environment which encourages personal involvement, development and an atmosphere where each employee is responsible for his/her work.



TRAINING

Provide the educational and training opportunities to support the achievement of business objectives.



LEADERSHIP

Adopt a consistently open and participative leadership style to harness the skills and enthusiasm of the entire workforce.



SUPPLIERS

Maintain mutually beneficial business relationships with our suppliers to ensure on time deliveries of zero-defect materials.

Our commitment to the highest standards in every aspect of our business supports our aim of Customer Satisfaction, Quality and Continuous Improvement. To achieve this, we have established a Quality Management System which is mandatory for all employees.



LEADING IN THE COMMUNITY

As part of our commitment to our surrounding communities and the world at large, we established Designetics Cares, a non-profit foundation geared toward providing financial and in-kind assistance to organizations and individuals throughout the area.

Through outreach, financial assistance and in-kind donations, the foundation provides philanthropy with a focus on both small and large initiatives. In fact, the foundation believes small change—through concentrated efforts—can have as much or more impact as those initiatives requiring large capital outlay.

To that end, the Designetics Cares mission statement emphasizes this philosophy:



OUR TARGET:

our communities and their children.



OUR MISSION:

to make a difference in lives—now and for future generations.



OUR METHOD:

outreach, donations and in-kind services.



OUR MANTRA:

selfless service and a focus on the little things that make a big difference.

It is also evident in the works of Designetics Cares. In essence, the foundation strives to transform the lives of Designetics employees and the next generation in our community. We support this endeavor by providing the means to grow through education, success and personal health initiatives.

And we're always looking to do more.

OUR WORK MANIFESTO

LEAD BY EXAMPLE.

TREAT EVERYONE WITH LOVE AND RESPECT.

CREATE AND NURTURE POSITIVE EMPLOYEE AND CUSTOMER RELATIONSHIPS.

PROVIDE OPPORTUNITIES FOR PEOPLE TO LEARN, THRIVE AND ACCOMPLISH THEIR DREAMS.

TAKE PRIDE IN YOUR WORK, WITH AN ATTENTION TO DETAIL. FINISH WHAT YOU START.

MAKE TODAY BETTER THAN YESTERDAY.

TREAT PEOPLE AS YOU WANT THEM TO TREAT YOU.

WORK HARD AND ANYTHING IS POSSIBLE.

WHAT YOU DO HAS FAR GREATER IMPACT THAN WHAT YOU SAY.

ENJOY WHAT YOU DO AND DO WHAT YOU ENJOY.

LISTEN TO THE ONES YOU LEAD.

WITHOUT THE COMBINED SUPPORT OF US ALL, WE WILL NEVER BE SUCCESSFUL. EVERY PERSON HAS AN ACTIVE VOICE AND STRENGTHENING FEEDBACK TO OUR ULTIMATE GOAL OF SUCCESS.

TAKE PRIDE IN NOT ONLY YOUR WORK BUT TAKE PRIDE IN YOURSELF FIRST AND FOREMOST.

