SAE Power Company	Code of Business Conduct and Ethics	**Procedure:** **Revision:**	**HR-101** **02**

1. **Purpose**

This Code of Business and Ethics (the "Code") sets forth the guiding principles by which we operate our company and interact with each other and with other people or entities – customers, suppliers, government authorities and the public.

In this Code all references to "we", "us", "our", "the Company" and similar references refer to SAE Power Company and its affiliates.

2. **Scope**

This Policy applies to every employee of SAE, including managers, officers and directors, when dealing with the Company's suppliers, customers, competitors and other employees. Neither agents, consultants nor any other third party can be used to engage in practices on behalf of the Company which violate this policy. This Policy is intended to supplement all applicable laws, rules, and other corporate policies. It is not intended to supplant any local laws.

This Policy shall be distributed to each new employee, officer and director of the Company upon commencement of his or her employment or other relationship with the Company. Additional distributions will be made as deemed necessary. Each employee, officer and director shall certify that he or she has received, read and understood the Policy and will comply with its terms. The Company reserves the right to amend, alter or terminate this Policy at any time for any reason.

3. **Reference Documents**

3.1 SAE Quality Manual

3.2 SAE Orientation Information Sheet, Rev. 3, "Train07 (1202)", updated January 2020

3.3 Non-Disclosure Agreement between SAE Power Company and Employee, signed by each employee upon hire

3.4 Exhibit N – Code of Conduct for Manufacturers, SAE certified December 15, 2011

3.5 HR-102 Anti-Bribery and Anti-Corruption Policy

3.6 HR-103 Anti-Fraud Policy

4. **Terms and Definitions**

4.1 SAE's "Core Values" are:

4.1.1 Integrity and honesty
4.1.2 Passion for our customers' success
4.1.3 Relentless pursuit of service excellence
4.1.4 Openness and respect
4.1.5 Commitment to provide personal growth and leadership opportunities
4.1.6 Accountability to create value for our employees and our customers

4.2 A "Conflict of Interest" occurs when your personal interest interferes, or appears to interfere, with the interests of the Company.

4.3 "Confidential information" means all material, non-public, business-related information written or oral, whether or not it is marked as confidential, that is disclosed or made available to the receiving party, directly or indirectly, through any means of communication or observation.

4.4 "Company Assets" include computer hardware, software and other technology; furniture; equipment; supplies; inventory; assembled or manufactured items, including damaged and discarded items housed in the Company's offices; all business documentation in any format; Company accounts and records; and all computing and communications technology provided to employees.

4.5 "Insider Trading" is the illegal practice of trading on the stock exchange to one's own advantage through having access to confidential information.

4.6 "Violent Behavior" is defined as threats, threatening, aggression or violence, harassing, coercing, assaulting, acting violent towards, or intimidating, or any acts of, whether verbally or physically to another employee, vendor, customer or others.

4.7 "Substance-Free" is defined as a being free of the use, possession, sale, transfer, unlawful manufacture, distribution, dispensing or purchase by any employee of any substance (including alcohol and marijuana) or associated paraphernalia, or being under the influence of substances by any employee at any time on Company premises, or customers' premises, or while on Company business.

5. **Policy Requirements**

5.1 It is our policy that all employees and directors adhere to SAE's Core Values, which include being held to the highest standards of honest and ethical conduct when acting on the Company's behalf.

5.2 All personnel must comply with all local, state, provincial, federal and/or foreign laws and regulations applicable to the Company.

5.3 Employees, officers and directors must refrain from engaging in any activity or having a personal interest that presents a Conflict of Interest or the appearance of impropriety.

5.4 All employees must maintain the confidentiality of confidential information entrusted to them by the Company or other companies, including our suppliers and customers, except when disclosure is authorized by an officer or is legally mandated.

5.5 Confidential information should be shared only with other employees who have a need to know such information to perform their responsibilities for the Company.

5.6 All employees are responsible for safeguarding all Company assets.

5.7 Use of Company funds or assets for gifts, gratuities or other favors to employees or any family member, political parties or other government officials is prohibited, except to the extent such gifts are in compliance with applicable law, less than $25 and not given in consideration or expectation of any action by the recipient.

5.8 All employees share equally in the responsibility for reducing accidents and absenteeism by performing their jobs in a safe and healthy manner.

5.9 Any employee who has material non-public information about any public company, including our suppliers and customers, as a result of our relationship with the company are prohibited by law and Company policy from any Insider Trading, as well as from communicating such information to others who might trade on the basis of that information.

5.10 Violent Behavior in the workplace will not be tolerated.

5.11 SAE employees must maintain a Substance-Free workplace. There may be certain Company celebrations where alcohol is provided by the Company. Moderate, responsible consumption of alcoholic beverages at these Company authorized celebrations will not violate this policy.

5.12 Employees must not conduct any unlawful discrimination, harassment and intimidation, such as discrimination-based harassment and/or sexual harassment.

5.13 Every employee, officer and director has the responsibility to ask questions, seek guidance, report suspected violations and express concerns regarding compliance with this Code to his or her supervisor or manager without fear of retaliation.

5.14 Any suspected violations may also be reported anonymously by faxing your concerns to the Whistleblower Hotline at (480) 988-6213.

5.15 Employees, officers and directors shall not discharge, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against an employee because he or she reports any such violation of this Policy, unless it is determined the employee made a knowingly false report.

5.16 Any employee who violates the terms of this Policy may be subject to disciplinary action, which may include termination of employment, if he/she:

5.16.1 has direct knowledge of potential violations of this Policy but fails to report such potential violations to Company management, or

5.16.2 misleads or hinders investigators inquiring into potential violations of this Policy.

5.17 While some of the policies contained in this Code must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be appropriate. Any supervisor, manager or officer who seeks a waiver of any of these policies should contact the Company's President. Such waiver will be disclosed, if required by law.

Revision History

Date	Revision	Description of Changes	Prepared by
Apr-17 2020	01	Initiate document, GQP-026	L. Chisum
Jan-29 2021	02	Change numbering to HR series and add change for referenced documents shown in green	L. Chisum

Approval

Title	Name	Signature	Date (mm/dd/yyyy)
CFO	Linda Chisum	Linda R. Chisum	4/19/2020
CFO	Linda Chisum	Linda R. Chisum	1/29/2021