



# **Code of Conduct of the ifm group of companies**



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## Explanation of the amendments and additions to the ifm Code of Conduct

In 2014, ifm drew up and published a Code of Conduct for the very first time. Over the last six years, our own requirements and the requirements of our business partners have undergone further developments.

Although issues such as sustainability and environmental protection are not fundamentally new, their importance has increased.

We have therefore decided to adapt and supplement the Code of Conduct accordingly.

The basis for the ifm Code of Conduct is still our ifm philosophy as well as further legal requirements.

To us, the principles set out in this Code of Conduct are unalterable principles to which we adhere and to which each employee must adhere.

This is because we wish to continue to "grow successfully in security".

Essen and Tettngang, October 2020

**ifm stiftung & co. kg**

Martin Buck  
Chairman of the Management Board

Michael Marhofer  
Chairman of the Management Board



## Preface by the Executive Board

Dear Employees,

**“ifm intends to be a moral company”** This principle from our philosophy is an integral part of our daily activities. The philosophy with the established principles, available since 1990, shows that we are aware of our social responsibility as a worldwide operating company.

As a result of the social change of the last years, acting ethically has been given special importance worldwide.

Against this background we have decided to establish a code of conduct for all of us. With this code we fulfil our moral and ethical obligations towards ifm, ifm employees as well as customers and suppliers.

Our goal is "to grow successfully in security" . This also means to act in accordance with applicable laws and regulations, thus preventing criminal and civil penalties. Furthermore, we want to fulfil our moral obligations.

With this code of conduct, we provide you with a guide to how we intend to conduct ourselves in legal and ethical matters.

At the same time, we demand compliance with these rules from us and from each employee.

Essen and Tettngang, March 2014

**ifm stiftung & co. kg**

Martin Buck  
Chairman of the Management Board

Michael Marhofer  
Chairman of the Management Board



## **Philosophy and applicable laws**

The basis of our actions is our corporate philosophy.

We strictly observe compliance with the applicable laws and standards of the respective countries in which we operate.

**ifm employees the principles laid down in the ifm philosophy.**

**ifm complies with the applicable laws, guidelines and standards.**



## **Dealing with each other**

Employees treat each other respectfully.

The UN Charter on Human Rights is explicitly acknowledged.

ifm and ifm employees do not discriminate against anyone on the basis of age, sex, religion, origin or other reasons.

ifm has multinational executives and employees and accepts the different ways of life and cultures.

## **We respect each individual employee.**

(Principle from the corporate philosophy)



## **Dealing with customers and suppliers**

ifm has a special attitude towards ifm customers. Each employee - whether directly or indirectly - is a sales person  
ifm employees internalise the principle "Close to you".

As a matter of principle, ifm will not develop, produce or sell products that directly serve military purposes.

Suppliers are selected objectively in the interest of ifm. In this context, quality and prices are to be specially considered, but also social responsibility and the working conditions of the supplier play an important role.

**ifm has a trusting and objective relationship with customers and suppliers.**

**As a matter of principle, ifm will not develop, produce or sell products that directly serve military purposes.**



## **Conflicts of interest**

ifm representatives avoid any conflict of interest or situations that appear to represent a potential conflict of interest.

A conflict of interest is at hand if the objectivity of a decision-maker is compromised by personal relationships or personal favours.

ifm employees are required to report situations of potential or apparent conflicts of interest to their superior and/or the Compliance Function.

**Conflicts of interest are to be avoided.**

**Potential conflicts of interest must be reported.**



## **How to handle gifts, entertainment and other benefits**

Credibility and loyalty towards the company are a high asset. Gratuities (gifts, entertainment, etc.) must on no account have an unreasonably high value and must not be considered or understood as a bribe. Even low-value gratuities, e.g. in combination with the expectance of a consideration may not be allowed or may even be relevant with respect to criminal law.

Against this background, "customary" gratuities may be accepted or awarded, provided they are appropriate.

In case of doubt, it might help to ask yourself if the disclosure of the transaction would be inoffensive or if it might cause damage to the reputation of the persons and/or company involved.

Donations to/from public authorities/officials are subject to special (stricter) regulations and the responsible Central Managing Director or the Compliance Function must be consulted.

**When awarding or accepting gratuities, a case-by-case appropriateness check is to be carried out.**

**In the case of public authorities and officials, providing gratuities of any kind is to be refrained from.**



## **Confidential information and data privacy**

ifm employees receive, store and send sensitive information that is partially subject to special legal protection and customer or supplier specific requirements.

This information includes data of business partners (customers, suppliers, service providers), employees and job candidates as well as information that is subject to trade secret and secrecy obligations (e.g. with customers or suppliers).

ifm treats confidential information sensitively and will, if required, mark data accordingly.

Personal data will only be collected, processed and stored in accordance with the legal provisions.

**ifm treats confidential information sensitively.**



## **Environmental protection and sustainability**

"ifm demands and promotes ecologically conscious decisions and conduct."  
(guiding principle from the corporate philosophy)

We undertake to comply with the applicable environmental legislation and the requirements of the authorities and, in addition, to continuously improve environmental protection within an economically justifiable framework.

We use existing resources carefully and sparingly.

The aim is to anchor continuous organisational development and improvement of the ifm group of companies in terms of sustainability: We reconcile economy, ecology and social aspects.

**ifm demands and promotes ecologically conscious decisions and conduct.**

**ifm reconciles economy, ecology and social aspects.**



## Quality

“High product quality and accurate technical data are unimpeachable values of ifm” (guiding principle from the corporate philosophy).

For us, quality refers to more than just the product. Our processes defined in the management system have been conceived for the aim of customer service and product quality.

Consequently, all products from the ifm group of companies set standards for highest reliability, precision and sustainability.

**The quality and performance of ifm products are exemplary.**



## **Health and safety at work, child and forced labour**

ifm takes sufficient measures to avoid the use of raw materials in ifm products that directly or indirectly finance armed groups that violate human rights.

ifm complies with the legal regulations to ensure health and safety at the workplace and implements an occupational health and safety management system.

The UN Human Rights Charter and the prohibition of child and forced labour included therein are explicitly acknowledged.

ifm also demands compliance with European standards with respect to health and safety at work and child labour from ifm suppliers worldwide.

**ifm takes responsibility for the health and safety of ifm employees.**

**Child and forced labour are explicitly rejected by ifm on ifm premises and on suppliers' premises.**



## **Anti-trust law**

ifm complies with the applicable anti-trust and competition laws.

No inadmissible price agreements or agreements on other conditions (technical and commercial) are made.

Furthermore, no antitrust or anti-competitive agreements on customers, sales areas, etc. are made.

**ifm is committed to fair competition.**



## **Consequences and contact**

In all cases where an ifm employee is not sure of how to act in accordance with the applicable laws or this Code of Conduct in a particular situation, the Compliance Function is available for advice (email: [compliance@ifm.com](mailto:compliance@ifm.com)).

ifm employees are obliged to immediately report any suspected violations of the regulations contained in this Code or applicable laws by other ifm employees, sales representatives working for ifm or other business partners of ifm to the Compliance Function. All reports will be treated confidentially.

Reporting anonymously is also possible <https://www.bkms-system.com/ifm>.

If an employee violates the corporate principles of ifm, ifm will take appropriate measures to prevent further violations.

ifm reserves the right to draw consequences with respect to the employment law and, where required, claim damages from employees who violate the Code of Conduct.

**Violations of the ifm Code of Conduct must be reported immediately.**

**ifm reserves the right to penalise the violation under labour law, civil law and/or criminal law.**

**Suspected cases must be reported immediately.**



## **Validity and implementation**

The Code of Conduct is binding for all employees of the ifm group of companies from the day of its announcement.

At irregular intervals, e-learnings or other training courses will be given on the subject of Compliance.

The Compliance Function may check up on the compliance with the Code of Conduct at any time.

This can also be done by other departments, e.g. the internal audit department, or external service providers in consultation with the Compliance Function and the Management Board of ifm stiftung & co. kg

**Validity: binding for all employees from the day of announcement**

**Training (e.g. e-learning) on the subject of Compliance is mandatory.**

**Compliance with the Code of Conduct can be checked up on at any time.**