

IHMA, Inc. and IHMA Europe Sàrl

## Business Ethics Policy

## **Introduction**

IHMA, Inc. and IHMA Europe Sàrl (the "Company") has an excellent reputation of conducting all of our business according to the highest principles of business ethics. We are proud of this reputation. We are committed to conducting our business activities with honesty, and in full compliance with the applicable laws and regulations. We also believe in treating our employees with the same principles. Our ethical principles are the values that set the ground rules for all that we do as management and employees of IHMA, Inc. and IHMA Europe Sàrl. As we seek to achieve responsible commercial success, we will be challenged to balance these principles against each other. In this respect the Company has set out a Code of Conduct, which is integrated into our Management System.

All members of Company personnel (directors, managers, employees) have a clear understanding where the Company stands on basic ethical issues, so that all can act accordingly. The Business Ethics Policy sets down the guidelines for business conduct at IHMA, Inc. and IHMA Europe Sàrl. It is our firm intention that these standards and rules guide the actions of all personnel. We ask everyone to pledge his or her support to this important policy.

## **Code of Business Conduct**

The Code of Business Conduct was prepared to provide members of personnel, as well as those with whom we do business, with a formal statement of the Company's commitment to the standards and rules of ethical business conduct. All members of personnel are expected to review this Code, and in so doing, agree to comply with its principles. This Code should be considered the basis on which each member of personnel conducts business on behalf of IHMA, Inc. and IHMA Europe Sàrl, and is the cornerstone of IHMA, Inc. and IHMA Europe Sàrl's ethical business practices.

A Code of Conduct cannot cover all circumstances or anticipate every situation. Members of personnel, encountering situations not addressed specifically by this Code should apply the overall philosophy and ethical standards observed by honorable people everywhere. Situations that are not covered may be reviewed with managers, or as appropriate, senior management of the Company.

## **Use of Company Funds and Assets**

The assets of the Company are to be used solely for the benefit of the Company and only for valid business purposes. The assets of IHMA, Inc. and IHMA Europe Sàrl are much more than our equipment, inventory, company funds, or office supplies. They include technologies, concepts, business strategies and plans, financial data, and other information about our business. These assets may not be improperly used to provide personal gain for members of personnel or others. Members of personnel may not transfer any of the assets to other people, except in the ordinary course of business.

## **Confidential Information**

As part of his/her job, a member of personnel may have access to confidential information about IHMA, Inc. or IHMA Europe Sàrl, its customers, suppliers and competitors. Until material information has been made public, this information is not to be disclosed to coworkers who do not have a business need-to-know, nor to external physical or business entities for any reason except in accordance with established Company procedures, which may include confidentiality agreements when appropriate. Members of personnel may not use confidential information obtained on the job for personal financial gain through Company's commercial activities or other personal financial transactions. "Confidential information" includes information or data on products, business strategies, information related to Principals, processes, systems, procedures, etc., as well as all financial data.

## **Conflicts of Interest (Personal Financial Interests & Outside Activities)**

Members of personnel should avoid any outside financial activity that might influence their work, company decisions or actions. Members of personnel should also avoid outside employment or activities that materially decrease the performance, impartiality, judgment, effectiveness, or productivity expected from everyone on his or her job. Specifically, they should avoid situations in which private interests' conflict or interfere with the loyalty to the Company and the Company's clients. Conflicts can arise from situations that may result in a direct benefit or from situations that have a negative impact on the Company.

Examples of conflicts include the following situations: 1) making significant use of Company time or resources for private personal interests such as surfing the net or doing private mailings; 2) making significant use of Company time and resources for commercial activities not related directly to the Company; 3) using position in the Company to influence purchasing decisions for own interests. These situations are provided as illustrations, so this list is not complete.

## **Dealing With Suppliers and Customers**

IHMA, Inc. and IHMA Europe Sàrl obtains and keeps its business because of the quality and value of our services, and the respect and confidence we instill in our customers. Conducting business with suppliers and customers can pose ethical or even legal problems; especially in the sector the Company is involved in, where local laws and practices may be different from those with which we are familiar. The following guidelines are intended to help all members of personnel to make the "right" decision in potentially difficult situations:

- Members of personnel may not accept nor offer gifts or money under any circumstances from and/or to suppliers or customers.
- Purchases or sales of goods and services must not lead to members of personnel or their families receiving personal rewards. Rewards may take many forms and are not limited to direct cash payments. In general, if a member of personnel stands to gain personally through the transaction, this is prohibited. Such practices are not only unethical, but in many cases may be illegal.

Payments or offer of benefit of any kind other than those included in standard marketing policies of the Company may not be made to customers or prospective customers as an inducement for them to buy our services; The use of IHMA, Inc. and IHMA Europe Sàrl's funds or assets for any unlawful or unethical purpose is strictly prohibited. Any payment which is improper when made by a member of personnel is likewise improper if made by a other third party on behalf of IHMA, Inc. and IHMA Europe Sàrl, where IHMA, Inc. and IHMA Europe Sàrl knows or has reason to know that the payment to a third party is for any purpose other than that disclosed on the payment documentation.

It is accepted as a reasonable business practice, members of personnel to offer or accept entertainment to or from customers, principals, suppliers in the course of normal business communication. However, offering or accepting entertainment, that is not a reasonable adjunct to a business relationship, but is primarily intended to gain favor or influence, should be avoided.

Agreements with agents, sales representatives, or consultants must be in writing in the Company's standard format, and must clearly and accurately set forth the services to be performed, the basis for earning the commission or fee involved, and the applicable rate or fee. Any such payments must be reasonable in amount, not excessive in light of the practice in the trade, and commensurate with the value of the services rendered. In some countries, local laws may prohibit the use of agents or limit the rate of commissions or fees. (Refer to attached Anti-Bribery & Corruption Policy: Appendix A)

## **Competitive Practices**

### ***Communications With Competitors***

It is not illegal and may be appropriate for representatives of IHMA, Inc. and IHMA Europe Sàrl and its competitors to meet and talk during business events, conventions, conferences etc. In such conversations, comment on such topics as pricing, sales levels, marketing methods, new product development, business goals, non-public studies, projects, and any proprietary or confidential information shall be avoided. Discussions regarding customers must be limited to the exchange of credit information.

### ***Information About Competitors***

As a business that competes in the marketplace, IHMA, Inc. and IHMA Europe Sàrl may seek economic knowledge about its competitors. However, we will not engage in illegal or improper acts to acquire a competitor's trade secrets, customer lists, and information about company facilities, technical developments or operations. In addition, we will not hire a competitor's employees for the purpose of obtaining confidential information, or urge competitors' personnel, customers, or suppliers to disclose confidential information, nor shall we seek such information from competitors' employees subsequently hired by IHMA, Inc. or IHMA Europe Sàrl.

## **Dealing With Each Other**

IHMA, Inc. and IHMA Europe Sàrl is committed to maintaining a positive constructive working environment where all members of personnel may pursue personal career satisfaction. Discrimination of any kind is not tolerated.

## **Insider Trading**

Under federal securities laws, employees of a publically traded company are prohibited from buying or selling Company stock while in possession of material, non-public information, and may not otherwise use the information for their own advantage or the advantage of others. "Material information" generally is any information that a reasonable investor would consider important in a decision to buy, hold or sell the stock or that could reasonably affect the price of the stock. To use material, non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal.

If any use of Company confidential or non-public material information results in any gains realized on **transactions in the stock of any other company**, these gains may be subject to forfeiture and criminal penalties may be applied. An employee with any questions regarding his or her obligations under the securities laws should consult Human Resources.

## **Implementation**

This Business Ethics Policy outlines the way we want to treat others, as well as the way we want to be treated. All members of personnel are fully aware of this policy and are expected to adhere to it. Everyone is encouraged to consult with managers, as appropriate, prior to taking any action whenever the proper course of conduct is in doubt. Any failure to adhere to this policy may result in action, up to and including termination of employment.

All members of personnel are expected to report violations of this policy. Such violations or any other inappropriate activity in the workplace may be reported to any member of management. The management of the Company shall always take appropriate action.

Failure to report any violations of this policy, failure to cooperate with any investigation of any alleged violation of this policy or the submission of information that is known to be false in response to an investigation of any alleged violation of this policy is, in itself, a violation of this policy.

Reprisal action against any member of personnel who in good faith reports suspected violation of this policy is not permitted, and any such reprisal actions will be deemed a violation of this policy.

All managers are responsible for ensuring this policy is used to guide the actions of Associates. They are also responsible for investigating any alleged violations of the policy.

*Appendix A*

IHMA, Inc. and IHMA Europe Sàrl  
Anti-Bribery & Corruption Policy

## **Foreword**

This policy sets out the general rules and principles to which we adhere. It will be communicated to all businesses and employees overseen by IHMA, Inc. and IHMA Europe Sàrl, as well as relevant business partners and other necessary individuals and entities.

This policy explains the procedures through which IHMA, Inc. and IHMA Europe Sàrl can maintain its high ethical standards and protect its reputation against any allegations of bribery and corruption. Its successful implementation requires pro-active adoption at the following levels:

- You – As an employee of IHMA, Inc. and IHMA Europe Sàrl, you are required to read and understand all aspects of this policy, and abide by it.
- Management – The business unit's overall compliance with the requirements of this policy is the responsibility of the Managing Director for each department. The Finance Department will ensure their business unit's adherence to sections 6, 7 and 8 of this policy.



## **Table of Contents**

- 1. Introduction**
- 2. What is Bribery and Corruption?**
- 3. What is a Bribe?**
- 4. Who Can Engage in Bribery or Corruption?**
- 5. What Does the Law Say about Bribery and Corruption?**
- 6. What Steps Can We Take to Prevent Bribery and Corruption?**
  - A. Risk Assessment**
  - B. Accurate Books and Record-Keeping**
- 7. Where do Bribery and Corruption Risks Typically Arise?**
  - A. Use of Third-Party Representatives**
  - B. Gifts, Entertainment and Hospitality**
  - C. Facilitation Payments**
- 8. How to Raise a Concern**

## 1. Introduction

**It is IHMA, Inc. and IHMA Europe Sàrl's policy to conduct business in an honest way, and without the use of corrupt practices or acts of bribery to obtain an unfair advantage.**

The IHMA, Inc. and IHMA Europe Sàrl organization is committed to ensuring adherence to the highest legal and ethical standards. This must be reflected in every aspect of the way in which we operate. We must bring integrity to all our dealings. Bribery and corruption harms the societies in which these acts are committed and prevents economic growth and development.

This is not just a cultural commitment on the part of the organization; it is a moral issue and a legal requirement. Bribery is a criminal offence in most countries in which IHMA, Inc. and IHMA Europe Sàrl operates, and corrupt acts expose the Company and its employees to the risk of prosecution, fines and imprisonment, as well as endangering the Company's reputation.

This policy has been adopted by the IHMA, Inc. and IHMA Europe Sàrl main board and is to be communicated to everyone involved in our business to ensure their commitment to it. The Company attaches the utmost importance to this policy and will apply a "zero tolerance" approach to acts of bribery and corruption by any of our employees or by business partners working on our behalf. Any breach of this policy will be regarded as a serious matter by the Company and will result in disciplinary action.

## 2. What is Bribery and Corruption?

Bribery and corruption has a range of definitions in law, but the fundamental principles apply universally.

**Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical or a breach of trust.**

**Corruption is the misuse of public office or power for private gain; or misuse of private power in relation to business outside the realm of government.**

Acts of bribery or corruption are designed to influence the individual in the performance of their duty and incline them to act dishonestly. For the purposes of this policy, whether the payee or recipient of the act of bribery or corruption works in the public or private sector is irrelevant.

The person being bribed is generally someone who will be able to obtain, retain or direct business. This may involve sales initiatives, such as tendering and contracting; or, it may simply involve the handling of administrative tasks such as licenses, customs, taxes or import/export matters. It does not matter whether the act of bribery is committed before or after the tendering of a contract or the completion of administrative tasks.

### **3. What is a Bribe?**

Bribes can take on many different shapes and forms, but typically they involve corrupt intent. There will usually be a '*quid pro quo*' – both parties will benefit. A bribe could be the:

- Direct or indirect promise, offering, or authorization, of anything of value
- Offer or receipt of any kickback, loan, fee, reward or other advantage
- Giving of aid, donations or voting designed to exert improper influence

### **4. Who Can Engage in Bribery or Corruption?**

In the eyes of the law, bribery and corrupt behavior can be committed by:

- An employee, officer or director
- Any person acting on behalf of the Company (e.g. our business partners)
- Individuals and organizations where they authorize someone else to carry out these acts

Acts of bribery and corruption will commonly, but not always, involve public or government officials (or their close families and business associates). For the purposes of this policy, a government official could be:

- A public official, whether foreign or domestic
- A political candidate or party official
- A representative of a government-owned/majority-controlled organization
- An employee of a public international organization (e.g. World Bank)

### **5. What Does the Law Say About Bribery and Corruption?**

Bribery is a criminal offence in most countries in which IHMA, Inc. and IHMA Europe Sàrl operates, and penalties can be severe. The Swiss Criminal Code (StGB) not only makes bribery and corruption illegal, but also holds Swiss companies liable for failing to implement adequate procedures to prevent such acts by those working for the company or on its behalf, no matter where in the world the act takes place. In addition, current US legislation (Foreign Corrupt Practices Act or FCPA) offers similar prohibitions and potential penalties and is enforced with vigor by the US authorities. It is therefore in your interests, as well as those of IHMA, Inc. and IHMA Europe Sàrl, that you act with propriety at all times. Corrupt acts committed abroad, including those by business partners working on our behalf, may well result in a prosecution at home.

## 6. What Steps Can We Take to Prevent Bribery and Corruption?

We can take the following steps to assist in the prevention of bribery and corruption:

### A. Risk Assessment

Effective risk assessment lies at the very core of the success or failure of this policy. Risk identification pinpoints the specific areas in which we face bribery and corruption risks and allows us to better evaluate and mitigate these risks and thereby protect ourselves. Business practices around the world can be deeply rooted in the attitudes, cultures and economic prosperity of a particular region – any of which can vary. Management must assess the vulnerability of each department to these risks on an ongoing basis, subject to review by the Chief Executive Officer of IHMA, Inc. and IHMA Europe Sàrl.

Risk assessment is intended to be an ongoing process with continuous communication between Management, the Finance Director(s) and the Chief Financial Officer(s).

### B. Accurate Books and Record-Keeping

Many serious global bribery and corruption offences have been found to involve some degree of inaccurate record-keeping. We must ensure that we maintain accurate books, records and financial reporting within all IHMA, Inc. and IHMA Europe Sàrl business units and for significant business partners working on our behalf. Our books, records and overall financial reporting must also be transparent. That is, they must accurately reflect each of the underlying transactions. False, misleading or inaccurate records of any kind could potentially damage IHMA, Inc. and IHMA Europe Sàrl.

## 7. Where Do the Bribery and Corruption Risks Typically Arise?

Bribery and corruption risks typically fall within the following categories:

### A. Use of Business Partners

The definition of a business partner is broad, and could include agents, distributors, vendors, joint venture partners or partners in IHMA, Inc. and IHMA Europe Sàrl's supply chain who act on behalf of the company. While the use of business partners can help us reach our goals, we need to be aware that these arrangements can potentially present IHMA, Inc. and IHMA Europe Sàrl with significant risks.

Risk can be identified where a business partner conducts activities on IHMA, Inc. and IHMA Europe Sàrl's behalf, so that the result of their actions can be seen as benefiting IHMA, Inc. and IHMA Europe Sàrl. **Business partners who act on IHMA, Inc. and IHMA Europe Sàrl's behalf must be advised of the existence of and operate at all times in accordance with this policy.** Management is responsible for the evaluation of each relationship and determining whether or not it falls into this category.

Where risk regarding a business partner arrangement has been identified, Management must:

- Evaluate the background, experience, and reputation of the business partner
- Understand the services to be provided, and methods of compensation and payment
- Evaluate the business rationale for engaging the business partner
- Take reasonable steps to monitor the transactions of business partners appropriately
- Ensure our policy has been communicated to our business partners and that there will be understanding and compliance with this policy

IHMA, Inc. and IHMA Europe Sàrl are ultimately responsible for ensuring that business partners who act on our behalf are informed of our policy as well as any local laws. Ignorance or “turning a blind eye” is not an excuse. As the business partner evaluation process will vary the type of business partner, Management should consult in the first instance with their Chief Executive Officer. Management and the Finance Director should consult with the Chief Executive Officer where necessary.

## **B. Gifts, Entertainment and Hospitality**

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, in connection with matters related to our business. These activities are acceptable provided they fall within reasonable bounds of value and occurrence.

*How to evaluate what is ‘acceptable’:*

First, take a step back and ask yourself the following:

- What is the intent – is it to build a relationship or is it something else?
- How would this look if these details were on the front of a newspaper?
- What if the situation were to be reversed – would there be a double standard?

If you find it difficult to answer one of the above questions, there may a risk involved which could potentially damage IHMA, Inc. and IHMA Europe Sàrl’s reputation and business. The action could well be unlawful.

Although no two situations are the same, the following guidance should be considered globally:

#### *Never acceptable*

Circumstances which are never permissible include examples that involve:

- A 'quid pro quo' (offered for something in return)
- Gifts in the form of cash/or cash equivalent vouchers
- Entertainment of a sexual or similarly inappropriate nature

As a general rule, IHMA, Inc. and IHMA Europe Sàrl employees and business partners should not provide gifts to, or receive them from, those meeting our definition of a government official in section 4 (or their close families and business associates). However, we do understand that in certain countries gift giving and receiving with these individuals is a cultural norm. If you are faced with such a situation, please consult with the Chief Executive Officer before proceeding.

#### *Usually acceptable*

Possible circumstances that are usually acceptable include:

- Modest/occasional meals with someone with whom we do business
- Occasional attendance at ordinary sports, theatre and other cultural events
- Gifts of nominal value, such as pens, or small promotional items

A variety of cultural factors such as customs, currency and expectations may influence the level of acceptability. If you feel uncertain at any time regarding cultural acceptability of gifts, entertainment or hospitality, please consult the Chief Executive Officer. In addition, if an example does not fall under the above categories, please in the first instance seek guidance from the Chief Executive Officer or Director of Human Resources. Generally, such examples would not be permissible without prior approval.

#### *Transparency is key*

Each Department will be required to maintain and monitor its gifts, entertainment and hospitality register. In the event that an impermissible form of gift, entertainment or hospitality has been accepted, you must appropriately record the transaction within the register and contact the Chief Executive Officer immediately.

### **C. Facilitation Payments**

In many countries, it is customary business practice to make payments or gifts of small value to junior government officials in order to speed up or facilitate a routine action or process. It may be that we need to obtain licenses or permits faster than the normal course; or, we may need lawfully to import or export products or materials.

**Despite this, facilitation payments as defined here are against this IHMA, Inc. and IHMA Europe Sàrl policy and we take the view that they are illegal within the USA as well as within most countries in which we operate.** The US Foreign Corrupt Practices Act or FCPA makes no distinction between facilitation payments and bribes – regardless of size or local cultural expectations, even if that is “how business is done here”.

However, in the event that a facilitation payment is being extorted, or if you are forced to pay under duress or faced with potential safety issues or harm, such a payment may be made, provided that certain steps are followed. If you are ever placed in such a situation, you must contact the Chief Executive Officer as soon as possible and you must record the payment appropriately within IHMA, Inc. and IHMA Europe Sàrl’s books and records to reflect the substance of the underlying transaction.

If you are unsure whether certain payments which resemble the definition of facilitation payments are permissible, please contact the Chief Executive Officer.

## **8. How to Raise a Concern**

As individuals who work on behalf of IHMA, Inc. and IHMA Europe Sàrl, we all have a responsibility to help detect, prevent and report instances not only of bribery, but also of any other suspicious activity or wrongdoing. IHMA, Inc. and IHMA Europe Sàrl is absolutely committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each and every one to know how they can “speak up”.

**If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance can only help.** The sooner you act the better for you and for the Company.

If you are concerned that a corrupt act of some kind is being considered or carried out – either within IHMA, Inc. and IHMA Europe Sàrl, by any of our business partners or by any of our competitors – you must report the issue/concern to your Department Manager. If for some reason it is not possible to speak to your Department Manager, please then report it to another Senior Manager, Director of Human Resources, Chief Financial Officer, or the Chief Executive Officer.

If you are not comfortable with speaking directly to a colleague or anyone mentioned above, IHMA, Inc. and IHMA Europe Sàrl has an alternate contact for all employees and relevant business partners to use. This facility has the capacity to handle anonymous complaints and can be reached at <https://ihma.alertline.com> or call 1.855.706.7398.

In the event that an incident of bribery, corruption, or wrongdoing is reported, we will act as soon as possible to evaluate the situation.