

# CODE OF CONDUCT

SUPPLIER

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# Content

Statement of the management	02
Human rights and workers' rights	03
Environment	05
Compliance	07
Compliance with the supplier code of conduct	09
Whistleblower system	10



## Statement of the management

IFSYS is an internationally active machine and plant manufacturer and is characterized by a long-term and sustainable business strategy as well as a trusting cooperation with its business partners.

Respect for applicable laws and regulations plays a central role for IFSYS. IFSYS is also committed to ecologically, socially and ethically responsible corporate management and expects the same behavior from all suppliers.

We also expect our employees to observe the principles of ecological, social and ethical behavior and to integrate them into the corporate culture. Furthermore, we strive to continuously optimize our business activities and our products in terms of sustainability and ask our suppliers to contribute to this in the sense of a holistic approach.

The Code of Conduct is based on national laws and regulations as well as on international conventions, such as the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labor Standards of the International Labor Organization, and the United Nations Global Compact. IFSYS expects suppliers to consider and comply with the following rules and standards.

Großbardorf, March 2024



Adelbert Demar  
Managing Director



Rigobert Zehner  
Managing Director

## Human rights and workers' rights



IFSYS expects its suppliers to comply with internationally recognised human rights, such as the United Nations Declaration of Human Rights and the basic labour rights of applicable national legislation, as well as acknowledge the core labour standards of the International Labour Organisation (ILO).

### **Discrimination**

IFSYS expects its suppliers to ensure equal opportunities in employment and to refrain from discrimination of any kind unless national law expressly permits selection according to certain criteria. There shall be no different treatment of employees on the basis of gender, race, skin colour, disability, origin, religion and age or gender orientation. The personal dignity, privacy and personal rights of each individual shall be respected.

### **Forced Labour and Child Labour**

IFSYS expects from its suppliers that any kind of forced labour (ILO Conventions No. 29 and 105), servitude or involuntary labour as well as child labour is prohibited (ILO Conventions No. 138 and No. 182). The minimum age of employees is determined by the respective national law or collective agreement regulations, provided that these do not fall below the minimum employment age stipulated in ILO Convention No. 138.

IFSYS expects its suppliers not to use, participate in nor benefit from any trafficking-related activities nor any form of trafficking throughout the recruitment and employment period.

## Freedom of Association

IFSYS expects its suppliers to acknowledge the right of workers to freely form or join trade unions of their own choice (ILO Conventions No. 87 and No. 98). Suppliers shall accept and positively welcome the establishment of workplace or trade union representative bodies of workers, provided that they do not conflict with national law.

## Working conditions

IFSYS expects suppliers to comply with the applicable national legislation on working hours. If there is no national legal regulation, the international standards of the ILO apply. Furthermore, it is expected that employees of suppliers receive remuneration that is at least in line with the respective applicable national laws and the legally valid and to be guaranteed minimum income and social benefits.

IFSYS expects that suppliers comply with the respective applicable national legislation on occupational health and safety and ensure humane working conditions. In order to prevent accidents and work-related illnesses as much as possible, IFSYS expects suppliers to set up and apply an appropriate occupational health and safety system, to apply it, take necessary precautionary measures against accidents and health hazards and health hazards that may arise in connection with their activities, and to regularly and regularly inform and train employees on applicable health and safety standards and measures. and training measures.

## Deployment of external personnel

The expectation of the supplier to comply with the respective applicable national law as well as the protection of human and labor rights in its contractual and labor relations on the part of IFSYS also exists for the use of external personnel by the Supplier regardless of the type of contract (e.g. contract for work and services or temporary work).

# Environment



IFSYS requires suppliers to comply with the applicable energy and environmental laws, regulations and standards. The supplier shall apply an appropriate energy and environmental management system that fulfils the requirements of ISO 14001, the EMAS Regulation of the European Union or a comparable national standard and whose effectiveness is regularly verified by an audit or certification system.

In addition, IFSYS expects all products manufactured along the supply chain, including all materials used, to fulfil the relevant environmental standards.

## Management of natural resources

It is important to IFSYS that the supplier ensures that resources are used efficiently and responsibly in production in order to guarantee the best possible environmental protection and to continuously reduce environmental pollution. This relates in particular to the reduction of energy and water consumption, the reduction of greenhouse gas emissions, the increased use of renewable energies and the promotion of appropriate waste management.

## Reuse und recycling

Furthermore, IFSYS expects the supplier to make reasonable efforts to improve resource efficiency and reduce resource consumption, including raw materials, energy, water and fuel. In addition, the supplier should take measures to reduce the amount of waste generated, both solids and wastewater, and increase reprocessing, reuse and recycling. Environmentally friendly innovations and practices should be developed and applied to reduce negative impacts on the environment

## **Dealing with Waste and Hazardous Substances**

With regard to the handling of waste and hazardous substances, IFSYS expects its suppliers to pursue targeted measures to identify, handle, reduce and responsibly dispose of or recycle solid waste. Chemicals or other materials that pose a risk if released into the environment must be identified and handled in a manner that ensures the safe handling, transport, storage, use, recycling or reuse and disposal of these substances.

## **Biodiversity and soil quality**

With regard to biodiversity and soil quality, the supplier undertakes to assess the impact of its own business activities on biodiversity and soil quality. It must maintain the existing biodiversity and soil quality through appropriate land use and avoid deforestation.

## **Land, forest, water rights and eviction**

IFSYS requires suppliers not to participate in unlawful evictions or the unlawful seizure of land, forests and waters, whether in the acquisition, development or other use of land, forests and waters (Section 2 (2) No. 9, 10 LkSG).

## **Treatment and Discharge of Industrial Waste Water**

IFSYS expects suppliers to standardise, monitor, check and, if necessary, treat wastewater from operating procedures, production processes and sanitary facilities before it is discharged or disposed of. In addition, measures should be implemented to reduce the generation of waste water.

## **Dealing with Air Emissions**

The supplier is responsible for classifying, routinely monitoring, reviewing and, if necessary, treating general emissions from operations (air and noise emissions) and greenhouse gas emissions prior to their release. It is also responsible for monitoring its exhaust gas purification systems and finding economical solutions to minimise all emissions.

# Compliance

It is important to IFSYS that suppliers ensure compliance with all applicable laws, rules and regulations in the countries in which they operate and implement appropriate procedures to ensure such compliance.



## **Anti-trust and competition law**

IFSYS expects its suppliers to comply with all applicable anti-trust and competition laws. Suppliers shall not enter into agreements with competitors, suppliers, customers or other third parties that violate anti-trust laws, nor shall they inappropriately exploit a potentially dominant market position.

All actions that merely appear to be a concerted practice must be refrained from.

## **Conflicts of Interest**

Decisions should be based exclusively on objective and business-related criteria without being influenced by private or financial interests. Potential conflicts of interest with JOPP employees must be avoided.



## **Export Control and Sanctions Law, Foreign Trade Law, Taxes and Customs Duties**

Suppliers are obliged to comply with all national and international laws and regulations governing import, export, trade, brokerage or financing transactions. This includes compliance with trade regulations and import and export controls as well as observance of economic embargoes. Compliance with applicable tax laws and customs regulations is expected.



## Corruption and bribery

To ensure a legally compliant and ethical business relationship, IFSYS expects its partners and their employees to conduct business in accordance with applicable laws and industry standards. Any form of corruption, bribery, fraud or other illegal practices will not be tolerated. Suppliers must follow a zero tolerance policy and ensure that neither they nor third parties grant unlawful payments or advantages in order to obtain business opportunities or expedite procedures. They must also implement a monitoring and enforcement process to ensure compliance with anticorruption laws.

## Money-laundering and terrorist-financing

In addition, suppliers are required to take appropriate measures to fulfil their legal obligations to prevent money laundering and terrorist financing and not to participate directly or indirectly in such activities.

## Supply chains and due diligence

IFSYS expects its suppliers to comply with national supply chain and due diligence requirements, to ensure that their affiliates also comply with and accept all the principles and requirements described herein, and to make reasonable efforts upstream in the supply chain to ensure that their suppliers comply with the basic principles of this Supplier Code of Conduct. „Affiliates“ are companies that are directly or indirectly owned by the suppliers with at least fifty percent (50 %) or through which the suppliers directly or indirectly exercise at least fifty percent (50 %) of the voting rights.

In addition, IFSYS expects its suppliers to identify risks within the supply chain and to take appropriate measures to minimise such risks. In the event of suspected violations and in order to safeguard supply chains with increased risks, the suppliers will inform IFSYS immediately and, if necessary, on a regular basis about the violations and risks identified as well as the measures taken to minimise such risks.

## **Financial Responsibility**

IFSYS expects suppliers to undertake to record all business transactions in the books in accordance with established procedures and auditing standards and generally accepted accounting principles. These records contain necessary information about the respective transactions.

## **Quality and safety**

All products and services of the suppliers must meet the contractually defined criteria for quality and safety upon delivery and be safe for use in their intended purpose.

## **Raw material procurement**

IFSYS expects its suppliers to comply with all applicable legal regulations on so-called “conflict minerals”. In the event that a product contains one or more of the so-called “conflict minerals”, such as tin, tantalum, tungsten, gold or the corresponding ores, JOPP expects from its suppliers that these ores and metals have been acquired in a conflict-free manner and that the suppliers can, upon request, show transparency regarding their supply chain to the smelter or refinery.

## **Intellectual Property**

Intellectual property rights must be respected. The transfer of technology and know-how must be carried out in such a way that intellectual property rights and customer information are protected.

## **Data protection and information security**

The suppliers agree to comply with IFSYS's reasonable expectations regarding the protection of private data and information. The suppliers shall comply with all applicable data protection and information security laws and government regulations in the collection, storage, processing, transfer and disclosure of personal information. IFSYS expects that the data and information in the suppliers' information systems will be appropriately managed and protected against unauthorised access by suitable measures of protection.

## **Use of private or public security forces**

Supplier shall ensure that public or private security forces protect workers, facilities, equipment and property in accordance with the rule of law and guaranteed human rights. In addition, the Supplier shall not provide direct or indirect support to public or private security forces that violate the above provisions.

## Compliance with the supplier code of conduct

Compliance with the principles of ecological, social and ethical conduct in the value chain is of great importance to IFSYS and IFSYS continuously makes an effort to improve such conduct together with our suppliers. The Supplier Code of Conduct is a prerequisite and an integral part of the business relationship. All suppliers are requested to provide evidence of compliance with the Supplier Code of Conduct within the scope of a self-assessment. IFSYS reserves the right to check the suppliers' compliance with the requirements within the scope of audits or other measures deemed suitable by IFSYS and to define necessary measures for improvements with the suppliers.

IFSYS also expects its suppliers to communicate the expectations and contents of this Supplier Code of Conduct to their own suppliers, to oblige them to adhere to it accordingly and to ensure compliance. Any violation of the rules and standards set forth in this Supplier Code of Conduct shall be considered a material impairment of the business relationship and the contractual relationship. IFSYS expects its suppliers to investigate any suspected violations actively and to co-operate with IFSYS unreservedly. IFSYS reserves the right to request information on the relevant facts in the event of suspected non-compliance (e.g. in the event of negative media reports).

Furthermore, IFSYS has the right to terminate without notice individual or all contractual relationships with suppliers who demonstrably do not comply with the IFSYS Supplier Code of Conduct or who do not strive for improvements and/or implement such measures after having been given a reasonable period of time to do so by IFSYS.

A statutory right to extraordinary termination without notice remains unaffected, as does the right to compensation for damages.

IFSYS would like to encourage its suppliers to report any violation of the rules and standards of this Supplier Code of Conduct committed by a third party or a representative of IFSYS itself to their contact person at IFSYS or - anonymously if so desired - within the framework of IFSYS's whistleblower system.

The Supplier Code of Conduct is available for download on the IFSYS website. IFSYS reserves the right to update the content of the Supplier Code of Conduct from time to time if required by legal or regulatory changes.

## Whistleblower system



In order to avoid violations of applicable law and to reduce damage to IFSYS, our employees and our business contacts, suppliers and other third parties can also contact JOPP's internal reporting office in accordance with the German Whistleblower Protection Act if there are concrete indications of potential misconduct.

Reports can be submitted in person,  
by telephone on **(+49) 9771 9105-0**,  
by e-mail **compliance@jopp.com** or

in writing (**JOPP Holding GmbH, Compliance - Internal Reporting Centre, 97616 Bad Neustadt, Germany**). Labelling as „**Confidential**“ is expressly recommended.

Whistleblowers are subject to special protection. At their request, their identity will be treated confidentially by IFSYS in accordance with legal requirements. Whistleblowers can decide for themselves whether they wish to report by name or remain anonymous. Information on how to contact the IFSYS whistleblowing system and on data protection when submitting reports can also be found on the JOPP website at [www.jopp.com/company/corporate-social-responsibility-csr/](http://www.jopp.com/company/corporate-social-responsibility-csr/).

IFSYS welcomes the use of a whistleblowing system by its suppliers and also expects its suppliers to do so if a whistleblowing system is required by the supplier due to applicable legal provisions.

## Acknowledgement and consent of the supplier

By signing this document, the supplier undertakes to act responsibly and to comply with the principles/requirements listed. The supplier confirms that it effectively communicates the contents of this Code to employees, agents, subcontractors and suppliers, and assures that all necessary precautions are properly implemented. necessary precautions are properly implemented.

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Place, date

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Signature

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Function

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Name in block letters

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