

## Compliance Management System

For us at Pfeiffer compliance means more than respecting regulations and laws. Adhering to our ethical and moral principles as well as acting with integrity when dealing with our employees, customers, business partners and shareholders is the base of how we do business.

Following this motto, we actively deal with the topic of compliance. In our personal day-to-day work each of us is confronted with diverse rules and laws. Whether internal occupational safety measures or competition laws are concerned, every employee, complying with them, contributes to the embodied compliance at Pfeiffer and takes responsibility for it being an integral element of all our business processes.

### **Be aware.**

But this is only possible, if we are aware of what compliance means for us, what it has to do with our business and what kind of behavior is consistent with applicable laws and our corporate culture.

### **Be brave.**

Doing the right thing and standing up for it in daily business situations is not always easy and can demand courage - but we are convinced that this courage is worthwhile, because sustainable success and trust-based relationships with our customers and business partners can only be achieved if we follow the existing rules. Of course this applies to all of us at Pfeiffer. Anytime and anywhere.

**I'm compliant.** Be compliant as well.

Your Management Board of the Pfeiffer Vacuum Technology AG

Wolfgang Ehrk

Thilo Rau



„Unser Ziel ist es, uns stetig zu verbessern, um langfristig erfolgreich zu sein. Das können wir jedoch nur erreichen, wenn Compliance ein fester Bestandteil unserer Geschäftsprozesse ist.“  
(Wolfgang Ehrk, Pfeiffer Vacuum Technology AG)



„Bei der Compliance geht es nicht nur darum, die Regeln zu befolgen, sondern auch Vertrauen aufzubauen und Integrität zu zeigen.“  
(Thilo Rau, Pfeiffer Vacuum Technology AG)

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## 1. Our Culture

### Integrity is the common foundation of our business

Our top priority at Pfeiffer is to conduct our business according to high standards of ethics and integrity in our dealings with our employees, customers, business partners and shareholders. This means not only complying with the laws and regulations, but also setting a good example in the way we conduct our business and ourselves.



Integrity is the foundation of our business at Pfeiffer. Integrity is one of the core values of our Company. It is fundamental in establishing and building trust in our relationships with our business partners. Integrity is a prerequisite for our operational excellence and for our continued success as one of the world's leading suppliers to the vacuum industry.

We firmly believe that sustainable economic success is inextricably linked to complying with laws and with our internal standards. The success and reputation of the Pfeiffer Group depends to a large extent on our conduct. Each of us contributes to the success of the Company through our work.

### 1.1. Our Code of Conduct

The Pfeiffer Code of Conduct serves as a guideline for all business decisions. It is binding for all managers and employees and applies throughout the entire Group.

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It may be supplemented by detailed operating regulations as long as they are in line with the principles set forth in this document. In the event of deviation, the stricter rule shall have precedence.

This enables foreign subsidiaries to pay tribute to local requirements when putting the Code of Conduct into practice, as long as the requirements are in line with the basic principles set forth in this document. National laws shall prevail if they are stricter.

## **1.2. Integrity – This also applies to our suppliers**

We at Pfeiffer stand by our values and adhere to applicable laws and regulations – we also expect the same from our suppliers. Based on our Code of Conduct, we have created our own Code of Conduct for Suppliers. This is binding for all our suppliers worldwide.

The complete Code of Conduct as well as supplier Code of Conduct can be downloaded on the Compliance-Website.

## **2. Compliance Organization**

### **We are positioned globally**

Global responsibility for the compliance organization of Pfeiffer lies with the Head of Global Compliance, who reports directly to the CIO. The Group's Head of Global Compliance leads his team from the Headquarters in Asslar, Germany, and is supported by Regional Compliance Officers. The Regional Compliance Officers address country-specific compliance issues and act as a link between global requirements and specific local, legal and cultural issues. They are also the first official point of contact for the employees of their assigned subsidiaries.



**„I am enthusiastic about compliance, because I truly believe that we can work on a better world, if we act with integrity.“**

(Katia Witting-Alvites, Head of Global Compliance)

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### **Communication is everything**

In order to ensure efficient cooperation worldwide, we attach great importance to open communications based on trust. Regular telephone conferences and web meetings enable close collaboration within the team. The strategic orientation of the compliance organization is worked out in close cooperation between the CIO and the Head of Global Compliance.

## **3. Compliance Program**

Our compliance program is in use throughout the whole Group and is based on the elements of prevention, identification and action.



### **3.1. Prevention**

In order to prevent structural deficiencies and systematic misconduct, an essential part of our compliance program is aimed at creating a collective awareness of the importance of integrity and compliance with regulations and laws for us at Pfeiffer and what the consequences for the entire Group can be if just one individual disregards these principles.

#### **Policies**

We have established policies for our key areas of anti-corruption, competition law, export control, anti-money laundering and data protection & information security. These policies provide orientation for both our managers and our employees. In this way, we can ensure that everyone adheres to the same rules.

#### **Training**

We conduct regular training sessions, adapted to the needs and tasks of the respective training groups, to explain the relevant contents of our internal guidelines. In addition to these sessions, training on our Code of Conduct is mandatory for all managers and employees.

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### **Continuous compliance consulting**

Our managers and employees can contact the responsible Compliance Officers at any time and discuss any critical situations or concerns. As a preventive measure – before anything happens.

### **Tone from the top**

Our managers play an important role when it comes to preventing misconduct. We believe that the example they set about our values is an indispensable component of good compliance, as is their consistent communication of these values which sets the “tone from the top”.

## **3.2. Identification**

We have installed control instruments that help us detect illegal actions and provide support for our compliance organization.

### **Risk Assessment**

Critical business transactions are examined structurally and checked for compliance risks on a regular basis. Here, we benefit from close interlinking with the Risk Management and Internal Audit Departments.

### **Internal Audits**

We carry out internal audits that process and check the key areas of compliance. Systematic weaknesses and individual incidents can be identified in this way. Internal audits are conducted by an independent department, so that the “three lines of defense” are maintained.

### **Internal & External reports**

At Pfeiffer Vacuum we provide various, confidential reporting channels. Our employees can report compliance violations by contacting their supervisor, the human resources department or the Compliance Officer responsible. They can also report violations by using the anonymous, web-based whistleblowing system, which we also use to receive reports from business partners and external stakeholders. Regardless of how we receive a report – we always follow it up.

## **3.3. Action**

We can only ensure that we meet our legal obligations and uphold our ethical and moral standards if we consistently pursue all compliance violations. Our compliance program at Pfeiffer also includes the compilation of regular reports, from which recommendations for action can be derived.

### **Measures and sanctions**

We treat each identified compliance violation appropriately and on an individual basis,

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and take suitable measures to put an end to the misconduct. We have “zero tolerance” for recurring or serious compliance violations. These will be consistently punished and sanctioned with all the means at our disposal.

### **Reporting**

We issue a regular report that documents the activities of our compliance program and provides detailed information on the status of our compliance management system.

## **4. Compliance Key Areas**

### **What is important to us**

At Pfeiffer, our most important areas of compliance are

- anti-corruption,
- competition law,
- trade compliance,
- anti-money laundering
- and data protection

In all areas, we comply with applicable laws and regulations and respect them as the legal basis for our business activities – in all of the countries in which we operate. We are also committed to following [international guidelines](#).

### **Anti-corruption**

At Pfeiffer we are certain that the quality of our products and services is the key to our commercial success. We therefore treat all our business partners in a transparent manner and in accordance with the applicable anti-corruption standards and laws. Whenever and wherever we do business, we never resort to bribery or any other form of corruption.

Conflicts of interest, gifts, invitations, sponsoring and donations also come under the heading of anti-corruption.

### **Competition law**

Pfeiffer is a performance-oriented Company that enjoys the benefits of opportunities and potential growth that come with fair competition. As well as constituting a breach of applicable law, violations of the competition law also damage the trust that customers, business partners and shareholders place in Pfeiffer.

It is therefore of central importance to us that each individual employee’s conduct toward business partners, competitors and antitrust authorities complies with the rules of fair and appropriate business practices. All managers and employees must comply with the competition law in full.

### **Trade compliance**

Pfeiffer undertakes to comply fully with the applicable national and international import and export regulations. We undertake not to restrict compliance with national and

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international trade legislation to processes in the supply chain, but to ensure compliance in all trade-related processes.

### **Anti-money laundering**

Pfeiffer recognizes the importance of preventing money laundering and terrorist funding and is committed to taking precautions to avoid becoming involved in money laundering or terrorist funding activities.

### **Data Protection**

Pfeiffer undertakes to ensure that the personal data entrusted to the Company is protected against unlawful processing and misuse.

## **5. Report incidents**

### **We have a “zero tolerance” policy towards violations**

Our corporate culture is characterized by clear responsibilities and trust, and lawful conduct and fair competition form an integral part of our business activities. For this reason, we at Pfeiffer have a “zero tolerance” policy towards non-compliance with laws, regulations, internal guidelines and our Code of Conduct.

### **We follow up on every indication**

We investigate every indication or report of existing misconduct and impose punishments for violations using the means at our disposal. If compliance violations and justified suspicions are reported at an early stage, we can take action to avoid any damage to the Pfeiffer Group and our business partners, employees and external stakeholders.

We offer our business partners, employees and external stakeholders the opportunity to report any justified suspicions.

### **5.1. Employees of Pfeiffer**

We offer you, our employees, various ways of contacting us.

#### **The best route: Contact your supervisor or the human resources department**

Open and transparent communications are the basis of compliance as practiced at Pfeiffer. This includes reporting errors, infringements or concerns at an early stage. The first point of contact should be your supervisor or the human resources department.

#### **Alternatively: Contact the Compliance Officer**

If you do not wish to report this to your superior or the human resources department, you can contact the Compliance Officer instead. The contact details for the Compliance Officer responsible can be found on the Intranet.

#### **Completely anonymous: The web-based whistleblowing system**

If you feel uncomfortable with the options mentioned above, for whatever reason, there

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is another reporting channel for you to use – the confidential and web-based whistleblowing system. This allows you to report violations anonymously and is certified according to data protection guidelines. When you send your message, you can set up a protected mailbox. One of Pfeiffer Group's Compliance Officers will use this mailbox to send you feedback on what is happening with your report or to ask questions if any details are still unclear. You do not have to disclose your identity at any time.

**Important for you**

All reports are treated confidentially, no matter which reporting channel you choose. We will fully protect you as a person who is providing information to the best of your knowledge and belief, so that you do not suffer any disadvantages.

However, we also take into account the interests of the person referred to in the report. This means that there may be consequences if a false report is made intentionally. Responsible use of the whistleblowing system is therefore essential.

**5.2. Business partners or external stakeholders**

We offer you, as our business partner or external stakeholder, the opportunity to contact us via our confidential and web-based whistleblowing system.

**Completely anonymous: The web-based whistleblowing system**

The web-based whistleblowing system, which is certified according to data protection guidelines, makes it possible to report violations completely anonymously. When you send your message, you can set up a protected mailbox. One of Pfeiffer Group's Compliance Officers will use this mailbox to give you feedback on what is happening with your report or to ask questions if any details are still unclear. You do not have to disclose your identity at any time.

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