

IEEE Principles of Business Conduct

The Principles of Business Conduct describe IEEE's legal, ethical and regulatory standards applicable to individuals participating in IEEE's activities. The Principles of Business Conduct apply equally to directors, officers, volunteers, members and employees, when conducting IEEE business.

I. KEY OBJECTIVES

IEEE has established the Principles of Business Conduct to:

- Make it clear that IEEE requires fair dealings with all involved parties
- Avoid actual or potential conflicts of interest
- Maintain confidentiality of information entrusted to the IEEE
- Assure that IEEE's assets are used for IEEE purposes only
- Protect ownership of assets developed under IEEE's initiatives
- Provide full disclosure of IEEE's financial transactions
- Comply with applicable laws, rules and regulations

Individuals participating in IEEE activities shall notify IEEE if any involved parties:

- Are presently debarred, proposed to be debarred, suspended, or excluded by any government department or agency
- Have, within the last three years, been convicted or had a civil judgment rendered against them for criminal offense in connection with a public transaction, violation of federal or state antitrust statutes, commission of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, tax evasion, violating federal criminal tax laws, obstruction of justice, or receiving stolen property
- Are presently indicted for any of the offenses listed above
- Have, within last three years, had one or more public transactions terminated for cause or default

A. Who is required to complete the form?

Volunteers and staff members with decision-making authority are expected to read and become familiar with the ethical standards and objectives described in the Principles of Business Conduct. Those individuals who are required to complete the IEEE Conflict of Interest Disclosure Form are also required to affirm their agreement with these standards and objectives by submitting the Compliance Certificate.

B. Disciplinary action

Violations of the law, our corporate policies, or the Principles of Business Conduct may lead to disciplinary action which will depend on the nature of the violation and the circumstances involved. In the case of employees, the disciplinary action may be up to and including termination. In the case of volunteers, the disciplinary action may include removal from office or other proceedings (see Bylaw I-110).

Details of Principles of Business Conduct

II. IEEE INSISTS ON HONEST AND ETHICAL CONDUCT BY ALL INVOLVED PARTIES

IEEE has been built based on the excellence of its technical information and member and customer service. We insist not only on ethical dealings with others, but on the ethical handling of actual or apparent conflicts of interest.

See the Employee Handbook for rules regarding employee conduct on the [Fusion website](#) (requires user ID and password).

Staff's certification of compliance with the requirements of the Principles of Business Conduct also includes acknowledgment of the above policy and corresponding sections of the Employee Handbook.

A. Fair Dealing

All involved parties are required to deal honestly and fairly with our volunteers, members, customers, vendors/suppliers, competitors and others.

In our dealings with these parties we:

- prohibit bribes, kickbacks or any other forms of improper payments;
- prohibit gifts, favors, services, payments or privileges that go beyond widely accepted ethical and accepted business practices;
- limit marketing and client entertainment expenditures (see the IEEE Finance Operations Manual (FOM, Section 6) for allowable expenses);
- require clear and precise communication in contracts, advertising, literature, and other public statements;
- reflect accurately on all invoices the sale price and terms of sales;
- protect all proprietary data our customers or suppliers provide to us;
- prohibit our representatives from otherwise taking unfair advantage of our customers or suppliers, or other third parties, through manipulation, concealment or abuse of confidential information.

B. Conflicts of Interest: Corporate Opportunities

Involved parties should not participate in any activity that creates or gives the appearance of a conflict of interest between their personal interests and the interests of IEEE. Situations that could represent potential conflicts of interest include, but are not limited to:

- being a consultant to, or a director, officer or employee of an outside entity that:
 - markets products or services in competition with or supplies products or services to IEEE;
 - purchases products or services from IEEE;
 - has any financial interest in any entity with which IEEE does business;
- seeking or accepting any personal loan or services from any entity with which we do business;
- being a consultant to, or a director, officer, volunteer or employee of, an outside business, if the responsibilities of the outside business would be in conflict with the director's, officer's, volunteer's or employee's responsibilities for IEEE;
- accepting any personal loan or guarantee of obligations from IEEE;
- conducting business on behalf of staff or volunteer family members.

C. Confidentiality and Corporate Assets

Certain involved parties are entrusted with IEEE's confidential information and with the proprietary and confidential information of its suppliers, customers or third parties (See IEEE Policies Section 9.24, Information Disclosure Policy for the categories of information that are considered proprietary or confidential).

Involved parties shall:

- not discuss or disclose such information with or in the presence of any unauthorized persons
- use such information only for legitimate business purposes

In addition, any business opportunity that comes to an IEEE volunteer or staff in his/her capacity as a representative of IEEE belongs to IEEE. IEEE property or resources shall not be used for any personal benefit or the benefit of anyone else.

III. IEEE PROVIDES FULL, FAIR, ACCURATE, TIMELY AND UNDERSTANDABLE DISCLOSURE

All involved parties are required to ensure that timely and understandable disclosure is included in reports. To this end, involved parties shall:

- not make false or misleading entries in IEEE's books or records

- not condone the establishment of any undisclosed or unrecorded bank accounts, funds or other assets for any purpose
- comply with generally accepted accounting principles and applicable IEEE financial reporting and related policies and procedures
- maintain a system of internal controls that will provide reasonable assurances that material information is made known to management on a timely basis
- notify IEEE if there is an unreported transaction
- present information in a clear and orderly manner
- not communicate to the public any nonpublic, proprietary, or confidential information, except under the direction of the IEEE Executive Director
- notify IEEE if any involved parties:
 - are presently debarred, proposed to be debarred, suspended, or excluded by any US federal government department or agency
 - have, within the last three years, been convicted or had a civil judgment rendered against them for criminal offense in connection with a public transaction, violation of federal or state antitrust statutes, commission of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, tax evasion, violating federal criminal tax laws, obstruction of justice, or receiving stolen property
 - are presently indicted for any of the offenses listed above
 - have, within last three years, had one or more public transactions terminated for cause or default

IV. IEEE COMPLIES WITH ALL LAWS, RULES AND REGULATIONS

Specifically, IEEE is committed to:

- maintaining a safe and healthy work environment
- promoting a workplace that is free from discrimination or harassment
- supporting fair competition
- conducting our activities in compliance with all applicable laws
- keeping political activities separate from our mission and operations
- prohibiting illegal payments, gifts, or gratuities to any government officials or political parties or other third parties
- prohibiting use, reproduction, or distribution of any third party's trade secrets, copyrighted information or confidential information
- prohibiting the sale or export of our products and services to countries where they may not be sold per all applicable United States (federal, state and local) and foreign laws (See the [IEEE Office of Foreign Asset Control website](#) for information on requirements)

A. Reporting and Effect of Violations

It is IEEE's responsibility to provide a process for reporting violations. If an individual wishes to report a suspected violation of the Principles or to seek counseling and guidance, the individual can contact his/her immediate supervisor or make an anonymous report by filing a report through EthicsPoint by submitting a form [online](#) or by calling +1 888 359 6323.

B. Conflict of Interest

Involved parties must complete and submit a Conflict of Interest Disclosure Statement to IEEE indicating the existence of any actual or potential conflicts of interest between their IEEE responsibilities and their other personal or business involvements (See IEEE Bylaws I-300.2 - Conflict of Interest and IEEE Policies, Section 9.8 - Conflict of Interest, for an explanation of the requirements for Conflict of Interest (COI) reporting; also see the COI form for examples of situations that could be considered conflicts of interest.

A Statement of Exceptions should be submitted to IEEE listing all other items that individuals consider to be possible violations of the Principles of Business Conduct.

C. Administration

In response to specific requests, the Internal Audit Department provides guidance and counseling to individuals and ensures compliance with the Principles of Business Conduct.

IEEE volunteers and staff with decision-making authority are asked to read the Principles of Business Conduct and submit a combined Principles of Business Conduct/Conflict of Interest (POBC/COI) Form. IEEE volunteers must complete and submit the Form within 30 days of assuming his/her position. IEEE staff will complete the annual Form by 1 February.

D. Failure to Submit a Compliance Certificate

For volunteers, failure to submit the POBC/COI Form within 30 days of assuming his/her position or, in the case of elected positions, within 30 days of the acceptance of the nomination, shall result in automatic removal from service on the committee or board, or election slate.

For staff, failure to submit a completed Compliance Certificate may result in disciplinary action up to and including termination.

E. Statement of Exceptions

If an individual feels he/she may be involved in, or has uncovered, a violation of one or more of the items noted in the Principles of Business Conduct and wishes to

receive advice and counsel on how to address the issue, he or she may complete the Statement of Exceptions portion of the PoBC/COI Form.

The statement will be reviewed by the Internal Audit Department and a response given indicating what, if any, action should be taken by the individual to address the issue/concern.

F. Reporting Violations and Questions

Reports of any known or suspected violations and questions regarding these Principles are to be directed to IEEE.

G. Reporting Concerns

Inappropriate financial activities, involving IEEE business or Compliance with IEEE Principles of Business Conduct may be reported anonymously using the [EthicsPoint service](#).

Once you are on the EthicsPoint site, choose "File a report" and enter IEEE in the organization name field.

IEEE reserves the right to use a third party reporting resource.

H. IEEE Will Not Allow Any Retaliation Against a Director, Officer, Volunteer/Member or Employee Who Acts in Good Faith in Reporting Suspected Violations (Non-Retaliation?)

All reports will be treated confidentially to the extent possible. IEEE will investigate the alleged violation and determine an applicable response, working with the Chair of the IEEE Audit Committee and the IEEE Executive Director, as applicable.

I. Consequences of a Violation

Involved parties that violate any laws, governmental regulations or these Principles will face appropriate disciplinary action. The disciplinary action will depend on the nature of the violation and the circumstances involved. In the case of employees, the disciplinary action may include termination. In the case of volunteers, the disciplinary action may include removal from office or other proceedings (see Bylaw I-110).

J. References to international laws, rules, and regulations that apply to transactions under US law

For further information, please see the [IEEE Legal and Compliance Department website](#).

VI. DEFINITIONS AND EXAMPLES

IEEE:

As used in this statement, "IEEE" means The Institute of Electrical and Electronics Engineers, Incorporated and any company owned in whole or in part, directly or indirectly, by it, including any specific project in which any such company is a participant.

Immediate Family:

As used in this statement, a member of your "immediate family" means your spouse and children, your father, mother, sisters and brothers and your spouse's father, mother, sisters and brothers. You are not required to question members of your family for this statement. It is sufficient to give the facts as you know them or believe them to be.

Financial Interest:

As used in this statement, "financial interest" includes (except as stated below) any stock, bond or other debt obligation, option or right to purchase stock, share in profits, investment, partnership interest or other proprietary interest of any nature. Ownership of securities in a corporation shall not be deemed to constitute financial interest therein within the meaning of this questionnaire, if all the following conditions are met:

- (a) the securities are traded on a national securities exchange or regularly reported in over-the-counter quotations in the financial press;
- (b) the securities owned by you and, to your knowledge or belief, owned by members of your immediate family do not exceed one-tenth of 1% of the outstanding securities of the same class of such corporation; and
- (c) the market value of the securities, so owned, does not exceed 50% of your gross annual revenue.

"Financial interest" also includes employment and contractual relationships.

Example: An employee or volunteer owns 100 shares of stock in Dell Computers.

The individual would not have a conflict of interest in participating in decisions, involving the selection of Dell computers, because the stock is traded on a national securities exchange, the stock that is owned by the individual or their immediate family doesn't represent more than .1% of the outstanding stock of the corporation and the market value of the stock does not represent more than 50% of their gross annual income.

The individual would have a potential conflict of interest, if they or an immediate family member were employed by Dell and/or had contractual relationships with IEEE for the provision of goods or services (e.g., lease or purchase of PCs). In order to avoid the potential for a conflict of interest, the individual would likely be advised to recuse themselves from (decline to participate in) any decision-making that involves Dell.

Participation:

In answering these questions, you should consider that you have participated in a transaction on behalf of IEEE:

- (i) If you have acted directly;
- (ii) If you have recommended, directed, authorized or approved the action of another who has acted for the IEEE in the transaction; or
- (iii) If you have been involved in the selection or specification of the property purchased, sold or leased or the services procured, even though you may not have been involved in the actual negotiation or transaction.

Example #1: An employee or volunteer would be considered to have a potential conflict of interest if they participated in the process of selecting personal computers for IEEE and an immediate family member's job responsibilities involve the sale of personal computers to IEEE.

Again, in such cases, the individual should reveal the potential conflict in their response to the questions on this form. In such cases, the employee or volunteer would be asked to recuse themselves from involvement in such decision-making.

Example #2: A volunteer or member of their immediate family serves as an editor or in another decision-making capacity for an IEEE publication and also serves in a similar capacity for a competing non-IEEE publication. This potential conflict of interest should be reported in answer to question #s 1, 2 & 3, in the questionnaire below.

In order to manage the potential conflict, respondents would likely be asked to recuse themselves from any decision-making with respect to issues that relate to both the IEEE publication and the non-IEEE publication that competes with it.

Example #3: A volunteer serves in a decision-making capacity for an IEEE conference and also has a direct or indirect interest in a potential supplier of goods and/or services to the conference (e.g., registration services). This

potential conflict should be reported in response to question #s 1, 2 & 3, included in the questionnaire below.

In order to manage the potential conflict, respondents would likely be asked to recuse themselves from the selection process for such goods and services.

Example #4: A volunteer who serves on an EAB committee would be considered to have a potential conflict of interest if he/she participates in international accreditation activities and receives for this service gifts, remuneration, or personal income (as opposed to receiving reimbursement for travel and lodging expenses). This is because EAB decisions on accreditation activities may affect this volunteer's future income.

In such cases, the individual should reveal the potential conflict in the response to the questions on this form, and may be asked to recuse herself/himself from participation in any discussion or vote regarding accreditation in the country or countries where he/she performs or expects to perform accreditation services for a fee.

Loan:

As used in this statement, "loan" means a loan of money, property, or services other than a bank loan at prevailing interest rates.

Example: A potential supplier loaned a personal computer to an employee or volunteer. If that individual is involved in the selection of computers, the conflict should be revealed in the COI disclosure statement under Question 4, and he/she may be asked to recuse him/herself from participation in the decision-making process with regard to the computers.

Transactions:

The transactions to which this statement relates are:

- (a) purchases, sales and leases, and contracts for the purchase, sale or lease of property of any kind
- (b) the procurement of services such as printing, advertising and catering

Example: If an employee or volunteer were to have decision-making responsibility for the purchase or lease of PCs and they or their immediate family member had worked for the supplier during the prior twelve months they would be considered to have a potential conflict of interest that should be disclosed in the COI disclosure statement. In response to this disclosure, they would likely be asked to recuse themselves from the decision-making process for the purchase or lease of PCs by IEEE.

Compensation

Compensation from an unrelated organization does not include continuation of payment of your regular compensation from your employer while you provide services without charge to IEEE.