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Our Commitment

“The State Farm® story is one of the great business success stories of our time. It is a success built on service, on low cost and fair dealing.”

– Adlai H. Rust, 1956, Former CEO 1954-1970
A Message from our Chairman, President and CEO

As a State Farm team, we help people live life confidently. This is our mission.

We have thousands of opportunities to build confidence with customers – and each other – every day. This starts with each of us consistently demonstrating our shared values of quality service and relationships, mutual trust, integrity and financial strength.

The State Farm Code of Conduct is a resource that helps us live our shared values and sets the expectation for appropriate behavior.

We hold ourselves to the highest standards of ethics and integrity. When representing our Company, apply good judgment, be honest and treat others with respect.

We also have a responsibility – and an obligation – to question any practice or business behavior that doesn’t measure up. If you see something that falls outside the boundaries of appropriate behavior, I want you to speak up. No matter what the issue is, no matter who is involved. We must have the courage and confidence to act.

Leaders have an additional role – you help create an environment where we can talk openly about how we do business. State Farm will not tolerate retaliation against anyone who raises issues of potential concern, and we expect all leaders to model this commitment.

Our customers expect us to do the right thing.

We depend on each other to do the right thing.

Please look to our Code for guidance if you need to raise concerns or need help on a matter of ethics or compliance.

We define our Company through our actions and how we interact with each other, our customers and our communities. We have built a trusted brand by living our values and keeping our promises. By protecting our brand, we will continue to be there for our customers, helping more people in more ways.

Michael L. Tipsord
Chairman, President and CEO
What You Should Do

Our Code of Conduct, or “Code,” is based around our mission, our vision and our shared values of mutual trust, integrity, financial strength and quality service and relationships.

Our mission states:

“State Farm’s mission is to help people manage the risks of everyday life, recover from the unexpected, and realize their dreams.”

As employees, we are accountable for our own actions. We must follow our policies, rules and guidelines, and comply with all laws and regulations applicable to State Farm business.

This Code does not cover every situation. In some cases, additional information may be found in supporting policies linked to throughout the document and other State Farm resources that complement this Code. In some instances, you may need additional information and guidance from your supervisor, another member of leadership or Human Resources. You may also use the Open Door policy or contact the Compliance & Ethics Hotline.

We have an obligation to raise our concerns if we know of or suspect improper conduct or a breakdown of business or security controls. This includes situations where we believe we have observed or have been instructed to do something that is illegal or unethical or violates State Farm policy. Remember that resources are available to help, including those listed in this Code. You are expected to cooperate fully with any investigative efforts.

Generally, people try to do the right thing, but for those unfortunate situations where employees do not follow the Company expectations, disciplinary action may result.

Doing the Right Thing: 👍

- Exemplify our mission, vision and shared values.
- Act in an honest, legal and ethical manner. Be aware that your behavior reflects on our Company.
- Be familiar with the information contained in this Code and State Farm policies.
- Remember, pressures or demands due to business or personal conditions are not an excuse for violating the law, our Code or any State Farm policy.
- Adhere to the Sales Practices Philosophy and Principles.
Leading by Example

All of our employees, especially leaders, have the responsibility to demonstrate our high standards of ethics and compliance, including:

• Lead by example and be a role model for ethical and legal behavior.

• Be a resource for others.

• Create an environment where honesty and integrity are expected and valued, and where everyone feels comfortable asking questions and reporting potential violations of the law, the Code and our policies.

Making Good Decisions

When faced with a difficult decision, it may help to ask yourself the following questions. If the answer to any question is “No,” or you are uncertain how to proceed, please consult with your supervisor or Human Resources.

This guide is not a substitute for this Code and other guidance, but may help when facing scenarios not otherwise addressed.
Sharing Concerns

We all have a responsibility to help protect the reputation and integrity of State Farm. If you observe or have been instructed to do something that is illegal or unethical, violates State Farm policy or involves improper conduct or a breakdown of business or security controls, or if you have a question or need help making an ethics or compliance decision, you have several options:

- Discuss the issue with your supervisor.
- Contact another member of leadership.
- Contact Human Resources.
- Use the Open Door Policy to connect with a member of leadership or Human Resources.
- Contact the Compliance & Ethics Hotline by phone at 1-800-355-2633 or online at https://statefarm.tnwreports.com/.

How to Use the Compliance & Ethics Hotline

Our Compliance & Ethics Hotline offers a confidential way to report possible violations of our Code or any laws, rules or regulations. You can also use the Hotline to ask questions. You may contact the Compliance & Ethics Hotline 24 hours a day, 7 days a week. An independent, outside company will receive your concerns and questions, and forward them to State Farm for review and handling. You may choose to remain anonymous, and any information provided to the Compliance & Ethics Hotline will be treated as confidential to the extent possible.
Zero Tolerance for Retaliation

Retaliation against anyone who reports a concern in good faith is never permitted at State Farm. If, after reporting such a concern, you suspect retaliation (e.g., demotion, discipline, termination, salary reduction, job or shift reassignment, etc.), you must contact your supervisor, another member of leadership or Human Resources, use the Open Door policy or contact the Compliance & Ethics Hotline.

While some forms of workplace retaliation may seem obvious, there are times when these behaviors can be subtle. In addition to the examples above, retaliation can also take place when an employer punishes an employee for engaging in legally protected activity, such as using the Open Door policy to complain of illegal harassment, filing a complaint with a government federal agency (such as the Equal Employment Opportunity Commission), or supporting another employee’s complaint. Retaliation could occur after the reporting of a suspected breakdown of business or security controls, a violation of law or other misconduct. State Farm will not tolerate retaliation against anyone who participates in an investigation.
Mutual Trust

“There are few, if any, companies that have people on board as willing and as dedicated to do the job as ours are. We have a oneness that is unique in our business – perhaps any business.”

A Respectful Workplace

At State Farm, we embrace diversity and inclusion because it’s simply the right thing to do. Teamwork, respect and mutual trust are central to how we work, and we believe the best decisions are those that draw on diverse perspectives.

Our commitment to diversity better positions us to provide Re³markable® service to our customers and enables us to attract and retain talented individuals who contribute to our success.

We comply with equal employment opportunity laws and other applicable civil rights and labor laws. We make reasonable accommodations to meet our obligations to protect the rights of people with disabilities.
Discrimination and Harassment

We all deserve the freedom to do our jobs in a respectful environment. State Farm is committed to a work environment where everyone is treated with respect and dignity.

We will not practice, tolerate nor condone discrimination, including harassment, based on a person’s status, such as, but not limited to: age, race, color, religion, sex, national origin, sexual orientation, gender identity, disability, genetic information, veteran status or any other basis prohibited by law.

We will not tolerate sexual or any other form of harassment that interferes with work performance or creates a hostile or offensive work environment. Such behavior is inconsistent with our shared values of integrity and mutual trust.

We expect all workplace relationships to be of a professional nature and free of harassment, unlawful bias and/or other offensive conduct. Inappropriate comments and objectively offensive behavior will not be tolerated in any business interactions, regardless of the setting or parties involved.

If you have experienced or witnessed harassing or discriminatory behavior, contact your supervisor, another member of leadership, Human Resources, use the Open Door policy or contact the Compliance & Ethics Hotline.

Doing the Right Thing:

• Treat others and their ideas with respect. When you see an issue differently, express your differences politely and professionally.

• Help create an environment where everyone feels valued and respected, and is comfortable speaking up and contributing.

• Embracing diversity includes doing your part to respect the rights and dignity of everyone with whom you interact.
Workplace Safety and Security

We all have the responsibility to work in a way that helps ensure the safety and security of our coworkers, business partners, vendors and visitors. We comply with all federal, state and local health and safety laws and regulations, including occupational health and safety standards. The Incident Accident Report can be used to report work-related incidents involving auto or property loss or damage, or accidental bodily injury.

Internal security policies and procedures must be followed. Intimidation, threats or violence toward anyone at work or while on State Farm business, including coworkers, business partners, vendors or visitors, is never tolerated. The Threat Report Hotline offers confidential means for reporting violent or threatening situations.

Except as allowed by law, we are prohibited from carrying firearms or weapons while on or using State Farm property or while on Company business.

Doing the Right Thing: 🙌

• Examples of prohibited behavior include threatening remarks, offensive jokes and intimidation.

• Proximity badges must be worn at all times, visible at or above the waist.

• Tailgating (following an individual into a facility without following proper procedures) and piggybacking (allowing someone into a facility using your proximity badge) are strictly prohibited.

• Other avenues to report workplace violence or any threat to safety include sharing your concerns with your supervisor, another member of leadership, Loss Prevention/Enterprise Security or Human Resources. You can also use the Open Door policy or complete a Threat Report.

• If someone is in immediate danger, contact local authorities first.
Drugs and Alcohol

The sale, use or possession of illegal or medically unauthorized substances is prohibited while on or using Company property or while on Company business.

The sale or use of alcohol, or possession of an open container of alcohol while on or using Company property is also prohibited. However, if alcohol is available at a business event or during business-related travel, you should use good judgment and be sensitive to the perception that situation may create.

Drug and alcohol use can impair your ability to work and may affect the safety, health and well-being of other employees. You may not report to work, remain at work or operate Company-provided vehicles while under the influence of alcohol or drugs. (“Under the influence” refers to the employee being impaired.)
Integrity

“Honesty isn’t the best policy – it’s the only policy.”
– G.J. Mecherle, 1922, Founder and Former CEO 1922-1951
Gifts, Gratuities and Improper Incentives

During the course of your work, you, your family members or people with whom you have a close personal relationship may be offered gratuities. These gratuities are usually intended as gestures of goodwill, and may include gifts, entertainment, meals, beverages, event tickets, services or other similar favors.

You, members of your family, and people you have a close personal relationship with may not solicit, accept or give – directly or indirectly – gratuities that might actually or appear to influence anyone’s actions or decisions. Only accept gifts, gratuities, entertainment and the like that are of nominal and limited value (such as promotional or advertising pens, pencils, notepads, calendars). In some instances, even gifts or gratuities of little value can be inappropriate, particularly if they are used in a way which creates an impression of favoritism.

When attending vendor-sponsored events, you should not accept reimbursement for transportation, your hotel or other expenses unless you are a presenter or part of a panel.

Since these guidelines cannot cover every situation that may arise, use good judgment and demonstrate integrity when conducting State Farm business. Some departments may have more restrictive guidelines, so discuss situations with your supervisor.
Conflicts of Interest

As employees, we must recognize our duty of undivided loyalty to State Farm. We are obligated to take positive action to affirmatively protect the interests of State Farm, and to avoid situations where our self-interests actually or apparently conflict with the interests of the Company. We must not use our positions or knowledge of State Farm decisions or considerations in any manner that conflicts with or otherwise prejudices the Company’s interests.

A conflict of interest occurs when our personal interests or activities affect our ability to make objective decisions on behalf of State Farm. We must avoid situations that give rise to actual conflicts and/or situations that create the appearance of a conflict.

Unless advance written approval is obtained from the appropriate executive, persons with whom you have a close personal relationship should not be subject to your scope of supervision or influence in the terms, conditions or changes in status in their employment. The same approval process applies to the selection of providers of goods and services.
Conflicts of Interest, continued

You must also inform leadership immediately if any license you need to perform your job is revoked, suspended or otherwise restricted.

State Farm recognizes that those employees holding positions as Claim Litigation Counsel owe an ethical duty of undivided loyalty to their individual clients. If the good faith discharge of these duties and responsibilities by Claim Litigation Counsel conflicts with their duty of undivided loyalty to State Farm as an employee, the duty to their individual clients is preeminent. Other exceptions are noted in the Code of Conduct Policy, which do not require additional disclosure on the Code of Conduct form.

Doing the Right Thing: 👍

• Be aware of gratuities that may be offered in the course of business, and whether they are appropriate. If you are unsure whether you can accept something, discuss the situation with your supervisor.

• Other examples of potential conflicts of interest which may require advanced written approval from the appropriate executive include:
  • Working for a competitor of State Farm.
  • Using Company resources and time to support your personal political or charitable activities.
  • Engaging in any employment or other activity that takes time and attention away from employee performance and job duties.
  • Supervising or influencing the employment status of persons with whom you have a close personal relationship.
  • Allowing personal interests to influence the selection of goods and services providers.
Preventing Fraud

Fraud is intentional or reckless conduct that deceives or is intended to deceive someone. This includes fraudulent, illegal, unauthorized or dishonest acts. At State Farm, we manage the risk of fraud through our shared value of integrity, utilizing our business processes, controls and the standards in this Code.

We all have a duty to follow established procedures and report suspected fraud, misconduct or dishonesty to your supervisor, another member of leadership or Human Resources, use the Open Door policy or contact the Compliance & Ethics Hotline.

Improper Payments

Acts of bribery or corruption are designed to influence, obtain or retain an unethical business advantage. At State Farm, we select supplies, materials and services objectively and ethically, without gaining any advantage for State Farm or for us personally. Corruption, bribery and kickbacks are contrary to our business standards. We comply with all applicable laws that forbid bribery both of public officials and within the private sector. We also comply fully with the Foreign Corrupt Practices Act, which is intended to prevent corrupt practices in international business transactions, prohibiting bribery of officials and employees who work for foreign governments.

There can be severe consequences if an employee violates anti-bribery or anti-corruption laws. Even the perception by others that we may have acted illegally can be damaging. For this reason, be aware of how our actions might be viewed by others.
Anti-Money Laundering and Terrorist Financing

State Farm complies with all laws that prohibit money laundering and terrorist financing. Money laundering is the process that criminals use to disguise the true origin and ownership of cash by funneling it through lawful businesses, while terrorist financing is the funding of terrorist acts, terrorists and terrorist organizations. If you suspect money laundering or terrorist financing, report it to your supervisor or another member of leadership, and contact Enterprise Compliance & Ethics.

Restrictions on Employment

Without the prior written consent of the applicable regulatory authorities, federal law prohibits State Farm from employing any person who has been convicted of certain criminal offenses involving dishonesty, breach of trust or money laundering, including offenses involving the illegal manufacturing, sale, distribution of or trafficking in controlled substances, or who has agreed to enter a pretrial diversion or similar program in connection with the prosecution of such an offense. Convictions for certain job-related offenses may also disqualify an individual from employment.

Employees must inform their management or Human Resources if they are convicted of a felony or agree to enter into a pretrial diversion or similar program in connection with a felony.

Employees must also inform their management or Human Resources if they are convicted of a misdemeanor involving dishonesty, breach of trust, money laundering or the illegal manufacturing, sale, distribution of or trafficking in controlled substances, or agreed to enter into a pretrial diversion or similar program in connection with such a misdemeanor.

Employment of the above-mentioned individuals can subject the Company and the individual to criminal and civil liability.
Financial Strength

“The customer focus that’s so critical to the work we have underway – so important to our future – is rooted in the very foundations of our Company ...”

Intellectual Property and Confidential Information

Information is an asset to State Farm, and we must protect it from unauthorized or improper use. Types of information include trade secret, confidential, internal use only and privileged, and each type needs to be protected on various levels. Intellectual property can include patents, copyrights, trade secrets, customer lists, business models and marketing plans, as well as claim information, contractual obligations and information developed for internal use. Any intellectual property developed while performing work for, or on behalf of State Farm, or while using State Farm resources, equipment, time or information belongs to State Farm.

We must safeguard State Farm information from unauthorized disclosure or use, and must not use State Farm information for our benefit or that of others. We must return any information to State Farm when we leave State Farm, and the obligation not to disclose or use such information continues after we leave.
Intellectual Property and Confidential Information, continued

To protect confidentiality and to preserve applicable legal privileges, the discussion of State Farm legal matters should be restricted to those with a need to know.

Nothing in the Code of Conduct is intended to or will be used in any way to limit your rights to communicate with a government agency, or to take concerted employment action, as provided for, protected under or warranted by applicable law. Pursuant to the Defend Trade Secrets Act of 2016, you may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, if you file a lawsuit alleging State Farm retaliated against you for reporting a suspected violation of law, you may disclose State Farm trade secrets to your attorney and use the trade secret information in the court proceeding if you: (a) file any document containing the trade secret under seal; and (b) do not disclose the trade secret, except pursuant to court order.

Doing the Right Thing: 👍

• Avoid sharing confidential information with anyone who does not have a legitimate business need to know, and limit access to authorized individuals.

• If State Farm information, or the Personal Information of a customer, consumer or associate is potentially lost, stolen or compromised, report it immediately to your leadership and to the appropriate area as defined on the Information Security Incident Reporting page.
Company Resources and Information Systems

We are responsible for preserving the confidentiality, integrity and availability of State Farm electronic information resources and data by applying the Company’s information security policies, standards and guidelines. We must protect our resources and data from misuse, loss, unauthorized access and disclosure regardless of where the data resides (e.g., test, development or production).

State Farm electronic information resources are Company property to be used primarily for Company purposes, and not for personal benefit or that of others. Employees have a duty not to waste such resources, and personal use must be reasonable and kept to a minimum.

Electronic information resources include, but are not limited to: the State Farm network, computers and other electronic devices, applications (such as email) and telephone systems. State Farm reserves the right to monitor, record, access and review any information on its resources and systems, including accessing Company-furnished equipment.

To protect against computer viruses and comply with intellectual property laws, only use State Farm-issued or approved software on State Farm computers and devices. Any reproduction of software and accompanying manuals must comply with intellectual property laws and formal agreements between State Farm and the software vendor.

We are responsible for protecting State Farm physical property, such as vehicles, equipment, supplies and office facilities, and complying with intellectual property laws when using or reproducing articles, books and videos.

Doing the Right Thing:

- Occasional personal use of resources such as our network, Wi-Fi, computers, telephones and supplies is permitted, but must be reasonable and kept to a minimum.

- Remember that Company resources issued to you are owned by State Farm, and information on these resources can be monitored, recorded, accessed and reviewed.

- Protect your user IDs, passwords and PINs. Do not share them with anyone, including other employees, team members, support personnel and people who assist you on a daily basis. Whether in the office or traveling, keep your Company-owned laptop, mobile devices and digital storage media safe and secure.

- Be cost-conscious when spending State Farm funds and when incurring business expenses.
Information Retention

We must follow the applicable laws and State Farm policies governing the retention and destruction of Company information.

Accurate Record Keeping and Reporting

Our customers, business partners, government officials and others rely on us to accurately report on our Company. Accurate record keeping and reporting is essential to our business. We comply with all reporting and accounting regulations and help ensure that all information is accurately reported both inside and outside of the Company.

Protecting Inside Information

In the course of your work with State Farm, you may become aware of non-public information about the Company. Additionally, you may become aware of non-public information about other companies in the course of or outside of your business activities. Using this information for personal gain, sharing it with others or spreading false rumors is illegal.

Doing the Right Thing:

- State Farm books, records, accounts and financial statements must be accurate to the best of your knowledge.
- Apply Information Retention Program procedures to all information created or stored on behalf of State Farm.
- Never make false, misleading, incomplete or dishonest entries about our business performance.
- Accurately report hours worked.
Quality Service and Relationships

“State Farm is a reflection of all of us. Together – through our actions – we create the spirit of State Farm. It’s a spirit of caring – we care about customers and are guided daily by our mission to help them. We also care about each other. Relationships are at the heart of who we are and what we do.”

– Michael Tipsord, 2016, CEO 2015-Present
Fair Dealing

We deal honestly and fairly with each other, our customers, our vendors and our competitors. We take pride in ensuring that our products and services meet both the needs of our customers and our Company’s high standards for integrity.

We seek to do business with partners who share our commitment to honesty, fairness and compliance. We seek opportunities for supplier diversity. These relationships help us meet the needs of our customers in the most innovative, efficient and cost-effective ways, and promote the State Farm brand.

State Farm must also respect the intellectual property rights of others, which generally means they may not be used by State Farm without the owner’s permission. Contact the Law Department with questions.

**Doing the Right Thing:**

- Be responsive to requests from customers and outside parties, but do not follow a request to do something unlawful or contrary to this Code.

- When we hire employees of competitors or State Farm vendors, we must respect their ethical and legal obligations not to disclose private information of their former employers.

- Respect the intellectual property rights of others. Intellectual property can include business models and marketing plans, as well as copyrights, trademarks, patents and trade secrets.

**Find Out More:**

Sales Practices Resource Site
Fair Competition

Fair competition helps provide customers with high-quality goods and services at the best possible price. Competition and antitrust laws are designed to preserve the competitive process and the free market. We compete by fairly and accurately emphasizing the merits of our products and services, not by disparaging competitors or their products.

Doing the Right Thing:

- Since antitrust laws are complex and compliance requirements can vary depending on the circumstance, familiarize yourself with the policy prior to attending any meetings with competitors.

- Avoid any conduct which violates or might appear to violate antitrust laws, being especially mindful of communications with competitors and vendors.

- Consult with the Law Department regarding participation in industry meetings or serving on an external board.

- If you have any questions regarding antitrust or if you see a potential violation of antitrust policies, contact the Law Department.
Speaking on Behalf of Our Company

When we share information with the public, it is important that we do so carefully and consistently. Responses to third party contacts on behalf of State Farm should be conducted through authorized spokespersons.

We use social media to provide consumers with helpful information, tell the State Farm story and be there when consumers need us. Since we have administrators who manage and maintain our accounts, only those with spokesperson responsibilities are authorized to speak on behalf of our Company on social media.

Environmental Protection

State Farm is committed to a future where environmental values are key to the way we do business. We will continue to find solutions to reduce our environmental impacts and help build safer and greener communities. At State Farm, a good neighbor is a green neighbor. Learn more about our environmental programs.
Code of Conduct Form Completion

At State Farm, we believe not only in following all applicable laws and regulations, but also in behaving ethically and honestly. In accordance with these principles, we all must complete and submit the Code of Conduct Acknowledgment & Disclosure Form (Code Form) annually, alongside the annual Code of Conduct training course. The Code Form should also be filled out any time an actual or potential violation of this Code or conflict of interest arises.

The Code Form includes two parts: an acknowledgment to adhere to the Code of Conduct and its underlying policies, and a disclosure, which is an opportunity to disclose any actual or potential violation of this Code or conflict of interest that arises. Submitting the Code Form indicates that you have read and understood the Code of Conduct and:

- Have considered possible Conflicts of Interest.
- Have disclosed information about convictions for certain offenses or agreements to enter into pretrial diversion or similar program for those offenses.
- Have complied with the Code of Conduct to the best of your knowledge, with the exception of any situations described on the Code Form.
- Will inform your immediate supervisor, or Human Resources of any changes to any of these listed items.
- Will contact leadership, Human Resources, use the Open Door policy or contact the Compliance & Ethics Hotline if you have concerns related to employee or business conduct.

Detailed information about the Code Form, how to complete and what to disclose is available on the Code of Conduct site. For more information, see the Code of Conduct Policy and Criminal Convictions Policy.
State Farm supports our employees’ rights to speak out about matters of public concern or engage in certain activities related to the terms and conditions of their employment. Nothing in this Code or in any of our policies is intended to limit or interfere with the right to engage in activities protected under Section 7 of the U.S. National Labor Relations Act, such as discussions related to wages, hours, working conditions, health hazards and safety issues.

The existence and content of this Code of Conduct will be disclosed to policyholders and will be available on the Company website.

The provisions of this Code are in addition to, and do not modify, replace or supersede the Company’s other policies or procedures.