

## SUPPLIER GUIDELINES

### 1. OVERVIEW

The Supplier Guidelines contain policy and procedural requirements for Suppliers providing goods or services to Microsoft, in addition to obligations contained in any applicable agreement(s) between Microsoft and Supplier.

Microsoft may modify the Supplier Guidelines, and modifications will be available on the Microsoft.com website (<https://www.microsoft.com/en-us/procurement/supplier-contracting.aspx>). It is the responsibility of the Supplier to comply with these Supplier Guidelines.

### 2. SUPPLIER'S USE OF MICROSOFT FACILITIES AND NETWORK

- a. Supplier will not use any Microsoft-provided facilities other than in performance of the Services without the prior written consent of Microsoft.
- b. When Supplier's personnel require cardkey access to Microsoft facilities, an account on Microsoft's email system, and/or any other access to any of Microsoft's networks or systems, Supplier and its personnel assigned to Microsoft will sign all applicable agreement(s) required by Microsoft.
- c. Supplier is not authorized to use, and agrees that its employees will not use, its location on Microsoft's premises or network access to obtain information or materials or physical access other than as expressly authorized by Microsoft. Microsoft will not be responsible for loss, damage, theft, or disappearance of any personal property located on Microsoft premises belonging to Supplier or its employees or Subcontractors.
- d. Notice to Microsoft of Significant Injuries. If Supplier becomes aware that a "significant" injury to someone or damage to property has occurred on Microsoft premises, Supplier will notify Microsoft promptly and provide adequate details to enable Microsoft to investigate the cause. For the purposes of this provision, "significant" means injury to a person that results in hospital treatment, or damage to or loss of property with an estimated value in excess of Ten Thousand U.S. Dollars (\$10,000.00 USD).

### 3. MICROSOFT TRAVEL POLICY FOR SUPPLIERS

Supplier will comply with the Travel policy for Suppliers located at: <https://www.microsoft.com/en-us/procurement/supplier-contracting.aspx>

### 4. PRE-PLACEMENT POLICY.

Microsoft requires that Suppliers conduct pre-placement background checks on all their personnel who will perform services or projects that require any access to Microsoft owned or leased facilities or access to Microsoft resources such as email, network access, cardkey, or other access badges. The purpose of

such checks is to ensure that those receiving access to Microsoft's facilities, equipment, networks, or systems do not present undue safety or security risks.

Throughout this policy, "Supplier" refers to third party entities providing services to Microsoft and its subsidiaries and includes independent contractors and temporary personnel agencies that provide outsourced staff and contractors to Microsoft and its subsidiaries.

Prior to each placement of Supplier personnel to perform services for Microsoft, to the extent allowable by applicable law, Supplier will conduct a pre-placement, and for certain placements, a periodic, background check utilizing Microsoft's preferred background screening service provider. Microsoft will identify minimum background screening components, specific to a country location, that must be conducted in each instance to the extent allowable by applicable law.<sup>1</sup> Background checks will typically include review of the following components, to the extent permitted by law: identity check, criminal record review, sex offender registry check and global sanctions list review. For certain placements, Microsoft may require additional screens (e.g., education verification, prior employment verification, verification of job-related licenses, consumer credit report review, drug testing, and/or other relevant information-gathering).

After receiving each background screening report, Supplier must evaluate whether the Supplier's personnel is well suited to access Microsoft owned or leased facilities or to access Microsoft resources such as email, network access, cardkey or other access badges. Specifically, Supplier must analyze whether the background screening report contains information such as criminal convictions or other matters that render the individual unsuited to perform work connected to Microsoft. Examples of convictions that may be reasonably related and should be reviewed by the Supplier include but are not limited to: crimes of dishonesty (i.e., theft, embezzlement, fraud, forgery, etc.) and violence (i.e., murder, rape, kidnapping, assault, robbery, stalking, harassment, etc.).

Supplier must certify that it has conducted pre-placement checks consistent with this policy and that any convictions, serious delinquency or debt, or any other matters disclosed in the background check that may render the individual unsuitable for placement at Microsoft has been reviewed by Supplier, and that Supplier has determined that the individual is suited for access to Microsoft owned or leased facilities or access to Microsoft resources such as email, network access, cardkey or other access badges.

Microsoft reserves the right to review and discuss with Supplier, in a manner consistent with applicable law, pre-placement background information for any individual placed by Supplier who may require access to Microsoft owned or leased facilities or access to Microsoft resources such as email, network access, cardkey or other access badges. Based on that review, Microsoft may prohibit access as it deems appropriate, for any individual placed by Supplier.

If Supplier uses any subcontractor to perform services that require access to Microsoft owned or leased facilities or access to Microsoft resources such as email, network access, cardkey, or other access badges, or that require a subcontractor to access the credit card or sensitive personal data of Microsoft customers, partners, employees, or other third parties, Supplier will ensure its agreements with subcontractors include the requirements set forth in this policy. Supplier will also take reasonable steps—in compliance

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<sup>1</sup> This Pre-Placement policy goes into effect within thirty days upon receipt by Supplier of the country-specific list applicable to Supplier.

with applicable law—to ensure that subcontractors do in fact perform the background checks contemplated by this policy.

If Supplier becomes aware of criminal activity by Supplier personnel or Supplier’s Subcontractor(s) who have access to Microsoft owned or leased facilities, Supplier will refer the information to Microsoft Global Security to determine whether it is acceptable for such individual to continue to have access to Microsoft owned or leased property and networks. If it is not acceptable, Microsoft Global Security will work with Microsoft management and Supplier to remove said individual from the Microsoft assignment. Supplier shall comply with all applicable laws when removing any Supplier personnel or Subcontractor(s) from Microsoft’s owned or leased property. If the criminal activity would suggest a threat of physical harm to Microsoft property or employees, Supplier must inform its business contact and Microsoft Global Security immediately, but in no event later than 24 hours after becoming aware of the information. Otherwise, Supplier must inform its business contact of the criminal activity within 24 hours of becoming aware of the information.

In all instances, Supplier must comply with the Fair Credit Reporting Act and any other applicable federal, state, and local laws, including, in particular, data privacy laws. It is the responsibility of the Supplier to provide the relevant notices and, if required, obtain lawful consents or establish other lawful bases to conduct the pre-placement background checks and, if required, provide to Microsoft the clearance information required for Microsoft to receive and use the same lawfully. If requested by Microsoft, Supplier will provide to its personnel a privacy notice or consent document, in a form approved by Microsoft, prior to the pre-placement background checks being undertaken.

In addition to any indemnification obligations in the relevant contract, if any, pursuant to which Supplier was engaged by Microsoft, Supplier agrees to indemnify and hold harmless Microsoft, its affiliates and subsidiaries and their respective officers, directors, employees, agents and insurers (“Microsoft Parties”) from any and all damages, penalties, fines, losses, liability, judgments, settlements, awards costs and expenses (including reasonable attorneys’ fees and expenses) arising out of or in connection with any claims, assertions, demands, causes of action, suits, proceedings, investigations, enforcement or other actions, whether at law or equity (“Claims”) related to (i) any breach by Supplier of this Pre-Placement Policy; (ii) Supplier’s violation of applicable laws or ordinances related in any manner to the subject matter discussed in this Pre-Placement Policy, (iii) Supplier’s negligence, misconduct, recklessness, errors or omissions, and/or (iv) Supplier’s employment decisions. Supplier shall also indemnify and hold harmless the Microsoft Parties from any Claims brought by an employee or contractor of Supplier against one or more of the Microsoft Parties related to the background checks described in this Pre-Placement policy.

If there are any questions or concerns with this program, please direct them to [supscrn@microsoft.com](mailto:supscrn@microsoft.com).

You may also review the [Background Screening FAQ](#)

## **5. SUBCONTRACTOR REQUIREMENTS**

Of the total amount paid by Supplier to Subcontractors to provide Services or Products, Supplier will use commercially reasonable efforts to spend at least 23% with Small Business Concerns. In addition, commercially reasonable efforts will be made to achieve the following diversity subcontract goals: 5% with Small Disadvantaged Businesses; 5% with Minority Business Enterprises; 5% with Women-owned Businesses; 3% each with Service-disabled Veteran and Veteran Owned Businesses; 3% with HUBZone

Small Business Concerns. For purposes of this subsection please refer to the definitions at 48 C.F.R. 52.219-8.

In the event Supplier is unable to comply with the percentage direct diverse subcontracting requirements in the applicable agreement after using best efforts or the agreement does not have direct diverse subcontracting requirements, Supplier will allocate and report their overall indirect diverse subcontractor spend based on percentage of revenue method (see Microsoft Tier 2 template). The report template can be obtained by emailing the [MWVBE team](#). Quarterly reports are due the last business day of the month following the end of each quarter. The provisions of this section shall not apply if supplier qualifies as a small business as defined under the [Small Business Administration's Table of Size Standards](#).