

Microsoft Supplier Code of Conduct

Microsoft aspires to be more than just a good company—it aspires to be a great company. Toward that goal, we are committed to our mission of helping people and businesses throughout the world realize the highest levels of productivity and success. Achieving our mission isn't just about building innovative technology. It's also about who we are as a company and as individuals, how we manage our business internally, and how we work with customers, partners, governments, communities, and suppliers.

Through the Standards of Business Conduct (www.microsoft.com/mscorp/legal/buscond), Microsoft has established company standards that include ethical business practices and regulatory compliance. These standards apply to all Microsoft employees, directors, and officers. Similarly, Microsoft expects its suppliers to embrace this commitment to integrity by complying with and training its employees on the Microsoft Supplier Code of Conduct.

COMPLIANCE WITH THE SUPPLIER CODE OF CONDUCT

Suppliers and their employees, agents, and subcontractors (collectively referred to as "Suppliers") must adhere to this Supplier Code of Conduct **while conducting business with or on behalf of Microsoft**. Suppliers must promptly inform their Microsoft contact (or a member of Microsoft management) when any situation develops that causes the Supplier to operate in violation of this Code of Conduct. While Microsoft Suppliers are expected to self-monitor and demonstrate their compliance with this Code of Conduct, Microsoft may audit Suppliers or inspect Suppliers' facilities to confirm compliance. Microsoft may require the immediate removal of any Supplier representative(s) or personnel who behave in a manner that is unlawful or inconsistent with this Code of Conduct or any Microsoft policy. Compliance with this Code of Conduct, and attending training on this Code of Conduct, as may be offered by Microsoft, is required in addition to any other obligations in any agreement a Supplier may have with Microsoft.

LEGAL AND REGULATORY COMPLIANCE PRACTICES

All Microsoft Suppliers must conduct their business activities in full compliance with the applicable laws and regulations while conducting business with and/or on behalf of Microsoft, and must, without limitation:

- **Trade:** Comply with all applicable trade controls, as well as all applicable export, re-export, and import laws and regulations.
- **Antitrust:** Conduct business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business.
- **Boycotts:** Not participate in international boycotts that are not sanctioned by the United States (U.S.) government or applicable laws.
- **Anti-Corruption:** Not participate in bribes or kickbacks of any kind, whether in dealings with public officials or individuals in the private sector. Microsoft is committed to observing the standards of conduct set forth in the U.S. Foreign Corrupt Practices Act ("FCPA") and the anti-corruption and anti-money laundering laws of the countries in which Microsoft operates. Suppliers must comply with all applicable anti-corruption and anti-money laundering laws, including the FCPA, as well as laws governing lobbying, gifts, and payments to public officials, political campaign contribution laws, and other related regulations. Suppliers must not, directly or indirectly, offer or pay anything of value

(including travel, gifts, hospitality expenses, and charitable donations) to any official or employee of any government, government agency, political party, public international organization, or any candidate for political office to (i) improperly influence any act or decision of the official, employee, or candidate for the purpose of promoting the business interests of Microsoft in any respect, or (ii) otherwise improperly promote the business interests of Microsoft in any respect. As representatives of Microsoft, Suppliers must comply in all respects with Microsoft's Anti-Corruption Policy for Representatives at <http://www.microsoft.com/en-us/Legal/Compliance/anticorruption/Default.aspx#DwTR>.

BUSINESS PRACTICES AND ETHICS

Microsoft Suppliers must conduct their business interactions and activities with integrity and must, without limitation:

- **Business Records:** Honestly and accurately record and report all business information and comply with all applicable laws regarding their completion and accuracy. Create, retain, and dispose of business records in full compliance with all applicable legal and regulatory requirements. Be honest, direct, and truthful in discussions with regulatory agency representatives and government officials.
- **Press:** Speak to the press on behalf of Microsoft only if the Supplier is expressly authorized in writing to do so by Microsoft.
- **Gifts:** Avoid gifts to Microsoft employees because even a well-intentioned gift might constitute a bribe under certain circumstances, or create conflicts of interest. Do not offer anything of value to obtain or retain a benefit or advantage for the giver, and do not offer anything that might appear to influence, compromise judgment, or obligate the Microsoft employee. If offering a gift, meal, or entertainment to Microsoft employees, always use good judgment, discretion, and moderation. Any gift from a Supplier must be permissible under the policy of the Microsoft employee's business unit and country, because Microsoft business and regional policies may prohibit gifts entirely or set maximum gift value limits at varying amounts. Any gifts, meals, or entertainment must comply with applicable law, must not violate the giver's and/or recipient's policies on the matter, and must be consistent with local custom and practice. Suppliers are not allowed to give gifts of any value to any member of the Global Procurement Group (GPG) or its representatives.
- **Conflicts of Interest:** Avoid the appearance of or actual improprieties or conflicts of interests. Suppliers must not deal directly with any Microsoft employee whose spouse, domestic partner, or other family member or relative holds a significant financial interest in the Supplier. In the course of negotiating the Supplier agreement or performing the Supplier's obligations, dealing directly with a Supplier personnel's spouse, domestic partner, or other family member or relative employed by Microsoft is also prohibited.
- **Insider Trading:** Avoid insider trading by not buying or selling Microsoft or another company's securities when in possession of information about Microsoft or another company that is not available to the investing public and that could influence an investor's decision to buy or sell the security.

LABOR PRACTICES AND HUMAN RIGHTS

Microsoft expects its Suppliers to share its commitment to human rights and equal opportunity in the workplace. All Microsoft Suppliers must conduct their employment practices in full compliance with all applicable laws and regulations, and must, without limitation:

- Cooperate with Microsoft's commitment to a workforce and workplace free of harassment and unlawful discrimination. While we recognize and respect cultural differences, we require that Suppliers not engage in discrimination in hiring, compensation, access to training, promotion, termination, and/or retirement based on race, color, sex, national origin, religion, age, disability, gender identity or expression, marital status, pregnancy, sexual orientation, political affiliation, union membership, or veteran status.
- Use only voluntary labor. The use of forced labor whether in the form of indentured labor, bonded labor, or prison labor by Microsoft Suppliers is prohibited. Also prohibited is support for any form of human trafficking of involuntary labor through threat, force, fraudulent claims, or other coercion.
- Not require workers to lodge "deposits" or their identity papers (government-issued identification, passports, or work permits) with their employer. Workers should be free to resign their employment in accordance with local and national laws or regulations without unlawful penalty.
- Comply with all local and national minimum working age laws or regulations and not use child labor. Suppliers cannot employ anyone under the age of 15, under the age for completing compulsory education, or under the legal minimum working age for employment—which ever is higher. Microsoft only supports the development of legitimate workplace apprenticeship programs for the educational benefit of young people and will not do business with those who abuse such systems. Workers under the age of 18 cannot perform hazardous work and may be restricted from night work, with consideration given to educational needs.
- Not engage in physical discipline or abuse. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment, and verbal abuse or other forms of intimidation are prohibited.
- Pay applicable legal wages under humane conditions. All workers must be provided with clear, written information about their employment conditions with respect to wages before they enter employment and as needed throughout their term of employment. Deductions from wages as a disciplinary measure will not be permitted nor will any deductions from wages not provided for by national law or local law be permitted without the express, written permission of the worker concerned. All disciplinary measures should be recorded. Wages and benefits paid for a standard working week must meet, at a minimum, local and national legal standards.
- Not require workers to work more than the maximum hours of daily labor set by local and national laws or regulations. Suppliers must ensure overtime is voluntary and paid in accordance with local and national laws or regulations. A workweek should not be more than 60 hours a week, including overtime, except in emergency or unusual situations. Workers should be allowed at least one day off per seven-day week.
- Keep employee records in accordance with local and national laws or regulations and provide in a timely manner, via pay stub or similar documentation, the basis on which employees are paid.
- Respect workers' rights to freedom of association and collective bargaining in accordance with legal requirements. As noted above, we require that Suppliers not engage in discrimination in hiring, compensation, access to training, promotion, termination, and/or retirement based on union membership.

HEALTH AND SAFETY

Microsoft Suppliers are expected to integrate sound health and safety management practices into all aspects of business, and must, without limitation:

- Provide a safe and healthy work environment and fully comply with all safety and health laws, regulations, and practices including those applicable to the areas of occupational safety, emergency preparedness, occupational injury and illness, industrial hygiene, physically demanding work, machine safeguarding, sanitation, food, and housing. Adequate steps must be taken to minimize the causes of hazards inherent in the working environment.
- Prohibit the use, possession, distribution, or sale of illegal drugs while on Microsoft-owned or -leased property.

ENVIRONMENTAL REGULATIONS AND PROTECTION

Microsoft recognizes its social responsibility to protect the environment and expects its Suppliers to share its commitment by responding to challenges posed by climate changes and working toward protecting the environment. As a part of this commitment, all Microsoft Suppliers must, without limitation:

- Comply with all applicable environmental laws and regulations regarding hazardous materials, air emissions, waste, and wastewater discharges, including the manufacture, transportation, storage, disposal, and release to the environment of such materials.
- Endeavor to reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in their facilities, through their maintenance and production processes, and by recycling, re-using, or substituting materials.
- Obtain, maintain, and keep current all required environmental permits and registrations and follow the operational and reporting requirements of such permits.
- If applicable, identify the chemicals or other materials being released that pose a threat to the environment and manage them appropriately to ensure their safe handling, movement, storage, use, recycling, or reuse and disposal.
- Adhere to all applicable laws, regulations, and customer requirements regarding prohibition or restriction of specific substances, including labeling for recycling and disposal.

PROTECTION OF ASSETS AND INTELLECTUAL PROPERTY

Protection of intellectual property rights is vital for any company. Microsoft depends on intellectual property such as information, processes and technology. All Microsoft Suppliers must, without limitation:

- Respect and protect the intellectual property rights of all parties by only using information technology and software that has been legitimately acquired and licensed. Use software, hardware, and content only in accordance with their associated licenses or terms of use.
- Protect and responsibly use the physical and intellectual assets of Microsoft, including intellectual property, tangible property, supplies, consumables, and equipment, when authorized by Microsoft to use such assets.
- Use Microsoft-provided information technology and systems (including email) only for authorized Microsoft business-related purposes. Microsoft strictly prohibits Suppliers from using Microsoft-provided technology and systems to (i) create, access, store, print, solicit, or send any material that is intimidating, harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate, or (ii) send any false, derogatory, or malicious communications.
- Comply with all Microsoft requirements and procedures for maintaining passwords, confidentiality,

security and privacy as a condition of providing Microsoft with goods or services or receiving access to the Microsoft internal corporate network, systems, and buildings. All data stored or transmitted on Microsoft-owned or -leased equipment is to be considered private and is the property of Microsoft. Microsoft may monitor all use of the corporate network and all systems (including email), and may access all data stored or transmitted using the Microsoft network.

- Comply with the intellectual property ownership rights of Microsoft and others including but not limited to copyrights, patents, trademarks, and trade secrets; and manage the transfer of technology and know-how in a manner that protects intellectual property rights.

REPORTING QUESTIONABLE BEHAVIOR

If you wish to report questionable behavior or a possible violation of the Supplier Code of Conduct, you are encouraged to work with your primary Microsoft contact in resolving your concern. If that is not possible or appropriate, please contact Microsoft through any of the following methods:

- **Phone:** Microsoft Business Conduct Line at 1-877-320-MSFT (6738). If you are calling from outside the United States, you may make a collect call to the Business Conduct Line by accessing an international operator and asking to place a collect call to 1-704-540-0139.
- **Email:** If you are a Supplier with access to the Microsoft intranet, you may send an email to the Director of Compliance at the Business Conduct and Compliance alias, buscond@microsoft.com.
- **Mail:** Send a letter to the Director of Compliance at Microsoft Corporation, Legal and Corporate Affairs, One Microsoft Way, Redmond, WA 98052.
- **Fax:** Send a fax to the Director of Compliance at 1-425-705-2985.

Microsoft will maintain confidentiality to the extent possible and will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behavior or a possible violation of this Supplier Code of Conduct.