



**CORPORATE COMPLIANCE:
SUPPLIER CODE OF CONDUCT**

Document Information		
Title	Supplier Code of Conduct	Version: I
Owner	Chief Compliance Officer	
Purpose	To establish the minimum principles that must be met one OneSpan Suppliers with regard to treatment of works, workplace safety, environmental impact and ethical business practices.	
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Usage	Shared publicly and with Suppliers	

Version	Date	Author	Description
0.1	August 2020	MJ Capodanno	Sets forth principles establishing the minimum standards that must be met by OneSpan Suppliers that sells goods to or does business with OneSpan
0.2	Nov 2020	MJ Capodanno	Updates

SUPPLIER CODE OF CONDUCT

1. Introduction

Corporate integrity, responsible product sourcing, and the safety and wellbeing of workers across the global supply chain are of paramount importance to OneSpan. These principles apply to all aspects of OneSpan's business, and encompass all manufacturers, distributors, vendors, and other suppliers (each a "**Supplier**" and collectively "**Suppliers**") from which OneSpan purchases goods or services.

These principles are reflected in this Supplier Code of Conduct ("**Code of Conduct**"), which establishes the minimum standards that we encourage Supplier to adopt and reflects the minimum standards OneSpan desires its Suppliers to deploy, regarding:

- Supplier's treatment of workers;
- workplace safety;
- the impact of Supplier's activities on the environment; and
- Supplier's ethical business practices.

OneSpan may amend this Code of Conduct from time to time.

2. Applicability

This Code of Conduct is important to OneSpan and its customers, as such OneSpan expects its Suppliers to identify, adopt, and integrate compliance with the standards set out in this Code of Conduct ("**Standards**") throughout its operations and throughout its entire supply chain.

Without limiting Supplier's obligations hereunder, Supplier shall use its reasonable efforts to comply with the Standards and to flowdown such Standards to its applicable suppliers, vendors, agents, and subcontractors and their respective Facilities ("**Partner(s)**").

By its acceptance of any order for Supplier goods or services from OneSpan or compensation for the purchase of any goods or services, the Supplier acknowledges its acceptance of this Supplier Code of Conduct and intention to comply with its requirements.

3. Slavery and Human Trafficking

All labor must be voluntary. Supplier shall not support or engage in slavery or human trafficking in any part of its supply chain. Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any:

- compelled, involuntary, or forced labor;
- labor to be performed by children, as defined in the relevant jurisdiction;
- bonded labor;
- indentured labor; and
- prison labor.

4. Compliance and Documentation

Supplier shall:

- Implement and maintain a reliable system to verify the eligibility of all workers, including:
- age eligibility; and
- legal status of foreign workers.
- Implement and maintain a reliable recordkeeping system regarding the eligibility of all workers.

5. Hazardous Work

Without limiting Supplier's obligations hereunder, Supplier shall not, and shall ensure that its Partners do not, support or engage in, or require any hazardous labor to be performed by any person under the age specified by applicable law. Hazardous labor involves any work, that by its nature or the circumstances in which the work is undertaken, involves the substantial risk of harm to the safety or health of the worker or coworkers if adequate protections are not taken.

6. Identification Papers

Without limiting Supplier's obligations hereunder, Supplier shall not require any worker to surrender control over original:

- identification papers or documents giving a foreign worker the right to work in the country;
- identification papers or documents, such as a passport, giving a foreign worker the right to enter or leave the country; or
- documents, such as a birth certificate, evidencing the worker's age.

7. Financial Obligations

Without limiting Supplier's obligations hereunder, Supplier shall not, whether as a condition to the right to work, require any worker (or worker's spouse or family member) to, directly or indirectly:

- pay recruitment or other fees or other amounts (monetary or in-kind);
- incur debt.
- make financial guarantees; or
- incur any other financial obligation.

8. Freedom of Movement

Without limiting Supplier's obligations hereunder, Supplier shall ensure that workers have the right to freedom of movement without:

- delay or hindrance; or
- the threat or imposition of any discipline, penalty, retaliation, or fine or other monetary obligation.

Worker freedom of movement rights include each worker's right to leave the Facilities without retaliation:

- at the end of each workday;
- based on reasonable health and safety-related justifications; and

- based on any reasonable circumstances, such as personal or family emergencies.

9. Freedom to Terminate Employment

Without limiting Supplier's obligations hereunder, Supplier shall allow workers to terminate their employment or work arrangement in accordance with applicable law which should include termination without the threat or imposition of any discipline, penalty, retaliation, or fine or other monetary obligation.

10. Compensation and Benefits

Supplier must compensate all workers with wages, including overtime premiums, and benefits that at a minimum meet the higher of:

- the minimum wage and benefits established by applicable law;
- collective agreements;
- industry standards; and
- an amount sufficient to cover basic living requirements.

Supplier shall make wage payments as required under law and provide any benefits on a timely basis. Supplier's obligation to compensate and provide benefits applies to all workers at all times, including during periods of training, apprenticeship, and probation.

11. Compensation Documentation

Supplier shall:

- provide proof of payment to workers in the workers' native language showing hours worked, wage amounts and rates (regular, overtime, and bonus), and deductions;
- ensure that proof of payment is accurate, is clearly calculated, and enables workers to quickly verify the amount of payment and method of calculation; and
- maintain proper documentation of wage payments for their internal records.

12. Deductions

Supplier shall not make any deductions from wages, except income tax withholding and those that are legally allowed and applicable in their relevant jurisdiction.

13. Work Hours

- **Regular Work Hours.** Supplier shall not require or allow workers to work more than the maximum legally permitted number of regularly paid hours worked per week.
- **Overtime Work Hours.** Additional overtime hours are voluntary, and must not exceed the maximum legally permitted number of overtime hours worked per week.
- **Rest and Lunch Breaks.** Supplier shall allow workers to take reasonable rest breaks, including bathroom breaks.
- **Other Requirements**

Supplier shall:

- not require workers to work more than the legally permitted hours per continuous 24-hour period;
- permit workers to take at least one regularly scheduled day off per seven-day schedule if not otherwise legislated in workers jurisdiction;
- not require workers who voluntarily work on their designated rest day to work on their designated rest day more than the legally permitted number of weeks in a row;
- not require workers to work on nationally recognized or religious holidays without proper compensation or in p;
- permit workers to take paid or unpaid leave as allowed by law; and
- not require or ask workers to take work home

14. Work Hour Documentation

Supplier shall:

- use an industry-accepted time-keeping system to track worker work hours; and
- develop work-hour policies to ensure compliance with this Code of Conduct and applicable law.

15. No Discrimination, Abuse, or Harassment

Supplier shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, gender, gender identity, sexual orientation, military status, religion, age, marital or pregnancy status, disability, or any other characteristic other than the worker's ability to perform the job.

Supplier shall treat workers with respect and dignity.

Supplier shall not subject workers to corporal punishment, or physical, verbal, sexual, or psychological abuse or harassment. Supplier must not condone or tolerate such behavior by its Partners.

16. Diversity

Onespan believes that including diverse partners in our business is important to our success. For that reason, we seek to work with Suppliers who perform at a high level and add a diverse perspective to the OneSpan team. We expect our Suppliers to identify, adopt, and integrate diversity into their own supply processes and hiring, including equal treatment of minority- and women-owned businesses, veterans and small businesses in the supplier selection process.

17. Health and Safety

Supplier shall provide a safe, healthy, and sanitary working environment. Supplier shall implement procedures and safeguards to prevent workplace hazards, and work-related accidents and injuries, including procedures and safeguards to prevent industry-specific workplace hazards, and work-related accidents and injuries, that are not specifically addressed in these Standards.

General and industry-specific procedures and safeguards include those relating to:

- health and safety inspections;
- equipment maintenance;
- maintenance of Facilities;

- worker training covering the hazards typically encountered in their scope of work;
- fire prevention; and
- documentation and recordkeeping.

Supplier shall provide workers adequate and appropriate personal protective equipment to protect workers against hazards typically encountered in the scope of work.

18. Facilities

Supplier shall:

- ensure that all Facilities meet all applicable building codes and industry design and construction standards;
- obtain and maintain all construction approvals required by law;
- obtain and maintain all zoning and use permits required by law;
- without limiting Supplier's obligations hereunder, ensure that all Facilities have:
 - an adequate evacuation plan;
 - adequate, well-lit (including emergency lighting), clearly marked, and unobstructed emergency exit routes, including exits doors, aisles, and [fire-rated enclosed] stairwells;
 - a sufficient number of emergency exit doors, which are located on all sides of each building, are unlocked (from the inside), and are readily opened from the occupied side and swing in the direction of emergency travel;
 - visible and accurate evacuation maps posted in the local language, and including a "you are here" mark;
 - adequate ventilation and air circulation;
 - adequate lighting;
 - adequate first aid kits and stations;
 - adequate fire safety, prevention, alarm, and suppression systems;
 - adequate access to potable water; and
 - adequate access to private toilet facilities.
- post safety rules, inspection results, incident reports, and permits, in each case, as required by law.

If Supplier provides dining facilities for its workers, it shall provide safe, healthy, and sanitary facilities (including food preparation and storage areas) that comply with all the Standards set out in the Health and Safety section of this Code of Conduct and applicable law. Without limiting Supplier's obligations hereunder, Supplier shall obtain and maintain all food preparation permits and health certificates required by law.

19. Freedom of Association and Collective Bargaining

Supplier shall respect, and shall not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining.

Without limiting Supplier's obligations set out above, Supplier shall not:

- take any action to prevent or suppress the workers' exercise of freedom of association or collective bargaining rights;
- discriminate or retaliate against, or discipline or punish, any worker who supports or exercises freedom of association or collective bargaining rights;
- discriminate or retaliate against, or discipline or punish, any worker who raises collective bargaining compliance issues; or
- discriminate or retaliate against, or discipline or punish, any worker based on union membership or the worker's decision to join or not join a union.

20. Environmental Protection

- **Operation of Supplier's Facilities**
 - Supplier shall operate its Facilities in compliance with applicable environmental laws, relating to:
 - waste disposal;
 - emissions;
 - discharges; and
 - hazardous and toxic material handling.
- Inputs and Components
 - Supplier must ensure that the goods that it manufactures (including the inputs and components that it incorporates into its goods) comply with all environmental laws and treaties. Supplier must ensure that it will only use packaging materials that comply with all environmental laws and treaties.

21. Gifts and Entertainment

Supplier must maintain the highest ethical standards. Supplier must not offer cash, favors, gifts, or entertainment to OneSpan's team members.

22. Intellectual Property Rights, Privacy, and Data Protection

Supplier shall comply with all applicable intellectual property rights and laws. Supplier shall only use information technology and software that it has acquired or licensed legitimately and shall use them only in accordance with the terms of such licenses. Supplier shall not transfer any of OneSpan's technology, proprietary information, or trade secrets without prior written consent from OneSpan's Legal Department. Supplier shall respect the reasonable privacy and confidentiality expectations of everyone with whom it does business and shall appropriately protect all data that may come into its possession because of its relationship with OneSpan, including data relating to OneSpan and OneSpan's employees, customers, and partners. Supplier shall comply with OneSpan instructions and with applicable privacy, data protection, and security laws and regulations when personal, confidential, proprietary, or other sensitive information is collected, stored, processed, transmitted, or shared. Supplier shall use OneSpan-provided information technology and systems only for business-related purposes authorized by OneSpan.

23. Protecting Confidential Information

OneSpan protects our Suppliers' confidential information. In return, Suppliers must protect OneSpan's confidential information. Suppliers should never disclose such information to anyone without OneSpan's express authorization. This includes the following:

- The terms and conditions of your agreement with OneSpan
- OneSpan business and marketing plans
- OneSpan intellectual property (trade secrets, trademarks, copyrights, patents, and other intellectual property) and technical information
- OneSpan product plans and designs
- OneSpan business processes
- Personal employee or contractor information
- Any data generated by OneSpan, or received by OneSpan from a third party, that contains or is based on confidential information

Only individuals who need to know OneSpan's confidential information for the purpose for which OneSpan engaged the Supplier should have access to it, and such individuals may only use it for the purpose for which OneSpan made it available to the Supplier. Additionally, Suppliers must follow all applicable data privacy and information security laws and regulations. Suppliers must effectively manage the retention, maintenance, access, and disclosure of our confidential information. This includes disposing of confidential or highly sensitive documents securely, such as by shredding. If you learn of an actual or potential data security breach involving OneSpan's information, you must notify OneSpan immediately. Additionally, OneSpan expects you to respect intellectual property rights. For example, you may not obtain, distribute, or use unlicensed copyrighted software or information without proper authorization. OneSpan will take all appropriate measures to address Suppliers' use of unlicensed software or OneSpan devices.

24. Anti-trust Laws, Competition Laws and Fair Dealing

OneSpan is committed to competing fairly and following antitrust and competition laws. OneSpan expects the same from our Suppliers. Supplier must never enter into any agreements— whether express or implied—that violate the letter or spirit of anti-competition laws. In particular, Suppliers must never discuss the following topics with competitors:

- Pricing
- Splitting potential customers or territories
- Any other tactic to unreasonably restrict competition

25. Anti-corruption, Bribery and Kickbacks

Regardless of where you support OneSpan, all Suppliers must follow anti-corruption laws. These include the U.S. Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act, and other applicable laws in your jurisdiction. Supplier must not tolerate, permit, or engage in any form of corruption, extortion, or bribery. This is true whether you are working with government officials or individuals in the private sector.

Here are a few key points to keep in mind about bribery and corruption:

- Bribery is offering or giving something of value in order to improperly influence the recipient's actions. Bribery is illegal everywhere OneSpan does business, and the consequences for offering or

accepting a bribe are severe. You may never offer, authorize, give, promise, or accept any form of a bribe, extortion payment, improper payment, gift, or benefit while working on OneSpan's behalf.

- A kickback is the return of a sum paid (or due to be paid) as a reward for fostering a business arrangement. Accepting or offering a kickback violates this Supplier Code of Conduct.
- A facilitation payment is a tip or small payment made to a government official in order to expedite a routine government action—for example, issuing a permit or providing utility service. These payments are illegal in most jurisdictions and are not allowed under OneSpan policies. If you believe corrupt practices are occurring within our supply chain, report your concerns to OneSpan immediately.

26. Financial Integrity, Records and Accounting

OneSpan relies on its financial records to report our financial results, make required legal filings, and make business decisions. As our Supplier, you must keep accurate books and records of all your business dealings with OneSpan. These records must be in accordance with applicable standard accounting practices. If you know of any actual or potential financial, accounting, or books and records issue related to OneSpan, please report your concerns to OneSpan.

27. Understanding Insider Trading

As a OneSpan Supplier, you may have access to material, non-public information about OneSpan or other companies. Information is material if a reasonable investor would consider it important in deciding whether to buy, sell, or hold a company's securities. As our Supplier must never buy or sell securities while in possession of material, non-public information or provide that information to others who might trade on it. If as Supplier there are any concerns regarding inside information or inadvertent disclosure of inside information, please contact OneSpan.

28. Handling Imports and Exports

OneSpan complies with all international trade laws and regulations that apply to our business and expects our Suppliers to do the same. Remember that import and export laws apply not only to goods but also to technology, software, intellectual property, and technical information.

29. Report Violations

Our Supplier Code of Conduct serves as a guide to ethical Supplier conduct. However, no single document can answer every question. If you are unsure of what to do please contact OneSpan as directed in this Section. Supplier shall also self-report any violations of the Code of Conduct, be it an employee or Supplier or OneSpan. If you learn of an issue through your own internal reporting that potentially impacts OneSpan, you should also report it as directed in this Section. Supplier shall not retaliate or take disciplinary action against any worker who has, in good faith, reported violations or questionable behavior, or who has sought advice regarding this Code of Conduct.

Please contact OneSpan with any questions, concerns or possible violations to:

By mail at:
Chief Compliance Officer
OneSpan North America, Inc.
121 W. Wacker Drive, Suite 2050

Via email at: legal@onespan.com

Chicago, IL 60601

30. Compliance with Laws

Supplier shall comply with all applicable national and local laws and regulations, including laws and regulations relating to all the Standards. Where this Code of Conduct requires Supplier to meet a higher standard than set out by law or regulation, Supplier shall meet such higher standards. Supplier acknowledges that these Standards set out audit standards that OneSpan may use to determine whether Supplier is meeting the requirements set out in this Code of Conduct. Supplier acknowledges that OneSpan may in its discretion conduct inspections and audits of the Facilities to confirm Supplier's compliance with this Code of Conduct.

31. Termination

OneSpan may immediately terminate its business relationship (including any purchase order(s) and purchase contracts) with Supplier if Supplier or its Partners are in breach of the Standards.

32. Annual Certification

Supplier agrees that it will acknowledge its acceptance and agreement in writing with this Supplier Code of Conduct on an annual basis as requested by OneSpan.