

# Vendor Conflict of Interest & Conduct Policy



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## 1. PURPOSE

1.1. This Policy outlines Payward’s expectations for identifying, disclosing, and managing conflicts of interest involving vendors. Its purpose is to promote fairness, integrity, impartiality, and responsible conduct in vendor relationships, and to support Payward’s broader governance and ethical standards, including the principles reflected in the [Payward Global Conflicts of Interest Policy](#).

This Policy is designed as a **vendor-facing conduct standard** and complements, but does not replace, Payward’s internal compliance policies or Vendor Risk Management processes.

## 2. SCOPE

2.1. This policy applies to all vendors—including suppliers, contractors, consultants, agents, and any other third parties providing goods or services to Payward—as well as their employees, directors, officers, and subcontractors. Vendors are expected to integrate these standards into their daily operations and ensure that all affiliated parties comply with these principles.

### 3. DEFINITION OF CONFLICT OF INTEREST

3.1. A conflict of interest arises when a vendor's personal, financial, or other interests may improperly influence—or appear to influence—the vendor's ability to perform their duties impartially, objectively, and ethically on behalf of Payward. Such conflicts can compromise judgment, objectivity, loyalty, or the ethical discharge of responsibilities.

### 4. EXAMPLES OF POTENTIAL CONFLICTS OF INTEREST

The following examples illustrate situations that may constitute a **material** conflict of interest. This list is not exhaustive.

#### 4.1. Financial or Ownership Interests

- **Ownership Stakes:** Holding significant ownership or financial interest in a competing company or in a company that conducts business with a competitor
- **Undisclosed Benefits:** Receiving undisclosed payments, gifts, or favors in connection with Payward business
- **Subcontractor Interests:** Maintaining a financial interest in a vendor's subcontractor that may affect objectivity

#### 4.2. Personal Relationships

The existence of personal relationships does not automatically constitute a conflict of interest. However, conflicts can arise when close personal or family relationships may improperly influence, or appear to influence, a vendor's ability to act impartially and in the best interests of Payward. For example:

##### **Relationships with Payward Employees:**

Close personal or family relationships with employees involved in vendor selection, contract negotiations, performance evaluations or other management activities may lead to favoritism, reduce objectivity or create the appearance of impropriety.

##### **Relationships with Competitors' Employees:**

Having a familial or close personal relationship with an employee of a competitor may raise concerns about conflicts of loyalty and the potential for breaches in confidentiality.

#### 4.3. Business Relationships

- **Dual Representation:** Simultaneously representing or working for a direct competitor of Payward in a way that could compromise confidentiality or impartiality
- **Misuse of Information:** Using Payward confidential information for personal gain or to benefit another party

- **Unauthorized Agreements:** Entering into separate agreements with Payward clients for goods, equity, tokens or services outside the formal vendor relationship

#### **4.4. Gifts, Entertainment and Loans**

- **Excessive Benefits:** Accepting or providing gifts, entertainment or favors that exceed reasonable business courtesies and could influence decision-making

- **Loan Arrangements:** Engaging in or seeking loan arrangements that might create an appearance of favoritism or undue influence

#### **4.5. Post-Employment Activities**

- **Immediate Transitions:** Vendors must not engage in activities that involve the use or disclosure of Payward's confidential information to any third party, including but not limited to former customers or competitors. This obligation extends beyond the termination of the vendor relationship.

#### **4.6. Technology and ICT Risks**

- **Misuse of Confidential Information:** Providing ICT services to competing financial entities in a manner that creates a risk of unauthorized access, use or disclosure of Payward's confidential information or systems

- **Security Vulnerabilities and Undisclosed Conflicts:** Failure to disclose any ICT dependencies, vulnerabilities or service arrangements that could compromise the security, integrity or operational resilience of Payward's systems, or that create a conflict of interest

- **ICT Concentration Risk and Mitigation:** Relying on subcontractors that pose significant ICT concentration risk without implementing adequate oversight, mitigation measures and contractual safeguards to protect Payward's interests

## **5. DISCLOSURE REQUIREMENTS**

### **5.1. Prompt Disclosure**

Vendors must promptly disclose any potential or actual conflicts of interest in writing to the designated contact or department. Disclosures must be made prior to the commencement of any activity that may create a conflict.

### **5.2. Content of Disclosure**

Disclosures must detail all relevant aspects of the conflict, including the nature of the interest, any financial or personal ties, and the potential impacts on performance. This includes ICT-related dependencies or vulnerabilities that might affect digital operational resilience.

### **5.3. Ongoing Updates**

Vendors must update their disclosures as circumstances change.

## **6. REVIEW AND MANAGEMENT OF CONFLICTS**

### **6.1. Evaluation**

Payward will review all disclosed conflicts to determine the appropriate course of action. In cases involving ICT services, the review will assess the impact on digital operational resilience in accordance with DORA and EBA guidelines. All conflict reviews will be thoroughly documented.

### **6.2. Mitigation Measures**

Payward may require vendors to take steps to mitigate or eliminate conflicts. Such measures may include:

- Divesting conflicting financial interests
- Recusing the vendor from specific decisions
- Implementing measures to mitigate ICT concentration risk and ensure business continuity
- Documenting ICT risk management frameworks that address potential conflicts and outlining strategies to achieve third-party concentration risk mitigation

### **6.3. Termination**

If a conflict cannot be adequately resolved, Payward reserves the right to terminate the vendor relationship.

## **7. PROHIBITED ACTIVITIES**

### **7.1. Undisclosed Conflicts**

Vendors are expected to refrain from engaging in any conflicts of interest that have not been disclosed.

### **7.2. Influence and Unfair Advantage**

Vendors must not use their position or relationships to gain an unfair advantage or to influence Payward employees in a manner that benefits the vendor or any related party.

### **7.3. ICT Operational Resilience**

Vendors must not engage in activities that could compromise Payward's digital operational resilience or create undue ICT concentration risk. All ICT dependencies and vulnerabilities that might create a conflict of interest must be fully disclosed.

#### **7.4. Data Privacy and Security**

Vendors must not engage in any activities that violate applicable data privacy and security laws and regulations, including state-level regulations, FTC guidelines, DORA and EBA requirements, and industry standards such as those issued by NIST.

#### **7.5. Anti-Corruption**

Vendors are strictly prohibited from bribery, corruption and facilitation payments in any form, in accordance with the Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and other relevant anti-corruption laws.

#### **7.6. Labor and Human Rights**

Vendors must adhere to all labor and human rights laws, including those related to working hours, wages, safe working conditions, and the prohibition of forced labor, human trafficking, and child labor.

#### **7.7. Trade Laws**

Vendors must comply with all applicable trade laws, including economic sanctions, embargoes, and export/import controls.

### **8. CONFIDENTIALITY**

All information disclosed by a vendor under this Policy, including business information, technical data, personal data, and any materials relating to actual, potential, or perceived conflicts of interest, will be treated as strictly confidential by Payward. Such information will be accessed and used solely for the purposes of assessing, managing, and documenting conflicts of interest, compliance obligations, and associated risk. Payward will apply appropriate technical and organizational safeguards to protect this information and will restrict access to personnel with a clear business need.

Payward will not disclose conflict-related information to any third party except where required [or permitted] by law, regulation, supervisory authority, or contractual obligation, and will take steps to ensure that any legally required [or permitted] disclosure is made in a manner that preserves confidentiality to the greatest extent possible..

### **9. NON-RETALIATION**

#### **9.1. General Non-Retaliation**

Payward prohibits any form of retaliation against vendors who report a potential or actual conflict of interest in good faith.

#### **9.2. ICT Risk Reporting**

Specifically, Payward prohibits retaliation against any vendor who reports potential ICT risks or conflicts related to digital operational resilience.

## **10. CONSEQUENCES OF VIOLATIONS**

### **10.1. Disciplinary Actions**

Failure to disclose a conflict or engaging in prohibited activities may result in disciplinary action, up to and including termination of the vendor relationship. Such actions may also include suspension of work, removal from current and future projects and/or financial penalties.

### **10.2. Legal Action**

In certain circumstances, violations may also result in legal action.

## **11. TRAINING AND AWARENESS**

### **11.1. Familiarization**

Vendors are expected to familiarize themselves with this policy and ensure that their employees and subcontractors understand its requirements.

### **11.2. Ongoing Education**

Payward may provide training and periodic updates regarding conflict of interest practices, including ICT-related risk management, data privacy, anti-corruption, and other relevant compliance areas.

## **12. POLICY UPDATES**

12.1. This policy will be reviewed periodically and updated as necessary to ensure its effectiveness and compliance with applicable laws and regulations, including evolving DORA and EBA requirements.

## **13. CONTACT INFORMATION**

13.1. For questions or to report a potential or actual conflict of interest, please contact:

### **Vendor Risk Management**

Email: [[vmo@Payward.com](mailto:vmo@Payward.com)]

By adhering to this policy, vendors affirm their commitment to maintaining ethical and impartial business practices in all dealings with Payward.