



## CORPORATE MANAGEMENT POLICY MANUAL

reseller, agent, broker or other business alliance partner. Corruption involving a Public Official is referred to in this policy as Public Corruption; Corruption involving a Private Official is referred to in this policy as Private Corruption.

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Teradata requires that:

- (1) all applicable anti-bribery, anti-corruption and anti-money-laundering laws (collectively “Anti-Corruption Laws”), including the U.S. Foreign Corrupt Practices Act (“FCPA”), the United Kingdom (“UK”) Bribery Act, and those in every jurisdiction and location where we conduct business must be complied with at all times;
- (2) policies, practices, controls and procedures intended to prevent, reduce the risk and impact of, detect, and address bribery, corruption and money-laundering, and to help assure compliance with Anti-Corruption Laws must be implemented within the Company; and
- (3) those policies, practices, controls, and procedures must be followed and enforced.

Teradata People globally:

- (1) are expected to adhere to high ethical business practices in connection with all Company-related activities, matters and transactions;
- (2) must refrain from offering, soliciting, paying, receiving, facilitating, authorizing, approving, condoning, participating in, not fully-and-accurately recording in Company books and records, and concealing bribes, kickbacks, money-laundering, improper facilitating/grease payments, and all other corrupt payments, transfers of things of value and practices; and
- (3) must be mindful of and comply with other Teradata policies and standards that also address conduct and practices that may give rise to or relate to bribery, corruption and/or money-laundering, such as the Teradata Gifts and Entertainment Policy (CMP 912), Conflicts of Interest Policy (CMP 901), Travel and Entertainment Policy (CMP 802), the Teradata Code of Conduct, and related Teradata Ethics Guides.

The FCPA establishes minimum global anti-bribery and anti-corruption requirements that U.S. companies and their people must meet with respect conducting business in, or regarding, non-U.S. markets. The FCPA specifically applies to dealings, payments, bribes, kickbacks and other transfers of things of value (direct and indirect) with, to, for, or related to Public Officials. Teradata people who have any involvement in sales or other activities related to Public Officials must be certain that at all times they comply with the FCPA, and, if they are uncertain, must seek and obtain guidance and instructions from the Teradata Law Department or E&C Office before they engage in any act that does not comply with the FCPA.

Many countries, provinces, states and other jurisdictions throughout the world, including

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most states in the U.S., also have adopted anti-bribery, anti-money-laundering and other anti-corruption laws, regulations and guidelines that apply with respect to Public Corruption, as well as Private Corruption. Those laws frequently apply to companies and their representatives who:

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(1) are incorporated or conduct business within that jurisdiction; (2) bid for or participate in government-related contracts (either as a prime contractor or subcontractor) for or in that jurisdiction; or (3) employ, contract with, or otherwise engage with citizens, residents or companies incorporated or operating in that jurisdiction.

These types of anti-corruption laws increasingly are being rigorously enforced throughout the world and in numerous jurisdictions. Criminal penalties for violations of these laws may include: significant time in prison for the people involved, severe fines for both the people involved and the companies involved, and companies may be required to forfeit improper gains. Violations can be based on the corrupt underlying conduct itself and/or the company failing to have adequate procedures to prevent, detect and stop bribery/corruption, or failure to keep accurate books and records that fully and fairly reflect the true amount, purpose, nature and parties involved in all transactions and other transfers of things of value. Thus, Company employees and representatives who violate the Company's controls and procedures designed to prevent, detect and stop bribery/corruption or who knowingly make false, inaccurate or incomplete entries in the Company's books and records (including with respect to gifts, entertainment and travel) may be committing a violation of Anti-Corruption Laws. Accordingly, the Company has zero tolerance for knowing violations of these controls, procedures, and recordkeeping and bookkeeping requirements. The Company will take disciplinary actions against all Teradata People who violate this policy, including up to termination of their employment or (if they are not employees) their contracts with Teradata, and the Company may report the violation to law enforcement officials, and cooperate in the investigation and prosecution of all who commit such violations. All violations of these kinds of Anti-Corruption Laws, no matter how small the amounts involved may be, are serious and will not and cannot be tolerated by the Company.

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Teradata People must conduct business in a legal and ethical manner, must comply with all Anti-Corruption Laws, including the FCPA and UK Bribery Act, and must comply with all accurate-books-and-records and adequate-procedures requirements of or related to such laws. The policy statements below reflect the required minimum standards for such conduct.

However, the actual business conduct of Teradata People is expected to exceed these minimum standards. For example, even in a jurisdiction where Private Corruption in the form of lavish personal gifts/entertainment and favors to a customer representative may not be illegal under express provisions of local laws or as enforced by local law enforcement officials, Teradata People still must not engage in that conduct.

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POLICY STATEMENTS

1. Directors, officers, employees, agents and other third-party representatives of the Company shall not:

Pay, offer to pay, promise to pay, or authorize payment of any bribe, kickback, money or anything of value, directly or indirectly, to or for the benefit of a Public Official or Private Official in order to, or with the intent to, obtain, retain, direct or influence Company-related business, or to receive any illegal, corrupt or improper favorable treatment of the Company by such official or his/her agency, SOE or company.

As a result, “facilitating payments” and “grease payments” are strictly prohibited. A facilitating/grease payment typically refers to a cash payment or other transfer from or on behalf of a Teradata Person to a Government Official that is received by, or may be retained by, that Government Official in his/her individual capacity to help facilitate or improve performance of his/her duties in a way that favors Teradata or a Teradata Person. For example, in the past and at some other companies and in some locations outside of the U.S. it may have been a common, acceptable and/or legal practice for a company’s employee to make small facilitating/grease payments, such as in the form of gratuities, to certain Government Officials in order to facilitate and smooth the processing of ministerial things such as customs and immigration clearances. These kinds of facilitating/grease payments are prohibited at Teradata, and the Company has zero tolerance for them, whether they technically may not be considered illegal in the country at issue.

If, however a legitimate government-entity-published expediting fee-schedule or expediting service is offered by a government entity and the money is paid by check or electronic transfer from or for the Company to the government entity and such is properly recorded in the books and records of Teradata, then such may not constitute a facilitating/grease payment. For example, a utility that is a State- Owned-Enterprise/SOE may enable the Company the ability to obtain certain legitimate expedited or after-normal-hours utility set-up or repair services if the company pays the utility published fees/rates for such expedited services; such would not constitute a facility/grease payment or a violation of this policy. If a Teradata Person has any doubt about whether a proposed payment would be a prohibited payment, prohibited facilitating/grease payment, or legitimate expediting fee arrangement, then he/she must seek and obtain guidance from a member of the Teradata Law Department or Ethics and Compliance (‘E&C’) Office before agreeing to, authorizing, or making such payment, and must follow the guidance of the Teradata Law Department or E&C Office regarding such.

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2. Corporate accounting policies, procedures and controls will be adopted and administered so that the accurate-books-and-records and adequate-procedures requirements the FCPA, UK Bribery Act and other Anti-Corruption Laws are complied with, so as to prohibit and prevent corporate funds from being used in violation of those laws, and so as require that the Company’s books and records fully, fairly and reasonably reflect the true and accurate amounts, identities, recipients, dates, nature and purpose of all payments, expenses, transfers, assets and transactions by, for or of the Company. Specifically:
  - a. all transactions involving funds or assets of the Company and its subsidiaries must be recorded in the Company’s books and records and disclosed to the Company’s global Finance organization in regular financial reports and statements;
  - b. funds or assets that do not appear on the Company’s books and records and that are not disclosed to the Company’s global Finance organization in regular reports and statements (sometimes referred to as “slush funds”) are prohibited;
  - c. no false or misleading entries may be made in the books and records of the Company or its subsidiaries;
  - d. all payments made and all expenses incurred (including other forms of transfers, transactions and dispositions of assets, such as providing in-kind things of value) on behalf of the Company or its subsidiaries must be supported by adequate documentation, which fully, fairly and reasonably reflects the true and accurate amounts, identities, recipients, dates, nature and purposes of such payments/expenses;
  - e. no payment may be made, and no expense may be incurred (including other forms of transfers, transactions and dispositions of assets, such as providing in-kind things of value) for any purpose other than that described in the documentation supporting the payment/expense; and
  - f. the making of false or misleading statements, or the omitting or causing to omit any fact or statement, to mislead any officer, accountant, auditor, or other Company official in connection with any audit, examination, investigation or preparation of financial statements is prohibited.

The Company’s Corporate Finance and Accounting Policies and related operating procedures shall establish accounting controls to help assure, monitor and verify compliance with this policy.

3. The Company’s Law Department or E&C Office should be contacted immediately whenever there is a violation, or reasonably-suspected-violation, of this policy or when there are questions concerning this policy, or compliance with it or with the

4. Each officer, manager and employee who is required by Company policies and/or procedures to periodically certify that books and records, financial statements/reports,



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and/or disclosures of the Company are accurate, compliant and complete to the best of his/her knowledge, and/or alternatively to list any exceptions to such certification statement, must disclose in his/her then-current periodic certification exceptions statement each violation of this policy of which he/she is aware, to the extent that the violation already is not accurately reflected in the Company's books and records, financial statements/reports or disclosures, or in reports made to the Company's Chief Financial Officer, Law Department, E&C Office, Chief Executive Officer, Audit Committee, and/or Board of Directors.

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**POLICY SUPPLEMENT**

Summary of key FCPA/Anti-Bribery/Anti-Corruption legal requirements and implications, and how they are to be addressed at Teradata

This Supplement is intended to provide summary-level guidance to Teradata People beyond what is set out in the policy which it supplements. This summary reflects an aggregation (as of the date this policy version became effective and as updated through the last-review date for this policy) of: various provisions of the FCPA and other Anti-Corruption Laws; interpretations of, decisions/opinions regarding, and cases involving the Anti-Corruption Laws; guidance, best practices, recommended risk-avoidance/mitigation actions, and projections of potential outcomes with respect to the Anti-Corruption Laws; and, company policies, practices, procedures, requirements and guidance relevant to the Anti-Corruption Laws.

This summary does not constitute any form of admission by, or legal position or legal advice of, the Company regarding what the specific provisions, requirements or interpretations of the Anti-Corruption Laws are or will be at any given time, or that a violation of the Anti-Corruption Laws will, or will not, necessarily have occurred when applied to particular actual facts and circumstances.

If a Teradata Person has any question or concern about whether or not something may, or may not, comply with the Anti-Corruption Laws, then he/she should raise it with the Company’s Law Department or E&C Office at the time it arises so that particular legal guidance and advice can be provided at that time based on the actual facts and circumstances involved.

The Company’s Code of Conduct, relevant Ethics Guides, and other policies (including its Gifts and Entertainment Policy, CMP 912, its Conflicts of Interest Policy (CMP 901) and its Corporate Finance and Accounting Policies) also provide more details regarding requirements and guidance with respect to particular issues and circumstances related to compliance with, and the handling of matters pertaining to, the Anti-Corruption Laws.

The purposes of the U.S. Foreign Corrupt Practices Act (FCPA) include: (1) prohibit U.S. based/traded companies and all of their subsidiaries, and their employees and other representatives, throughout the world from making bribes, kickbacks and other corrupt payments/transfers in order to obtain, retain or influence business or gain other illegal, corrupt or improper favorable treatment from officials, governmental entities, wholly or partially government-owned enterprises, or international public agencies; and (2) require accounting procedures and controls to (i) prevent corporate funds from being used for such unlawful, unethical, corrupt or improper purposes and (ii) have corporate books and records that fully, fairly and reasonably reflect the true and accurate amounts, identities, recipients, dates, nature and purpose of payments,

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transfers and expenses (including so that such prohibited- transactions will be  
transparent and not concealed).

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I. ANTI-BRIBERY/ANTI-CORRUPTION PROVISIONS

A. PROHIBITIONS

A violation of the FCPA can arise when the following have occurred:

1. There is a prohibited act.
  - a. The acts prohibited by the FCPA include payments, gifts, offers to pay or give, promises to pay or give, and authorizations to pay or give money or anything of value.
  - b. It is also prohibited to pay, offer to pay, promise to pay, or authorize to pay money, gifts or anything of value to a third person/party knowing (or having a reasonable basis for believing) that the payment or gift will be used by the third person/party in violation of the FCPA. Failing to conduct reasonable inquiry and due-diligence with respect to the third person/party or regarding what will or will not be done or permitted to done with such company payments/gifts/assets by the third party, and failing to act or conduct reasonable further inquiry or due diligence when there are warning signs ('red-flags') of a potential violation of the FCPA -- can constitute evidence or give rise to an inference that there was or should have been knowledge or a reasonable basis for believing that the payment/gift/asset would be used in violation of the FCPA.
2. The payment or gift involves money or something of value.
  - a. This can include cash, a gift of property, payment of expenses, a loan, a financial guaranty, use or transfer of an asset, or anything of value to (or for the personal benefit of) the person receiving it.
  - b. The payment or gift can be made directly or indirectly to, or through, a third person/party.
3. The payment or gift is directed to (or for the personal benefit of) an official or candidate (or one or more of his/her family members, business colleagues, agents or other representatives).
  - a. Prohibited payments and gifts cannot be made to (or for the personal benefit of) "officials." "Officials" include officers and employees of a government, or any department, agency or division of that government, or any wholly or partially government-owned entity (a 'State-Owned-Enterprise' or 'SOE', such as partially state- owned banks, utilities, transportation-providers and telecommunications providers), or any international public agency (such as the United Nations and its agencies and organizations). "Officials" also include



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anyone acting in an official, agency, representative or relational capacity for or with respect to another official or for a

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government, or any department, agency or division of that government, or any SOE, or any international public agency.

- b. Prohibited payments and gifts cannot be made to (or for the benefit of) any political party or its officials or to (or for the benefit of) any candidate for a political office. Accordingly, all payments, expenses, gifts and asset loans/transfers to (or for the benefit of) political parties, political officials or political candidates that use any Company funds, assets or resources may only be made with the advance written consent of the Company's Vice President of Government Affairs and only when and to the extent, if any, that such complies with the FCPA, other applicable anti-bribery, anti-corruption and anti-money-laundering laws, all applicable election and campaign finance laws, regulations and disclosures, and the Company's Political Activity Policy Statement (see <http://www.teradata.com/Political-Activity-Policy-Statement>).
- 4. The payment or gift is "corruptly" given.
 

A payment or gift is "corruptly" given when the intent of the payment or gift is to (a) influence an official or political candidate, in his or her official capacity, to act or decide an issue or (b) influence the official or candidate to act or not to act in violation of his or her lawful duty. It is a violation of the FCPA even if the attempt to influence the official or candidate in such a fashion is unsuccessful. The fact that a payment or gift was paid or offered can, in and of itself, constitute evidence of corrupt intent or can give rise to an inference that there was corrupt intent in violation of the FCPA (i.e., actual, overt, affirmative, express or direct evidence of corrupt intent need not necessarily be shown for there to have been a violation of the FCPA).
- 5. The payment or gift is made to obtain, retain, or direct business, or to gain or influence other illegal, corrupt or improper favorable treatment from an official, governmental entity, SOE, or international public agency.
  - a. It is a violation if the intent of the payment or gift is to direct existing, continuing or future business to anyone.
  - b. It is also a violation if a payment or gift is made for the purpose of obtaining more favorable tax treatment, allowing or overlooking violations of the law, or other preferential treatment relating to existing, continuing or future contracts or business operations. However, normal lobbying and trade association activities are not necessarily violations, as long as they comply with applicable laws, regulations and disclosure duties that pertain to otherwise legally-permissible lobbying/trade-association activities, are approved in advance by the Company's Vice President of Government Affairs, and comply with and the Company's Political Activity Policy Statement (see



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<http://www.teradata.com/Political-Activity-Policy-Statement>

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B. PAYMENTS/GIFTS TO THIRD PARTIES

A violation of the FCPA can arise from making, offering to make or authorizing a payment or gift to a third person/party knowing (substantial certainty or firm belief) or having a reasonable basis to believe that the payment or gift will be used by the third person/party for the purpose of influencing an official or political candidate in a fashion that would violate the FCPA if the company had made or offered the payment or gift to (or for the benefit of) the official directly.

C. EXCEPTIONS

The following payments do not necessarily violate the FCPA:

1. Payments, tips, fees or gratuities to officials in the form of legally-permissible ‘facilitating payments’ which are usual, customary and nominal, and are intended solely for administering or expediting routine, non-discretionary government actions including:
  - a. obtaining permits, licenses, and other official documents required to do business;
  - b. processing government papers, such as visas and work orders;
  - c. providing police protection, mail pick-up and delivery, or scheduling inspections related to contract performance or transit of goods across the country; and
  - d. providing phone service, power, water, and loading/unloading cargo,

provided that such payments are lawful under the written laws of the country where they are made; and, provided that the true and accurate amounts, identities, recipients, dates, nature and purpose of such facilitating payments are fully, fairly and reasonably recorded and reflected in the company’s books and records. However, it is important to understand that such still could violate our company’s Zero-Tolerance Policy, the UK Bribery Act, and/or other anti-bribery, anti-corruption or anti-money-laundering laws, and should not be authorized or made without the advance written consent of the Teradata Law Department or E&C Office if there is any doubt whatsoever about whether the proposed payment is illegal, is an impermissible facilitating/grease payment or is in violation of Teradata policies.

2. Furnishing at company expense, or making reasonable and bona fide (e.g., legitimate, good-faith, proper) reimbursements for, such things as travel, meals and lodging incurred by or on behalf of an official or candidate to the extent directly related to:
  - a. promoting, demonstrating, or explaining products or services; or



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- b. executing or performing a contract with the government, an agency of the government, an SOE, or international public agency,

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provided that such expenses/reimbursements are lawful under the written laws of the applicable country/state/province/jurisdiction; provided that the true and accurate amounts, identities, recipients, dates, nature and purpose of such are fully, fairly and reasonably recorded and reflected in the company’s books and records; and, provided that such do not also include expenses or reimbursements for personal/vacation travel, meals or lodging for the official or for any person who is not an official with respect to the business trip/expense at issue. For example, such expenses and reimbursements should not be offered, incurred or authorized for a family member or friend of the official, and the relevant expenses/reimbursements incurred by the company should only cover the actual and reasonable travel, meals and lodging for the time- period reasonably necessary, and to locations reasonably necessary, for the legitimate business purpose identified in the company’s books and records (i.e., if the official wishes to have a family member or friend attend, if the official wishes to extend the duration of business travel for his/her personal, vacation or other purposes beyond that reasonably necessary to conduct the legitimate business activity at issue, and/or if the official wishes to add destinations for personal, vacation or other purposes beyond that reasonably necessary to conduct the legitimate business activity at issue – then the expenses for those aspects of the travel, meals and lodging should be incurred as the personal expenses of the official/attendee, not as business expenses of the company, and such should not be offered, made or authorized by the company).

The review, advice and approval of the Company’s Law Department or E&C Office must be obtained before incurring or authorizing any such business travel, meal or lodging expenses/reimbursements to, for or for the benefit of a Public Official.

Also, even though the FCPA applies specifically to payments, gifts and transfers to or for Public Officials and that constitute Public Corruption and Teradata is obliged to inform Teradata People about the FCPA and its potential implications, Teradata People should keep in mind that Teradata policies, the Teradata Code of Conduct, the UK Bribery Act, other anti-bribery, anti- corruption and anti-money-laundering laws, customer contracts and customer policies and codes of conduct apply the same or similar standards and prohibitions to Private Officials and Private Corruption. The key point here is that bribery and corruption is wrong, is always wrong and is wrong in all places and in all relationships globally (and will not be tolerated at Teradata), irrespective of whether or not it technically falls within the scope the FCPA.

**D. PENALTIES**

1. A company can be subject to substantial criminal and civil fines and penalties, and disgorgement of profits, for violations of the FCPA.
2. Officers, directors, employees, agents and other representatives of the company can be subject to substantial fines and penalties, disgorgement/restitution of personal gains, and imprisonment (i.e., jail time) for violations of the FCPA.



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3. The corporate employer cannot pay the fines, penalties or disgorgement/restitution of personal gains imposed on an individual for violations of the FCPA.

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II. ACCOUNTING CONTROLS (ACCURATE-BOOKS-AND-RECORDS) PROVISIONS

A. REQUIREMENTS

1. Under the FCPA, U.S.-based/traded companies and all of their subsidiaries throughout the world must make and keep books, records, and accounts that are reasonably detailed and that accurately and fairly reflect all of the payments, expenses, transfers, transactions and dispositions of assets of the company.
  - a. All payments, expenses, transfers, transactions and dispositions, even those for minimal amounts, must be included.
  - b. Unrecorded payments, expenses, transfers, transactions and dispositions, falsifications of them, and other misrepresentations regarding them are not permitted.
  
2. Such companies and all of their subsidiaries throughout the world must create and maintain systems of internal accounting controls that provide reasonable assurance that:
  - a. payments, expenses, transfers and transactions are executed according to general or specific management authorization;
  - b. payments, expenses, transfers and transactions are recorded so that financial statements can be prepared in conformity with generally accepted accounting principles and so as to maintain accountability for assets;
  - c. access to and transfers of assets are permitted only with general or specific management authorization; and
  - d. asset accounting records are compared with existing assets (i.e., audits are conducted) at reasonable intervals, and appropriate action is taken where a difference is found.

B. PENALTIES

The Company and individuals face substantial criminal fines and penalties, and individuals face imprisonment, for knowingly circumventing or failing to implement a system of such internal controls, or for knowingly falsifying books and records.