

Conflicts of Interest

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GXS recognizes and respects that employees may take part in legitimate financial, business and other activities outside their jobs. However, those activities must be lawful and free of conflicts with their responsibilities as GXS employees. Employees must not misuse GXS resources or influence, or discredit GXS's good name and reputation.

The effectiveness of this policy depends in large part on the cooperation of all employees in disclosing any situations that may be contrary to the intent of the policy and the ethical standards that it expresses

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Employee responsibilities under this policy:

In addition to complying with the law and GXS policies, exercise your own good judgment in all personal and business dealings outside your GXS job.

Avoid actions or relationships that might conflict or appear to conflict with your job responsibilities or the interests of GXS.

Do not misuse GXS resources, intellectual property, time or facilities (including office equipment, e-mail, and computer applications).

Before accepting any position as an officer or director of an outside business concern:

Consider the advantages and disadvantages to GXS, including the appearance of possible conflicts of interest

Consider your responsibilities as a director as specified by laws and regulations

Obtain approval as noted in the "Additional responsibilities of leaders" section of this policy.

Obtain the approval of your manager when accepting a board position with a not-for-profit entity, when there may be a GXS business relationship with the entity or an expectation of financial or other support from GXS.

Disclose your outside activities, financial interests or relationships that may present a possible conflict of interest (or appearance of a conflict) to your manager as well as company legal counsel or your finance manager. Make these disclosures in writing when such a situation arises as well as when asked to complete a "Conflicts of Interest" questionnaire.

If you know of a possible conflict of interest involving another employee or anyone else representing GXS, notify a company manager, legal counsel, auditor, or ombudsperson.

Additional responsibilities of leaders under this policy:

Use these guidelines in approving an employee for a position as an officer or director of an outside business concern:

For small (generally not publicly traded) or family owned businesses, obtain the approval of a GXS officer (with the proviso that GXS officers not approve their own outside activities)

For a mutual savings bank or a savings and loan association, obtain the approval of GXS's CEO (with the proviso that GXS's CEO not approve his own outside activities)

For a commercial bank or banking institution (other than a mutual savings bank, or savings and loan association), obtain the recommendation of GXS's Senior Vice President – Finance, and the approval of the GXS Board

For large corporations (generally publicly traded companies), obtain the approval of the GXS Board

For competitors, obtain company legal counsel review and the approval of GXS's CEO and General Counsel. If the competitor is also a large corporation, approval of GXS Board is required. The manager giving approval should also consider the need for periodic reviews to determine whether the approval should be continued.

When you learn of possible conflicts of interest, take timely remedial and investigative action to mitigate the potential conflict, implement necessary compensating controls to ensure continuing compliance, and notify GXS legal counsel and finance manager. Ensure that employees understand their continuing responsibilities under this policy, and that the situation is monitored.

What to watch out for:

Outside activities and business interests

Holding a financial interest in a company where you could personally affect GXS's business with that company.

Taking a part-time job where you may be tempted to spend time on that job during your normal GXS working hours or to use GXS equipment or materials.

Using GXS proprietary information in an outside business or consulting activity.

Using GXS facilities, equipment, e-mail, or computer resources for an outside business or consulting activity.

Misusing GXS resources or your position or influence to promote or assist an outside business or not-for-profit activity.

Not-for-profit boards

Serving on a university board with involvement in investment decisions that could involve GXS.

Customers and suppliers

Receiving gifts of greater than nominal value from suppliers, customers or competitors while you are in a position to influence company decisions that might affect or appear to affect the outside concern.

Accepting an offer to purchase "friends and family stock" in a company issuing shares through an initial public offering (IPO) if you interface with that company in your GXS business activities.

Receiving personal discounts or other benefits from suppliers, service providers or customers not available to the general public or generally to other similarly situated GXS employees.

Participating on a supplier's "Advisory Board" or "User Group," because it might create the appearance that you are being rewarded for granting business to the firm, or that the firm is attempting to influence your future decisions.

Soliciting suppliers, customers or others outside GXS with whom you have a business relationship for donations to a charity in which you are personally involved, without prior approval of GXS's CEO.

Friends, relatives and other personal relationships

Directing business to a supplier that is owned or managed by a relative or close friend.

Using shop, office or other company equipment or materials for business(es) owned by family or friends.

Preferential hiring of, direct supervision of or making a promotion decision about a spouse, relative or close personal friend.

A romantic or other personal relationship that may create a conflict of interest with the employee's GXS responsibilities or otherwise compromise company interests.

Penalties for violations:

Employees who violate the spirit or letter of GXS's policies are subject to disciplinary action up to and including termination of employment. Violation of this policy can also mean breaking the law, subjecting you or the company to criminal penalties (fines or jail sentences) or civil sanctions (damage awards or fines).

Related policies and procedures:

Complying with the Competition Laws
"Financial Support of Not-for-Profit Organizations" Procedure
"Information Security Procedure"
Improper Payments
Insider Trading or Dealing & Stock Tipping
Intellectual Property
Supplier Relationships

QUESTIONS AND ANSWERS:

Defining "financial interest"

Q: What are some of the ways a person can have a "financial interest" in a company, and when would it be a problem?

A: Among the most common types of financial interest are:

Ownership of capital stock, bonds or notes

Partnership interest

Direct or indirect interest through a family member, trust, or other relationship.

Financial interest is a problem as soon as it presents a potential for conflict of interest with your responsibilities as a GXS employee. For example, your job might involve selecting suppliers, selling to customers or extending credit to other companies. A potential problem might exist if you — or a relative — also had a personal financial interest in one of those companies. Whether the interest is direct or indirect, what matters is the fact that your actions as a GXS employee might affect the value of your interest in the other company. Generally, conflicts of interest will not arise from owning stock in widely held companies, such as those traded on the New York Stock Exchange, and individuals rarely have the ability to influence the success of such companies. It can happen, though, and if you're unsure, check with your manager or company legal counsel.

Taking gifts

Q: What should I do if a supplier or customer offers me a gift of greater than nominal value? What if gift-giving is a customary practice in a particular country, and refusing the gift may be viewed as an insult?

A: At a minimum, do not accept any gift or favor that might be viewed as obligating you to a supplier or customer.

For example, don't accept an offer to purchase "friends and family stock" in a company issuing shares in an initial public offering (IPO) if you interface with that company in your GXS business activities. Accepting that stock could be viewed as obligating you to give special treatment to the

IPO company. Even when gift-giving may be customary in a local culture, obtain the approval of your manager and company legal counsel before accepting any such gift. Those people may also be able to suggest an appropriate way to handle such situations, including tactful ways to return such gifts. Keep in mind that not returning the gift may send a signal to the individual that GXS considers such gifts appropriate.

In addition, addressing the situation at a later date may be even more embarrassing to both sides. Where it is still considered to be impolite to return the gift, it would be best to avoid potential conflicts and the appearance of personal gain by considering alternatives to keeping it. For example, you might give the gift to charity, or distribute it as a “lucky draw” prize to company employees at a future function.

Job offers

Q: I work in one of GXS’s Data Centers. I’ve heard that one of outside IT consultants who sometimes works on projects at the Center wants to offer me a part-time job on weekends. Would there be any issue with this?

A: Yes. GXS’s Conflicts of Interest policy obligates all of us to avoid even the appearance of a conflict of interest. No matter how innocently the offer of part-time work might be made or accepted, others might see it as a kickback paid to you in return for GXS’s business.

If you find yourself in this situation, you should:

Immediately inform your manager of the offer, whether or not you plan to accept it.

If you accept the offer, you must give up any kind of oversight role with the consultant required by your job.

You and your manager need to determine whether this is feasible.

A spouse who works for a supplier

Q: My spouse has a chance to become the office manager for a small company that is a supplier to GXS. Occasionally, I generate sole-source authorization letters that approve use of that supplier when we have an urgent business need. If my spouse got that job, would I need to let my manager know about it?

A: Absolutely. A competitor of the supplier could claim that your spouse is the reason that company gets GXS business. You should notify your manager, company legal counsel or a company ombudsperson of your spouse’s relationship with the supplier, and you must also remove yourself from any transactions that affect that supplier.

Setting up a part-time business

Q: Part of my job involves monitoring and approving the quality systems of GXS suppliers. Three other GXS employees and I are thinking about establishing a company that would help other companies develop quality systems to meet U.S. Government regulations. Would this be a problem?

A: Yes. The major issue is your use of knowledge and skills acquired as a GXS employee to pursue outside business interests. In any outside job closely paralleling your GXS responsibilities, you must be extremely careful to avoid using company intellectual property, proprietary information or proprietary processes. Before getting involved with this type of business, be sure to fully inform your manager and ask company legal counsel for advice. GXS policy requires you to make a full disclosure of any outside employment or business activities to

your manager before commencing any such activity. You also have an ongoing responsibility to advise your manager if there are any changes.

Accepting honoraria

Q: May I accept honoraria or other compensation for presentations at conferences?

A: Yes, as long as you meet at a minimum the following conditions:
You get advance permission from your manager to participate.
You do not prepare for or make the presentation on company time.
You do not reveal proprietary GXS information in your presentation.
You get advance approval from your manager if you intend to use GXS resources to prepare your presentation. (In such cases, talk to your manager to determine how to handle the honorarium.)

Selling to co-workers

Q: I'm thinking about setting up a part-time venture — a small business that sells products directly to the customer. I would like to sell my merchandise to my co-workers at GXS. Would this involve any conflicts of interest or other policy violations?

A: Possibly. First, the policy requires you to inform your manager about your outside business interest. Most likely, GXS will not try to keep you from pursuing your business. However, the company does expect you to conduct only GXS business on GXS time and on GXS property. There is no problem selling to co-workers as long as you do not do it at a GXS facility or during your or your co-workers' working time. Also, it is a good idea to avoid selling to subordinates or to anyone else you supervise.

When corrective action is needed

Q: If we learn about a potential conflict of interest where no actual damage occurred, is corrective action still required?

A: Yes. There need only be a realistic *possibility* of injury to GXS for a manager to consider taking corrective action. If the situation could impair an employee's judgment or performance of company duties, damage GXS's reputation, or result in a direct financial loss to GXS, steps should then be taken to correct the situation.

Government work

Q: One of my employees is considering asking for a leave of absence to handle a project for a government agency. Could that present a problem?

A: GXS employees who undertake part-time or full-time service with federal, state or local governments, whether elected or appointed, should first check with company legal counsel and their human resources manager. Employees need to make sure they would be complying with current conflict-of-interest laws as well as GXS procedures covering compensation, benefits and service credit.

Providing services to a not-for-profit organization

Q: I've been asked to serve on a not-for-profit board and I expect to be asked to solicit funds from GXS and related resources. Is that a problem?

A: GXS encourages employees to provide service to worthy not-for-profit organizations. Any financial commitments should be made from personal, not company resources. Requests for GXS funding should be reviewed for potential conflicts of interest on a case-by-case basis with

your manager. In order to avoid an embarrassing situation for you and GXS it is best to fully understand any personal and/or company commitments that may be expected, and to seek advice of your manager or company legal counsel before accepting such a position.