



Global Supplier Code of Business Conduct and Ethics

Last Update: August 20, 2020

The Palo Alto Networks Global Supplier Code of Conduct contains principles to promote ethical conduct in the workplace, safe working conditions, the protection of sensitive information, the treatment of workers with respect and dignity, and responsible manufacturing processes. It is the Company's policy to comply with all applicable laws and regulations of the countries and regions in which we operate and to conduct our business activities in an honest and ethical manner, and we hold our suppliers to the same high ethical standards. The Company believes that the Responsible Business Alliance (RBA) Code of Conduct serves as an important framework for the Company's suppliers to conduct their business in a socially responsible manner and to meet the above expectations of Palo Alto Networks and has established this Supplier Code based upon those principles. Palo Alto Networks hereby expects its suppliers to comply with this Global Supplier Code of Conduct or a Code of Conduct that is substantially similar. For the Supplier Code to be successful, suppliers must regard the Supplier Code as a total supply chain initiative. Suppliers are responsible for ensuring that all of their workers (employees, temps, agents, contractors, etc.) and any subcontracted party performing work on behalf of the Company, including at a minimum all next tier suppliers ("Suppliers") along with any third party they engage are informed of and agree to comply with this Supplier Code or a Code of Conduct that is substantially similar.

Any violation of this Supplier Code may result in remedial action(s) up to and including termination of contracts or status as a supplier of materials, products, software, and/or services to Palo Alto Networks. However, this Supplier Code is not intended to create new or additional rights, or any additional Palo Alto Networks obligations, in favor of suppliers, supplier personnel, or any third parties. It supplements, but does not supersede, the contracts between Palo Alto Networks and Supplier.

1. Business Ethics and Standards of Conduct

a) Compliance with the Law

All Suppliers are responsible for maintaining awareness of and compliance with applicable laws and regulations where you conduct business, including, but not limited to those that relate to the principles outlined in this Code. Where local laws are less restrictive than this Code, you must comply with the Code, even if your conduct would otherwise be legal. On the other hand, where the applicable law is more restrictive than the principles outlined in this Code, the applicable legal standard shall apply.

b) Raising Questions and Reporting Concerns

This Code serves as a guide for ethical conduct, however, it may not cover every situation. We encourage all Suppliers to ask questions and to immediately report events of questionable, fraudulent or illegal nature that are, or may be in violation of this Supplier code, or other applicable laws or regulations. Questions or reports of misconduct can be raised in

whatever manner you feel most comfortable. For example, you can (1) send an email to ethics@paloaltonetworks.com; (2) send an email to Palo Alto Networks management or Internal Audit; (3) report a concern to Palo Alto Networks Ethicspoint Website www.paloaltonetworks.ethicspoint.com or Hotline (1-855-266-7042). Calls or submissions to the Ethicspoint hotline are received by an independent third-party service specifically retained by Palo Alto Networks to handle such reports. In countries where applicable, reports can be made anonymously, and will be kept confidential to the fullest extent necessary to conduct a reasonable investigation in accordance with local law.

c) Anti-Bribery Policy

The highest standards of integrity are to be upheld in all business interactions. Supplier shall have a zero-tolerance policy to prohibit any and all forms of bribery, corruption, kickbacks, extortion and embezzlement. This is true whether it involves government officials or individuals in the commercial sector. All business dealings should be transparently performed and accurately reflected on your business books and records. Appropriate controls should be in place to ensure compliance with anti-corruption laws, including but not limited to, the United Kingdom Bribery Act of 2010, the United States Foreign Corrupt Practices Act of 1977, U.S. Travelers Act and OECD Anti-Bribery Convention. Supplier should conduct appropriate diligence prior to engaging contractors or third parties and notify us if engaging third parties to conduct business on behalf of our company.

d) No Improper Advantage

Bribery and corruption are strictly prohibited. Suppliers, employees or anyone else acting on behalf of Palo Alto Networks must never promise, offer, authorize, direct, give or accept anything of value, either directly or indirectly through a third party (including family members and friends of such individuals), to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. This includes, without limitation, gifts, gratuities, favors, entertainment, and travel. Kickbacks, either directly or indirectly, to obtain or reward favorable treatment in any transaction and facilitation payments (a payment made to a government official to facilitate approval of some type of routine business transaction or activity) are also prohibited. This prohibition covers bribes to any government or public international organization officials, political parties, candidates for political office, employees of state owned or controlled companies or organizations acting on behalf of such governmental bodies or public organizations ("Public Official"), or any director, officer, employee or agent of a commercial customer or supplier.

Supplier shall document accurately, timely and in full all transactions related to all business involving Palo Alto Networks. Supporting documentation for each transaction shall be maintained by Supplier and made available for inspection by Palo Alto Networks upon request.

Providing gifts or entertainment to Palo Alto Networks employees to obtain or retain business or to gain an improper business advantage is prohibited. No gifts or courtesies may be accepted by Palo Alto Networks employees from Supplier seeking Palo Alto Networks business. An exception applies to a marketing item of nominal value (less than \$25) bearing a trademark or logo of Supplier (for example, cups, pens, t-shirt) if the Palo Alto Networks employee is not primarily involved in the sourcing, procurement, or contracting for goods or services or if it is a reasonable customer appreciation business event that does not take place during a contract negotiation or renewal negotiation period.

e) Business with Public Officials and Gifting Restrictions

Palo Alto Networks Supplier must be familiar with, track, understand and comply with all regulations relating to doing business with government entities. This includes, but is not limited to, contractual and pricing requirements, gifting rules and anti-corruption laws. All business-related expenses (e.g., entertainment, gifts, travel, etc.) provided to a foreign or domestic Public Official must be pre-approved in writing by the Company when in connection with or related to Palo Alto Networks business. You must submit requests to ethics@paloaltonetworks.com and provide: 1) the name of the recipient, 2) description of the expense, 3) circumstances in which the expense will be provided, 4) date of the expense and 5) monetary value of the expense.

f) Disclosure of Information

Information regarding Supplier labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable laws, regulations and prevailing industry practices. Falsification of records and/or misrepresentation of conditions or practices are unacceptable.

g) Protection of Intellectual Property

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and customer information is to be securely safeguarded and access should be monitored and controlled on a regular basis. Contractor access to customer source code or design specifications should be highly restricted and appropriate controls should be put in place.

h) Whistleblower Protection and Anonymous Complaints

Supplier shall provide an anonymous complaint mechanism for managers and workers to report workplace grievances. Supplier shall protect whistleblower confidentiality and prohibit retaliation.

i) Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available and used.

j) Privacy

Supplier is committed to protecting the reasonable privacy expectations of personal information of everyone they do business with, including Supplier, customers, consumers and employees. Supplier must comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

k) Responsible Sourcing of Materials

Supplier shall exercise due diligence, in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, on its entire supply chain with respect to the sourcing of all minerals sourced from conflict affected zones but particularly tin, tantalum, tungsten, and gold from the Democratic Republic of the Congo (DRC) or any adjoining country and, if so, to determine whether those metals directly or indirectly financed or benefited armed groups that are perpetrators of serious human rights abuses in the DRC or an adjoining country. Countries that adjoin the DRC are Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia. Supplier shall maintain a program to track mineral sourcing and shall provide the Responsible Minerals Initiative's CMRT upon request.

l) Conflicts of Interest

Supplier must be free to act with total objectivity in their business dealings with Palo Alto Networks, and thus, must avoid conflicts of interest. If a potential or actual conflict of interest arises that impedes a Supplier's ability to act objectively in the business relationship with Palo Alto Networks, the Supplier must disclose all relevant details to Palo Alto Networks at ethics@paloaltonetworks.com. Examples of a potential conflict include, but are not limited to, (1) failing to disclose Palo Alto Networks employee(s), officer(s), or other representative(s) who have a financial interest in, or any other relationship with, Supplier, (2) acting on confidential information obtained from Palo Alto Networks in a manner not authorized by the Company or for personal gain, (3) attempting to win business for any reason (including based on personal relationships) other than price, quality, performance and suitability of the product or service.

m) Insider Trading

Supplier must comply with all applicable insider trading and securities laws governing transactions in Palo Alto Networks securities. If Supplier possesses or has access to material, nonpublic information about Palo Alto Networks, it must use that information solely for the purpose for which it was provided to Supplier. It may not use that information to trade in Palo Alto Networks securities and Supplier may not provide the information to others so they can trade in Palo Alto Networks securities. Supplier must take reasonable precautions to ensure its employees are not engaging in insider trading as it relates to Palo Alto Networks.

n) Export Compliance

Supplier must comply strictly with all applicable export and import laws and regulations and not export, re-export, transfer, divert, release, import or disclose any Palo Alto Networks products or any direct product thereof, technical data relating to such products, or Palo Alto Networks confidential information to another person or entity except under license or as otherwise permitted under such laws and regulations. All Suppliers must comply with economic sanctions and trade embargoes imposed or approved by the United States Government. A list of sanctioned countries and individuals can be found on the Office of Foreign Assets Control website (<https://sanctionssearch.ofac.treas.gov/>). Suppliers are responsible for understanding such restrictions and must report any non-compliance as it relates to Palo Alto Networks products, or ask export-related questions related to Palo Alto Networks products, to trade@paloaltonetworks.com.

2. Respect for Human Rights

Supplier must be committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community. The recognized international standards are identified in Section 6 and were used as references in preparing the Supplier Code. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker. All Suppliers must observe and comply with international principles relating to human rights, including but not limited to, Trafficking Victims Protection Act and UK Modern Slavery Act of 2015, along with the following:

a) Freely Chosen Employment and Anti-Human Trafficking

Forced, bonded (including debt bondage) or indentured labor or involuntary prison labor, slavery or trafficking of persons shall not be used. This includes transporting, harboring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purposes of exploitation. All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment. Workers must not be required to surrender any government-issued identification, passports or work permits. Passports or other identification must remain in the possession of the employee and the employee must be allowed a secure place to store documentation. Excessive fees relating to employers' or agents' recruitment or other related fees are unacceptable. Any other fees charged to workers must be disclosed. Work contracts must be in the native language of the employee and all other documents must be in a language which the employee understands.

b) Child Labor Prohibition

Child labor is not to be used in any stage of manufacturing under any circumstances. The terms "child" refers to any person employed under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The

use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is acceptable. Workers under the age of 18 shall not perform work that is likely to jeopardize the health or safety of young workers.

c) Working Hours

Regular workweeks are not to exceed the maximum set by local law. Further, workers shall be allowed at least one day off per seven-day week. Finally, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations.

d) Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime and shall be provided the basis on which they are being paid in a timely manner via appropriate documentation. Deduction from wages as a disciplinary measure shall not be permitted.

e) Humane Treatment

Supplier must commit to a workplace free of harassment and abuse. Workers shall not be subject to, or threatened with, harsh and inhumane treatment, including any sexual harassment, psychological harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers.

f) Anti-Discrimination

Suppliers must be committed to a workforce free of harassment and unlawful discrimination. They may not engage in discrimination on the basis of age, ancestry, color, family or medical care leave, gender identity or expression, genetic information, marital status, medical condition, national origin, physical or mental disability, political affiliation, protected veteran status, race, religion, sex (including pregnancy), sexual orientation, or any other federal, state or local protected class. Palo Alto Networks embraces diversity and equal opportunity as fundamental principles and key components of its corporate strategy. We expect our supply chain to further a diverse and inclusive workplace.

g) Freedom of Association

As legally permitted, Supplier shall freely allow workers to associate with others, form, and join (or refrain from joining) organizations of their choice, and bargain collectively, without interference, discrimination, retaliation, or harassment. In the absence of formal representation, Supplier shall ensure that workers have a mechanism to report grievances and that it facilitates open communication between management and workers.

3. Health and Safety

Worker health, safety and well-being is important to Palo Alto Networks. Supplier shall provide and maintain a safe work environment and integrate sound health and safety management practices into its business. Workers shall have the right to refuse unsafe work and to report unhealthy working conditions.

a) Occupational Health and Safety

Supplier shall identify, evaluate, and manage occupational health and safety hazards through a prioritized process of hazard elimination, engineering controls, and/or administrative controls. Supplier shall provide workers with job-related, appropriately maintained personal protective equipment and instruction on its proper use. Workers shall not be disciplined for raising safety concerns. Supplier shall comply with all applicable quality, health, safety and environmental regulations. All required permits, licenses and registrations will be obtained, maintained and kept up-to date.

b) Emergency Preparedness

Supplier shall identify and assess potential emergency situations. For each situation, Supplier shall develop and implement emergency plans and response procedures that minimize harm to life, environment, and property.

c) Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and e) facilitate return of workers to work.

d) Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs

e) Sanitation, Food and Housing

Supplier shall provide workers with reasonably accessible and clean toilet facilities and potable water. Supplier-provided dining, food preparation, and storage facilities shall be sanitary.

f) Physically Demanding Work

Supplier should have in place procedures and systems to identify, evaluate and control worker exposure to the hazards of physically demanding tasks.

g) Machine Safeguarding

Production and other machinery shall be evaluated for safety hazards. Where machinery presents an injury hazard to workers, measures must be taken to install safety precautions on the equipment. This equipment must be properly monitored and maintained.

4. Environmental

Palo Alto Networks believes that protecting the environment and environmental responsibility is a fundamental responsibility of all good corporate citizens with whom we do business. Supplier shall develop, implement, and maintain environmentally responsible business practices and take measures to ensure in manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety to the public. The Company used generally recognized management systems as identified in Section 6 in preparing the Supplier Code.

a) Environmental Permits and Reporting

Supplier shall obtain, keep current, and comply with all required environmental permits. Supplier shall comply with the reporting requirements of applicable permits and regulations.

b) Pollution Prevention and Resource Reduction

Supplier shall reduce energy, water, and natural resource consumption by implementing conservation and substitution measures. Supplier shall minimize hazardous substances consumption by implementing reduction and substitution measures.

c) Hazardous Substance Management

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle hazardous substances. Chemicals and other materials posing a hazard if released to the environment, should be identified and managed to ensure safe handling, movement, storage, recycling or reuse and disposal.

d) Wastewater and Solid Waste

Supplier shall characterize, monitor, control and treat wastewater and solid waste generated from operations, industrial processes and sanitation facilities as required prior to discharge or disposal.

e) Air Emissions

Supplier shall identify, manage, reduce and responsibly control air emissions emanating from its operations that pose a hazard to the environment. Supplier shall conduct routine monitoring of the performance of its air emission control systems.

f) Materials Restrictions

Supplier is to adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances, including labeling and recycling and disposal. Supplier must provide Palo Alto Networks material declarations, upon request and work with any third parties assigned by Palo Alto Networks to collect such compliance data.

5. Management of Conformity to the Supplier Code

Palo Alto Networks believes that sound management systems such as those identified below and commitment are key to enriching the social and environmental well-being of our Supplier. Supplier shall have policy statements affirming its commitment to corporate social and environmental responsibility endorsed by executive management. Supplier should implement or maintain, as applicable, a management system that facilitates compliance with this Supplier Code and the law, identifies and mitigates related operational risks, and facilitates continuous improvement.

a) Accountability and Responsibility

Supplier shall identify company representatives for ensuring implementation of the management systems and associated programs, which should be reviewed by a senior manager on a regular basis. The management systems and associated programs should include a process to identify, monitor and understand applicable laws, regulations and customer requirements (like the Supplier Code), training for managers and workers to understand and implement Supplier's policies and meet the applicable legal, regulatory and customer requirements, and an ongoing process to assess workers' understanding of and obtain feedback on practices and conditions covered by this Supplier Code and to foster continuous improvement.

b) Audits, Assessments and Certifications

Supplier shall have a process to identify the legal compliance, environmental, health and safety and labor practice and ethics risks associated with Supplier's operations, determine the relative significance for each risk and implement appropriate procedures and controls to control the identified risks. Supplier shall have written standards, performance objectives, targets, and implementation plans, including periodic assessments of the performance against those objectives. It shall also perform periodic self-evaluation to ensure conformity to legal

and regulatory requirements, the content of this Supplier Code and customer contractual requirements related to social and environmental responsibility. Where applicable, Supplier shall have a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

c) Reasonable Assistance and Cooperation

Supplier must complete all Supplier due diligence activities when requested by Palo Alto Networks, including but not limited to completion of a Due Diligence Questionnaire, In-Person audits, Training, and/or certification of compliance with Business Ethics and Standards of Conduct, Human Rights, Environment, and other applicable laws. Supplier will provide reasonable assistance to any investigation by Palo Alto Networks of a violation of this Supplier Code of Conduct or applicable laws relevant to your Supplier status, and to allow Palo Alto Networks reasonable access to all documentation concerning your compliance with this Supplier Code of Conduct and laws and policies applicable to the scope of goods and services being provided by Supplier.

For the Supplier Code to be successful, Supplier must regard the Supplier Code as a total supply chain initiative. Supplier is responsible for ensuring that all of their workers (employees, temps, agents, contractors, etc.) and any subcontracted party performing work on behalf of the Company, including at a minimum all next tier Suppliers, along with any third party they engage are informed of and agree to comply with this Supplier Code or a Code of Conduct that is substantially similar.

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d) Documentation and Records

Supplier shall have processes and controls to ensure accurate books and records, and creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements and this Supplier Code along with appropriate confidentiality to protect privacy.

6. References

The following standards were used in preparing this Supplier Code and may be a useful source of additional information.

- a) ILO Code of Practice in Safety and Health: ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf
- b) ILO International Labor Standards: ilo.org/public/english/standards/norm/whatare/fundam/index.htm
- c) OECD Guidelines for Multinational Enterprises: oecd.org
- d) United Nations Convention Against Corruption: unodc.org/unodc/en/treaties/CAC/
- e) United Nations Global Compact: unglobalcompact.org
- f) Universal Declaration of Human Rights: un.org/en/universal-declaration-human-rights
- g) Ethical Trading Initiative: ethicaltrade.org
- h) OHSAS 18001: bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/
- i) OECD Due Diligence Guidance: oecd.org/corporate/mne/GuidanceEdition2.pdf
Dodd-Frank Wall Street Reform and Consumer Protection Act: sec.gov/about/laws/wallstreetreform-cpa.pdf
- j) Eco Management & Audit System: ec.europa.eu/environment/emas/index_en.htm
- k) ISO 14001: iso.org/iso/home/standards/management-standards/iso14000.htm
- l) National Fire Protection Association: nfpa.org
- m) OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-Risk Areas: oecd.org/corporate/mne/mining.htm
- n) RBA Code of Conduct: responsiblebusiness.org/code-of-conduct/

SUPPLIER ACKNOWLEDGEMENT

By signing this acknowledgment, Supplier certifies that it has received the *Palo Alto Networks Global Supplier Code of Business Conduct and Ethics* and agrees to apply it in all dealings with, for, or on behalf of, PANW or in connection with PANW's goods and services.

Company: _____

By: _____

Name: _____

Title: _____

Signature: _____

Date: _____