



# S1 Policy Statement

## Business Ethics and Conflicts of Interest



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**Purpose:** To set forth S1's policy on business ethics and conflicts of interest.

**Scope:** Applies to all Employees (including officers) and Directors.

**Policy:** Introduction:

Employees and Directors are expected to devote their best efforts and attention to the performance of their responsibilities on behalf of S1 and to use good judgment, adhere to the highest ethical standards, and avoid situations that create an actual or perceived conflict between personal interests and those of S1. Employees and Directors should respect each other and our customers, partners and suppliers. Our actions are based on honesty, integrity and fair dealing. We work together collaboratively and strive for excellence in every thing we do.

Purpose:

This Policy is intended to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.
- Avoidance of conflicts of interest, including disclosure to an appropriate person or persons, identified in the code, of any material transaction or relationship that reasonably could be expected to give rise to such a conflict.
- Full, fair, accurate, timely and understandable disclosure in reports or documents that S1 files with or submits to the Securities and Exchange Commission and in other public communications released by S1.
- Compliance with applicable governmental laws, rules and regulations.
- The prompt internal reporting, to an appropriate person or persons, identified in this Policy, of violations of the Policy.
- Accountability for adherence to the Policy.





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### Policy and Comments:

#### 1. Ethics:

S1 conducts its affairs consistent with the applicable laws and regulations of the countries where it does business. Business practices, customs and laws differ from country to country. When conflicts arise between S1's ethical practices, and the practices, customs, and laws of a country, S1 seeks to resolve them consistent with this policy. If a conflict cannot be so resolved, S1 will not proceed with the proposed actions giving rise to the conflict.

S1 Employees and Directors:

- Will conduct their affairs with uncompromising honesty and integrity and adhere to the highest ethical standards, regardless of local custom.
- Will be honest and ethical in dealing with each other, clients, vendors and all other parties. Interactions with customers, business partners and suppliers will in each case be conducted in good faith.
- Will not engage in discrimination, libel, slander or harassment. Each person will be accorded equal opportunity, regardless of age, race, sex, sexual preference, color, creed, religion, national origin, marital status, veteran's status, handicap or disability.

Misconduct will not be excused because it was directed or requested by another. In this regard, you are expected to alert management whenever an illegal, dishonest or unethical act is discovered or suspected. A person found to be in violation of this Policy is subject to disciplinary action, up to and including termination of employment or service as a Director. The failure to report a violation of this Policy will in and of itself constitute a violation for which a person will be subject to disciplinary action. S1 prohibits retaliation against someone who, in good faith, report violations or suspected violation of ethical practices.

#### 2. Conflicts of Interest:

Full time Employees should devote their best efforts and substantially full business time to the performance of their duties and the advancement of the business and affairs of S1. Part-time Employees and Directors should devote their best efforts for the hours employed to the performance of their duties and the advancement of the business and affairs of S1. S1 resources and information should not be used for personal gain, whether financial or otherwise. No one should use their position or contacts to further private interests.

You must avoid any personal relationship, activity, investment or association that competes with S1, impairs your ability to fulfill your responsibilities to S1, could appear to interfere with good judgment concerning S1's best interests or involves or may involve an actual or potential conflict between their personal interest and the interest of S1. You should avoid even the appearance of such a conflict.





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For example, a conflict of interest may exist if you:

- Cause S1 to engage in business transactions with relatives or friends.
- Use nonpublic S1, client or vendor information for personal gain by you, your relatives or friends (including securities transactions based on such information); or
- Have more than a modest financial interest in S1's vendors, clients or competitors.

Anyone dealing with customers, suppliers, contractors, competitors or any person doing or seeking to do business with S1 shall act in the best interest of S1. Employees must make prompt and full disclosure in writing to their managers of any potential situation that may involve a conflict of interest. Directors should report any potential conflict of interest to S1's General Counsel or Internal Auditor.

There are other situations in which a conflict of interest may arise. If you have concerns about any situation, you should follow the steps outlined in the Section on "Reporting Process."

### 3. Moonlighting:

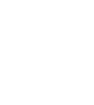
Employees wishing to engage in any "moonlighting" activities should notify their manager in writing prior to beginning the activity. S1 will review the proposed activity and advise whether approval is given to proceed. S1 will not approve any activity that it believes to be in conflict with the Employee's responsibilities for S1. In any event, such activity should not (a) involve the use of S1 facilities, information or materials; (b) be undertaken during business hours; (c) involve customers or business partners of S1; (d) relate to S1's current or proposed business activities; (e) be in an area of principal expertise of the Employee at S1. The activity must not adversely impact the Employee's ability to fulfill his or her job responsibilities.

By way of example, a software engineer who works on the weekend as a cabinet maker would likely not raise an issue of conflict. However, a software engineer working to develop software for another party or act as a consultant in his/her area of expertise may be a conflict and should be reviewed more closely.

### 4. Gifts:

Gifts, favors, and payments may be given to others at S1 expense if they are consistent with accepted business practices, sufficiently limited value, in a form not construed as a gratuity, bribe or payoff, not in violation of applicable law and generally accepted ethical standards, and public disclosure of the facts will not cause embarrassment or harm to S1. Government employees and contractors are subject to varied and complex rules regarding acceptance of gratuities, often prohibiting them from accepting anything of value unless expressly authorized by applicable statute or regulation. Certain commercial enterprises may be subject to Government limitations gratuities.





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An Employee or Director may accept for themselves and members of their family common courtesies usually employed with customary business practices, but shall not seek or accept for themselves or others any gifts, favors, entertainment, or payments without a legitimate business purpose, and without disclosure to S1. In addition, no Employee or Director shall seek or accept personal loans (other than conventional loans at market rates from lending institutions) from any persons or business organizations that do or seek to do business with or that are a competitor of S1.

### **5. Improper Use or Theft of S1 Property:**

Every Employee and Director must safeguard S1 property from loss or theft, and may not take such property for personal use. S1 property includes confidential information, software, computers, office equipment and supplies. You must appropriately secure all S1 property within your control to prevent its unauthorized use. Using S1 computers or communications systems to access or distribute personal/"non-business related" information, data or graphics on other than an incidental basis is prohibited.

### **6. Covering Up Mistakes; Falsifying Records:**

Mistakes should never be covered up, but should be immediately fully disclosed and corrected. Falsification of any S1, client or third party record is prohibited.

### **7. Abuse of S1, Client or Vendor Information; Gathering of Competitive Information:**

You may not use for any purpose other than an authorized S1 business, or disclose to another party, any S1, client or vendor confidential or proprietary information. This includes any data, business methods, pricing and marketing data, strategy, computer code, screens, forms experimental research, and information about S1's current, former and prospective clients and Employees.

You may not accept, use or disclose the confidential information of our competitors. When obtaining competitive information, you must not violate our competitors' rights. Particular care must be taken when dealing with competitors' clients, ex-clients and ex-employees. Never ask for confidential or proprietary information, or ask anyone to violate any non-disclosure agreement. If you are uncertain, call the S1 Corporate Legal Department.

### **8. Sales Defamation and Misrepresentation:**

Aggressive selling should not include misstatements, innuendo or rumors about our competition or their products or financial condition. Do not make unsupportable promises concerning S1's products.





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### **9. Use of Software:**

S1 and third party software may be distributed and disclosed only to persons authorized to use it, and to clients in accordance with terms of an S1 agreement

S1 and third party software may not be copied without specific authorization and may only be used to perform assigned responsibilities.

All third party software must be properly licensed. The license agreements for such third party software may place a various restrictions on the disclosure, use and copying of software.

### **10. Software Development:**

Employees involved in the design, development, testing, modification or maintenance of S1 software must not tarnish or undermine the legitimacy and "cleanliness" of S1 products by copying or using unauthorized third party software or confidential information. You may not possess, use or discuss proprietary computer code, output, documentation or trade secrets of a non-S1 party, unless authorized by such party. Intentional duplication or emulation of the "look and feel" of others' software is not permissible.

### **11. Fair Competition and Antitrust Laws:**

S1 complies with all applicable fair competition and antitrust laws. If you are uncertain whether a contemplated action raises unfair competition or antitrust issues, call the S1 Legal Department.

### **12. Securities Trading:**

Each Employee and Director is subject to and has a personal responsibility to review and understand S1's Insider Trading Policy. If you have any questions regarding the policy or its requirements, you should contact S1's Legal Department.

### **13. Political Contributions:**

No Company funds may be given directly to political candidates. You may, however, engage in political activity with your own resources on your own time.

### **14. Reporting Process:**

The Audit Committee of the Board of Directors of S1 has established the following procedures for (a) the receipt, retention, and treatment of complaints received by S1 regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by Employees of concerns regarding questionable accounting or auditing matters.





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An Employee who witnesses but is unable to stop suspected misconduct or discovers it after it has occurred, should report it immediately to (a) their manager, (b) another senior manager at S1, (c) a Human Resources director, (d) the General Counsel, or (e) the Chairman of the Audit Committee of the Board of Directors.

S1 has established a toll free "ethics hotline" with an independent third party through which you may anonymously report any ethical concern or violation, including without limitation the confidential, anonymous submission of concerns regarding questionable accounting or auditing matters.

All reports of misconduct will be investigated reported to the Internal Auditor and the General Counsel. Upon reporting, an investigation will be undertaken by the Internal Auditor, the Board of Directors, S1 management, the S1 Human Resources Department, and/or the S1 Legal Department, as appropriate. Any reports of ethical violations will be dealt with confidentially. Investigations relating to a reported ethical violation will be conducted in a full and fair manner. Based on the results of that investigation, appropriate actions will be taken. S1 will not retaliate against any person making a good faith report.

### 15. Conclusion:

If you have a question about whether a particular course of conduct may violate S1 policy or applicable law or regulation, it is imperative that you seek guidance before taking the action. Employees should contact S1's Human Resources Department or Legal Department for guidance and advice. Directors should contact S1's Legal Department or the Internal Auditor.

In the final analysis you are the guardian of S1's ethics. While there are no universal rules, when in doubt ask yourself:

- Will my actions be ethical in every respect and fully comply with the law and with S1 policies?
- Will my actions have the appearance of impropriety?
- Will my supervisors, other Employees, clients, family and the general public question my actions?
- Am I to fool anyone, including myself, as to the propriety of my actions?

If you are uncomfortable with your answer to any of the above, you should not take the contemplated actions without first discussing them with your local management. If you are still uncomfortable, please follow the steps outlined above in the Section on "Reporting Process."

Any person who ignores or violates any of S1's ethical standards, and any manager who penalizes a subordinate for trying to follow these ethical standards, will be subject to discipline, including possible dismissal. However, it is not the threat of discipline that should govern your actions. We hope you share our belief that a dedicated commitment to ethical behavior is the right thing to do, is good business, and is the surest way for S1 to become and remain a World-Class Service Company.