

Strategic Sourcing & Procure-to-Pay Supplier Guide



Contents

Who is Apollo Education Group	2
Supplier Sales Calls and Visits.....	3
What we Expect; What you can Expect.....	3
Partnership 360 Summit.....	4
Schedule of Executive Authority	4
Sustainability – Guide for Supplier Relations.....	4
Travel.....	5
Use of Apollo Logos & Trademarks.....	5
Insurance Requirements.....	5
Standard Payment Terms and Invoicing.....	5
Supplier Relations Policy.....	6
New Supplier Relationship Process	7
Strategic Sourcing and Procurement Transactions	7
Code of Business Ethics and Legal Matters.....	10
STAFF AND STUDENT DISCOUNT PROGRAMS	15
Frequently Asked Questions.....	15

This guide will help familiarize you and your company with our policies and business practices. Apollo has an exciting future ahead and as a valued strategic supplier, you can join us in our pursuit of excellence and share in the exciting opportunities that lie ahead. This is a general guide, if you should need further information; please go to Apollo’s Website at <http://www.apollo.edu/about/supplier-opportunities.html>.

We believe in strong supplier/customer relations, based primarily on premium quality products and/or services, on-time deliveries, unequaled service, and competitive pricing. This is accomplished through an engaged, cooperative and strong relationship with you, our strategic supply partner.

At Apollo, we place great emphasis on conducting our strategic sourcing practices in a fair, ethical, and transparent business manner. As part of this, all suppliers are encouraged and expected to adhere to the principles outlined in the code. We look for strategic suppliers who share our values and like us, want to build strong and lasting strategic relationships.

Who is Apollo Education Group?

Apollo was founded in 1973 in response to a gradual shift in higher education demographics from a student population dominated by youth to one in which approximately half the students are adults and over 80 percent of whom work full-time. Apollo's founder, John Sperling, believed -- and events proved him right -- that lifelong employment with a single employer would be replaced by lifelong learning and employment with a variety of employers. Lifelong learning requires an institution dedicated solely to the education of working adults.

Today, Apollo Education Group, through its subsidiaries, the University of Phoenix, Apollo Global, The College for Financial Planning, Carnegie Learning and Western International University, has established itself as a leading provider of higher education programs for working adults by focusing on servicing the needs of the working adult.

STRATEGIC SOURCING AND PROCURE-TO-PAY

Our Mission

To provide unparalleled sustained value to Apollo Education Group and its subsidiaries through providing leadership in the acquisition of products and services for all business purposes.

Our Strategy

We fulfill our mission by maintaining an uncompromising commitment to quality, cost effectiveness, and long-term, mutually beneficial strategic partnerships.

Our Responsibility

The principal responsibility of the Strategic Sourcing and Procure-to-Pay organization is to deliver sustained optimum value to the Apollo Education Group. We will conduct ourselves in a manner consistent with the highest of ethical standards; we will fully comply with all appropriate organizational and Governmental regulations, and, we will advocate a robust competitive environment while assuring transparency and fairness to all our internal and external business partners. Our responsibilities include:

- Establishing and maintaining strategic supplier relationships
- Maintaining a competitive, transparent, inclusive and fair sourcing environment
- Aligning suppliers, products and services to meet the needs of our internal business partners

- Evaluating supplier performance and providing feedback
- Ensuring on-time deliveries and high quality product and services at competitive prices
- Administering, negotiating and executing contracts in support of organizational objectives

Contact Information

Strategic Sourcing and Procure-to-Pay retains a list of suppliers interested in doing business with the Apollo Education Group. From this list of suppliers, Strategic Sourcing & Procure-to-Pay regularly reviews and contacts new suppliers as the need for new sources of supply or service arise. Suppliers interested in providing their information are encouraged to complete the New Supplier Introduction form on the Apollo Education Group's website at: <http://www.apollo.edu/about/supplier-opportunities.html>.

Strategic Sourcing and Procure-to-Pay contact information is as follows:

Apollo Education Group, Inc.

Mail Stop CF-K713

Attention: Strategic Sourcing & Procure-to-Pay

New Supplier Inquiry

Phoenix, AZ 85040

Fax: 480-379-3579

Hours of operation for Strategic Sourcing & Procure-to-Pay are 8:00 a.m. to 5:00 p.m., Arizona time, Monday through Friday except holidays.

Supplier Sales Calls and Visits

To ensure suppliers receive adequate attention a scheduled appointment is required before calling or visiting Apollo. Cold calls and courtesy visits are highly discouraged and cannot be accommodated as they disrupt daily workflows. New suppliers should request a meeting via the new supplier introduction form located on <http://www.apollo.edu/about/supplier-opportunities.html>. Established strategic suppliers should contact their Strategic Sourcing and Procure-to-Pay representative directly to schedule an appointment.

What we Expect; What you can Expect

We view our suppliers as strategic partners and an extension of our own processes. As in every other element of Apollo's business, we will conduct our strategic relationships in a professional and ethical manner that will ensure that our strategic suppliers know we value their business.

In every transaction, Apollo seeks to obtain maximum value for each dollar, to acquire products and/or services without prejudice and to respect the obligations of buyer and seller. To this end, we seek to develop relationships with a diverse group of strategic supply partners who share our values, respect the relationship and provided quality products and services at fair &

competitive price.

We are glad to give you the opportunity to present your company's position. We will make every effort to understand your products and/or services, just as you should make every effort to understand ours. We welcome supplier presentations, where appropriate.

We expect our strategic suppliers to have an in-depth knowledge of their products and/or services and a familiarity with Apollo Education Group and its business.

Partnership 360 Summit

Strategic Sourcing and Procure-to-Pay holds an annual two-day Partnership 360 Summit for its key strategic supply partners. The purpose of the summit is to provide supplier partners with insight into the current and future state of Apollo Education Group and its subsidiaries, growth and focus areas of the organization, and the general state of industries in which Apollo competes.

The summit is also an opportunity for Apollo's leadership and executive team to recognize key strategic supplier partners who have exceeded expectations in leadership, innovation and strategic partnership.

Schedule of Executive Authority

The authority to commit Apollo to terms and conditions is limited to designated administrators by resolution of the Apollo Education Group Board of Directors. This includes the ability to:

- Establish and manage ongoing supplier relationships with external suppliers
- Execute contracts for products and/or services and negotiate terms and conditions on behalf of Apollo

Please direct all inquiries about supplier relationship management to Strategic Sourcing and Procure-to-Pay.

Sustainability – Guide for Supplier Relations

Apollo Education Group strives to find new and green alternatives to lessen the impact on the environment. Apollo Strategic Sourcing and Procure-to-Pay, where possible and feasible, will make every effort to support the purchase of environmentally preferable products and services from environmentally responsible vendors and contractors. We strive to do business with suppliers who share our concerns for and commitment to preserving the environment. Suppliers should meet at minimum, if not exceed, all current applicable environmental rules, regulations and laws. In addition, suppliers, wherever possible and feasible, should seek to achieve environmental best practices, appropriate to the size and nature of their operations, and should seek themselves to use environmental preferable products and environmental responsible suppliers.

Travel

Apollo Education Group will reimburse suppliers while traveling for Apollo Education Group business purposes. Supplier travel for Apollo business purposes must be pre-approved and expenses must be actual, reasonable, and necessary travel expenses to qualify for reimbursement. Suppliers are expected to neither gain nor lose financially for travel reimbursements. For a copy of, or additional information on Apollo's Supplier Travel Policy, contact your Strategic Sourcing and Procure-to-Pay representative.

Use of Apollo Logos & Trademarks

The Apollo Education Group Website www.apollo.edu contains general guidance for the proper use of Apollo Education Group's various trademarks, service marks, and domain names. It is not intended as comprehensive guidance for all legal uses. Any questions regarding the proper use of these, or any other Apollo Education Group marks or domain names not addressed on the Apollo Education Group website, should be directed to:

Apollo Legal Services

ATTN: Tim West, Associate General Counsel
4045 S. Riverpoint Parkway Phoenix, AZ 85040
Mail Stop: AA-F102
(480) 557-1661 Phone
(480) 736-3213 Fax

Unauthorized use of Apollo marks is not permitted.

Insurance Requirements

Suppliers are required to carry appropriate Insurance coverage whenever work or services are performed in or on Apollo facilities. Insurance coverage is required at the time of contract award and shall be maintained during the entire term of the contract. Insurance coverage will be provided by insurances companies authorized and licensed to sell insurance in the state of coverage issuance, with a minimum coverage of \$1,000,000 per incident and a "Best's" rating of at least AX. Apollo with also be listed as an additional insured.

Standard Payment Terms and Invoicing

Apollo's standard payment terms are net sixty (60) days upon receipt of a valid and proper itemized invoice. Apollo payment is made only upon, delivery, receipt, and acceptance of all materials, products, equipment, or services as specified in the contract or purchase order. Partial payment will not be made for incomplete orders. Payment due date is computed (60) days from the receipt or deliver of product and/or services or from the date a corrected invoice is received in Accounts Payable, whichever is later.

It is important for suppliers to read the Purchase Order to obtain the correct address to submit invoices. Do not assume the invoice address is the same as noted on a previous Purchase Order.

All invoices for products and/or services should be direct from supplier to Apollo Education Group Corporate Accounts Payable (A/P). All invoices greater than or equal to \$5,000 must have a valid and current Purchase Order number listed on invoices. Invoices under \$5,000 must have either a valid and current Purchase Order number, or an Apollo cost center number listed where appropriate. If invoices are directed to an individual campus or other location within Apollo or do not include either a Purchase Order number or a cost center number, a delay in the payment processing may occur. Invoices submitted, which are unclear or not in compliance with Apollo billing, requirements as described will be returned to the supplier for correction and payment processing will be delayed.

To assure timely processing and payment all invoices are to be submitted to:

Apollo Education Group, Inc.

Attn: Accounts Payable, Mail Stop: CF-K201 4025 South Riverpoint Parkway

Phoenix, Arizona 85040 or email to APe-invoices@apollo.edu in PDF or TIF format only.

Supplier Relations Policy

We view our suppliers as strategic partners vital to Apollo's success in providing products and/or services that not only meet, but also exceed our customer's expectations. Our mission is to foster strategic supplier relationships, which will be a rewarding one for both parties.

Apollo supplier evaluations provide the framework for supplier selection and management. These standards provide a consistent evaluation framework to identify qualified suppliers who meet Apollo's needs in the areas of quality, reliability, delivery, cost, lead times, technical specification, and flexibility to meet Apollo's ever-changing needs. Of significant importance are the supplier's contributions to new product and services development, technical assistance, and cost reduction concepts. Apollo provides fair, impartial consideration and courteous treatment to all suppliers seeking to establish or maintain a strategic relationship. Suppliers to Apollo are expected to:

- Share our commitment to performance excellence
- Fully understand how products and/or services presented directly benefit Apollo
- Maintain financial viability and business continuity during the relationship with Apollo
- Take ownership of support post contract execution
- Disclose economic conditions, which positively or negatively affect the relationship.
- Comply with all governmental / legal obligations and strong ethical principals
- Make available all ideas and suggestions that might improve Apollo's present or future reduction, value engineering, substitutions, economies of scale, etc.
- Present any new technology innovations or products and/or services as soon as they become available.

New Supplier Relationship Process

When beginning a new strategic relationship with the Apollo Education Group, certain information and documentation will be required. The following documents/forms are required for all new suppliers:

- New Vendor Request Form (internally submitted)
- Supplier completed and signed W-9 form

Based on the products and/or services provided, a combination of the following documents may be required:

- Non-Disclosure Agreement (NDA) – If the supplier discussions include, or access is required to Apollo’s proprietary information, a signed NDA is required to protect the confidentiality of Apollo’s information. Please contact Strategic Sourcing and Procurement to process.
- Apollo Standard Agreement Terms and Conditions – For ongoing purchases of products and/or services provided by an individual, company, or corporation, please contact Strategic Sourcing and Procurement for the appropriate agreement.
- Official supplier quote for products and/or services – Quote should detail specific quantities, amounts, expected delivery/completion times, estimated taxes, shipping, additional information and quote expiration date.
- Statement of Work (SOW) – Shall be required for projects where development, timelines, milestones and deliverables will be required.

Strategic Sourcing and Procurement Transactions

There are three (3) preferred methods of doing business with Apollo:

1. **Formal Contract** - Supplier enters into a formal contractual relationship with Apollo.
2. **Purchase Order** - Supplier receives a Purchase Order for fulfillment of products and/or services
3. **Purchasing Card (Pcard)** – Supplier accepts a procurement / payment transaction via the Apollo Corporate Purchasing Card.

Verbal orders do not constitute a binding obligation and suppliers who accept verbal orders do so at their own risk.

Purchase Orders Transactions Standard Terms and Conditions referenced on Apollo’s Purchase Order form will govern all transactions made via a Purchase Order. When a formal contract exists, Contractual terms and conditions will take precedence over Purchase Order terms and conditions.

Suppliers are responsible for reading, understanding and adhering to Apollo’s Standard Terms and Conditions before entering into any transaction.

Copies of Apollo’s Standard Terms and Conditions are available for download in PDF format at <http://www.apollo.edu/about/supplier-opportunities.html>

Bidding Process

Strategic Sourcing and Procure-to-Pay awards contracts based upon a combination of the “total cost to Apollo” and “total value received.” Additional requirements may apply if the work is in connection with a Government contract.

Throughout the bidding & proposal process, Apollo considers number of factors before an award of business is extended; including:

- Quality of products and/or services
- Products and/or services pricing and value received
- Ability of supplier to meet deadlines
- Reliability of the supplier
- Product warranties/service guarantees
- Supplier’s expertise and product knowledge
- Financial status of the supplier
- Supplier’s acceptance of Apollo’s standard contract terms
- Compliance related considerations

Strategic Sourcing and Procure-to-Pay utilizes several bidding processes for the procurement of products and/or Services. Depending on the scope or complexity of the product and/or service an informal bid, formal bid or Request for Proposal (RFP) is utilized. Strategic Sourcing and Procure-to-Pay reserves the right to utilize bid methods other than those listed to acquire products and/or services. Apollo reserves the right to cancel any or all bids or RFP's at its sole discretion.

Informal Bidding: The informal bidding process differs from the formal bidding and RFP process as the product and/or service is generally low dollar and readily available. Quote are requested from at least three (3) potential suppliers and are made verbally over the telephone, via fax, email, internet, or direct mail. Award is made to the respondent with the lowest total cost; all other factors being equal.

Formal Bidding: The formal bidding process differs from the informal bidding process when the cost of Products and/or services on a single purchase exceeds \$25,000. Formal bids are solicited in writing via fax, email, internet, or direct mail. Request for bids include specifications of product and/or service, delivery requirements, and payment terms. An executed contract is required prior to the start of services or delivery of goods. Strategic Sourcing will consider a number of the factors listed above in making the final award.

Request for Proposal (RFP): Apollo utilizes RFPs for multi-year strategic national contracts and large projects, which are complex in nature, time sensitive and broad in scope. An RFP differs from a formal bid in that an RFP is solicited in a multiple step process. Strategic Sourcing will consider a number of the factors listed above in making the final award.

Formal Bid/RFP

Suppliers responding to formal bids or RFPs must comply with the following requirements to be considered for award:

1. Each formal bid or RFP specifies a closing date and time. To be considered for award, all responses must be received on or before the designated date and

time outlined in the document. Supplier bears full responsibility to insure that the formal bid or RFP is received by the date and time specified. Supplier responses received after the designated submittal date and time may not be considered.

2. When submitting a response, assure that all information requested is included such as pricing sheets, signature page, applicable addendums, samples, and any additional information.
3. Suppliers are responsible for providing all signatures required by the formal bid or RFP. Required signatures must be from an officer authorized to enter into agreement on behalf of the supplier.

Terms and Conditions

Suppliers are encouraged to carefully read all formal bids and RFP's, as they will be held responsible for understanding the contents and performing accordingly. Each formal bid or RFP contains the specifications for the purchasing terms and conditions governing the contract to be awarded, and other pertinent information. Suppliers should carefully review their responses prior to submission to ensure they meet the specific requirements of the formal bid or RFP.

Specifications

Each formal bid or RFP contains specifications that define the products and/or services being procured. To maximize competition, Apollo attempts to use generic specifications. At times, a specification may include the manufacturer, trade name, model number, or other information for identification purposes. In these instances, a formal bid or RFP response may offer products and/or services that are certified equal in quality, performance, and other essential characteristics. Strategic Sourcing and Procure-to-Pay will make the final determination on whether the alternative offering is acceptable.

Formal Bid / RFP Conferences

When a change / update is required on an formal bid or RFP, for the purpose of providing additional information or clarification, a written addendum will be issued to all suppliers who received a copy of the formal bid or RFP document or who attended a mandatory formal bid or RFP conference.

- The addendum becomes part of the formal bid or RFP document and must be signed and returned as part of a supplier's response.
- Supplier is required to check periodically for update addendums to a formal bid or RFP if intending to respond.

Insurance

If a formal bid or RFP requires that the supplier provide specific insurance coverage, the supplier awarded the business must furnish a valid certificate of insurance evidencing the applicable coverage within 5 days of the award of business.

Duration

Unless otherwise stated in the formal bid or RFP document, all supplier responses, once submitted and received, are considered valid for a minimum of 180 days. If the supplier is not notified of an award prior to the expiration of that time, the supplier is not obligated to honor the response submitted and may unilaterally withdraw from consideration.

Samples

Samples may be requested for review as part of the formal bid or RFP. Sample requests will be formally documented within the formal bid or RFP document. Failure to provide required samples in accordance with the formal bid or RFP requirements may result in the supplier's disqualification. Samples provided will be returned to the supplier at the supplier's expense.

Contract Award & Performance

After receiving an award of contract, strategic suppliers must fulfill all contractual terms and conditions including negotiated pricing and delivery. This includes meeting any Statement of Work (SOW) performance, compliance, specifications, deliverables and milestones. To ensure compliance, contracts and SOW deliverables are monitored and audited to assure contractual performance.

Contractual engagements are viewed as a strategic partnership between Apollo and its strategic suppliers. Thus, each strategic supplier is required to bring problems or issues to the attention of Apollo at the earliest opportunity.

Non-Performance

If during a contract audit it is determined supplier is not meeting contractual commitments, supplier will have 10 business days to remedy the non-performance. If supplier is unable or unwilling to achieve compliance within the remedy period, Apollo will have the option to cancel the contract immediately. In addition to cancellation of the contract, Apollo may hold the supplier liable for subsequent damages that directly resulted from supplier's non-performance including but not limited to, switching costs and any additional expenses Apollo might incur in replacing the supplier to fulfill its requirements.

Addendums and Modifications

Occasionally, after a contract has been awarded, situations occur which require the contract to be changed or modified. If the event that a contract must be changed or modified a written change order or contract amendment will be executed upon mutual agreement between Apollo and supplier. Contractual modifications not in writing, mutually agreed upon by both parties and signed by authorized officers of both Apollo and the supplier will not be recognized.

Code of Business Ethics and Legal Matters

Apollo's Code of Business Ethics (the "Code") is intended to express our ethical values and

describes the expectations we have and the standards we set for ourselves. The Code guides our decision-making processes and shapes our approach to our work. The Code also describes the standards and behaviors that govern our business dealings and interactions with others. It empowers us to promote and demonstrate the values we believe in. The Code defines our obligations—what we must do—as well as our aspirations—doing the right thing. As described in our Code, Apollo Education Group is committed to the highest ethical and legal standards in all our business dealings.

Suppliers are expected to read and understand their understanding of Apollo Education Group’s Code of Business Ethics and acknowledge it through the acknowledgment of this guide. In addition to the principles and policies codified within the Code, Suppliers should specifically understand the following issues as it relates to any potential business relationship with Apollo:

Anti-Bribery and Anti-Corruption

Apollo and those who act on our behalf will not bribe any person for any reason. As described in our Code of Business Ethics, we will not offer, give or receive bribes or kickbacks in *any* form under *any* circumstance(s). A bribe is broadly defined as offering or making a payment to cause or improperly influence the decisions of an individual, a company or a governmental official to act in a specific way that creates an improper advantage.

Apollo will not make or attempt to make or offer to make a payment/bribe in any way to anyone including foreign and other government officials and government entities. This prohibition also includes making or offering to make bribes through intermediaries.

Finally, no Apollo employee, or those acting on our behalf, may make, promise or authorize a payment (such as an agent, distributor or a consultant) where “red flags” are identified or the payment is contrary to our Anti-Bribery policy or governing law.

Employment Practices

Apollo expects supplier to maintain fair employment practices, specifically EEOC compliance provisions of 41 C.F.R. Section 60-1.4(a), 41 C.F.R. Section 60-250.5(a), and 41 C.F.R. Section 60-741.5(a)

Health and Safety

Apollo strives to provide employees with a clean and safe work environment, free from health risks. We expect all suppliers doing business with Apollo to maintain a work environment, which is safe, to prevent accidents and injury, and to minimize health risks. This includes the prohibition of unethical hiring, exploitation of workers, child labor, forced labor and excessive work hours by our vendors and suppliers.

Wage Practices

We expect all suppliers to Apollo Education Group to comply with all applicable wage & hour laws including maximum hours, overtime, and minimum wage requirements.

Reciprocity

Agreements involving a specific commitment to buy in exchange for a specific commitment to sell constitute reciprocity. These purchasing actions are illegal if they tend to restrict competition or trade or if they are coerced, since such acts may be construed as “restraint of trade” in violation of Sections 1 and 2 of the Sherman Act.

The following are guidelines in how Strategic Sourcing and Procurement deals with reciprocity:

- Dealing with a supplier that is also a customer may not constitute a problem if, in fact, the supplier is the best source.
- Strategic Sourcing and Procurement’s strategy must include a positive effort to oppose any corporate or organizational commitment to, or pursuit of, any form of improper reciprocity.
- Buyers are sufficiently knowledgeable of the provisions in antitrust laws to recognize a potential legal problem and to know when to seek legal counsel.
- Strategic Sourcing and Procurement is especially careful when dealing with suppliers that are customers when making sourcing decisions.

Conflict of Interest

Apollo individuals that work for or do business with us have a duty to Apollo which includes avoiding situations that may create, involve or give the appearance of a conflict of interest. Individuals are expected to act in the best interest of Apollo, disclose and resolve any potential conflicts of interest in advance, and use company information and assets to benefit Apollo, our customers, and our shareholders.

A conflict of interest occurs when:

- Personal interests conflict with the interests of Apollo.
- Personal interests interfere or could interfere with the performance of duties.
- Individuals may not be effective or objective in their company duties due to personal interests.
- Individuals use Apollo’s information, assets or their position or influence at Apollo for personal gain.
- An individual’s outside employment or the employment of an immediate family member creates a conflict of interest or the appearance of a conflict of interest.
- There is the appearance of a conflict of interest.

Conflicts, potential conflicts, and business opportunities that are encountered through the course of an individual’s work and/or position must be disclosed for review and advice. These issues will be reviewed by the Apollo Chief Ethics and Compliance Officer, together with other assigned parties, who will advise on the potential conflict of interest, appropriate resolution, and expectation.

Similarly, supplier will disclose, in writing, to Apollo, all relationships it has with any employee of Apollo or with any employee of Apollo’s subsidiaries that results or may result in such an employee receiving any financial or other benefit, including ownership interests, from the supplier, whether as a result of an Agreement or otherwise. In such an event, the

supplier will disclose the employee's name and the benefit/interest involved. Apollo may in its sole discretion, approve such relationship or may terminate any future business.

Gratuities

Individuals that perform work for Apollo, including employees and our suppliers, may only give or receive business gifts or favors, or provide or accept entertainment if these activities are consistent with our Gifts and Entertainment policy, Code, and Anti-Bribery policies.

Additionally, individuals may not give gifts, favors, entertainment, or services to our suppliers, customers, vendors, or government officials or government employees nor may gifts be offered or provided to potential or active students without the advance approval of Apollo Ethics and Compliance and Apollo Strategic Sourcing.

As discussed above, there are certain cases where gifts would not be appropriate. In other cases, gifts may be given or accepted as long as the gift is an insignificant amount and not intended to affect the recipient's actions. The following principles apply to the appropriate giving and receiving of gifts, gratuities, services or favors by individuals, their spouses or domestic partners, or their immediate family members in connection with Apollo and our business:

- The giving or receiving is consistent with customary business practices.
- The giving or receiving cannot be construed as a bribe or payoff and is legal in the country where the transaction takes place and under the laws that apply to us.
- The giving or receiving does not imply that additional business opportunities are contingent upon the gift/gratuity.
- The gift, gratuity, service or favor is unsolicited, infrequent, and modest, is intended for legitimate business purposes, does not include cash, and is nominal in value.
- The gift, gratuity, service or favor fully complies with Apollo's Gift and Entertainment Policy.

Except for items that comply with our Code of Business Ethics supplier shall not offer any gift, gratuity, favor, or advantage to any Apollo employee, agent, or representative.

Confidentiality and Intellectual Property

Apollo is entrusted with confidential information, including personal information, from our employees, students, faculty, vendors and others and therefore we have a responsibility to protect and use this information with respect and care. Apollo protects confidential information that we collect by having designated individuals with responsibility for the Privacy and Information Security program in the company and implementing appropriate safeguards to protect confidential information from misuse, compromise, or loss.

Confidential information includes information relating to employees, students, and faculty, or company proprietary information. Examples of proprietary and confidential information include:

- Personal information, including names, about our past or present employees, faculty or students;
- Financial information about Apollo;

- Business and marketing plans;
- Academic strategy and agreements;
- Proprietary technical information and other similar information about Apollo

This information is the property of Apollo and may be protected by patent, trademark, copyright privacy and trade secret laws. Additionally, Apollo respects the patents, trademarks, copyrights, and confidential information of other companies and will not solicit or use the confidential information of other companies.

Company confidential information must be used for Apollo business purposes only. Suppliers are expected to maintain the confidentiality of information entrusted to them by Apollo, and to prevent disclosure of this information unless the disclosure is authorized by management or is legally mandated. When suppliers are handling any and all personally identifiable data as our agents, we require them to abide by our privacy policies as they relate to the data and treat such data as it was their own.

In the event Supplier, its employees or agents are provided access to any student or other confidential information, including but not limited to student (employee or faculty) name, identification code, financial records, employment information, personal/sensitive information etc., it is the responsibility of the Supplier to preserve the integrity, security and confidentiality of any and all such information. Such preservation shall include but not be limited to, the restriction of any unauthorized alterations or use of any kind to any student information.

The responsibilities are in addition to Supplier's obligations of confidentiality and Supplier's obligations under law, regulation or rule. Any actual or alleged violation shall be grounds for immediate termination of any agreement. Further, Supplier shall provide Apollo with information regarding such security measures upon reasonable request and promptly provide Apollo with information regarding any failure of such security measures or any security breach related to student information.

Title IV

University of Phoenix and Western International University of Apollo Education Group participate in the federal student loan program under Title IV of the HEA. As such, the Apollo Education Group is required to contract with those suppliers who meet the requirements of The Higher Education Act (HEA) of 1965 as authorized by Title IV of the HEA.

(i) Supplier represents that it has never participated as an institution or third-party servicer in any federal student aid program authorized under the Higher Education Act of 1965, as amended;

(ii) Supplier upon its knowledge and belief represents that neither it, nor any of its employees, directors, officers or subcontractors has been: (x) convicted of, or pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of Federal, State, or local government funds; or (y) administratively or judicially determined to have committed fraud or any other material violation of law involving Federal, State, or local

(iii) Supplier agrees to promptly notify Apollo Entity in writing if there is any change in its representations in (x) and (y) in the immediately preceding paragraph and to promptly reaffirm

these representations to Apollo Entity upon request.

Monitoring

In line with Apollo's Code of Business Ethics, suppliers must adhere to the highest ethical standards including adherence to the following guidance:

- Suppliers must monitor their operations to ensure an ethical and compliant workforce and business.
 - This includes review of all supply chains associated with the Supplier.
- Suppliers must educate their personnel on the standards outlined within this document to ensure adherence with our standards.
- Apollo maintains the right to monitor and audit suppliers, as agreed to by both parties.

Legal Compliance

We expect our suppliers to comply with all applicable laws, including laws relating to employment, discrimination, environment, and health and safety. Suppliers, who knowingly violate laws, or have repeated problems conforming to them, will not receive future business.

Reporting

If an individual believes that there has been a violation of this policy or any related policy, the violation should be reported to the Apollo Ethics and Compliance Office at (602) 557-7473. Reports may also be made anonymously through the Apollo Ethics Helpline at **1-888-310-9569** or www.apollohelpline.com.

As stated in the introduction to Apollo's [Code of Business Ethics](#), we have an unwavering commitment to non-retaliation for anyone reporting actual or suspected misconduct and this applies to our suppliers, as well. We expect and encourage all suppliers to report concerns in good faith with an interest in our ethical culture and business.

STAFF AND STUDENT DISCOUNT PROGRAMS

Apollo Education Group is committed to giving back to the community and members of our family. In doing so, Apollo offers its staff and students discount programs through its University Marketplace website on items procured during the normal course of business. Strategic partners are encouraged to discuss any affinity discount programs with their Apollo Strategic Sourcing & Procure-to-Pay contact. Such discussions will not be in violation of Apollo Education Group's [Code of Business Ethics](#) policies.

Frequently Asked Questions

1. I am working with a potential supplier of mine who mentioned sometimes international employees are not volunteering their labor. If I continue to work with this vendor am I in alignment with the Apollo Supplier Guide and Code?

- No, this would not be in line with the Apollo Supplier Guide and Code since forced labor is prohibited including slave, child, underage, forced, indentured and will not be condoned.

2. If it is determined that a supplier is not meeting their contractual obligations during an audit by Apollo the vendor will have 60 days to rectify the situation?

- No, the vendor must rectify the situation within ten days or Apollo may terminate the contract.