FOREWORD

INTRODUCTION FROM THE CHIEF EXECUTIVE

Visa is a global brand. Billions of customers worldwide choose Visa and they expect a reliable service based on international acceptance and security. Digitalisation is also re-shaping our landscape. By 2020, 20.8 billion devices will be “connected” and anything with a digital heartbeat could facilitate payments.

The future of our success depends on staying at the forefront of innovation and delivering new and differentiated products to the market quickly and at scale. The work towards creating one single, global Visa will help ensure we have the financial strength and operational scale necessary to accelerate that next generation of payments.

Working at Visa has always meant being committed to doing the right thing for our customers. This pervades our culture and everything we do.

From 9 June 2016 we are required to operate separate business units for scheme and processing in Europe. This is a change to the way we do our business in Europe. We will continue to stay focused on our customers and work hard by competing for scheme and processing business, separately.

Please read this Code of Conduct carefully. The Code of Conduct will help you understand your roles and responsibilities and how we must all adapt the way we think and behave, no matter where we sit in the business. At Visa, we are absolutely committed to doing the right thing for our customers and taking our compliance obligations seriously.

Nicolas Huss
CEO, Visa Europe
OVERVIEW

Why must Visa Europe separate its scheme and processing activities?

1.1 In 2015, the Interchange Fee Regulation (EU/2015/751) ("IFR") came into effect in the EU. As well as introducing interchange fee caps, the IFR also required regulated card schemes, including Visa Europe, to separate scheme and processing activities.

1.2 As a result, our scheme and processing activities are now operated as separated business units ("BUs").

The requirement to separate is aimed at increasing competition in the processing market. This means that Visa Europe must not confer a competitive advantage on its own processing services vis-à-vis third party processors, when competing for customers of the Visa Europe scheme in the EU.

What does the legislation mean?

1.3 The separation requirement only focuses on Visa Europe’s scheme and processing activities in the EU. When this Code of Conduct refers to the Scheme or Processing BUs, it means the Visa Europe scheme and processing businesses in the EU Member States.

1.4 Separation requires that the Scheme and Processing BUs:

(a) **DO work as separate, independent BUs**;

(b) **DO take independent decisions on strategy, pricing and customer relationships**; and

(c) **DO NOT share confidential business information** ("Sensitive Information") with each other.

1.5 Sensitive Information means information that (i) is not in the public domain; or (ii) is not available for a reasonable fee; and (iii) that could provide either the Scheme BU or the Processing BU with a competitive advantage compared to their competitors in the EU (see Section 2 for more detail).

1.6 The Scheme and Processing BUs can share some resources and services to avoid unnecessary and inefficient duplication of efforts and costs. Further guidance on which services may be relevant to both the Scheme and Processing BUs and the conditions which apply to those services are contained below in this Code of Conduct. For ease of reference, these services are referred to in this Code of Conduct as "Central Services".

Why should I read this Code of Conduct?

1.7 The Code of Conduct explains how we will comply with our legal obligations to separate our scheme and processing activities on a day-to-day basis and how this affects the way you do your job.

1.8 Additional guidance (i) for staff in the Scheme and Processing BUs and (ii) for staff providing Central Services to these two BUs is available in the Annexes to this Code of Conduct.

1.9 Visa Europe is subject to specific regulatory oversight including by the Bank of England, the Payment Systems Regulator (PSR) in the UK and other competent authorities across the EU. We have compliance obligations that are audited and reviewed by both senior management and our regulators. Our compliance with this Code of Conduct will also be monitored.

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1 A copy of the IFR can be found at http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32015R0751
It is the duty of all Visa Europe staff to comply with the IFR separation regime, not just the senior management team. Breaching this Code of Conduct could have very serious consequences for Visa Europe (including regulatory fines) and for individual staff (including dismissal).

1.10 Even if you are not based in a EU Member State, this Code of Conduct is still relevant to you. The prohibition on exchanging Sensitive Information, directly or indirectly, between the Scheme and Processing BUs applies to everyone in Visa Group.

**Summary of Key Dos and Don'ts**

1.11 **DO** respect any IT or other access restrictions (e.g. physical work spaces) which are introduced. These are in place to ensure the independence of the Scheme and Processing BUs.

1.12 **DO NOT** exchange Sensitive Information between the Scheme BU and the Processing BU either directly or indirectly. This means:

   (a) if you work in the Scheme BU, you must ensure that you do not directly or indirectly share Sensitive Information with someone in the Processing BU; and

   (b) if you work in the Processing BU, you must ensure that you do not directly or indirectly share Sensitive Information with someone in the Scheme BU.

1.13 **DO NOT** treat the Processing BU more favourably than you would treat other third party processors if you work in the Scheme BU, and **DO NOT** ask for more favourable treatment from the Scheme BU if you work in the Processing BU.

1.14 **DO NOT** offer customers discounts or other special offers or terms if they agree to use both Visa Europe’s Scheme and Processing services.

1.15 If you are involved in any innovation **DO** make sure that you follow Section 5 of this Code of Conduct.

**Whom should I contact if have any questions or concerns?**

1.16 You should seek advice, by emailing separationcompliance@visa.com, if you have any questions about particular tasks you are undertaking and how the Code of Conduct may apply to you.

1.17 We will update this Code of Conduct as appropriate in light of any relevant developments.

1.18 If you have any concerns about a possible breach of the Code of Conduct rules by you or another member of staff, please immediately call the following hotline in confidence: 66104320, to ensure that the issue can be considered without delay.

2 **WHAT IS SENSITIVE INFORMATION?**

2.1 You must not directly or indirectly share or exchange Sensitive Information between the Scheme and Processing BUs (or assist in doing so).

2.2 As noted above, Sensitive Information means information that (i) is not in the public domain; or (ii) is not available for a reasonable fee; and (iii) that could provide either the Scheme BU or the Processing BU with a competitive advantage compared to their competitors in the EU.

2.3 Examples of Sensitive Information include:

   (a) Commercial discounts from published price lists;

   (b) Variations to published standard products;
(c) Non-standard contract terms that are agreed to support an individual client by the Scheme or Processing BU;

(d) Any details of Scheme or Processing BU commercial strategies; and

(e) Any details of Scheme or Processing BU investment or marketing plans.

2.4 Where otherwise information is made available for a fee (and therefore falls outside the definition of Sensitive Information) the fee must be set at a reasonable rate and must not unduly discriminate between Visa Europe’s entities and third party entities. This means that Visa Europe’s BUs may themselves be required to pay a fee for access to relevant Visa Europe’s information.

2.5 If you are in the Scheme BU, you can share Sensitive Information with staff within the Visa Group, as long as the information is not provided to the Processing BU (or its management), directly or indirectly.

2.6 If you are in the Processing BU, you can share Sensitive Information with staff within the Visa Group, as long as the information is not provided to the Scheme BU (or its management), directly or indirectly.

2.7 If you are unsure whether you are dealing with Sensitive Information, please always check with separationcompliance@visa.com before disclosing it to others within the Visa Group.

2.8 Some practical tips to remember are:

(a) If you are in the Scheme BU and are sending a document that you think might include Sensitive Information, DO mark it as such (“May contain Scheme BU Sensitive Information”); this will alert the recipient to the confidential nature of the information and warn them that s/he should not disclose the information to the Processing BU;

(b) If you are in the Processing BU and are sending a document that you think might include Sensitive Information, DO mark it as such (“May contain Processing BU Sensitive Information”); this will alert the recipient to the confidential nature of the information and warn them that s/he should not disclose the information to the Scheme BU;

(c) DO always save documents in the correct (and, if appropriate, in a confidential) folder on the IT system;

(d) DO check any e-mail distribution lists carefully to make sure they do not include colleagues from the Scheme BU (if the e-mail may contain Sensitive Information from the Processing BU) or from the Processing BU (if the e-mail may contain Sensitive Information from the Scheme BU);

(e) If information is publicly available, DO say so in your correspondence or other documents and indicate the source of the information where possible to make it clear on the face of the document that information is not Sensitive Information; and

(f) DO remember that the restrictions on sharing of Sensitive Information also apply outside the work environment and to communications via mobile texting, instant messaging, social media or any other means.

3 HOW WILL THE SCHEME AND PROCESSING BUs BE MANAGED?

3.1 The Scheme BU and the Processing BU will have separate, independent management in charge of each BU. Each BU will also have its own reporting line to Visa Group’s executive management team, who will provide strategic guidance for the BU management to implement. Each BU will prepare separate annual operating plans, budgets and accounts.
3.2 You must respect this independence. If you work in either the Scheme BU or the Processing BU:

(a) **DO NOT** disclose Sensitive Information (or ask staff in other parts of the wider Visa Group to do so) from the Scheme BU to the Processing BU or Sensitive Information from the Processing BU to the Scheme BU;

(b) **DO NOT** attempt to influence the strategy of the other BU; and/or

(c) **DO NOT** act jointly in any other way (without prior clearance from separationcompliance@visa.com).

3.3 If you provide a Central Service to the Scheme and Processing BUs, you may be asked to help allocate your time and any costs (e.g. resource you used) in providing the Central Services to the relevant BUs (see Annex 4).

4 **WHAT DOES SEPARATION MEAN FOR YOU IN PRACTICE?**

*Office and IT access restrictions*

4.1 You must respect any IT or other office access restrictions which are applied.

4.2 Staff from the Scheme and Processing BUs are located in different physical work spaces. If you work in the Processing BU you must not and will not be able to access the Scheme BU’s floor space and if you work in the Scheme BU you must not and will not be able to access the Processing BU’s floor space.

4.3 Similar restrictions will apply to IT systems to prevent any inadvertent sharing of Sensitive Information.

*Interaction between staff in different BUs*

4.4 If you work in either the Scheme BU or the Processing BU:

(a) you **can** work freely with staff providing Central Services or in other parts of the Visa Group. However you must always take care to ensure that such cross-Visa working does not lead to any indirect exchanges of Sensitive Information between the Scheme and Processing BUs;

(b) you **must not** exchange Sensitive Information between the Scheme and Processing BUs;

(c) if you wish to work with the other BU (i.e. Scheme BU if you work in Processing or the Processing BU if you work in Scheme) on any innovation projects, you must comply with Section 5 of the Code of Conduct;

(d) you **must not** treat the Processing BU more favourably than you would treat other third party processors if you work in the Scheme BU, and you **must not** ask for more favourable treatment from the Scheme BU if you work in the Processing BU; and/or

(e) you **must not** offer customers discounts or other special offers or terms in return for them agreeing to use both Visa Europe’s Scheme and Processing services.

*Customer Relationship Management*

4.5 Initial customer queries may be received and handled by dedicated Account Executives providing Central Services. Most customer queries can be dealt with by the relevant Account Executive directly. However, if the Account Executive would need access to Sensitive Information from either the Scheme or Processing BUs they will direct such inquiries to staff in the Scheme or Processing BU, as appropriate.
5 SCHEME AND PROCESSING INNOVATION

5.1 Our regulators recognise the importance of innovation by Scheme and Processing but impose certain requirements on innovation undertaken by these BUs. The key principles which underlie those requirements are:

(a) **Level playing field** – ensuring that innovation discussions and collaboration involving Visa Europe’s Scheme and Processing BUs do not give the Processing BU a competitive advantage over other third party processors active in the EU (for example by providing advance notice of changes or more favourable technical specifications); and

(b) **Interoperability** – Payment card schemes must not adopt or apply business rules that restrict interoperability among processing entities within the EU. Importantly however, the Scheme BU is free to set appropriately justified rules or standards that it expects all participants to meet (for example to ensure the ongoing effectiveness and stability of the Visa Scheme). Additionally, innovation developed by the Processing BU must comply with any relevant technical interoperability standards developed by European or other international standardisation bodies. This interoperability rule also applies equally to all third party processors in the EU.

5.2 There will be circumstances where the Scheme and Processing BUs may want to collaborate and/or exchange information to deliver an innovation. Such interaction may trigger a specific set of rules. Under these rules third party processors engaging with EU customers of the Visa Europe scheme may have certain rights to participate in the innovation process.

5.3 Where an innovation project (whether it is a new innovation or an incremental change to existing specifications of systems (i) involves some (direct or indirect) collaboration between the Scheme BU and the Processing BU (or an external processor) and (ii) is likely to have some impact on how processors would engage with customers of the Visa Europe scheme you must seek advice from separationcompliance@visa.com. You should seek this advice before you start the innovation project and you must strictly follow the advice provided.

5.4 For any other form of innovation, even if you do not consider that an innovation project will fall under paragraph 5.3, you must seek advice from separationcompliance@visa.com who will advise if there are any specific steps which need to be taken.

5.5 In any event you must NOT share Sensitive Information between the Scheme and Processing BUs. If you want to share Sensitive Information between the two BUs, consult separationcompliance@visa.com which can provide advice on how your commercial objectives can be achieved in a compliant manner.
Key definitions used in this Code of Conduct are:

(a) **BUs** means the business units which have been created to house the different areas of Visa Europe’s activities, including its scheme and processing activities in the EU;

(b) **Central Services** means services, functions or activities which are carried out for the benefit of both the Scheme and the Processing BUs;

(c) **EU Member States** means Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK;

(d) **IFR** means the EU’s Interchange Fee Regulation, Regulation 2015/751 of the European Parliament and of the Council dated 29 April 2015\(^2\), and any subsequent amendments, which has been enacted in all EU Member States and which caps certain types of interchange fees and requires card schemes such as Visa Europe to separate their scheme and processing activities in the EU. Additional guidelines on how separation is to be achieved are contained in the European Banking Authority’s Regulatory Technical Standards\(^3\) (RTS). References to the IFR in this Code of Conduct include references to the EBA’s RTS;

(e) **Processing** means the performance of payment transactions processing services in terms of the actions required for the handling of a payment instruction between the acquirer and the issuer (see Article 2(27) IFR);

(f) **Scheme** means a single set of rules, practices, standards and/or implementation guidelines for the execution of card-based transactions and which is separated from any infrastructure or payment system that supports its operation and includes any specific decision-making body, organisation or entity accountable for the functioning of the scheme (see Article 2(16) IFR);

(g) **Sensitive Information** means information that (i) is not in the public domain; or (ii) is not available for a reasonable fee; and (iii) that could provide either the Scheme BU or the Processing BU with a competitive advantage compared to their competitors in the EU;

(h) **Staff** means permanent and non-permanent workers that are subject to this Code of Conduct;

(i) **Visa Europe** means Visa Europe Limited and Visa Europe Services, Inc. together with all their direct and indirect subsidiaries;

(j) **Visa Group** means the corporate group comprising Visa Europe’s ultimate holding company and all its direct and indirect subsidiaries.

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ANNEX 2:
SPECIFIC GUIDANCE FOR SCHEME BU STAFF

1 This Annex builds on the guidance provided in the main body of the Code of Conduct (which you are expected to read and understand) and contains additional specific guidance for staff in the Scheme BU.

2 It is important that neither our procedures nor our day-to-day behaviour treats Visa Europe’s Processing BU any more favourably than third party processors which support Visa Europe’s scheme transactions in the EU. It is also important to ensure that we respect Section 5 (“Innovation”) of the Code of Conduct.

3 Favourable treatment can come in many forms and Scheme BU staff must:
   (a) **NOT** share Sensitive Information with the Processing BU;
   (b) **NOT** provide the Processing BU with any insights into strategic decisions, innovations, investments or time-lines;
   (c) **NOT** make any Scheme product or service dependent upon the customers also obtaining services from the Processing BU (or ask Processing to impose such conditions);
   (d) **NOT** offer bundled prices or other discounts in return for customers also agreeing to obtain services from the Processing BU (or ask Processing to offer such discounts);
   (e) **NOT** give the Processing BU preferential or different terms of access to the Scheme compared to third party processors in the EU;
   (f) **NOT** prioritise or otherwise give preferential treatment to requests from or services provided to the Processing BU compared with requests/services from/to other third party processors in the EU;
   (g) **SEEK ASSISTANCE** from separationcompliance@visa.com if a customer submits an RFP which covers both Scheme and Processing services;
   (h) **ENSURE** compliance with Section 5 (“Innovation”) of this Code of Conduct in relation to any innovation related activities;
   (i) **ENSURE** that any changes made to the Visa Europe’s Scheme (including as a result of any innovations) comply with Visa Europe's interoperability requirements under the IFR; and
   (j) **MARK** a document as “May contain Scheme BU Sensitive Information” when sending a document that you think might include Sensitive Information; this will alert the recipient to the confidential nature of the information and warn them that s/he should not disclose the information to the Processing BU, **UNLESS** you have sought advice and approval from separationcompliance@visa.com that a legitimate exception applies to one of more of the points under Section 3(a) – (j) and you follow strictly the advice given.

4 You can work with staff providing Central Services as required. However, when you do so, please ensure that this support is provided in accordance with the rules contained in this Code of Conduct.

5 You must also make sure that you do not *inadvertently* end up sharing Sensitive Information with the Processing BU. In the event that you may have inadvertently shared Sensitive Information with the Processing BU, you must immediately call the following hotline number: 66104320. If you are sharing Sensitive Information with a colleague providing Central Services or other colleagues in the
Visa Group, **DO** make sure they know it is Sensitive Information and should **NOT** be shared with anyone in the Processing BU.
ANNEX 3:
SPECIFIC GUIDANCE FOR PROCESSING BU STAFF

1 This Annex builds on the guidance provided in the main body of the Code of Conduct (which you are expected to read and understand) and contains additional specific guidance for staff in the Processing BU.

2 It is important that neither our procedures nor our day-to-day behaviour results in the Visa Europe Scheme treating the Processing BU any more favourably than third party processors which support Visa Europe scheme transactions in the EU. It is also important to ensure that we respect Section 5 (“Innovation”) of the Code of Conduct.

3 Favourable treatment can come in many forms and Processing staff must:

   (a) NOT share Sensitive Information with the Scheme BU;

   (b) NOT provide the Scheme BU with any insights into strategic decisions, innovations, investments or time-lines;

   (c) NOT make any Processing product or service dependent upon the customers also obtaining services from the Scheme (or ask the Scheme to impose such conditions);

   (d) NOT offer bundled prices or other discounts in return for customers also obtaining services from the Scheme BU (or ask the Scheme to offer such discounts);

   (e) NOT ask the Scheme BU to give the Processing BU preferential or different terms of access to the Scheme;

   (f) NOT ask the Scheme BU to prioritise or otherwise give preferential treatment to requests from or services to the Processing BU compared with requests/services from/to other processors;

   (g) SEEK ASSISTANCE from separationcompliance@visa.com if a customer submits an RFP which covers both Scheme and Processing services;

   (h) ENSURE they comply with Section 5 of this Code of Conduct in relation to any innovation;

   (i) ENSURE that any processing innovations comply with the interoperability requirements under the IFR; and

   (j) MARK a document as “May contain Processing BU Sensitive Information” when sending a document that you think might include Sensitive Information; this will alert the recipient to the confidential nature of the information and warn them that s/he should not disclose the information to the Scheme BU,

UNLESS you have sought advice and approval from separationcompliance@visa.com that a legitimate exception applies to one of more of the points under Section 3(a) – (j) and you follow strictly the advice given.

4 You can work with staff providing Central Services whenever you need to. However, when you do so, please ensure that this support is provided in accordance with the rules contained in this Code of Conduct.

5 You must also make sure that you do not inadvertently end up sharing Sensitive Information with the Scheme BU. In the event that you may have inadvertently shared Sensitive Information with the Scheme BU, you must immediately call the following hotline number: 66104320. If you are sharing Sensitive Information with a colleague providing Central Services or colleagues in other parts of the
Visa Group, DO make sure they know it is Sensitive Information and should NOT be shared with anyone in the Scheme BU.
ANNEX 4:
SPECIFIC GUIDANCE FOR STAFF PROVIDING CENTRAL SERVICES

1 This Annex builds on the guidance provided in the main body of the Code of Conduct (which you are expected to read and understand) and contains additional specific guidance for staff providing Central Services.

2 Central Services are services, functions or activities which are **carried out for the benefit of both the Scheme and the Processing BUs**. They may also be of benefit to other BUs within Visa Europe.

3 Staff providing Central Services may assist staff in the Scheme BU or the Processing BU.

**Sensitive Information**

4 From time to time staff in the Scheme BU and the Processing BU will need to share Sensitive Information with you to enable you to support them with Central Services.

5 However, it is very important that, if you are in possession of Sensitive Information you **DO NOT** then forward, exchange or reveal (directly or indirectly) Sensitive Information from the Scheme to the Processing BU or Sensitive Information from the Processing BU to the Scheme BU.

6 Some examples in this regard include:

   (a) **Legal** may be asked to review a processing contract between the Processing BU and a third party. Details of the contract should not be disclosed to anybody in the Scheme BU; and/or

   (b) **Finance** may be compiling the financial information of the Scheme BU. None of this financial information should be disclosed to anyone in the Processing BU.

7 It is very important that you take great care when handling Sensitive Information to avoid inadvertent disclosures of such information between the Scheme and Processing BUs.

8 To protect against such disclosures, always:

   (a) **DO** ask whether the information is Sensitive Information when it is given to you;

   (b) **DO** make sure you label the information so it is clear if it is from Scheme or Processing;

   (c) **DO** save it to the correct IT drive;

   (d) **DO** use different passwords for Scheme and Processing documents and information; and

   (e) **DO** grant access to documents and information appropriately.

**Cost allocation and activity-based costing requirements**

9 If you are providing a Central Service, Finance may ask you to help them ensure that any time spent as well as costs and revenues are allocated appropriately between the Scheme and Processing BU, depending on the support you are providing.

You should follow any instructions you have received, such as keeping accurate records of any time spent doing particular tasks and any costs incurred on specifically scheme- or processing-related services.