1. Gifts and Hospitality

“Gifts and Hospitality” includes all business-related benefits such as gifts, meals, entertainment, payment of travel and lodging expenses, trade fair tickets or other contributions without consideration. Under certain circumstances, providing or accepting Gifts and Hospitality could create the appearance of impropriety or even be considered as corruption. To minimize risks for [employees](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations) and company related to benefits, every employee must comply with the following [general principles](#_Guidance_on_general) and requirements when offering or accepting benefits:

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| [General principles](#_Guidance_on_general) – Gifts and Hospitality must  Be in accordance with applicable laws and regulations and mindful of internal rules that the recipient, especially [government officials](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations), might have.  Be provided or received in a transparent manner and correctly recorded in the financial books and records.  Be appropriate in terms of type, value, and frequency to the occasion and the position of the recipient.  Not be offered, provided, demanded, or accepted with the expectation of any type of advantage.  Never give the appearance of dishonesty or inappropriateness. |

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| In addition to our [general principles](#_Guidance_on_general)  A prior [SpoDoM-Approval](#_1.3._Approval_for) is required for offering or granting invitations to [Entertainment Events](#_1.2.2._Entertainment_Events*), reimbursement of [Lodging or Non-Local Travel Costs](#_1.2.3._Travel_and), or Other Contributions without Consideration of a value of EUR 20,000 or more   * + to Government Officials and their Related Parties, Government Entities, Healthcare Providers, members of a purchasing department or beneficiaries that are involved in important business decisions ([Risk Groups](#_1.3._Process_and)),   + if no [exception](#_1.3._Process_and) applies.   No SpoDoM-Approval is required for offering or granting [Gifts and Meals](#_1.2.1._Gifts_and), reimbursement of [Local Travel Costs](#LocalTravel), or for accepting [Benefits](#_1.2._Types_of).  [Gifts of money](#_1.2.1._Gifts_and) are prohibited unless a prior written approval of the Compliance Officer is granted. |

## Guidance on general principles

**Gifts and Hospitality must not be offered, provided, demanded, or accepted with the expectation of any type of advantage.**

Employees must not provide or accept a gift or other benefit before checking it against our general principles. Already a promise or demand of Gifts and Hospitality with the expectation of an advantage (e.g. preferential treatment in competition with other companies) can be illegal.

**Gifts and Hospitality must never give the appearance of dishonesty or inappropriateness.**

Employees must refrain from any actions that could create an appearance of bad faith or inappropriateness, even if such actions are not illegal.

**Gifts and Hospitality must be in accordance with applicable laws and regulations and mindful of internal rules that the recipient, especially government officials, might have.**

The local rules of the country in which the benefit is provided is the starting point for evaluating compliance with applicable laws. If the recipient of the benefit does not live in this country, employees shall double-check the rules for the home country of the recipient as to whether any specific local rules apply, such as the prohibition of certain benefits or limits on the value of benefits. Most national laws require their nationals to adhere to the anti-corruption rules of their home country also when being abroad. National laws can vary considerably as to the prohibition of Gifts and Hospitality. In some countries, it may even be obligatory to comply with the internal rules of recipient`s organization, especially in the public sector (Government Officials and their Related Parties). Providing inappropriate gifts or hospitality to [Government Officials](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations) and their [Related Parties](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations) is prohibited and punishable by law.

* **Information to / Authorization by the Superior of the Beneficiary**

Local law or the internal rules, especially in the public sector, might also require that the superior of the beneficiary or a competent entity be informed or their authorization is needed. Depending on the circumstances and local standards, Siemens employees offering benefits should use appropriate, customized wording in their communication with the beneficiary, such as:

* *“There might be special local regulations applicable to you in respect of the acceptance of these benefits. If you are unsure whether such regulations apply to you, please contact your local legal or compliance department or your superior and check if you are able to accept this offer.”*
* *“Please do not forget to inform your superior and to obtain any authorization which might be required according to local laws and your organization’s internal rules before accepting this offer.”*
* *“When accepting this invitation, we assume that your participation in this event is in compliance with local laws and internal rules applicable to you and that you have informed your superior, if so required.“*
* *“When accepting this gift, we assume that the acceptance of this gift is in compliance with local laws and internal rules applicable to you and that you have received the authorization of the competent entity in your organization, if so required.“*
* *“This offer of … is conditional upon your compliance with all legal and other requirements for acceptance, including but not limited to anti-corruption laws. By accepting this offer of …. you confirm that you have complied with all legal and other requirements applicable to you, in particular, but not limited to any approval requirement of any competent authority, entity or person.”*
* *“This invitation is conditional upon the authorization by the competent entity in your organization.”*
* *“When confirming your participation, we would like to ask you to affirm that you have received the authorization of your superior or any other competent entity in your organization for accepting this benefit.”*
* *“Due to Public Sector regulations, we must ask you to provide us with a copy of the authorization of your superior for accepting this benefit.”*

Employees might also use an invitation and registration tool, if available, and insert appropriate compliance disclaimers. In the tool, the registration requirements can differentiate between private and public sector invitees by having the invitees certify that they belong to either sector, subsequently customizing the compliance disclaimer accordingly. For example, public sector invitees can be asked to certify actively that they have informed or received the authorization of their superior, whereas private sector invitees might just be hinted to the fact that Siemens assumes that the beneficiary complies with local laws and internal rules and has informed his superior.

If appropriate, the employee might disclose the value of the [benefit](#_1.2._Types_of) in the invitation or offering. In addition, the employee might offer the beneficiary that he/she may choose to cover part of the costs, e.g. for accommodation and/or travelling to reduce the benefit to an amount which can be accepted by the beneficiary.

**Gifts and Hospitality must be appropriate in terms of type, value, and frequency to the occasion and the position of the recipient.**

The appropriateness of a benefit is judged based on all circumstances of the specific occasion, and in accordance with local law and standards. This encompasses the value of the benefit and the occasion on which it is offered, its frequency, the transparency with which it is processed and the position of the beneficiary, in particular whether the recipient will be responsible for making a business decision of significance to Siemens in the near future or has taken such decision in the recent past. The internal rules of the recipient’s organization may also provide assurance as to what is considered appropriate under local standards.

**Gifts and Hospitality must be provided or received in a transparent manner and correctly recorded in the financial books and records.**

Employees shall confer the benefit in such a way that it is obvious to the recipient's employer, line manager or colleagues, and that its nature and value can be verified. Conferring a benefit in secret creates the suspicion of an improper motive on the part of the giver. Employees shall therefore send gifts and invitations to the business address rather than the private address of the recipient, and shall use the company letterhead for the covering letter.

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Please note:** *“In case of benefits offered or granted jointly with third parties, the overall situation including the benefits offered or granted/financed by the third parties shall be assessed.”* |

## 1.2. Types of Benefits

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Benefits** are any economic and non-economic advantages  which improve the recipients’/beneficiaries’ position.  **Economic benefits** are money or tangible non-monetary benefits  such as [Gifts and Meals (A.1.2.1.),](#_1.2.1._Gifts_and) [Entertainment Events (A.1.2.2.)](#_1.2.2._Entertainment_Events*) or [Travel and Lodging (A.1.2.3.)](#_1.2.3._Travel_and) as well as [Other Contributions without Consideration (A.1.2.4.).](#_1.2.4._Other_Contributions)  **Non-economic benefits** are any other advantages. They may include,  for example, a job or an internship for the recipient or the recipient's  [Related Parties](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations), the granting of a permit or an introduction to  certain influential people [(A.1.2.5.).](#_1.2.5._Dealing_with) |

### 1.2.1. Gifts and Meals

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | A **Gift** is a present or something that is given to an individual  without payment. **Meals** include food and drinks. |

**Meals as Entertainment Events**

If Meals are combined with additional benefits, they might be considered an [Entertainment Event](#_1.2.2._Entertainment_Events*). In such case the Meal and any additional benefits must be handled in their entirety as an Entertainment Event.

**Gifts of Money**

Gifts of money encompass any benefit of a nature comparable to a monetary gift, for example, checks, shares, bonds or credit notes for a monetary amount, as well as vouchers for goods that can be redeemed in cash. Vouchers for goods that cannot be redeemed in cash, or fuel vouchers for a specific quantity of a specific type of gasoline are not considered monetary gifts.

Gifts of money generally create the appearance of bad faith or impropriety. Therefore, such gifts require the prior written **approval** of the responsible Compliance Officer even where they are permitted under local law.

**Specific Principles**

Besides the [general principles](#_1.1_Guidance_on) and possibly [country or industry specific requirements](#_1.5._Specific_Requirements*) Siemens does not make gifts in illegally traded wildlife products, e.g. rhino horn, ivory and tiger, and does not accept such gifts from third parties.

**SpoDoM-Approval**

Providing Meals or Gifts to third parties does not require prior SpoDoM-Approval.

### 1.2.2. Entertainment Events

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | An **Entertainment Event** comprises any event where the price is not  only paid for food and drinks but includes, for example, an (implicit) supplement  for music or other entertainment. This encompasses folk festivals. |

**Specific Principles**

Besides the [general principles](#_1.1_Guidance_on) and possibly [country or industry specific requirements](#_1.5._Specific_Requirements*), Entertainment Events shall comply with the following standards:

* Wherever possible, the Entertainment Event shall be **part of a business program**;
* Review and **approval by the manager** responsible according to applicable signature regulations must be **documented**. The manager shall review whether the intended activity is in line with Siemens rules as set out in these instructions;
* Tickets must be acquired **via official sales offers**, not on the black market.

**SpoDoM-Approval**

Regarding a SpoDoM-Approval for providing Entertainment Events to Government Officials and their Related Parties, Healthcare Providers, members of a purchasing department or beneficiaries that are involved in important business decisions (Risk Groups) see [Chapter A 1.3](#_1.3._Process_and).

### 1.2.3. Travel and Lodging Costs

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Travel and Lodging Costs** for third parties are e.g. costs for  inspection tours, acceptance visits, training. |

**Exceptions**

The reimbursement of travel costs for **job applicants** is not considered a benefit for the purposes of these instructions. The same applies for occasionally and spontaneously driving employees of customers or other third parties or giving these persons a lift in one’s own taxi. However, this exemption does not apply for arrangements to drive someone repeatedly.

The reimbursement of travel and lodging costs incurred by a **service provider** that are necessarily implied in providing a service ordered by and performed for Siemens does not constitute a benefit in the sense of these instructions. Costs shall however only be reimbursed if reimbursement has been agreed in advance, for example by means of a contract or a purchase order.

The same applies for **conference speakers** who have been invited to present a subject on behalf of Siemens on a conference or a congress. The reimbursement of these implied travel and lodging costs does not constitute a benefit in the sense of these instructions. However, specific regulations and reporting requirements may apply if the invited person works in the [public sector](#PublicSector) or is a [Healthcare Provider](#_1.4.2._Specific_requirements). In such cases, [the applicable local and industry specific regulations](#_1.5._Specific_Requirements*) must be checked or the responsible Compliance Officer shall be contacted.

**Specific Principles**

Besides the [general principles](#_Guidance_on_general) and possibly [country or industry specific requirements](#_1.5._Specific_Requirements*), reimbursing Travel and Lodging Costs for third parties shall comply with the following standards:

* The reimbursement itself (instead of a payment by the third party itself), the number and function of the persons (e.g. few or many, with or without spouses) as well as the standard of the travel (e.g. economy or business class) and lodging (e.g. three or four star hotel) and their duration must be justified by a **legitimate business purpose**.
* The costs need to be **proportional** compared to what is received in return (the standard of travel and lodging, the travelling duration, as well as number of travelling persons).
* Cost reimbursements may **not be made to private bank accounts** or to individual persons **or to third parties** (other than the employer of the beneficiary) for forwarding to the beneficiaries.
* Because **travel agencies** can be used to create slush funds, employees shall avoid reimbursement of costs for travelling or entertainment arranged by travel agencies for employees of the customer or other third party if Siemens has no sufficient control over the arrangements and their execution. In case the use of a travel agency is necessary, employees shall select agencies with high integrity and insist on an itemized, detailed proof of service and receipts of accommodation and travel providers.

**Local vs. Non-Local Travel Cost**

As local travel costs do not require a SpoDoM-Approval, it is important to distinguish between local and non-local travel costs.

Crossing a country border does not per se imply that the travel must be considered non-local. In case the nearest transportation stop to or from a Siemens facility is nearby but in another country, the travel may still be considered “local” provided it otherwise fits into the criteria for local travel. An approval in the SpoDoM tool thus is not required if the employee of the customer or supplier must be brought to the nearest transportation stop (e.g. a taxi to the airport or train station) which happens to be abroad due to the location of the Siemens facility.

Siemens regional companies may further define what falls under "local travel" for their respective country (for example with reference to a specific monetary threshold or a threshold regarding distance, means of transportation or otherwise). If there are various Siemens companies in the same country, the country specific definition shall be aligned among them. Country specific definitions of what is considered “local travel” shall be notified to the contact persons for gifts and hospitality at LC CO PT and LC CO RFC LF and shall be made available via the Compliance intranet.

**SpoDoM-Approval**

Regarding a SpoDoM-Approval for providing lodging or non-local travel to Government Officials and their Related Parties, Healthcare Providers, members of a purchasing department or beneficiaries that are involved in important business decisions (Risk Groups) see [Chapter A 1.3.](#_1.3._Process_and)

#### 1.2.3.1. Daily Allowances

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Daily Allowances** are intended for reimbursement of daily travel and lodging costs. |

**Specific Principles**

Besides the [general principles](#_Guidance_on_general) and the [specific principles for travel and lodging costs](#TravelCostSpecificPrinciples), Daily Allowances for third parties shall comply with the following standards:

* The occasion and the amount shall, where possible, be **specified in the customer contract or tender documents**. If a Daily Allowance is requested but not yet specified, occasion and amount shall be made transparent to the customer and aligned with an authorized representative of the customer and the supervisor of the beneficiary. Try to amend the contract. Have the customer guarantee if possible in the contract that the requested Daily Allowances are in line with local law;
* In case the customer did **not determine the amount** of the Daily Allowance, use the travel reimbursement guidelines of the customer for the country the Daily Allowance is granted as a guideline for what is adequate. Should the customer not have such a guideline, use Siemens travel guidelines for the country the Daily Allowance is granted;
* In case an authorized representative of the **customer requests** Siemens **to transfer the Daily Allowance to his employees directly** for legitimate reasons (e.g. money transfer or currency restrictions) indicating the account number(s), Daily Allowances may be paid to individual accounts, unless such transfer infringes applicable law or Siemens rules. The beneficiary must acknowledge the receipt. Customer’s request and beneficiary’s receipt must be documented. In all communications accompanying a payment or reimbursement, it must be clearly stated that it is being made to a recipient organization and not for the benefit of an individual person;
* If payment of Daily Allowances to a **third party** for **forwarding to the beneficiaries** is absolutely necessary for legitimate reasons (e.g. money transfer or currency restrictions), confirm this with the customer and have the customer certify that this is in line with local law. Customer confirmation and receipt of the Daily Allowance by the beneficiaries shall be documented;
* The beneficiary shall be reminded that the Daily Allowance might have to be **declared under local tax laws** and that Siemens does not take over the tax. The customer or the beneficiary must evaluate and implement any such requirement;
* There are additional prerequisites for **handing out cash** as set forth in [Siemens Circular No. 208](https://circulars.siemens.com/content/circulars/ca/_layouts/querplex/circularapplication/documents/CircularDownload.aspx?id=sc_208.pdf). Avoid handing out cash, see also [Chapter C](_layouts/15/hypernet/custom/link.aspx?bid=00010023&pt=C._x0020Anti-Money-Laundering).

### 1.2.4. Other Contributions without Consideration

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Other Contributions Without Consideration** include any  voluntary contributions to entities (as opposed to individuals) in  money or in kind without consideration that have a commercial background, such as an existing business relationship with the  recipient, but that do not meet the prerequisites for a classification  as a Sponsoring or a Donation / Charitable Contribution as set forth under [Siemens Circular No. 186”](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_186.pdf). |

Siemens provides Contributions with commercial background to existing or potential business partners or to other recipients to pursue legitimate business interests, such as building or nurturing contacts with customers and suppliers.

For example, a contribution to a customer’s or supplier’s company party would qualify as “Other Contribution without Consideration”. A contribution is still considered “without Consideration” if Siemens is offered a consideration in return that is of no or little value to Siemens.

**Exceptions**

The following expenditures do not qualify as Other Contribution without Consideration:

* Mandatory charges pursuant to statutory obligations (for example, fees);
* Additional contributions in connection with existing Memberships (these are to be registered in the SpoDoM tool in the category Memberships of [Siemens Circular No. 186](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_186.pdf));
* Items from the Siemens advertising media catalogue;
* Deliveries of products or services free of charge if they have been contractually agreed upon and they:
  + are required as samples for a specific, contractually defined business purpose and are appropriate and permitted under local law; or
  + have been agreed upon as a pricing tool in connection with a customer order (for example, free additional services or spare parts deliveries for a system supplied by Siemens); or
  + are implemented as part of a research partnership in accordance with [Siemens Circular No. 212](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_212.pdf), in which Siemens has obtained defined considerations, such as rights to use the research results.
* Sponsoring Activities, Memberships, Donations and Charitable Contributions provided to third party corporations and other external entities are governed by [Siemens Circular No. 186](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_186.pdf) and the pertinent explanatory documents.

**Specific Principles**

Besides the [general principles](#_Guidance_on_general) and [possibly country or industry specific requirements](#_1.5._Specific_Requirements*), Other Contributions without Consideration shall comply with the following additional standards:

* The identity of the recipient, the reason for and the planned use of the contribution must be **clear** and **plausible**, **legally justifiable** and **documented**;
* Contributions may **not be linked to sales transactions** or other business decisions in such a way that they themselves could be considered a reward for those transactions, or in such a way that the impression arises that a relation of reciprocity exists (e.g. a contribution is made without plausible legitimate reason before or immediately after a business decision has been made);
* Contributions may not be paid to private bank accounts or made to individual persons. In all communications accompanying a contribution, it must be clearly stated that the contribution is being made to a recipient organization and not for the benefit of an individual person;
* Contributions may not be made to recipients whose **goals are incompatible** with Siemens’ company principles or would damage Siemens’ reputation;
* Contributions may not be worth **less than €100.00** or the corresponding amount in local currency, since the administrative burden for handling such small contributions exceeds their value.

**SpoDoM-Approval**

In addition to the requirements above, a prior SpoDoM-Approval is mandatory for all Contributions without Consideration of a value of EUR 20,000 or more if the recipient organization is a Government [Entity](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations) or [Healthcare Provider](#_1.4.2._Specific_requirements) or is involved in important business decisions, such as contract negotiations, the acceptance of a bid or a factory acceptance test.[[1]](#footnote-2)

#### 1.2.4.1. No political or religious contributions

Siemens is religiously and politically neutral. For this reason, the company’s contributions may not foster in a targeted manner either one religious group or one partisan political ideology vis-à-vis other persuasions or political viewpoints. Contributions without Consideration that benefit the activities of a religious denomination (for example, of a church or a clergy for missionary work or liturgical activities) or that support partisan political purposes or the representation of partisan political interests (for example, election events for political campaigns) are prohibited. Consequently, it is also not permitted to hold memberships, as defined in the [Siemens Circular No. 186](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_186.pdf), in political parties or religious organizations.

However, permissible are:

* Support for other activities of a religious organization or of a party-related organization that is non-partisan in accordance with its articles of association, as long as the Siemens strategic goals and the general requirements are complied with;
* Contributions by Siemens employees in the U.S. to the Siemens Corporation Political Action Committee, since these are not contributions made by the company.

### 1.2.5. Non-economic benefits

Non-economic benefits are any non-economic advantages. They may include, for example, a job or an internship for the recipient or the recipient's [Related Parties](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations), the granting of a permit or an introduction to certain influential people.

**Awarding of Jobs (Dealing with Princelings)**

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| The awarding of jobs – whether temporary, such as internships, or permanent – is exclusively to be made based on the personal and professional qualifications and suitability of the applicant ([BCG Chapter E](https://findit.compliance.siemens.com/content/10000101/Compliance/CL_CO/CL_CO_AT/findIT_CL_CO_AT_55.pdf)). This applies to the awarding of jobs to close relatives of actual or potential business partners, customers or policy makers **(,Princelings’)**, or to these themselves. |

Recruitment of “princelings”, who are awarded internships or permanent positions in companies outside of the normal employment process, generally creates the appearance of bad faith or impropriety and can be considered corruption in most jurisdictions.

* As a **manager**: Adhere to the principle of basing a decision to award a job solely on the individual’s personal and professional qualifications and suitability.
* As an **employee**: If your manager wants to push through a job award, point out to him or her the proper process and why this important. If you feel uncomfortable, please turn to your compliance officer for help assessing the situation.
* For **both**: If you become aware of a seemingly strange, quick or unexpected hiring, directly approach the hiring manager or turn to your compliance officer for support.

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Please note:** *“The awarding of jobs – whether temporary, such as internships, or permanent – is exclusively to be made based on the personal and professional qualifications and suitability of the applicant (*[*BCG Chapter E*](https://findit.compliance.siemens.com/content/10000101/Compliance/CL_CO/CL_CO_AT/findIT_CL_CO_AT_55.pdf)*).”* |

## 1.3. SpoDoM-Approval for providing benefits

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Please note:** *“Providing invitations to* [*Entertainment Events*](#_1.2.2._Entertainment_Events) *and  the payment of Lodging or* [*Non-Local Travel Costs*](#_1.2.3._Travel_and) *must be approved  in advance in the SpoDoM tool, if the beneficiary belongs to any of the  Risk Groups and the benefits are not stipulated in a contractual agreement  as further specified below. Moreover, prior SpoDoM approval is always  mandatory for* [*Other Contributions without Consideration*](#_1.2.4._Other_Contributions) *of a value of EUR 20,000 or more* *to entities belonging to a Risk Group.[[2]](#footnote-3)”* |

**Risk Groups**

**“****Risk Groups”** are [Government Officials](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations) and their [Related Parties](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations), Government [Entities](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations), [Healthcare Providers](#_1.4.2._Specific_requirements), members of a purchasing department, beneficiaries that are involved in important business decisions, such as contract negotiations, the acceptance of a bid or a factory acceptance test[[3]](#footnote-4). In case of doubt whether a person belongs to a purchasing organization or has the power to make an important business decision, this must be checked directly with the beneficiary[[4]](#footnote-5). An approval is required in the SpoDoM tool, if the beneficiary has alone or jointly with others the power to decide on a bid or to make any other important business decision for Siemens. To avoid any appearance of an improper influence, the approval requirement applies also when the important business decision has already been taken in the recent past.

**Approval**

The approval in the SpoDoM tool must be obtained **before the benefit is offered** or the invitation is made. It is recommended to start the SpoDoM process and to obtain the approval well in advance of the event date to have sufficient time to clarify all issues and to finalize the invitation after the approval.

National laws and internal rules of entities often take account of whether the beneficiary has informed his superior or received the authorization to accept a benefit. This applies in particular to the [public sector](#PublicSector) but might also be applicable in the private sector. Thus, it should be checked if [information to or authorization by the superior of the beneficiary](#AuthorizationSuperior) is necessary and addressed appropriately, when providing a [Benefit](#_1.2._Types_of)

The SpoDoM tool ensures the seamless and uniform documentation of the activities. The tool also offers a detailed checklist as to whether an approval in the SpoDoM tool is required. The result of this checklist can be printed and used for further documentation.

For an approval, the [SpoDoM tool](https://spodom.cf.siemens.de/dms) guides you through 6 steps: Identification, Authorization, Key Data Entry, Assessment, Approval and Execution. It is used to correctly categorize benefits. The tool also helps to find out if the beneficiary belongs to a [Risk Group](#_1.3._Process_and).

Management

After having entered the required data in SpoDoM, the tool provides a list of one or more persons from the pertinent management group according to the applicable signature mandate rules who can be selected in the tool for approving the activity.

Typically, the supervisor of the applicant (SpoDoM role: Originator) is responsible for the approval. Alternatively, the person who is going to authorize the payment for the activity may be selected. If the manager normally responsible for the authorization is himself/herself the host, as a rule, an additional manager must be involved.

Compliance

The SpoDoM tool will provide a list of persons from the Compliance organization of the respective entity that is authorized to decide on the activity. One of these persons shall be selected by the originator.

Communications/CM CUS

An approval by Communcations/CM CUS might be necessary for Sponsorships, Donations and Memberships as defined in [Siemens Circular No. 186](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_186.pdf).

After the activity has been approved, the SpoDoM tool will generate an approval voucher. The voucher shall be attached to the documents for the relevant accounting unit when claiming payment of expenses related to a benefit.

### 1.3.1. Approval Specifics for Entertainment Events

If any of the invitees to an [Entertainment Event](#_1.2.2._Entertainment_Events*) belongs to any of the [Risk Groups](#_1.3._Process_and), prior approval using the SpoDoM tool is required. It should also be checked if [information to or authorization by the superior of the beneficiary](#AuthorizationSuperior) is necessary and addressed appropriately.

The expenses for Entertainment Events shall be evaluated in their entirety. They may not be split separately into the meals, travel costs, lodging costs and the entertainment part. All costs for the entire event must be registered in the SpoDoM tool. In case a third party partly organizes and/or pays for an event together with Siemens, the complete agenda and expenses shall be included in the SpoDoM tool. For example, if a site visit organized and paid for by Siemens is tied to sight-seeing organized and paid for by a Siemens Business Partner, both site visit and sight-seeing must be registered in the SpoDoM tool for approval.

Buying Tickets

In case of tickets purchase, the **SpoDoM-Approval** shall be obtained **before buying** tickets and the SpoDoM voucher shall be attached to the relevant accounting documents.

The intended purpose of the event and risk category of invitees should be **aligned** by the originator of the SpoDoM activity with the responsible person in the inviting business entity **before** purchasing tickets. Evaluate whether the category and value of the intended event might hinder acceptance of the invitation by the intended invitees.

In case **the invitees cannot yet be determined**, the event shall be entered in the SpoDoM tool and evaluated on the basis of the anticipated category of invitees. The names of the invitees, the risk categorization and the evaluation must be adjusted to the actual invitees as soon as possible.

The approval in the SpoDoM tool must be obtained **before** the ticket is **offered**.

Subsequent Approval in Exceptional Cases

If, in **exceptional** cases, the employee is for objective reasons not able to obtain the SpoDoM approval before the invitation (e.g. if the employee is travelling on business and has no access to the tool), the local manager and the responsible Compliance Officer shall be contacted by other means, such as e-mail or telephone, in order to obtain their assessment of the intended activity.

The activity and the reason for the belated entry shall be **documented** in the SpoDoM Tool as soon as possible, at the latest within four weeks after the end date of the event. After this period, the employee must provide the Compliance Officer in writing with the reasons for the belated entry and the Compliance Officer can assist in making the entry in the SpoDoM tool.

Spontaneous Guests

If an invitee brings along an uninvited guest, the rules of courtesy shall apply. If it were impolite to refuse inviting the unexpected guest in the specific situation, the host may **exceptionally** extent the invitation to that person. However, the participation of the spontaneous guest must be in line with the [general and specific principles](#_1.2.2._Entertainment_Events*) for Entertainment Events. The incident must be **documented** in the SpoDoM tool. In case of a recurring invitation the invitee shall be informed that Siemens expects him/her to announce an intention to bring along uninvited participants.

Invitations of Siemens Employees’ Guests

Please see [Chapter 1.4.](#InvitationsSiemensEmployeesGuests).

### 1.3.2. Exception: Siemens-Organized Events

Siemens-organized events are events that are organized or hosted by Siemens. These include, for instance, product presentations, media events or lecture series of Siemens panels. An external event cannot be classified as a Siemens-organized event even if it is financed entirely by Siemens.

Invitations to Siemens-organized or hosted events do not have to be approved in the SpoDoM tool if:

* their purpose is to disseminate scientific or technical information of use to the invitees or to serve as a forum for the discussion of cultural or political topics and
* at which any other benefits provided for invitees are appropriate in relation to the overall event.

Appropriate benefits, in the context of such an event organized by Siemens, are usually those that are directly related to the nature of the event, such as snacks or light meals, background music, a small souvenir of the location or related to the subject matter of the event, or a USB stick containing the presentation documents.

If therefore any other benefits provided to invitees could be considered inappropriate in relation to the overall event, an approval in the SpoDoM tool is required for [Risk Group](#_1.3._Process_and)s. This can often occur with product presentations in particular, if – as is often the case - the presentation of the actual product is enhanced by the venue and ambiance of the event and by additional entertainment elements.

### 1.3.3. Exception: Event/Travel/Lodging stipulated in a contract

An approval in the SpoDoM tool is not required for [Entertainment Events](#_1.2.2._Entertainment_Events*), [Lodging or Non-Local Travel](#_1.2.3._Travel_and) for a member of a [Risk Group](#_1.3._Process_and) where

* the Lodging, Non-Local Travel or Entertainment Event has been contractually agreed upon (e.g. in a turn-key contract or a public offer of a reward); and
* the respective contractual clauses have been reviewed by a member of the legal organization of the affected entity.

Nonetheless, the general and specific principles of [Entertainment Events](#_1.2.2._Entertainment_Events*), or [Travel and Lodging](#_1.2.3._Travel_and) need to be observed.

The contract must have been checked and approved by the legal department of the affected entity before it is signed. The legal department may delegate this task to another person with a legal background, e.g. a contract manager of the respective business unit or Siemens entity or an external lawyer.

The content and extent of entertainment, lodging or non-local travel shall be stipulated in the contract in as much detail as possible in order to rule out subsequent disputes because of ambiguities in their interpretation. It should address at least the following items:

* Scope and purpose of the travel activity;
* Duration of the stay;
* Number and – to the extent possible – function of the persons for which costs will be paid;
* Specification of booking classes (or reference to applicable travel regulations such as the Siemens travel regulations) for transportation and accommodation;
* Additional payments or benefits to be provided, if any (e.g. meals, incidentals, entertainment).

If the contract clause does not address a specific item which the customer requests to be reimbursed or if the customer asks for a modification of the contract, for example the participation of additional persons, an extended stay, five star instead of a four star hotel, the legal and compliance departments shall be involved to draft or review the proposed amendment of the contract.

Should an employee who shall process the reimbursement of the costs conclude that the contractual rules require amendments in order to ensure compliance with these instructions, he/she shall contact the responsible legal department and eventually the compliance department in order to define further steps.

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Please note:** *“A positive answer in the Limits of Authority (LoA)  Tool in relation to ACRA question 3.2 (“Review of the terms of the  contract by Legal or Contract Management”) does not automatically  imply that a SpoDoM-Approval is not necessary. The above  requirements as to the reimbursement must be stipulated in  the contract. If the contract only contains a very short clause  without any details as to the scope and appropriateness of the  costs to be reimbursed, a SpoDoM-Approval of the specific  reimbursement is necessary.”* |

### 1.3.4. Approval of Other Contributions without Consideration\*

[Other Contributions without Consideration](#_1.2.4._Other_Contributions) of a value of EUR 20,000 or more to a recipient organization that is a Government Entity, Healthcare Provider or that is involved in important business decisions, such as contract negotiations, the acceptance of a bid or a factory acceptance test, must always be registered and approved in the SpoDoM tool in advance of their offering or granting.[[5]](#footnote-6) The approval process is set forth in the applicable signature regulations and is implemented via the SpoDoM tool.

In case a contribution qualifies as Sponsoring or Donation / Charitable Contribution as defined under [Siemens Circular No. 186](https://circulars.siemens.com/documents/CircularDownload.aspx?ID=SC_186.pdf), it must be evaluated in the SpoDoM tool under such category. It may not be entered in the SpoDoM tool under the category Other Contributions without Consideration. Otherwise, this would have the effect of circumventing the strategic restrictions set forth for Sponsoring or Donations / Charitable Contributions.

## 1.4. Accepting Benefits as Siemens Employee

For accepting benefits, the [general principles](#_Guidance_on_general) and possibly [country or industry specific requirements](#_1.5._Specific_Requirements*) apply. A SpoDoM-Approval is not required. However, where required by local law, the benefit has to be taxed e.g. as a wage component.

**Benefits from External Parties**

There is no formal approval process for the acceptance of Gifts and Hospitality by Siemens employees from an external party. If in doubt whether the gift or hospitality is in line with local law or Siemens rules, Employees should contact their responsible Compliance Officer. Employees must also check and comply with any tax implications and documentation needs under local law. For further information, the responsible human resources department can be contacted.

Of course, employees may accept occasional gifts of purely symbolic value. Employees may also accept meals or entertainment reasonable in value and consistent with local customs. A meal or entertainment is reasonable if the nature, value and frequency of the benefit are appropriate to the occasion on which it is given, to the position of the employee and all further circumstances. Any other meals, gifts or entertainment must be refused.

**Internal Benefits offered by Siemens**

Benefits offered by Siemens to employees of a Siemens company do not require an approval in the SpoDoM tool. Temporary employees, including student employees and interns, who have a valid contract are treated as internal staff for the purposes of these instructions. Nevertheless, such benefits must serve the Siemens interests, i.e. have a legitimate business purpose and be appropriate in relation thereto (for example employee motivation, improvement of team spirit, celebration of a success). The host or offeror and the recipient of the benefit have a duty to exercise due care in spending company funds and in general in the treatment of company assets.

**Invitations to Siemens Employees’ Related Parties or guests**

In case an invitation to an [Entertainment Event](#_1.2.2._Entertainment_Events*) shall include Siemens [Employees' Related Parties](https://webbooks.siemens.com/public/LC/chen/index.htm?n=General-Introduction,2.-Definitions-and-Abbreviations) or other guests not connected with Siemens business activities, Siemens will assume such costs only in **exceptional** cases where this is in the business interest of Siemens (for example because the character of the event would require such participation, like in a family day organized for employee motivation). Whether such an exception exists will be decided by the responsible Compliance Officer through the approval process within the SpoDoM tool, if any of these persons belongs to a [Risk Group](#_1.3._Process_and). However, an approval in the SpoDoM tool is not required if these persons are invited to a [Siemens-organized event](#_1.3.2._Exception:_Siemens-Organized) (such as team events, Christmas parties or an “Open House” day).

## 1.5. Specific Requirements

Depending on the country of the beneficiary or the country, where a benefit is offered, specific requirements may apply. Specific requirements also apply to Healthcare Business. The following list of requirements is not exhaustive. Employees shall verify together with their responsible Legal and Compliance organization, if further specific requirements apply to Gifts and Hospitality.

### 1.5.1. Country Specific Requirements

For so-called Broad-Based Black Economic Empowerment (“**B-BBEE**”) (Supplier Development / Enterprise Development) contributions in South Africa, approval in SpoDoM is required for a value of EUR 100 or more.

Further country specific requirements may be found on the [“Siemens Compliance Map of Country-Specific Legal Requirements (Gifts and Hospitality)”](https://intranet.legal-compliance.siemens.com/compliance/CountrySpecificLegalRequirements/). Employees shall verify together with their responsible Legal and Compliance organization, if further specific requirements apply to Gifts and Hospitality.

### 1.5.2. Specific Requirements for Healthcare Business

The healthcare system consists of people (Healthcare Professionals, „HCPs“)[[6]](#footnote-7), as well as of organizations and institutions (Healthcare Organizations, „HCOs“)[[7]](#footnote-8). HCPs and HCOs are subject to specific requirements regarding Gifts and Hospitality. HCPs and HCOs together are in these instructions referred to as Healthcare Providers. The following list of requirements is not exhaustive. Employees shall verify together with their responsible Legal and Compliance organization, if further specific requirements apply to benefits.

#### 1.5.2.1. US Healthcare Sector

According to US law to all employees of Siemens Healthineers globally whose work involves any interaction with U.S.-licensed Healthcare Professionals (“HCPs“) and/or U.S.-based Healthcare Organizations (“HCOs“) a special regulation applies. For details please refer to Siemens Healthineers Compliance Web-Book: `Attachment 1: Disclosure Requirements USA`.

Furthermore, Siemens employees from other entities than the Siemens Healthineers entities worldwide or Siemens Regional Companies with Healthcare Business must register payments and other transfers of value in [ASTAR Web Portal](https://intranet.for.healthineers.siemens.com/wll/0034/Compliance/ASTAR/Pages/Default.aspx) when they participate in a tender jointly with the Siemens Healthineers entities or Siemens Regional Companies with Healthcare Business.

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Please note:** *“The registration in ASTAR is required  regardless of any obligation to obtain internal approval  for a benefit in the SpoDoM tool. Further information can  be accessed on the* [*ASTAR webpage*](https://intranet.for.healthineers.siemens.com/wll/0034/Compliance/ASTAR/Pages/Default.aspx)*.”* |

#### 1.5.2.2. French Healthcare Sector

The following rules are valid for the Healthcare Business within the Siemens Regional Companies whose work involves any interaction with French [Healthcare Professionals (“HCPs“)](#_1.4.2._Specific_requirements) and/or French [Healthcare Organizations (“HCOs”)](#_1.4.2._Specific_requirements).

Any details can be found in the [Siemens Healthineers Compliance Web-Book: ` Attachment 2: Disclosure Requirements France`](https://teamspace.healthcare.siemens.com/content/90000170/co/CommunicationsPublic/Compliance-Webbook.pdf).

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| \\psf\Home\\Desktop\00_heute\SIE_SCL_140916_Wordtemplate_Legal_Handbook\Examples.png | **Please note:** *“All above cases must be entered in the  SpoDoM tool, even if the French HCP is offered a Benefit  normally not requiring registration in SpoDoM but in scope  of* [Siemens Healthineers Compliance Web-Book: ` Attachment 2: Disclosure Requirements France`](https://teamspace.healthcare.siemens.com/content/90000170/co/CommunicationsPublic/Compliance-Webbook.pdf) *(for example business meals).”* |

In case further information is needed, the French Healthineers Compliance Organization can be contacted.

#### 1.5.2.3. Further Country-Specific Healthcare Requirements

For interactions with [HCPs](#_1.4.2._Specific_requirements) and/or with [HCOs](#_1.4.2._Specific_requirements) there are further country-specific requirements and disclosure obligations which can be found at the [Healthineers Compliance World Map of Country Specific Requirements](https://intranet.app8.healthcare.siemens.com/HCOMap/).

## 1.6. Further information

Further details, including the contact persons for gifts and hospitality at LC CO PT CO and LC CO RFC LF are available via the [Compliance intranet](https://intranet.for.siemens.com/cms/059/en/processes/publications/Pages/compliance_gifts-hospitality.aspx). The Compliance Officers are also available for questions.

## 1.7. Training and supporting material

Training & supporting material can be found on the [Gifts and Hospitality](https://intranet.for.siemens.com/cms/059/en/processes/publications/Pages/compliance_gifts-hospitality.aspx) intranet page, in the tab “Supporting Material”.

## 1.8. History of changes

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| **Date** | **Author** | **Major changes of binding content** |
| January 1, 2019 | Panagiotis Chalioulias / Ulrike Desimoni / Soeren Kupich | Comprehensive revision of structure and format and text streamlining of the “Gifts and Hospitality – Binding Instructions” and integration into the Compliance Handbook. |
| October 15, 2019 | Panagiotis Chalioulias / Ulrike Desimoni / Soeren Kupich / Julia Wirth | More detailed instruction regarding „the dealing with principles“, compliance structure and links update, minor corrections. |
| April 1, 2020 | Ulrike Desimoni | Chapter 1.3.2. Content clarification regarding the exception: Siemens-Organized Events;  Chapter 1.2.4. and 1.3.4. Adaption of Risk Group of Contributions without Consideration |
| October 01, 2020 | Ulrike Desimoni / Soeren Kupich | Amendment of Chapter 1., 1.2.4., 1.3., 1.3.4.: Introduction of a threshold value of EUR 20,000 for Other Contributions without Consideration |
| April 1, 2021 | Ulrike Desimoni / Soeren Kupich | Amendment of Chapter 1.2.4, 1.3, 1.3.4, 1.5.1: introduction of mandatory SpoDoM approval for B-BBEE contributions in South-Africa as country-specific requirements |

## 1.9. Contacts

Compliance Officer

The Compliance Officer responsible for your unit can be found through the following [link](https://intranet.for.siemens.com/cms/059/en/about/org/Pages/compliance_organization.aspx).

Corporate Governance Owner

Ulrike Desimoni (LC CO RFC LF)

Yvonne Hamm-Düppe (LC CO RFC LF)

Soeren Kupich (LC CO PT CO)

1. Exceptions can be found under [Chapter A.1.5.1. Country Specific Requirements](#_1.5.1._Country_Specific) [↑](#footnote-ref-2)
2. Exceptions can be found under [Chapter A.1.5.1. Country Specific Requirements](#_1.5.1._Country_Specific) [↑](#footnote-ref-3)
3. The following is, as a rule, considered an important business decision: The conclusion or termination of a frame contract; a settlement about material open claims; imposing material liquidated damages; the follow-up on material warranty costs; or the issuing of an acceptance certificate.  
   The following decisions are, as a rule, not as such considered an important business decision: Placing of purchase orders on the basis of an existing frame contract without further discounts or changes in the agreed terms; placing of regular orders based on standard terms and conditions; this may include discounts usual in the market; dealing with continuous business such as spare-part orders; or discussions during the pre-qualification phase of a tender, e.g. for clarification of technical issues without involvement of the final decision makers. [↑](#footnote-ref-4)
4. Examples of persons with relevant decision power are: Chief representatives of the potential customer (e.g. CEO, CFO); members of a committee deciding about the award of a tender. [↑](#footnote-ref-5)
5. Exceptions can be found under [Chapter A.1.5.1. Country Specific Requirements](#_1.5.1._Country_Specific) [↑](#footnote-ref-6)
6. For definition of HCPs please refer to [Siemens Healthineers Compliance Web-Book: `Attachment 1: Disclosure Requirements USA` > `Definitions and Abbreviations`](https://teamspace.healthcare.siemens.com/content/90000170/co/CommunicationsPublic/Compliance-Webbook.pdf) [↑](#footnote-ref-7)
7. For definition of HCOs please refer to [Siemens Healthineers Compliance Web-Book: `Attachment 1: Disclosure Requirements USA` > `Definitions and Abbreviations`](https://teamspace.healthcare.siemens.com/content/90000170/co/CommunicationsPublic/Compliance-Webbook.pdf) [↑](#footnote-ref-8)