

Anti-Bribery Rules & Procedures - Honest Business Conduct - Gifts

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1 Rules – Candid Virtual Assistant

- Your Organization is the employer/organization where the user works.
- Candid will replace the tool they need to register in; So, when in the text there is a reference to the tool, the answer Candid gives he should refer to 'me'. E.g., you need to register a conflict of interest with me. Or in the text it says, "If you are not sure whether there are local stricter legal requirements, can contact Candid or your Compliance Officer." Candid's answer would be: "If you are not sure whether there are local stricter legal requirements, you can contact me or your compliance officer."
- For local stricter rules, they (the local annex) will be incorporated/embedded in the tool. Candid knows where the user is based and e.g., the recipient of the gift and will therefore know whether the local rules are stricter than the corporate rules.

2 ABAC General – Honest Business Conduct

2.1 ABAC Policy Rules & Procedures

You should be committed to conducting your business fairly, transparently, and with integrity. You should be committed to applying the highest ethical and legal standards. You should conduct business fairly and with integrity. You should not make, offer, or authorize Bribes or conduct any other form of unethical business practice. You should believe in competing on the merits of Your Organization's products and services. You should seek approval for your actions.

- You have a responsibility to make decisions in the Organization's best interests and to ensure that you base your dealings with business partners on objective decisions and are not influenced by Gifts or Hospitality. If a potential Conflict of Interest may exist or may appear to exist, you discuss it with your manager.
- If you organize and offer Customer Incentive or Reward Programs (CIP) / Events to/for your customers to reward their performance and build loyalty. The incentives offered must be fair, proportionate, and based on an objective criterion and not to improperly influence a business decision or retain an improper advantage for Your Organization's business.
- You should not offer Donations and Sponsorships when they pose a bribery risk, for example, when the charity or the sponsored event is associated with Government Officials. You should seek approval from your manager, and you are careful to ensure due diligence and transparency.
- You should not make, offer, authorize or accept bribes or Facilitation Payments. Any kind of bribery or corruption is unacceptable and will not be tolerated.
- You should not enter into fake contracts/consultancy agreements. For example, when you agree to a contract for a consultant to be available and not for the

service provided. You must be careful to ensure due diligence and transparency.

- All Gifts and Hospitality given or received must be of modest value and appropriate to the business relationship. Please note that the Hospitality rules are also applicable to hospitality related to marketing events. For hospitality under a Customer Incentive Program there are requirements in the Customer Incentive Program (CIP) Rules & Procedures.

2.1.1 Purpose

The Anti-Bribery rules and procedures:

- Give a more detailed description of what you should and should not do related to gifts, hospitality, and other anti-bribery (rules), and
- Describe your responsibilities and provide basic guidance on how to deal with issues relating to these topics and information on how to comply with the Policy, Rules and Procedures.

By following the rules and procedures you ensure that you conduct business with integrity and compliance with local laws, regulations, business unit or regional rules and other international rules. In case of conflict, the most stringent standard applies. Please refer to Candid

2.1.2 Your Responsibilities

Gifts, hospitality and anti-bribery rules apply to every employee worldwide, from directors and consultants to temporary or contract staff. They also apply to employees in all subsidiary and affiliate companies over which Your Organization exercises management control.

1. In case of any doubt, you reach out to Candid or your Compliance Officer.
2. You must ensure proper and timely disclosure, discussion, and documentation of your actions in line with the abovementioned procedures.
3. You must ensure that your actions do not violate local laws or regulations, are consistent with reasonable local customs, and will not adversely affect the reputation of Your Organization.
4. Violations of these Rules and Procedures may result in disciplinary action, up to and including termination of the employment or contract.
5. You should report any suspected or known violations of these Rules and Procedures to your manager, Human Resources, Integrity and Compliance manager, your Legal partner, or the Whistle-blower grievance mechanism. There are no repercussions for submitting a Whistle-blower report in good faith.

2.1.3 Definitions Explained

Bribe

Anything of value (i.e., not only money) that provides a benefit to the recipient, such as cash or cash equivalents (e.g., gift vouchers), the purchase of property or services at inflated or discounted prices, extravagant hospitality, cars, jewellery, home

improvements, intangible benefits, travel, and shares. It may also include individual financing or discounts not generally available, such as a scholarship or an internship for a relative.

Government Officials

"Government Officials" are:

- an officer or employee of any government, department, agency, bureau, authority, or state-owned or state-controlled entity.
- acting in an official capacity for or on behalf of any government, department, agency, bureau, authority, or state-owned or state-controlled entity.
- an official, employee, or person acting on behalf of a government-sponsored or public international organization such as the European Union, the United Nations, or the World Bank.
- holding a legislative, administrative, executive, or judicial position, whether appointed or elected, a political candidate, or
- an officer or employee of a political party; a member of a royal family; or a family member of, or otherwise closely associated (whether family or personal), with any of the foregoing.

Some examples of government officials are public servants, public officials, administrators, policemen, military, judges, public prosecutors, tax or customs officials, employees in-state companies, local politicians, political parties, political officials or candidates for political office, members of the royal family, mayors, and city council members.

[3] Relatives

"Relatives" are any family member (whether through blood or adoptive/foster relationships or other legally recognized family like relationships) such as spouse, domestic partner, parent, grandparent, child, grandchild, sibling, in-law, aunt, uncle, niece, nephew, cousin, step-relatives; others residing in your household.

Your Organization's best interest

It includes Your Organization's business and financial interests as well as its safety, integrity, and sustainability interests.

Hospitality

- the friendly and generous reception and entertainment of guests
- the business of providing food, drink, and/or accommodation, for customers at a venue such as a restaurant, bar, or hotel
- food, drink, and entertainment provided by an Organization for customers/business partners.

2.2 ABAC Manual

2.2.1 Intro

You should be committed to conducting business fairly, transparently and with integrity. You should always apply the highest ethical standards in their business dealings and relationships. You should not make, offer, authorize, or accept bribes or facilitation payments. Any kind of bribery or corruption is unacceptable and will not be tolerated.

But what constitutes a bribe and how is this different from a facilitation payment? How do you decide whether you can give or accept a business gift? Where does reasonable hospitality end and bribery begin? When does a charitable donation become a bribe? And are you allowed to make political contributions? These are questions that all of us may be confronted with during your working lives.

The anti-bribery, gifts and hospitality Policy rules apply to every employee worldwide, from directors and consultants to temporary or contract staff. They also apply to employees in all subsidiary and affiliate companies over which Your Organization exercises management control.

In addition, Your Organization expects business partners such as agents, distributors, joint venture partners, suppliers, and anyone else doing business on the Organization's behalf to comply with the rules set out in the Business Partner Code of Conduct.

To avoid any problems, make sure you understand the basic rules and seek advice when needed. You should immediately report any illegal, unethical, or improper conduct that you encounter in your day to day working life. Employees will always be supported if they report suspicious or questionable activity to their line managers or to your compliance officer or via the speak up channel / whistle-blower hotline.

2.2.2 What is Bribery?

Bribery is the act of making, offering, authorizing, or accepting bribes of any kind. A bribe can be anything of value – financial or otherwise – that is used to secure an unfair advantage. This could be a cash payment or the promise of being awarded a contract.

It is also considered bribery when something of value is offered to encourage or reward someone for acting improperly. For example, paying someone money to withhold sensitive information from the authorities. Your Organization prohibits all forms of bribery, including instances where a business partner is used to pay or accept the bribe.

Bribery is a criminal offence and includes:

- If you are offering or accepting a bribe (known as active and passive bribery)
 - If you are bribing a government official or non-government official (known as public and commercial bribes)
 - If you fail to prevent a bribe being paid on an organization's behalf
- The anti-corruption laws of some countries, notably the US and the UK, apply to the actions of individuals and companies even when they conduct business abroad.

2.2.3 What is a bribe?

For something to be considered a bribe, the unfair advantage doesn't need to directly benefit the person paying the bribe. It can also benefit someone else such as a family member. It can still be considered a bribe even if the recipient receives a particular benefit at a later stage. The act of offering payment of a bribe, without making the payment, still violates anti-bribery rules and certain laws.

This manual and the Policies on Anti-bribery, gifts and hospitality cover the requirements of all relevant global anti-bribery laws and regulations in a general way. This includes the UK Bribery Act, the US Foreign and Corrupt Practices Act and the regulations of international bodies such as the United Nations and the Organization for Economic Cooperation and Development. If you feel special attention to local laws that may be applicable is required, please consult with your Compliance Manager. You should refer to the local annex with local stricter rules for some countries where Your Organization operates.

2.2.4 Repercussions

Being associated with bribery and corruption could have severe repercussions for the Organization over and above the damage to the Organization's reputation. Your Organization could face fines and compensation claims from those who have lost out because of the offence. Your Organization could also suffer financially if we're no longer able to tender for public contracts or lose the license to operate in a region.

For example, under US law, companies can be fined up to \$2 million per violation. Individuals associated with bribery – even though they're acting as an employee or representative of the Organization – can face criminal prosecution resulting in prison sentences of up to ten years. They can also be fined up to €250,000. Those involved in bribery and corruption will also face severe disciplinary action from Your Organization, including dismissal.

2.2.5 Anything of value

A bribe doesn't have to be a cash payment. It can be anything of value, that directly or indirectly benefits the recipient. Bribes can include:

- Goods or services
- Gifts
- Travel (including travel upgrades)
- Meals
- Trips, events, and other hospitality
- An offer of employment, promotion, or related honour (this also applies to family members)
- A charitable contribution or donation
- The uncompensated use of Your Organization's services, facilities, or property
- Tickets to a sporting or other hospitality event

- A contract
- An official permit or administrative decision in an Organization's favour

2.2.6 Business partners

Business partners include anyone who supplies products or services to us, manufactures for us, co-develops with us, advises us, markets products for us or represents us. Under Your Organization's Policy, if a business partner pays a bribe, it's the same as if you'd offered the bribe yourself. All business partner representatives are expected to conduct business in line with the standards and anti-corruption practices, as outlined in the Business Partner Code of Conduct.

Your Organization can be held liable for the actions of organizations or individuals working on your (Organization's) behalf anywhere in the world. It's critical that you carry out due diligence before working with a business partner and that you make sure appropriate contract clauses and processes are in place to continuously monitor and review their actions and to ensure that all business partners agree to operate in accordance with the Business Partner Code of Conduct.

Business Partner Compliance Portal preserved. Don't keep any accounts 'off-book' that might facilitate, or The Business Partner Compliance Portal contains additional conceal improper payments. guidance on how to select business partners, when to conduct due diligence, how to conduct it, and how to handle the findings and possible mitigating measures. It also includes next steps to consider including contractual clauses, training requirements, ongoing monitoring, and review standards.

Common business partners red flags

Be vigilant when dealing with business partners. Investigate any dubious arrangements or conduct. Common red flags or warning signs include:

- Evasive answers to straightforward requests for information
- Excessive payment arrangements
- Refusing to sign the Business Partner Code of Conduct
- Requesting to keep their identity confidential.
- Using 'everyone else does it' as an excuse to explain behaviour.
- Unusual payment patterns
- Refusing to put agreements in writing.
- Requesting a donation to charity
- Insisting on receiving a commission or fee before committing to sign a contract or carry out a government function or process on Your (Organization's) behalf.
- Alarm bells should ring if "success fees" are unusually high or changes to commissions are required.

How to recognize unusual payment patterns

Indicators of unusual payment patterns include:

- Ad hoc or unusual requests to reimburse expenses that aren't properly covered by accounting procedures.
- Payments not made or received against invoices
- Payments made to a personal bank account.
- Payments not made or approved in accordance with the 'four-eyes' principal of at least two approvers
- Requests to make payments into a bank account not located.
- in either the country where the services were rendered or the country where the recipient of funds is located

Accounting and record-keeping

Always keep complete, accurate and up-to-date records of all your dealings with business partners and make sure all agreements are made in writing. This includes recording any gifts and hospitality you offer or receive in a timely manner in accordance with the expense Policy rules including the reason for any expenditure. Such records must be Business Partner Compliance Portal preserved. Don't keep any accounts 'off-book' that might facilitate, or The Business Partner Compliance Portal contains additional conceal improper payments.

2.3 Reporting Suspicious Activities

If you are ever offered a bribe, asked to make one, or see it happening you must raise your concerns or suspicions about any wrongdoing at the earliest possible opportunity:

- Raise your concern with the person involved and refer them to the
- rules of the Code of Conduct or Directives; and
- If you believe your concern is not being addressed properly by the
- person involved, discuss your concern with your manager, HR
- Business Partner, Candid or Compliance Officer, or
- Report the incident using the speak up channel / whistle-blower hotline

Your Organization takes concerns seriously and will deal with any issue appropriately and confidentially. Do not do anything that could be interpreted as accepting or even considering the offer until you have consulted with the relevant people. Your Organization's Code of Conduct puts integrity, compliance, and legal obligations ahead of business results. Anyone who raises a concern, queries suspicious behaviour, or reports an offence will be protected from retaliation. For further guidance, please refer to the Speak up channel / whistle-blower hotline portal

3 Gifts

3.1 Gifts Policy - Rules & Procedures

Please Note:

These Rules & Procedures do not apply to:

- gifts to/between employees
- gifts/rewards under a Customer Incentive Program

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Definitions Explained

3.1.1 Purpose

You should not promise, offer, give, or authorize anything of value, directly or through others, with the intent to improperly influence or reward a business decision. You have a responsibility to make decisions in the Organization's best interest and to ensure that you base your dealings with business partners on objective decisions and are not influenced by Gifts.

These rules and procedures must be followed to ensure that you conduct business fairly, transparently and with integrity and in compliance with applicable laws and regulations as well as Your Organization's core values and standards. In case of conflict, the most stringent standard applies.

3.1.2 Gifts Rules

What is a Gift?

A Gift refers to any gift, gratuity, favours, benefit, or any tangible and intangible items having monetary value, for which fair market value is not paid by the recipient and does not involve the presence of an employee.

What you cannot offer or receive as Gifts

- a. You should not promise, offer, give, or authorize a Gift, directly or through others, with the intent to improperly influence or reward a business decision.

- b. You should not offer or receive a Gift of more than EUR 100. Despite the maximum value of EUR 100, you do not offer or receive Gifts, which are:
- Cash or cash equivalents, irrespective of their value.
 - Not in accordance with Precious Articles Rules & Procedures.
 - Excessive based on marketplace practices.
 - Lavish or extravagant.
 - Not in accordance with local law.
 - Likely to risk the safety of people or Your Organization's reputation.
 - To/from Government Officials.

Gifts to or from Relatives or personal relationships

You can offer or receive Gifts that are solely motivated by a family or personal relationship, subject to the Conflict of Interest Rules and Procedures, and completely unrelated to, and disconnected from, any business activity. However, you must not use your Relatives or personal relationships, funds, or assets to circumvent these Gift Rules.

Precious Articles

What are Precious Articles?

Precious Articles include, but are not limited to:

- Precious metal like gold, silver, and platinum.
- Precious stones like diamond, ruby, or any gem.
- Any jewellery or any items made from or plated with precious metals or stones.
- Vouchers provided to enable purchase of these precious metals or stones.
- Any other article, the value of which appreciates over time.

Precious Articles are not allowed.

- a. You should not promise, offer, give, or authorize anything of value, directly or through others, with the intent to improperly influence or reward a business decision.
- b. You should not promise, offer, give, or authorize Precious Articles to/from any third party, including but not limited to customer, supplier entities or individuals.
- c. You should not use your Relatives or personal relationships, funds, or assets to circumvent these Precious Articles Rules.

3.1.3 Gifts Procedures

Get approval and register your gift in the Gift Pre-Approval and Registration Tool

Before offering a Gift, or immediately after having received a Gift you must register and, if applicable get approval. Gifts – offered and received – must be registered and approved in the Gift Register.

On the tool landing page, click on the button "Click here to register your gift". You will need to fill out a form. Information you need to provide is:

- The date on which the Gift is offered or received.
- Specification of whether the Gift is offered or received.
- Other party: the full name of the party that offered or received the Gift, including their name, role, and Organization name.
- Government-related: confirmation that the Gift is not being offered to Government Officials.
- Value of the Gift and related currency.
- Description of the Gift.
- The context in which the Gift is offered or received and why.

Return the Gift if it is not according to the Gift Policy Rules.

If you receive a Gift that does not comply with the Gift or Precious Articles Rules and Procedures, you take the following measures.

- You should register the gift in the Gift Tool and follow the instructions.
- You must immediately return the Gift to the Gift offeror.
- If the Gift cannot be returned immediately, or where reasonable local customs make it inappropriate to decline it, you must give the Gift to the Compliance Officer for disposition.
- You must inform the Gift offeror that the Organization rules will not allow us to receive such a Gift in the future.

3.1.4 Definitions Explained

Bribe

Anything of value (i.e., not only money) that provides a benefit to the recipient, such as cash or cash equivalents (e.g., gift vouchers), the purchase of property or services at inflated or discounted prices, extravagant hospitality, cars, jewellery, home improvements, intangible benefits, travel, and shares. It may also include individual financing or discounts not generally available, such as a scholarship or an internship for a relative.

Government Officials

“Government Officials” are:

- an officer or employee of any government, department, agency, bureau, authority, or state-owned or state-controlled entity.
- acting in an official capacity for or on behalf of any government, department, agency, bureau, authority, or state-owned or state-controlled entity.
- an official, employee, or person acting on behalf of a government-sponsored or public international organization such as the European Union, the United Nations, or the World Bank.
- holding a legislative, administrative, executive, or judicial position, whether appointed or elected, a political candidate, or

- an officer or employee of a political party; a member of a royal family; or a family member of, or otherwise closely associated (whether family or personal), with any of the foregoing.

Some examples of government officials are public servants, public officials, administrators, policemen, military, judges, public prosecutors, tax or customs officials, employees in-state companies, local politicians, political parties, political officials or candidates for political office, members of the royal family, mayors, and city council members.

[3] Relatives

"Relatives" are any family member (whether through blood or adoptive/foster relationships or other legally recognized family like relationships) such as spouse, domestic partner, parent, grandparent, child, grandchild, sibling, in-law, aunt, uncle, niece, nephew, cousin, step-relatives; others residing in your household.

3.2 Gift Registration and Approval Tool

As per procedures Gifts (offered as well as received need to be registered in the Gift Approval Tool.

Gift Registration

- Employee name
- Business Unit (drop down)
- Gift Type (given received)
- Number of recipients
- Precious article yes no
- date
- government-related yes no
- total value
- total value in euro
- local currency
- average value (per person) in local currency
- average value per person in euro
- country gift receipt
- Description of the gift (any language)
- Description of the gift translated into English
- Context/Nature/Occasion (any language)
- Context/Nature/Occasion (in English)

Other party information

- Name
- Title Position
- organization
- business relation

Upload attachments

Option to upload attachments (e.g., a picture of the intended/received gift with a price from Amazon or Bol.com)

Approver Details

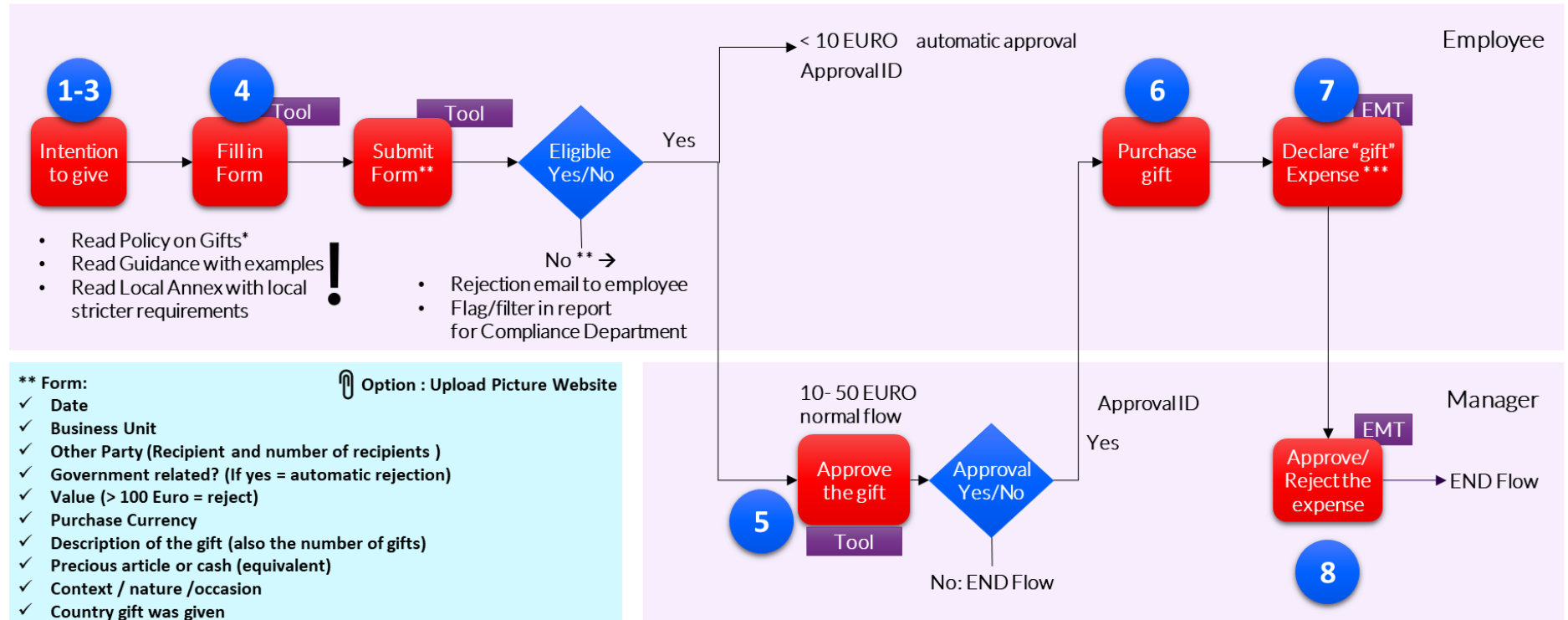
- Approver name (pre-filled with line manager as per reporting line in Microsoft Delve)
- Approver Comments

Rules:

- under approval threshold automatic approval (< 10 euro)
- over approval threshold approval request gets referred to the line manager (or line manager thereof) (10-50 euro)
- there is a max amount (50 euro); in case > 50 euro --> rejection
- in case government related = yes --> rejection
- in case precious article = yes --> rejection

In case of approval a gift ID is created that is a required field in the expense declaration tool. In case of bulk registration, the approval ID is of no use (departmental approval through PO; but still the gifts need to be registered).

GIFT APPROVAL FLOW



EMT: Expense Management Tool

* Gift Policy:

- Automatically approve gifts with value below 10 EUR
- For gifts with value of 10-50 EUR line manager approval is required
- Gift to government officials not allowed
- Cash (equivalent) gifts not allowed
- Precious metals not allowed as a gift

*** In EMT required field "Approval ID" when gift expense type is selected

- Preferred Data interfaced with ERP (SAP-Concur, Oracle)
- Compliance department has access to data

3.3 Gifts Local Annex – Stricter Rules

This is an annex to the general corporate Gift and Hospitality Policy Rules & Procedures. If the country you work in or the country that your Gift or Hospitality recipient is based in, is listed in this Annex, you need to abide to the rules of the annex in addition to the Gift and Hospitality Rules & Procedures. If your or the recipients' country is not included, or you are not sure if there are local stricter requirements, please contact your Compliance Manager.

| Country | What is the local rule for Gifts? |
|-------------|---|
| Argentina | You can only offer or receive one or several Gifts with a total value of maximum USD 50 in a calendar year. |
| Brazil | You can only offer or receive a Gift with a total value of maximum BRL100. You do not offer a Gift to the same person more than once a year. |
| China | No stricter rules. |
| Ecuador | You can only offer or receive one or several Gifts with a total value of maximum USD 50 in a calendar year. |
| Japan | You do not give Gifts to any individual who was a Government Official. |
| | Definition Government Official: Government Officials in Japan include but are not limited to (i) a national or local government official, a member of an assembly or committee, or other employee engaged in the performance of public duties in accordance with laws and regulations; (ii) "quasi-public official" (<i>minashi koumuin</i>) such as a private person performing a service related to public interest, e.g. officers and employees of the Bank of Japan, national universities, state-owned enterprises, entities that provide qualification tests for license, notaries public and former state-owned enterprises such as JR (Japan Railway) and JT (Japan Tobacco). |
| Korea | No Stricter Rules |
| | Definition Government Official: Government Officials in South Korea include but are not limited to (i) national/local government officials, (ii) officers and employees of public institutions or public service-related organizations, (iii) officers or employees of education foundations, (iv) faculty or staff of public or private schools and (v) journalists and other employees of media companies. |
| France | No stricter Rules |
| Germany | No stricter Rules |
| India | No stricter Rules |
| Netherlands | No stricter Rules |
| Poland | No stricter Rules |

| | |
|---------------|-------------------|
| Spain | No stricter Rules |
| Unite Kingdom | No stricter Rules |
| United States | No stricter Rules |
| Vietnam | No stricter Rules |

3.4 Gifts Manual

3.4.1 Intro

Business courtesies such as gifts and hospitality are an important way to cement good business relationships. However, such courtesies can have negative consequences if they're not handled correctly.

Your Organization does not prohibit giving or receiving reasonable, proportionate, and appropriate gifts, hospitality, promotional activities, or other similar business expenditure as long as they:

- Do not involve cash or a cash equivalent or a precious article (jewellery or any items made from or plated with precious metals or (gem)stones)
- Are for legitimate business purposes.
- Are given at an appropriate time.
- Are given openly, not secretly.
- Are approved by management.

3.4.2 Red Flags

Beware, as extravagant or lavish gifts and hospitality can constitute bribery, especially when:

- The recipient is expected to offer something in return.
- Government officials are involved.
- It is offered within the context of other gifts and hospitality previously offered to the same recipient.
- It is given prior to the finalization of a commercial agreement or arrangement.
- If there is a danger that either party's decision could be, or appear to be, influenced, you should refrain from exchanging gifts.
- In no circumstances should gifts valued at more than €100 be given or accepted.

3.4.3 Apply the 3Ps when facing an ethical dilemma.

Whilst it is important to understand Your Organization's key behaviours, there will also be situations where there is no clear rule. How do you decide whether a gift, hospitality, or covering travel expenses for a business partner is acceptable? Whenever you're in such a situation and need some help to decide; Apply the 3Ps!

Ask yourself:

- What is the Purpose of what you are doing? Can your decision be justified, and will people understand?

- What is the Perception that others (colleagues, customers, journalists) will have about what you do? What would it look if others find out what you did? What if this would appear in the newspaper?
- Are you following the right Process?

Ask yourself whether the offer is reasonable, in proportion and reflects the business situation. Would it appear to compromise anybody's ability to make objective and fair business decisions? If so, you must decline. But how do you decide what is reasonable and proportionate in the context of different countries and cultures? These elements are discussed in greater detail below.

Intent – is it likely to influence a business decision?

An important factor to consider before accepting or offering a gift, hospitality, or sponsored travel is the intention behind it. The more lavish the hospitality event or the bigger the expense in relation to other related business expenditure then the greater the chance that it's intended to improperly influence someone's business decision.

Reasonable, proportionate, appropriate

The practice of giving gifts varies between countries and regions. What may be normal and acceptable in one region may not be in another. This also changes at different times in the year, such as during traditional “gift-giving” seasons. Your Organization applies the same principles throughout the year in all the regions where it operates – always ask yourself whether the gift or hospitality is reasonable, in proportion and justifiable. For example, you should not offer or accept travel or hotel arrangements associated with hospitality.

Arguing that all customers, from both the public and private sectors, are treated in the same way or that “everyone else does it” is not a legitimate reason for breaching the law or Your Organization's anti-bribery and corruption rules. If you are not sure whether a gift or hospitality is reasonable.

Question: Your customer offers you a ticket to a World Cup soccer match. You will be covering your own travel and accommodation. Your customer has told you they get the tickets for free because they are a sponsor for the tournament. You realize that tickets for the match usually cost €150. No one from the customer will attend with you. What should do you do?

Answer In this instance you should decline the gift. Employees should not accept gifts of more than moderate value. The threshold for gifts is €50. Whether the tickets were obtained for free or would otherwise be unused is irrelevant here.

3.4.4 Government Officials

Gifts may not be offered to, nor accepted from, government officials. You are not allowed to invite Government Officials for hospitality events, the prior approval of the relevant Compliance Officer as well as management as described in the Hospitality Procedures. This includes Government officials that are customers of Your Organization.

Government Officials are:

- an officer or employee of any government, department, agency, bureau, authority, or state-owned or state-controlled entity.
- acting in an official capacity for or on behalf of any government, department, agency, bureau, authority, or state-owned or state-controlled entity.
- an official, employee, or person acting on behalf of a government-sponsored or public international organization such as the European Union, the United Nations, or the World Bank.
- holding a legislative, administrative, executive, or judicial position, whether appointed or elected, a political candidate, or
- an officer or employee of a political party.
- a member of a royal family; or
- a family member of, or otherwise closely associated (whether family or personal), with any of the foregoing.
- Some examples of government officials are public servants, public officials, administrators, policemen, military, judges, public prosecutors, tax or customs officials, employees in-state companies, local politicians, political parties, political officials or candidates for political office, members of the royal family, mayors, and city council members.

Gifts and hospitality key conditions

Gifts and hospitality must be:

- For legitimate business purposes.
- Approved by management.
- Of reasonable, proportionate, and appropriate value.
- Given at an appropriate time.
- Given openly, not secretly.
- No cash or cash equivalent.

Registration

Gifts - apart from gadgets and small promotional gifts – offered and received must be registered in the [Gift Registration Tool](#). Once approved a gift code is provided that is required for reimbursement of the expense.

Gift Guidelines

Generally Acceptable

- Gifts worth less than EUR 50 and promotional small gifts (e.g., pen, notebook, mug, promotional T-shirt)
- Meals/Hospitality where both parties are present.
- Non-lavish gifts

Unacceptable

- Gifts to government officials
- Cash or cash equivalents (e.g., gift certificates, vouchers or lottery tickets)
- Gifts worth more than EUR 50
- Gifts intended to influence a business decision.



Generally Acceptable



Gifts worth less EUR 100



Non-lavish gifts / Promotional Gifts (e.g. pen, notebook, mug, promotional T-shirt)



Meals/Hospitality events where an AkzoNobel employee is present



Unacceptable



Gifts to government Officials



Gifts worth more than EUR 100 / Precious Articles



Gifts intended to influence a business decision



Cash or cash equivalents (e.g. gift certificates, vouchers or lottery tickets)

3.5 Gifts Checklist

Gifts and hospitality are an important way to cement good business relationships. However, such courtesies can have negative consequences for employees and Your Organization if they are not handled correctly.

Gifts and Hospitality should be carefully considered to ensure they do not violate anti-bribery laws or Policy Rules and Procedures. Every employee is expected to follow minimum standards regarding acceptable giving and receiving of gifts and hospitality, as set forth in the Policy on gifts, and Hospitality Policy.

3.5.1 Gifts*

- Gifts given and received need to be registered online in the Gift Registration and Approval Tool
- Gifts must be subject to pre-approval by the supervisor.
- Do not give/accept gift with value > 50 Euro.
- Do not give/accept gift to/from government officials.
- Do not give/accept cash gifts, or cash equivalent such as gift cards.

- Do not give/accept precious articles (e.g., gold bars, jewellery)
- Individual number of gifts given should be recalculable based on an (itemized) receipt.

* You should comply with local laws, regulations, or business unit or regional rules. In case of conflict, the most stringent standard applies.

3.5.2 Expense Reports

- Expense reports to be submitted no later than 1 month after the expenses occurred.
- Employee benefits and other awards should not be claimed through expense system.
- Receipts submitted need to be reviewed (correct, readability) prior to approval of expense report.
- The expense declaration tool should not be used to circumvent existing payment processes and approvals.
- "Other" expense category should be used in exceptional cases only.
- Splitting receipts for submission between employees is not allowed.

3.6 Gifts Practical Guidance

This Practical Guidance is a supplementary document to the Gift Policy Rules & Procedures and the Hospitality Policy Rules & Procedures.

You must comply with local laws, regulations, or business unit or regional rules. In case of conflict, the most stringent standard applies. The Local Annex provides an overview of local stricter rules applicable to the Gift and Hospitality Policy Rules & Procedures. You must follow the local rules if they are applicable to your country. If your country is not included, and you are not sure whether there are local stricter legal requirements, please contact Candid or your Compliance Officer.

Next to providing answers to your frequently asked questions, this page provides a tool for ethical decision-making: the 3P Test. This is a general test you need to apply to every gift you give or receive and every hospitality event you organize. It helps you to Bring Integrity to Life. In case of doubt, please contact Candid or your Compliance Officer.

3.6.1 Introduction

You should not promise, offer, give, or authorize anything of value, directly or through others, with the intent to improperly influence or reward a business decision. You have a responsibility to make decisions in the Organization's best interest and to ensure that you base your dealings with business partners on objective decisions and are not influenced by Gifts or Hospitality.

The Rules & Procedures and Local Annex must be followed to ensure that you conduct business fairly, transparently, with integrity and in compliance with local applicable laws and regulations as well as Your Organization's core values and standards. In case of a conflict between the Policy Rules & Procedures and the local standards, the strictest standard applies.

This Guidance is an annex to the general corporate Gift and Hospitality Rules & Procedures. If the country you work in, is listed in the Local Annex, you need to abide to the rules in this document in addition to the Gift Rules & Procedures and Hospitality Rules & Procedures. If your country is not included, you need to abide to the global Gift and Hospitality Rules & Procedures.

3.6.2 The 3Ps (Purpose, Perception, Process) Test

This guidance cannot cover all situations. However, in any case you should always apply the 3P Test to assess your situation.

The 3P's stand for Purpose, Perception, Process:

- What is the Purpose of what you are doing: whether it's for the Organization's benefit or for your personal gain.
- What is the Perception that others (colleagues, customers, journalists) will have about what you do, and
- Whether you are following the right Process: consulting the right experts and obtaining the relevant approvals.

Example:

Question: I want to send a Christmas gift to my best customer's procurement manager. I want the gift to be something that "looks good". What should I consider when I'm deciding on a gift?

-Purpose, You want to show the procurement manager that Your Organization appreciates the customer and solidify the business relationship.

-Perception Will the gift set an unrealistic expectation with the customer? Could the gift be viewed by others as a bribe because of its nature or value? Does the gift come at a time when a bid proposal is outstanding?

-Process: Did you follow Your Organization's Policy Rules on cost and relevant approvals? Did you review the customer's rules for receiving gifts?

3.6.3 Gifts Definition:

Gifts are: Any gift, gratuity, favours, benefit, or any tangible and intangible items having monetary value, for which fair market value is not paid by the recipient and does not involve the presence of an employee.

3.6.4 Frequently Asked Questions (FAQ)

Gifts Offered

Gifts for festivals/holidays Is it okay to send gifts to a manager of a customer every important holiday while the value of each gift is within the threshold?

Yes, you can, if it is only for major holidays to cement business relationship and for respect.

No, you shouldn't, if it is with the intention for transferring benefits and using holidays as an excuse to send gifts or during a negotiation of a contract with the customer which can influence the decision-making process. In some countries, an accumulated value may be taken into consideration for breaking the law.

Gifts to Customer Is it okay to send gifts to a procurement manager of a potential customer?

Yes, you can, if the purpose is not to influence a bidding decision.

No, you shouldn't, if the purpose is to exclude competition or if it was given at the wrong time, e.g., before awarding a tender or contract renewal.

Promotional Material: Would promotional material with Your Organization's branding on it, be considered a gift and will such material be okay to provide to customers?

Yes, you can, if any goods or services are given for free, will be treated as a gift.

Promotional material with the purpose of promoting Your Organization's brands and products can be offered without registering in the Gift Tool.

No, you shouldn't, if the purpose of giving freebies is to influence a business decision, e.g. to be able to sign a particular contract.

Traditional Gifts Can you send traditional gifts or hold traditional hospitalities for a third party as a courtesy in local customs, if the value is within the threshold?

Yes, you can, if it is to purely to accommodate the local tradition, and it won't create a wrong impression about the Organization. For example, in China mooncakes or hairy crabs for Mid-autumn Day Holiday, in India sweets or chocolates for Diwali, in South America for Christmas and New Year's Eve it is fine to give cakes, panettones or food baskets.

No, if the traditional gifts involve any cash equivalent like shopping cards, vouchers or any precious metal or gemstones like gold bars or gold vouchers.

Budget for rebate Can you use the budget allocated for rebates, or marketing to buy wine or other expensive food or drink for Your Organization's distributors, agents, and customers?

No, you shouldn't. You should not give expensive food or wine. Additionally, accounting rules prohibit the use of budget allocated for rebates to be used for any other purpose like giving gifts.

Government Official / State Owned Company Employee or Customer Would it be okay to offer gifts to bank employees? Are they considered Government Officials?

When in doubt, always consult with your compliance officer. Each county may define "Government Official" differently. In certain jurisdictions, Government Officials may for example include employees of state-owned entities or employees of private banks.

Gifts Received

Unknown gift value Shall I accept the gift if I don't know the value of the gift I have received from its appearance, and it is embarrassing to ask?

Yes, you can, if from its appearance and common judgment, it is obviously below the applicable threshold; you should seek approval from your manager and register the Gift Tool.

No, you shouldn't, if there is any doubt from its appearance on its value. If it looks expensive, it may very well be expensive. You should not accept the gift, explain Your Organization's Policy to the offeror, send it back if possible, and register it. If you indicate a value of over 100 euro, the gift will be flagged to your compliance officer, and they will get in touch with you. If in doubt you can always contact your compliance officer and ask for advice.

Gift for Self Use Is it okay to keep the gift for personal use, if it is within the applicable threshold and not lavish?

Yes, if it is not possible to share or it does not make any sense to share. For example, a personalized item with your name printed on it, or a pen or coffee mug. Please remember to register gifts in the Gift Tool.

No, you shouldn't, if the gift is suitable for sharing.

Food items as a gift If I receive a food item as a gift, can I consume it, if in line with local tradition? Also considering it is not okay to throw away or destroy food items?

Yes, if the food item is appropriate. Please remember to register gifts in the Gift Tool.

No, you shouldn't if the gift is not appropriate (e.g., too expensive).

Pens, mugs, small promotional gifts etc. Can I use gifts like notebook, pen, mug for personal use, as according to Gift Rules it's okay to accept such items?

Yes

4 Example questions

1. Is it acceptable to give a gift to a customer if we have an ongoing contract?
2. Can I send a holiday gift to a colleague in another department?
3. What is the maximum value of a gift I can offer to a vendor?
4. Are there any specific types of gifts that are prohibited under our policy?
5. Can I offer a gift to a business partner during a negotiation?
6. Is it permissible to give a gift to a government official if it is within the threshold?
7. Can I accept a gift from a supplier if it is under the value limit?
8. How should I report a gift I received from a client?
9. Can I offer a gift to a competitor?
10. What should I do if I receive a gift that exceeds the allowed value?
11. Is it okay to give a gift to a family member of a business contact?
12. Can I provide a gift as an incentive for a customer to place an order?
13. Are there any cultural considerations I should be aware of when giving gifts?
14. Can I accept tickets to an event as a gift from a vendor?
15. What if I receive a gift from a friend who is also a business contact?
16. Can I give a gift to an employee of a partner organization?
17. Is it acceptable to send gift cards to customers?
18. How do I determine the value of a gift?
19. Can I accept a gift if I have a personal relationship with the giver?
20. What are the consequences of violating the gift policy?
21. Can I give gifts to employees as a reward for performance?
22. Is it permissible to accept promotional items from a trade show?
23. Can I send flowers to a client on their birthday?
24. What should I do if a gift I received makes me uncomfortable?
25. Is it okay to give a gift to someone in a leadership position at a client's company?
26. Can I offer a gift to a customer if I am attending a conference?
27. Are there guidelines for the type of gifts that can be given in different regions?
28. Can I give a gift that is part of a larger marketing campaign?
29. What if I am unsure whether a gift I received is appropriate?
30. Can I offer gifts to employees during company events?
31. Is it acceptable to provide a gift in exchange for a favor?
32. Can I accept a gift if it is given publicly in a meeting?
33. What if my local laws regarding gifts differ from the company policy?
34. Can I send a gift anonymously?
35. Is it permissible to give a personal gift to a client as a token of appreciation?
36. Can I give a gift to a family member of a business partner?
37. What steps should I take if I receive a gift from a competitor?
38. Can I offer a gift to a client if we are in a bidding process?
39. How should I handle a gift that is inappropriate or offensive?

40. Can I use company funds to buy gifts for clients?
41. Is it okay to give a gift to a client after closing a deal?
42. Can I accept a gift that is intended for my team rather than for me personally?
43. Can I give a gift to a contractor working on a project?
44. What should I do if I receive a gift from a foreign business partner?
45. Is it acceptable to offer gifts during a holiday party?
46. Can I give a donation to charity in someone's name as a gift?
47. What if I receive a gift that is clearly meant to influence my decision-making?
48. Can I give a gift to a regulatory agency employee?
49. Is it permissible to accept gifts from clients at industry events?
50. Can I send a gift to a client if I have a longstanding relationship with them?
51. How do I ensure that my gift complies with local regulations?
52. Can I offer a gift to a consultant working with our company?
53. Is it okay to give a gift that is part of a company-wide initiative?
54. Can I accept gifts from service providers who want to maintain their contract with us?
55. What should I do if a gift I received is not in line with company policy?
56. Can I provide gifts as part of a promotional campaign?
57. Is it acceptable to give a gift to a judge or other legal authority?
58. Can I accept gifts from clients if I am involved in contract negotiations?
59. What are the guidelines for giving gifts to international partners?
60. Can I accept gifts from vendors during the tender process?
61. How should I document gifts received or given?
62. Can I offer a gift to someone who has just started working with us?
63. Is it permissible to give gifts in a group setting?
64. Can I send a gift to a client who has recently had a personal loss?
65. What if a gift is given in a traditional context, such as during a festival?
66. Can I offer a gift to a non-profit organization as part of our corporate social responsibility?
67. Is it acceptable to give a gift to an employee who has left the company?
68. What are the best practices for giving gifts to clients?
69. Can I accept rewards or prizes from a contest sponsored by a vendor?
70. Is it permissible to give a gift if it is part of a holiday tradition?
71. Can I offer a gift to a mentor or advisor in the industry?
72. How do I handle gifts received from individuals I do not know well?
73. Can I send a gift to a long-standing business contact?
74. Is it acceptable to give a gift to someone involved in our hiring process?
75. Can I accept gifts from individuals involved in a joint venture?
76. What should I do if I receive a gift that exceeds the company threshold?
77. Can I offer gifts to employees who exceed their sales targets?
78. Is it okay to give a gift that promotes our company's products?
79. Can I accept a gift from a client after a significant business deal?
80. What if I receive a gift that is very personal, such as clothing or jewelry?
81. Can I give a gift to a business acquaintance as a sign of goodwill?
82. Is it permissible to accept a gift that is delivered to the office?
83. Can I offer a gift to a client's family member?

84. What steps should I take if I am unsure about the appropriateness of a gift?
85. Can I send a holiday card with a small gift to a client?
86. Is it acceptable to provide a gift in exchange for a referral?
87. Can I give a gift to a stakeholder during a strategic meeting?
88. What if I receive a gift that I believe is meant to influence my decisions?
89. Can I offer gifts as part of a team-building exercise?
90. Is it okay to give a gift to a partner organization's employee?
91. Can I accept a gift that is given during a formal business dinner?
92. How should I respond to a gift that makes me uncomfortable?
93. Can I give gifts to clients as part of a loyalty program?
94. Is it permissible to offer gifts to attendees at a company-sponsored event?
95. Can I send a gift to a journalist or influencer in our industry?
96. What is the best way to handle gifts that are delivered during the holiday season?
97. Can I offer a gift as part of a partnership agreement?
98. Is it acceptable to give a gift to a client's assistant?
99. Can I accept gifts from foreign business partners during trade negotiations?
100. What are the reporting requirements for gifts received or offered in my role?

Also test when questions are outside of scope. Virtual assistant Candid should reply; I'm sorry this is not in my scope/I do not know the answer to that. Shall I refer your question to a human operator/your companies compliance officer?

E.g.

- I want to ask a waiver from the gift policy?
- I would like an exception?
- What colour is a strawberry?
- I received gift X; what is the value?