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Gifts and
Entertainment
Policy

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Strukton
Policy Statement

1

Right

Giving and receiving gifts and entertainment is a customary way to strengthen business relationships and, with some restrictions, it is a legitimate business practice.

At the same time all Employees of Strukton must maintain professional independence in all their dealings with clients and business partners of Strukton or government officials. They should avoid any situation where there may be an impression that they have been unduly influenced, or intended to influence a third party, by a gift or entertainment, or in any other way abused their position with Strukton for personal or business gain. It is important to ensure that there is no real or apparent conflict of interest when accepting or giving a gift or entertainment to a third party, and that there is no potential for negative impact on Strukton's interests or reputation.

The practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The aim of this policy is to ensure that in all cases the gift or entertainment is appropriate, proportionate and transparent.

Conditions

Gifts and entertainment must always meet the seven conditions set out below (regardless whether a Strukton employee is the giver or the receiver):

- **Offered and received in good faith**

It should be exclusively to foster goodwill or show gratitude, unsolicited, and not intended to persuade the receiver to take a decision that benefits the giver.

- **Moderate**

It may not be lavish or so excessive in value that it could influence the receiver.

- **Infrequent**

A recurring pattern of gifts and entertainment is (almost) never appropriate and is seen as a red flag for exercising improper influence.

- **Well timed**

If negotiations about commercial matters are ongoing or imminent, or decisions on such matters are pending, giving or receiving gifts and entertainment is inappropriate.

- **Transparent**

News of the gift or entertainment can be shared publicly without hesitation.

- **Proportionate**

The gift or entertainment must meet the requirements of the giver's and the receiver's policy, comply with anti-bribery legislation and suit the specific circumstances. It must be proportionate in relation to the people involved; they may not pose a danger to Strukton's reputation.

- **No cash or cash equivalents**

Nor shares, personal discount or any such benefit.

Objective, scope and responsibilities

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This policy sets out Strukton's minimum standards on gifts and entertainment. It is supplementary to the Strukton Code of Conduct.

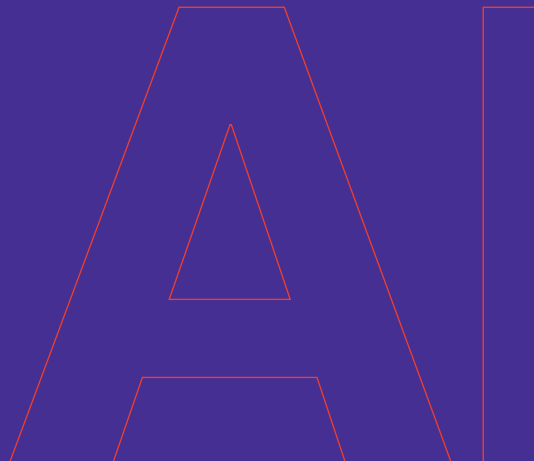
It applies to all employees of divisions, operating entities, subsidiaries, branches and departments of Strukton. It is the responsibility of each employee to comply with the requirements outlined in this policy.

In locations or divisions where additional or more restrictive requirements than those outlined in this global policy exist, those must be followed.

Any material departure from this policy requires prior written approval by the relevant Compliance Officer.

Prohibitions and restrictions

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3.1 Prohibitions

Employees are not allowed to:

- Give or receive bribes, i.e. accept, solicit, pay, offer or promise to pay or provide on behalf of Strukton anything of value (whether directly or indirectly), with the aim of obtaining an improper personal or business advantage or rewarding an advantage already provided. By improper we also refer to illegal or undesirable situations, where the receivers betray the trust placed in them. For example, a government official is meant to serve the government and a purchasing manager is supposed to serve the company, and not (also) their own interest.
- Solicit or offer gifts or entertainment for their own benefit in return for business, service, confidential information or other benefits.
- Offer or accept any kind of favor such as ‘adult entertainment’ that might create an offence to the moral, religious or ethical standards of clients or business partners or otherwise violates Strukton’s Corporate Social Responsibility Policy or otherwise violates generally accepted social norms.

3.2 Restrictions relating to travel and accommodation

The cost of travel or accommodation should generally not be borne by the inviting party. For exceptional cases prior approval is required as specified in chapter 5.2.

3.3 Restrictions relating to union officials

Union officials and Works Council members do not classify as government officials, but giving gifts and entertainment to them also requires pre-clearance with the responsible manager in consultation with the relevant Compliance Officer as described in chapter 5.2.

3.4 Restrictions relating to government officials and journalists

Stricter local laws and regulations may apply to the giving of Gifts and Entertainment to Government Officials. In some jurisdictions it is even prohibited. It is Strukton's policy to strictly comply with all such stricter additional restrictions (see chapter 5.2). For the purpose of this policy, media representatives/journalists must be treated the same as government officials.

Rules for gifts and entertainment

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4.1 Accepting gifts and entertainment

With due consideration to the documentation requirements in chapter 5 below, the following general rules apply:

- Gifts with a value of €50 or less (or the equivalent in local currency) may only be accepted if they meet the seven conditions listed in chapter 1. Gifts with a value of more than €50 (or the equivalent in local currency) must be handed over to Strukton via the Compliance Officer, unless the line manager has given the employee permission to keep the gift (this is to be reported in the Gifts Register).
- If a gift cannot be rejected because to do so would offend the donor or jeopardise the business relationship, it must be reported to the employee's line manager who will either give the employee permission to keep it or hand it over to the relevant Compliance Officer.
- Repetitive small Gifts (i.e. under €50) given by the same third party where the sum total of more than one small gift exceeds €50 or if received on more than three occasions in any 12-month period, may be perceived as an attempt to create an obligation on the recipient employee, and therefore must be refused.
- Employees who wish to accept an invitation, must consult the approval and documentation requirements in chapter 5.
- For the purposes of this policy, a prize won by an employee at a corporate event organised by a business partner or client(s) should be treated as a gift. If its value exceeds €50, it should be reported and handed over to the line manager (unless the line manager has given the employee permission to keep the gift, in which case this must be reported in the Gifts Register).

4.2 Offering gifts or entertainment

Gifts with a value of €50 or less (or the equivalent in local currency) may be offered to business partners without prior clearance if they meet the seven conditions listed in chapter 1. Any gift or invitation for entertainment offered to a client or a business partner which exceeds €50 (or equivalent in local currency) must be approved in advance by the employee's line manager.

4.3 Valuation of gifts and entertainment

For determining the value of a gift or an invitation to entertainment, the following requirements apply:

- Employees must make reasonable efforts to determine the value.
- Valuation must be at cost or market value (whichever is higher) excluding applicable taxes and delivery charges.
- Tickets are valued at either market or nominal value, whichever is higher.

It is not always easy to determine the value of a gift or entertainment at the moment it is presented. If you cannot immediately do so using these guidelines, accept the gift or entertainment out of courtesy but report it immediately to your direct manager. If possible, hand over the gift, which will be kept in custody on behalf of Strukton until the value has been determined.

4.4 Presence of company representatives

An event qualifies as entertainment only if the representative of the inviting party is present (e.g. Strukton staff). Where this is not the case, the gift rules and applicable restrictions apply. Any gift given to or received from clients and business partners at an entertainment event retains its status as a gift and is subject to the restrictions applicable to gifts. If in doubt, consult your line manager.

Approval and documentation requirements

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Bid

5.1 General

If an employee wishes to give or accept a gift or entertainment, prior written approval is often required from the employee's line manager (see 5.2). In situations where this is not feasible, the circumstances must be documented. Guidance on factors that may be taken into account in making a decision on the propriety of any Gift or Entertainment can be found in Appendix 1 - Assessing gifts & entertainment.

It is the responsibility of each employee to ensure that the giving and acceptance of gifts and entertainment are transparent and properly documented in the Gifts Register. Employees must be able to provide documentary evidence of compliance with this policy, if requested.

5.2 Exception procedure

The seven conditions listed in chapter 1 always apply. Any exception must be approved in writing by a Group Manager and the Group Compliance Officer. Prior clearance is needed for other exceptions to this policy as specified in the table below:

What	Who can approve
A gift or invitation to entertainment with a value of € 50 or less (unless offered to a government official, union official, Works Council member or Relevant Person)	You, based on the seven conditions
A business meal	You, based on the seven conditions
A gift or invitation to entertainment with a value of more than € 50 (unless offered to a government official)	Your line manager
A gift or invitation to entertainment offered to a union official or a (Central) Works Council member or Relevant Person	Your line manager
A gift or invitation to entertainment offered by an external supplier who has or seeks business dealings with Strukton (except for promotional items and business meals)	Your line manager
Travel and accommodation expenses of (guests of) business partners, government officials or Relevant Persons	Company Director after consulting the Compliance Officer
A gift or invitation to entertainment offered to a government official	Company Director after consulting the Compliance Officer
Business meal with a government official	Company Director after consulting the Compliance Officer
Other exceptions	Company Director after consulting the Compliance Officer

Questions

Any concerns about the appropriateness of any Gift or Entertainment should be raised at the earliest possible stage with the employee's line manager, and advice should be sought from the relevant Compliance Officer in case of any doubt.

If an employee encounters situations similar to those described in Appendix 1 - 'Assessing Gifts & entertainment' (red flags), these must be reported promptly to the relevant Compliance Officer. The list of events and circumstances in Appendix 1 is not intended to be exhaustive.

Obligation to report

An employee must report as soon as possible to the Compliance Officer any incident where a Bribe by a third party is suspected. An anonymous report can be sent to StruktonAllRight@strukton.com or made via the Speak Up line, as described in Strukton's Code of Conduct and Speak Up Procedure.

5.3 Recording Gifts and Entertainment offered and received

In the case of repeated invitations that may be considered in line with market practice, the employee's line manager needs to register the invitation only once in the Gifts Register. It is essential in such cases that the employee is completely transparent about the invitation and does not seem to be hiding anything.

We register all gifts and entertainment in the Gifts Register so that we can monitor trends in value, timing and/or frequency.

Expense claims

All expense claims relating to Gifts and Entertainment must be submitted in line with the applicable procedures as described in Strukton's general and project-specific expenditure approval policies and procedures, and must state the reason for the expenditure.

Miscellaneous

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6.1 Promotional items

Promotional items of a modest value, (i.e. below €50) can be accepted and offered, subject to the restrictions set out in chapter 4.1.

6.2 Gifts and Entertainment of a purely personal nature

Gifts and Entertainment of a purely personal nature such as wedding or newborn gifts are not subject to this policy. The following questions can help to decide whether a Gift or Entertainment is purely personal:

- Is Strukton paying for the Gift or Entertainment, or is the employee seeking reimbursement? If Strukton is paying for the Gift or Entertainment or if the employee gets reimbursed, then a presumption exists that the gift or entertainment is business related and not purely personal.
- Does a personal relationship exist between the employee and the recipient? If not, then the Gift or Entertainment is business related and not purely personal.
- Does the value of the Gift or Entertainment clearly exceed the norm for such an occasion? If so, the Gift or Entertainment is likely to be deemed not purely personal.

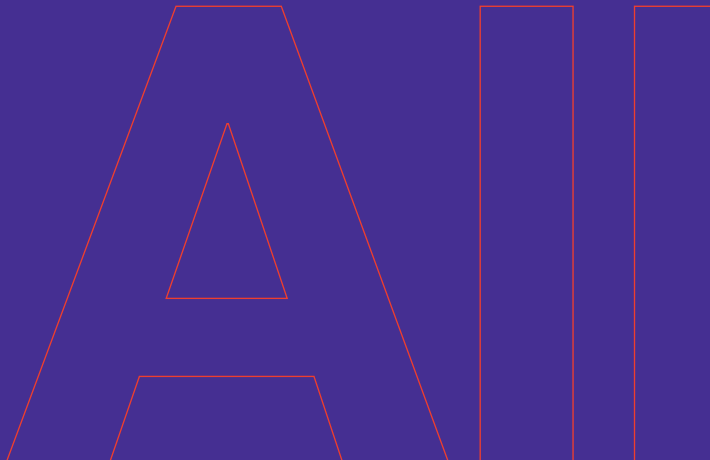
6.3 Business meals

Business meals (including, but not limited to breakfasts, lunches, dinners) are not subject to this policy provided that they comply with the general principles of the Strukton Code of Conduct, i.e., are not lavish, excessive in value, so frequent or without business purpose as to raise questions about whether they are proper. Timing should also be taken into account, as well as the seven conditions in chapter 1, which remain applicable.

6.4 Local festive traditions

Gifts and Entertainment related to local festive traditions must be in line with the principles laid down in the Strukton Code of Conduct. The relevant Compliance Officer must be consulted in case of questions.

Glossary



- **Bribe**

A form of corruption that includes payments, offers/promises to pay or authorisations to pay or provide anything of value, in cash or in kind, made by or on behalf of Strukton, directly or indirectly, to obtain an improper personal or business advantage.

Note: There is no minimum amount or threshold exception for bribes, and it is irrelevant what this payment is called.

- **Business Partners**

Agents, representatives, consultants, suppliers, subcontractors, counsels, joint venture partners, outsourcing partners or other third parties engaged in or seeking future business with Strukton.

- **Cash Equivalents**

All means of payment including things like checks, gift vouchers, coins, stamps.

- **Client**

Entity or individual to whom Strukton provides a product or service or with whom it is seeking a future business relationship.

- **Code of Conduct**

Code of Conduct for Honest Business Practice issued by Strukton Groep NV establishing the general policies of the Strukton Group with respect to business conduct, including the documents and policies referenced to in the Code of Conduct.

- **Compliance Officer**

Any of the officers in the Strukton Compliance Organisation as described in the Strukton Code of Conduct.

- **Employee**

Staff, directors and officers at all levels of Strukton as well as seconded staff, agency staff, volunteers, interns and contractors.

- **Entertainment**

All forms of entertainment or corporate hospitality, whether offered by or on behalf of Strukton or received by an Employee of Strukton, to or from a person or entity with which Strukton has a current or potential business relationship. Such entertainment includes but is not limited to happy hours, parties, meals, cultural events, concerts, charitable events, leisure activities, conferences, seminars, marketing events or sporting events.

- **Gift**

Any tangible item(s) provided for free by or to a person or entity with which Strukton has a current or potential business relationship. For the avoidance of doubt, any event where the host is not present will be classified as a gift.

- **Gifts Register**

The Gifts Register is a register in which we record all gifts and entertainment we receive from business partners, attend with them, and offer to them. Such gifts and entertainment need to be registered in the Gifts Register if their value exceeds €50. The register can have any practical shape and form (including Excel sheets) and is not centrally maintained in a single location by the Group. For your personal credibility and for transparency purposes, it is important to record all relevant gifts and entertainment, both received and offered, as described in the Code of Conduct. In the Code, the term ‘Gifts Register’ is used generically regardless of subsidiary or business unit, in the knowledge that there are actually multiple registers.

- **Government Official**

Individual working in an official capacity for or on behalf of government-owned or -controlled entities or agencies, political parties, party officials and political candidates, or for a public international organisation with government members. This may include consultants who hold government positions, employees of companies owned or controlled by governments, political party officials and members, or employees retained by them and immediate family members (parent, spouse, child, in-law, sibling), and anyone else to whom the government official provides material support.

- **Promotional Item**

Item of modest value (e.g., pens, etc.) that display the Strukton logo or another company's branding.

- **Relevant Person**

Person closely associated with a Strukton Employee, including but not limited to parents, spouse, child, in-law, sibling or anyone else to whom the employee provides material support.

Appendix I

Assessing gifts and entertainment

Right

Any gift or entertainment must be consistent with customary business practices, and be intended to improve the image of the company, better present our performance and competencies, or establish and maintain cordial relations with a third party. The following guidance is designed to help assess whether a gift or entertainment is appropriate, proportionate and transparent. Please note that this guidance is not intended to be a comprehensive checklist and all relevant circumstances should be taken into consideration, in consultation with the relevant Compliance Officer where necessary.

Criteria

Objectives & circumstances

Questions

What is or may be the purpose behind the Gift or Entertainment invitation? Is the benefit being used to influence the recipient in an inappropriate manner? Could acceptance of the benefit create a conflict of interest?



Red flags

The benefit is granted in connection with a business decision. For example:

- An employee places a contract and simultaneously requires a supplier to provide services to him on a private basis, which could give him certain advantages;
- A supplier offers a benefit to a Strukton employee when a contract is pending;
- A Strukton employee offers a benefit to a supplier prior to a proposal being made by the supplier;
- A Strukton employee offers a benefit to a prospective client during a tender or while the prospect is making a decision on whether to award a contract to Strukton;
- A (potential) business partner asks for a benefit before commencing or continuing negotiations.

Criteria

Recipient's status

Questions

Is the recipient a Government Official?
(Under local law they may rarely accept.)

Note: pre-approval from the subsidiary manager and prior consultation with the relevant Compliance Officer is required if the Gift or Entertainment involves a Government Official.

What is the function/management level of the recipient?



Red flags

Gifts and Entertainment are offered to or by individuals, and the business purpose of the benefit offered is unclear.

Criteria

Relationship between parties involved

Questions

What is the business relationship between the parties involved?



Red flags

There is clear evidence that the business relationship and professional judgement of the recipient could be unduly influenced by the Gift or Entertainment.

Criteria

Presence of inviting party

**Questions**

Is the inviting party or their representative present during an event?

Red flags

The host is not present. Entertainment invitations from or to business partners should initiate or strengthen business relations. This purpose is not fulfilled if the host or their representative is not present at the event. In that case it is better to decline the invitation. Any Entertainment will be treated as a Gift in this case and the gift rules set out in this Policy and the Strukton Code of Conduct apply.

Criteria

Transparency

**Questions**

Do the circumstances in which the Gift or Entertainment is being offered suggest sufficient transparency?
Is the benefit properly documented?

Note: Invitations to public events attended by both parties as representatives of their companies, for example for business development purposes, are generally acceptable.

Red flags

The gift or entertainment is not announced internally or externally, or is deliberately kept secret.

Criteria

Nature of benefit

Questions

How closely is the benefit linked to the company or its products, and how obvious is that?

Note: Promotional Gifts and Invitations to business meals are not normally considered problematic. In principle, invitations to business trips such as training events and conferences are also considered to be legitimate, provided that the majority of the event program is work-related and the event is not too lavish.



Red flags

Cash gifts and cash equivalents are strictly prohibited. As a general rule, all events or gifts with no direct relation to the company or its products, such as invitations to foreign or recurring sporting events, or trips to luxurious destinations lasting several days, are categorised as non-work-related. Gifts and entertainment must seek to improve the image of the company or establish cordial relations, and should be in line with this Policy and the Strukton Code of Conduct.

Criteria

Value of benefit

Questions

What is the cost or value of the proposed Gift or Entertainment?
How does it correspond with the recipient's status and local customs?

**Red flags**

The higher the cost or value of the proposed Gift or Entertainment, the greater the likelihood that it was intended to improperly influence the recipient.

Criteria

Frequency of benefits

Questions

How frequent has such a Gift or Entertainment been offered by the business partner/business developer/procurement manager within the last 12 months?

Has the business partner/business developer/procurement manager received any other Gifts or Entertainment from Strukton within the last 12 months?

**Red flags**

Repetitive Gifts or Entertainment may be perceived to create an obligation or moral commitment on the recipient to confer business advantage or affect the recipient's independence and are therefore, normally, inappropriate.

Criteria

Timing of benefit

Questions

When is the Gift or Entertainment offered or accepted?
Are there commercial negotiations currently under way with the business partner? Is there a (new) contract or a proposal pending?



Red flags

Granting benefits during or prior to a tender or contract award procedure is generally to be avoided, and is to be classified as high risk.

Other influencing factors:

- Local laws and regulations;
 - Document retention and approval processes;
 - Local (project-specific) expenditure approval processes.
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