

GIFTS & HOSPITALITY POLICY



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Aim of the policy

Small-scale business gifts and hospitality are common practice. They show goodwill and strengthen relationships between business partners. Offering or accepting occasional business meals, small items or tickets to sporting or cultural events may be considered appropriate in certain circumstances. It is even sometimes appropriate to offer or accept a trip to a trade event with business partners. However, if the gifts, invitations or trips are frequent or worth a substantial amount of money, they may represent (or appear to represent) a conflict of interest or an illegal payment.



Scalian has established this policy to help members of the Group make the right decisions when they offer or accept gifts, invitations or trips on behalf of Scalian as part of their job.

This policy applies to all Scalian divisions and subsidiaries worldwide.

Gifts and invitations

Gifts

A tangible item offered within the framework of social relations. The value of the gift may greatly depend on the circumstances (lifestyle, context, etc.) and the people concerned.

Invitations

an intangible benefit intended to highlight the consideration in which the beneficiary is held; the value depends on the hosts and the circumstances.

Risks when offering or receiving gifts/invitations

Gifts and invitations can be considered as prohibited acts of corruption. This may result in civil or criminal legal proceedings against Scalian and/or the Group's members. Consequently, members of the Scalian Group may not directly or indirectly give or accept any illegitimate benefits in money or in kind to or from a public official, a customer, a supplier, a

company, a subcontractor or any other third party.

Gifts and invitations should never be perceived as being intended to influence decisions.

Offering

A gift must be given within the framework of the business activity (for example: a Scalian pen during a conference with customers or prospects).

When inviting a customer, the aim must be exclusively professional (meeting, presentation of a product or service, etc.). The majority of the time should therefore be spent working in the presence of the employees involved in the work or services between the two companies. The gift or invitation cannot have any hidden purpose. It must be possible for everyone to be aware of the gift/invitation without it causing any problems or raising any questions. The value of the gift/invitation and the conditions in which it was presented must be clearly documented so as to be easily checked.

Gifts and invitations in practice

Tolerated, whether offered or received

These gifts must be directly linked to a given contract, of justifiable value, given in good faith and authorised under local law:

- ✘ Gifts such as unsolicited promotional items¹ provided they only have a symbolic value.
- ✘ Gifts of a purely honorary nature².
- ✘ Invitations limited to meals, leisure activities, travel expenses.

Gifts to a third party

Gifts may not exceed €50 per year and per recipient.

Travel expenses

The payment of travel expenses for an existing or potential customer by Scalian or a supplier can only be approved by the management. The approval will only be given if the expenses are incurred in good faith and justifiable, and directly linked to promoting, demonstrating or explaining the use of products/services, or within the framework of the signature/performance of a contract concluded with the customer. The travel expenses to be paid by a supplier must be approved by the Scalian's management.

Lunch/dinner invitations

Lunches, dinners, and beverages must be justified in relation to the time and duration of the meetings, based on the scale:

- ✘ €25 per person - breakfast
- ✘ €100 per person - lunch
- ✘ €100 per person - dinner

¹ Calendars, diaries

² Medals, etc.

Situations that must be authorised by the management, or that the management must be informed of beforehand

Management informed beforehand

Invitations to a meal/seminar lasting less than one day, not involving travel. The meal/seminar is justified by the seminar's purpose and the participant's position, and the price does not exceed the generally accepted amount in the country concerned.

Prior authorisation from management

Gifts and invitations made to public officials, apart from meals and drinks offered during work meetings; invitations to prestigious events not directly related to the activity, luxury restaurants, trips in France or abroad, luxury hotels, seminars lasting more than one day.

Not tolerated, whether offered or received


Scalian formally prohibits:

- ✗ Cash gifts
- ✗ Invitations or gifts during calls for tender or any other negotiations
- ✗ Gifts and invitations that are illegal or contrary to the laws and customs of the country
- ✗ Gifts and invitations aimed at obtaining a favour in return
- ✗ Personal services
- ✗ Loans
- ✗ Improper gifts and incitements, or gifts/invitations in improper places
- ✗ Events or meals in which the business partner does not actually participate

Proper conduct

The following questions will help you to decide if you can accept a gift or invitation or if it is contrary to the policy:

- ✗ Are the gifts or invitations prohibited by law?
- ✗ Is the value in line with the local standard of living? If it is higher, the gift/invitation must be refused and you should explain the Group's principles on this issue.
- ✗ Can there be reciprocation? You or the person concerned must be able to give or receive the same type of invitation or gift.
- ✗ Are the gifts or invitations offered or requested too often by the same person?
- ✗ In the event the invitation concerns several employees, prior authorisation must be given by the Department Manager.
- ✗ Would I be embarrassed if people knew about the gift or invitation?

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- ✘ Does the fact that I accept or offer a gift mean I have some kind of obligation towards another person? Does it create some kind of obligation in terms of the business relationship?
 - ✘ Is the gift/invitation made within a particular context (calls for tender, entering a market, etc.)?

Recommendations

If you have any doubts, please do not hesitate to refer to your manager or the legal department.

You must

- ✓ Inform your manager about any gift or invitation proposed or accepted, whatever its value.
- ✓ Inform your business partner of Scalian's policy on gifts and hospitality at the start of any new business relationship.
- ✓ Speak to your manager when a supplier or subcontractor offers you valuable gifts or invitations.
- ✓ Obtain your manager's approval before offering of gifts or hospitality to representatives of a public office.
- ✓ Treat any gift, invitation or proposal made by an intermediary in the same way as a direct proposal.
- ✓ Only accept an invitation to a restaurant if it is linked to a particular event.
- ✓ Find out about the local regulations and customs before offering any gifts, hospitality or other benefits.
- ✓ Take account of the policy of the company in which the person receiving the gift or invitation works.
- ✓ Accurately record all the gifts offered and received in the accounts of the company concerned, and attach all relevant invoices and receipts.
- ✓ if you have the slightest doubt, ask for advice from your manager.