

## 1. POLICY

All business-related Gifts and Entertainment must be legal and appropriate under the circumstances. Lavish, excessive, or improper Gifts or Entertainment are prohibited and could create the appearance of impropriety or could be seen as bribes or misuse of Company assets.

If you give, accept, or approve a Gift or Entertainment, you must confirm that it is appropriate given the circumstances, which includes considering the value and frequency of Gifts and Entertainment involving that entity.

## 2. APPLICABILITY

Employees of the Company. This policy does not apply to Gifts and Entertainment accepted on behalf of or for the benefit of the Company.

## 3. KEY DEFINITIONS

### 3.1 ENTERTAINMENT

Business hospitalities such as drinks, meals, events, outings, sporting events (e.g., golf), or any other activities in which you participate with actual or potential business partners.

### 3.2 GIFTS

Includes any free or discounted items, services, loans, or anything else of value that is not Entertainment. If a business courtesy sounds like Entertainment (for example, tickets to a football game), but the company providing the business courtesy is not participating, it is considered a Gift.

## 4. ENTERTAINMENT

### 4.1 Providing Entertainment

You may provide Entertainment to commercial, non-governmental recipients if the Entertainment is all the following:

- infrequent;
- appropriate given the recipient's position and circumstances;
- customary industry practice;
- for a legitimate business purpose;
- permitted under applicable law;
- compliant with the Company's reimbursement procedure; and
- allowed by the recipient's employer.

*No pre-approval is required for providing Entertainment. However, you should remember that less than \$150 per person is generally acceptable and between \$150-\$300 per person may be acceptable depending on the circumstances. Entertainment costing \$300 or more per person is usually acceptable only (1) in exceptional circumstances or (2) if the recipient is a Vice President level or higher.*

## 4.2 Accepting Entertainment

You may accept Entertainment if it is legitimate, infrequently provided, appropriate and you receive any required pre-approval (see Section 7 for pre-approval requirements).

## 4.3 Entertainment Involving Spouses or Other Family

In rare circumstances, you may provide or accept Entertainment involving recipients' family or "significant others," subject to any required Pre-Approval. Such Entertainment should be limited to a few times per year.

## 5. GIFTS

You may give and accept Gifts if they are legitimate, infrequently provided, appropriate, and you receive any required pre-approval.

## 6. PROHIBITED GIFT AND ENTERTAINMENT PRACTICES

Around the world, Gifts and Entertainment are common ways to disguise bribes, kickbacks, or other improper conduct. As such, improper or excessive Gifts or Entertainment can create an appearance of impropriety and can be seen as bribes or misuse of Company assets. To avoid such perceptions, the following practices are prohibited:

- Requesting or demanding Gifts or Entertainment of any kind
- Promising, requesting, giving, or accepting favorable treatment in exchange for any Gift or Entertainment
- Frequent Gifts or Entertainment that involve the same person or company
- Gifts or Entertainment that are unusually expensive or lavish
- Giving or accepting Gifts involving a spouse or family
- Giving or accepting cash, gift cards, gift certificates, other cash equivalents, stocks, bonds, commissions, or similar items (this does not apply to gift certificates or gift cards that are worth \$100 or less and are won in a raffle or other random drawing)

If any of the above apply a Gift or Entertainment is prohibited (even if it would be otherwise permitted under this policy).

You must also not accept a Gift from a Foreign Official (as defined in the Anti-Corruption Policy) unless (1) it is accepted on behalf of the Company and turned over to the Company, (2) it would be inappropriate to refuse, and (3) it is valued at \$100 or less. For other gifts or entertainment involving government officials, including Foreign Officials, please see the Anti-Corruption policy.

## 7. PRE-APPROVAL REQUIREMENTS

Whether pre-approval is required depends on the value of the Gift or Entertainment. "1st Level" means approval by your supervisor. "2nd Level" means approval by your supervisor's supervisor.

| Required Pre-Approvals for Non-Executives |                                     |                                     |                                     |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Value Per Person                          | None                                | 1st Level                           | 2nd Level                           |
| Under \$150                               | <input checked="" type="checkbox"/> |                                     |                                     |
| \$150-\$300                               |                                     | <input checked="" type="checkbox"/> |                                     |
| Over \$300                                |                                     |                                     | <input checked="" type="checkbox"/> |

| Required Pre-Approvals for Executive Committee Members |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
| Value Per Person                                       | None                                | 1st Level                           |
| \$0 - \$300  | <input checked="" type="checkbox"/> |                                     |
| Over \$300   |                                     | <input checked="" type="checkbox"/> |

In the unlikely event pre-approval is required but is not possible to obtain (for example, if a Gift or invitation is unexpected), you may accept a Gift or Entertainment if it is reasonable. You must obtain approval from the appropriate supervisor for any such Gifts or Entertainment as soon as possible after the fact. If you accept a Gift or Entertainment without pre-approval, you must be able to explain why you believe your decision to accept was reasonable.

## 8. OTHER REQUIREMENTS

### 8.1 Industry / Educational Events

If a third party offers to cover the fees and expenses associated with an industry or educational event, the offer may be accepted with Executive approval. Approval will be based on whether the participation, fees, and expenses are reasonable.

### 8.2 Documenting Gifts & Entertainment

You must document any Gifts or Entertainment you give on behalf of the Company as required by the Company's reimbursement procedure.

### 8.3 Valuing Gifts & Entertainment

When assessing the value of a Gift or Entertainment, use the "sticker price", "face price" or "menu price". If the exact value is not available, make a good faith estimate. Intentionally misrepresenting the value of a Gift or Entertainment is a violation of this policy. If, after you have

submitted a form, the situation materially changes, you must submit a new form.

#### **8.4 Departmental Restrictions**

Departments within the Company may institute additional requirements or limits for giving or accepting Gifts or Entertainment. If your department institutes such additional requirements, you must follow the most strict rules that apply.

#### **8.5 Supervisor Responsibilities**

Supervisors are responsible for carefully reviewing expenses that fall under this policy closely and exercising their discretion to determine whether such expenses comply with this policy. Supervisors should take appropriate action with employees who incur excessive expenses, especially repeatedly, including by discussing the situation with Human Resources.

#### **8.6 Getting Advice**

If you face a difficult situation involving a Gift or Entertainment, you should consult your supervisor or contact the Legal Department.