

## **GIVING GIFTS AND PAYING EXPENSES FOR OFFICIALS IN THE PUBLIC SECTOR**

As you know, we do not compromise on integrity in any of our business transactions. However, there are additional considerations when dealing with Public Sector customers.

You will all be aware of the **United States' Foreign Corrupt Practices Act (FCPA)**, which imposes specific anti-bribery requirements on United States companies, and their officers, directors, employees, agents and any subsidiaries and affiliates, and any person purporting to act on behalf of the corporation. Those of you who attended the Public Services Summit @ Nobel Week or the Company CIO Summit with your customers will have experienced first-hand the changes around payment of customer travel and accommodation, for example.

Violating the FCPA may result in criminal and civil liability both for \_\_\_\_\_ (“Company”) as a company and for the employees who were involved in the violation. The criminal penalties that have been imposed by the U.S. Department of Justice are severe and involve both jail time and heavy fines. Company likely would not be permitted to pay any such fines that are imposed upon a Company employee. To avoid such consequences, many firms, including Company, have implemented detailed compliance programs intended to raise awareness and to prevent and detect any improper payments or behavior.

To avoid violating the FCPA and also local laws, it is critical that you are aware of Company's compliance programs, policies and the law.

Should you require additional information, e.g., for a specific customer situation, always contact the Company lawyer covering your territory or contact the Legal Team.

Other matters I would also like to draw your attention to are:

### **Metro and Metro2 changes**

For exceptional circumstances where employees reimburse expenses of public officials and claim them through Metro and Metro2 (“Metro”), specific new categories have now been added to Metro to allow you to record expenses incurred in connection with Public Sector customers. This will assist us in tracking and auditing Public Sector expenses. These new categories include travel, accommodation, entertainment, and entrance fees and are marked as “Public Sector”.

### **Foreign Official Invite Process ("FOIP") Automated Tool**

This web tool must be used to secure approval for expenses incurred when inviting a foreign official to an EBC or event. Via an on-line questionnaire, the tool automatically generates a communication to the customer for confirmation of their attendance and that it is compliant with their own internal policies.

Note: Company’s policy is to only pay the expenses for public officials who will be speaking at an EBC or event. Under no circumstances will Company pay the expenses for a public official who is attending an EBC or event as a guest of Company.

### **Gift Policy**

Consistent with current business practices, Company's gift policy allows for total value of gifts and expenses up to \$100 (USD). For a more detailed discussion of Company's gift policy, please review the Company Code of Business Conduct.

We cannot emphasize enough the importance of understanding the policies around gift giving and payment of expenses. Not doing so can have serious consequences for individual employees and Company as a company. With your support we can continue to build our success in the public sector and uphold Company's global ethical standard.

Diligently acting within the limits set by the FCPA and respective local laws establishes another opportunity to lead by example, thus raising the stakes for our competitors again.

Thanks and good selling.