

Entertainment and Gifts Policy

Editor: CEO
Release: v02 by LCO on 23.12.2019

Entertainment and Gifts Policy

Valcambi's role requires many of us to develop contacts with external parties. This will often involve giving and receiving hospitality, and occasionally we may be offered gifts. Valcambi's position means that it has to apply, and be seen to be applying, high standards of ethical behaviour to protect against any suggestion of impropriety.

Valcambi's rules are set out below. They may not be applicable to every case. Common sense will often determine whether or not an offer of entertainment or a gift should be accepted. It would be necessary to show that acceptance did not give grounds for concern that personal judgement or integrity had been compromised.

1 Legislation

Swiss legislation on bribery (Art. 322^{ter} – novies Swiss Criminal Code) applies to all employees of Valcambi.

Under the Swiss bribery law, it is an offence for a Valcambi employee to offer, promise or give an undue advantage (bribe) to another person, or to request, agree to receive, accept or secure the promise of such an undue advantage (bribe) from another person. Individuals may be subject to prosecution.

2 Rules

Our requirements are that Valcambi employees must not accept or offer in their official capacity any fee, gratuity, gift, hospitality or entertainment of any kind, from or to a customer, supplier or any other person, without authority from their Area Manager. They must not solicit gifts from a Valcambi supplier for themselves or for any other purpose.

The rules set out below are applicable to all Valcambi employees. Executive Directors (CEO, COO, CFO) may, where necessary, propose adaptation of the rules to suit particular circumstances of the work of their area. But these rules are a minimum. Stricter rules and standards will tend to be required when staff have a direct commercial involvement with an organization or individual through their work, for example, purchasing, tenders and contracts, financial market operations.

Business areas will also need to consider their approach to the receipt of entertainment and gifts when individuals are heavily engaged in activities or projects.

Compliance with the procedures for reporting and recording the receipt of entertainment and gifts is subject to audit. Breaches of these rules could result in action under Valcambi's disciplinary procedures.

The Executive Directors (CEO, COO, CFO) and Area Managers are also covered by the rules.

3 Entertainment

Entertainment includes all hospitality received including meals (for example working lunches and breakfasts), drinks and paid-for outing of all kinds. Tea, Coffee or light refreshments, e.g. biscuits received at the offices of a third party need not to be reported.

- a) Offers of entertainment may be accepted or made where they are necessary to develop and maintain outside contacts relevant to work responsibilities. They should be restricted to working lunches or similar events as far as possible.
- b) Valcambi employees shall decline any offer of entertainment that might be seen as excessive, as putting the recipient under an obligation or as offered to influence a procurement decision.
- c) Business contacts may also be personal friends. For the purpose of these rules, any hospitality offered and accepted in an official and not personal capacity should be seen as institutional and reported accordingly (e.g. where a firm is paying for the hospitality).
- d) If a Valcambi employee is invited to an event accompanying his/her spouse or partner he/she should treat the invitation as though it was to himself/herself at Valcambi and apply these rules accordingly.
- e) In doubt about whether it is appropriate to accept an invitation, this matter shall be discussed with the Area Manager.

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4 Gifts

- a) The presentation of gifts shall be discouraged as far as possible. However, where refusal would cause offence or embarrassment, and when the value is modest, a gift may be accepted.
- b) Cash or retail vouchers (except for commemorative coins), or electronic devices (for security reasons) must not be accepted.
- c) Recipients can keep items up to a value of CHF 40. The CEO may permit gifts up to a value of CHF 100 to be retained. Reporting requirements for trivial or ephemeral items, such as calendars and diaries, may be waived.
- d) Any gifts not retained where the value is over CHF 100 should be passed to the CEO Assistant for the annual raffling (for all Valcambi employees, management excluded) or to the benefit of charitable organisations.

5 Speaking engagements

- a) As a general rule, invitations to speak at a commercially sponsored conference should be accepted only when the occasion provides a good opportunity for Valcambi to communicate information to a relevant audience.
- b) If the organiser offers to meet travel and/or accommodation costs, then provided the condition in a) above is met, this should be accepted. Bookings should still be made by the CEO Assistant and invoiced to the organisers.
- c) Where fees and expenses are offered for speaking engagements and other appearances, they should be accepted and surrendered to Valcambi, this includes where the option of a fee or gift is offered.

6 Reporting

Valcambi should ensure that satisfactory arrangements are in place for recording gifts and entertainment received by staff in their area. The arrangements implemented should ensure that a quarterly summary schedule showing relevant details is produced.

7 Data retention and monitoring

Data will be treated as strictly confidential and retained in accordance with Valcambi's record-keeping policies. It is subject to audit under certain circumstances, information may be made available to HR or Compliance for example where there is a business need or compliance requirement.

All questions about the application of these standards and guidelines should be referred to the Area Managers.