

## ETHICS IMPULSE - THE RIGHT PROCEDURE

# GIFTS AND INVITATIONS

### WHAT DO I NEED TO KNOW & WHY?

Exchanging gifts or invitations can contribute to the development of good working relationships. However, It can also create conflicts between personal interests and professional obligations. This is why they should remain exceptional.

The notion of gifts covers any material benefit received or offered (consumable, object, etc.).

The notion of invitations covers any intangible benefit (lunch, dinner, cultural or sporting invitation, etc.).

When you receive or offer gifts or invitations, It is necessary to respect the following principles:

- Be transparent with your hierarchy.
- Always consider how it might be perceived publicly in the context. Under no circumstances should the giving or accepting of a gift or invitation give rise to doubts about the integrity of an employee, especially for an outside observer.
- Stay within reasonable limits (see questions below): under no circumstances should it be a sum of money, material, or services provided by a partner for oneself, a member of one's family, or one's entourage.

Beyond that, they can be interpreted as an act to obtain an undue favor and be considered as corruption.

The principle is to accept only gifts/ invitations that can be given in the context of the functions occupied (so-called reciprocity test), particularly concerning the group's reimbursement policy (expense accounts).

### WHAT ARE THE STAKES AND RISKS?

Gifts or invitations must not:

- Influence a decision,
- Affect impartiality,
- Or put the person in a position of being accountable.

Indeed, in certain circumstances, this can be tantamount to corruption, entailing major risks for employees (10 years in prison, €1 million fine, etc.) and the company (fine of up to 30% of turnover, exclusion from the market, etc.).

Promotional gifts or gifts of symbolic value should be preferred, whether they are received or offered. Under no circumstances may they be a sum of money, equipment, or services provided by a company for oneself, a member of one's family, or a friend.

Invitations should be reasonable and in line with common practice in terms of the amounts they represent.

The principle is to accept only those that can be returned.

An invitation or gift may be legitimate if it is within a professional framework and of a reasonable amount (see questions below).

### WHAT QUESTIONS SHOULD I ASK MYSELF & WHAT IS THE CORRECT BEHAVIOUR?

Any employee may be exposed to corruption risks, particularly through gifts and invitations. These are often associated with principles of conviviality in a relationship in which there is a stake:

Contractual, Commercial, Institutional or legal,

Linked to an authority to obtain authorization or a permit to carry out an activity, set up a project, etc.

4 questions to analyze risk situations and prevent them :

## 1 Is the gift or invitation legal?

- Although in France, gifts and invitations are authorized to a certain extent, there are countries where they may be considered an offense.
- It is therefore necessary to be aware of the policy in force at the local level.
- It is advisable to ask about the ethical rules of the other party: some companies have very strict rules on gifts, members of parliament, and senators and, in general, public officials are subject to very strict ethical rules...

## 2 Is the invitation or gift offered or received in a strategic context?

No gifts or invitations of any kind should be accepted or offered in so-called strategic periods (negotiation, call for tenders, voting, etc.). This could be considered corruption, as the undue advantage sought is to positively influence the strategic decision in progress.

## THE CASE OF PUBLIC OFFICIALS :

Public officials include officials in the service of a public authority (civil servants, judges, parliamentarians) or an international organization.

In many countries, gifts and invitations to public officials are prohibited and qualified as corruption.

### 3 Is the invitation or gift offered or received in a professional or private context?

The professional context can be defined by an invitation to the workplace, and the participation of employees involved in contractual exchanges. The framework remains professional when working time is greater than leisure time during a seminar, for example.

It becomes private, for example, when third parties (relatives, etc.) are invited or receive a gift, when leisure time exceeds working time during seminars, when services are provided at the employee's home, etc.

Any gift/invitation received or offered must remain in a professional context.

### 4 Is the amount of the gift or invitation reasonable?

It is necessary to assess the cumulative amount of invitations or gifts offered or received per year by the same third party.

To assess the reasonableness of a gift or invitation, there may be several criteria to take into account:

- Is it reasonable to the standard of living in the country<sup>(1)</sup> in which the gift is offered or received? Take as a basis 5-10% of the average monthly salary of the country.
- Am I able to return the same level of invitation or gift in the context of the functions I hold (the so-called reciprocity test), particularly concerning the group's reimbursement policy (expense accounts)?

For invitations and gifts received or offered:

If the estimated amount is more than

- €60 (cumulated per year and third party), it is necessary to inform one's manager.
- If the estimated amount is more than €200<sup>(2)</sup> (cumulated per year and third party), it is necessary to request prior written authorization from one's manager.

To take account of the principle of reciprocity, these limits are calculated separately for gifts/invitations received and gifts/invitations offered.

Each Directorate should keep a register of gifts and entertainment, tracking the information or authorization in the form of the table below.

It is advisable to track all gifts/invitations to facilitate the calculation of thresholds and also to track refusals of gifts/invitations.

**At all stages of the process, the Ethics and Compliance Officer can advise you.**

*The Group's subsidiaries may draw up operating procedures to apply this procedure locally and, in particular, to determine the amount above which prior authorization by the manager is required. These operating procedures are submitted to the ADP Group's Ethics Department for approval before their deployment.*

### EXCEPTIONS

- If you could not anticipate the gift/invitation exceeding the threshold for authorization (e.g. invitation unexpectedly; the gift on departure,
- If the refusal could make you feel uncomfortable with your interlocutor for cultural reasons for example.

The situation must be rectified as soon as possible by informing your manager of the circumstances of the invitation/gift and by tracing the elements (see example in the attached register).

In all cases, gifts can be donated to the ADP Group Foundation, which will ensure their traceability and use them for the benefit of the associations it supports (e.g. prizes for their lotteries, use for their galleries, etc.).

<sup>(1)</sup> This information is readily available on the internet, for example on the OECD web site : <https://data.oecd.org/fr/earnwage/salaires-moyens.htm#indicator-chart>

<sup>(2)</sup> Or 5-10% of the country's average monthly wage.

## WHERE TO FIND HELP?

### From whom?

- The Ethics & Compliance Officer
- To report a malfunction:

<https://alert.groupeadp.fr/>

### Where to go?

- The «Gifts and Invitations» chapter of the Code of conduct

<http://codeofconduct.groupeadp.fr/>

**ETHICS IMPULSE - THE RIGHT PROCEDURE**

# THE RIGHT PROCEDURE



## EXAMPLE OF A GIFT AND INVITATION REGISTER

(The Ethics and Personal Data Department has a template available in Excel format and an example is attached.)

TO BE COMPLETED BY THE REQUESTER RECEIVING OF OFFERING A GIFT OR INVITATION												MANAGER APPROVAL ABOVE €200		
DATE	REQUESTER Full name	DEPART- MENT	TYPE (Gift or invitation)	ESTIMATED VALUE	OFFERED ou RECEIVED	OUTSIDE PERSON (receiving or offering the gift/ invitation) Full name	COMPANY	FUNCTION	DESCRIPTION OF THE GIFT / INVITATION	If this is not the first or invitation to or from this person this year, indicate the year-to-date total	IS THE BENEFICIARY A PUBLIC OFFICIAL ?	MANAGER ASKED	MANAGER'S DECISION	OPTIONAL COMMENTS

## WHAT TO DO WITH THIS REGISTER?

1 / These tables are kept in the departments and must be returned every year on 1 February to your entity's ethics referent, who will forward them to the Group's Ethics and Personal Data Department, and then overwritten in compliance with the General Data Protection Regulation.

### TO PROTECT PERSONAL DATA, THE GIFTS AND INVITATIONS PROCEDURE IS REGISTERED IN THE COMPUTER AND LIBERTIES REGISTER.

ADP-SA implements a register of gifts and invitations in the legitimate interest of proving that it is fighting corruption. The information that you provide through the gifts and invitations declaration form is intended for the ethics department, which will keep it for 6 years.

You have the right to access and rectify, delete, oppose, and limit the processing of your data, which you can send to the ADP-SA Data Protection Officer at the following e-mail address: [informatique.libertes@adp.fr](mailto:informatique.libertes@adp.fr).

If, after having contacted the Data Protection Officer, you feel that your rights concerning your data have not been respected, you may appeal to the CNIL.

### 2/ As a manager:

- You must formally validate the register before sending it to your Ethics Officer,
- The Gifts and Invitations register can help you to identify recurrently exposed functions and therefore to define a specific action concerning them.

ETHICS PROCEDURE - GIFTS AND INVITATIONS				V3
FUNCTION	REDACTION	APPROVAL	VALIDATION	THIS PROCEDURE IS APPLICABLE FROM: <b>01 / 02 / 2023</b>
DEPARTMENT	ETH	ETH	DJA	
DATE	09 / 01 / 2023	16 / 01 / 2023	30 / 01 / 2023	