

# Gifts and Invitations Policy

# Table of contents

- 1. Context..... 2**
- 2. Principles..... 2**
- 3. Declaration process ..... 3**

## 1. Context

Countries have strongly reinforced their fight against corruption: regulations like the Law Sapin 2 (France), the Bribery Act (UK) or the Foreign Corrupt Practices Act (FCPA-US) prohibit corruption and encourage companies to strengthen their measures to prevent such practices. Sanctions for companies and individuals in breach have strongly increased over the last years, and may include prosecution, fines, and possible imprisonment.

74Software and all its management team are committed to carrying out business fairly, honestly, and openly. There is an expectation that all employees exercise discretion and good judgment in all business dealings to ensure that all business decisions are based solely on the best interests of the Company, do not violate laws and applicable regulations, and are fair to clients and other business partners.

As stated in our Code of Ethics (available under the following link: <https://www.74software.com/ethics-and-anti-corruption>), 74Software shall not tolerate nor encourage any form of corruption. We also remind that any suspected reprehensible behavior can be reported through our whistleblowing system available in our website under the same link.

If you have any doubt, or if any matter comes up, please reach out to 74Software management, or to a member of the Ethics Committee through the following address: [74software.ethics.notification@74software.com](mailto:74software.ethics.notification@74software.com)

## 2. Principles

As such, this policy does not prohibit giving or receiving **reasonable and proportionate** gifts and invitations.

Reasonable hospitality and promotional, or other business expenditure which seeks to improve the image of a business is recognized as an established and important part of doing business and it is not the intention of the regulations to criminalize such behavior.

On the contrary, if this hospitality and promotional or other similar business expenditure is considered unreasonable or given in inappropriate circumstances (e.g., when awarding a contract), it may constitute a criminal offence within the meaning of the said legislations, which is not acceptable. Indeed, it is clear that hospitality and promotional or other similar business expenditures can be employed as bribes. Accordingly, there must never be an intention for a financial or other advantage (given or received) to influence a person in their official role and thereby secure business or a business advantage.

Gifts, courtesies and hospitality or entertainment are all types of advantages, given by someone as a sign of gratitude or friendship, without expecting anything in return. They can, for example, include: a) "courtesy gifts", which are small gifts given on culturally recognized occasions (e.g. weddings, funerals) or during holiday periods (e.g. Christmas, New Year). b) refreshments, meals, and accommodation. c) attending shows, concerts, or sporting events.

Particular attention should be paid to gifts, courtesy, and hospitality (received or given) and entertainment. These are a way to foster good relationships. However, they can be seen as a mean to influence a decision, to favor a business or a person through an outside party (for example, a competitor, the press, a prosecutor, or a judge) as inducing corruption, even if neither the donor nor the recipient had such intention.

Gifts or other benefits received or donated must scrupulously respect the following rules:

- **Do not engage any counterparty;**
- **Not be directly related to the promotion of the company's products or services, or contracts;**
- **Be reasonable or even symbolic;**
- **Never be in cash or cash equivalents (e.g., vouchers);**
- **Be transparent with the hierarchy. Any significant gift received or given must be reported through the process described below and must generally be proportionate and reasonable.**

**74Software prohibits gifts, hospitality, donation, and other benefits to and from public agents** or ex-public employees, or from immediate family members when the purpose is to circumvent the laws and regulations in force. In particular, the following shall be considered as "public official":

- Any officer or employee, elected or appointed, of a government or departmental ministry, a government agency or a corporation belonging, even partially, to a government, or appointed from a public international organization;
- Any person acting officially for or on behalf of a government or ministry, a government agency or a public international organization;
- Politicians and candidates for public office. If in doubt, it is necessary to check with 74Software Internal audit department to make this type of gift to public officials before presenting the gift.

### 3. Declaration process

Several regulations require that we maintain a register of the gifts and invitations of a significant amount, whether they are given or received. Following these compliance obligations, 74Software implemented a Gifts & Benefits register, where all gifts and invitations must be declared, prior to the expense.

The following must be declared:

- **Invitations above 100€//\$ per person** (lunches, dinners), whether they are received or offered, concerning suppliers, partners, customers, and other stakeholders.
- **All gifts above 100€//\$ per person**, whether they are received or offered, concerning suppliers, partners, customers, and other stakeholders. This does not concern gifts of nominal value, such as advertising novelties (mugs, mouse mats and similar)

We have set up a process by which 74Software employees have to declare any gift or invitation, given or received, with a value over 100€//\$. A Gifts and invitations [e-ticketing system](#), at your disposal through 74SoftwareAnywhere in the module "Internal Audit- Service Offering – Gifts and Invitation" is made available, with an approval workflow requiring the validation of the manager and of Internal audit.

The ticket opened requests to enter some details regarding the type of gift/invitation, the business justification of the gift/invitation, its approximate value, the date, BU, name of the offeror and name of the beneficiary.

**Declaring an invitation or a gift does not mean it is legitimate or forbidden. Your manager and Internal audit will have the ability to reject or approve.**

Simultaneously, you will have to join the approval obtained through this request in Concur to obtain your expenses reimbursement, otherwise the reimbursement will be blocked.

As a reminder, gifts and invitations must remain reasonable and proportionate. Invitations of such amounts should be rare and exceptional. All invitations/business meals below this amount will continue to be validated by your manager through Concur. If no approval has been obtained for a gift/invitation given, it will not be reimbursed.