



Gifts & Hospitality

Effective Date	Author	Owner	Approval	Last Review	Revise Date
August 2017	Iain Simm	Jeremy Aron	Miles Roberts	November 2011	August 2019



Gifts and Hospitality Policy Statement

This document sets out the DS Smith Group's policy and your responsibilities on the giving and receiving of Gifts and Hospitality. The Policy can be found on DS Smith Group Plexus at <http://plexus.dss.dssmithgroup.local>.

The DS Smith Group recognises that the act of giving and accepting gifts can be part of building normal business relationships. In different geographical locations this practice can vary significantly, often depending on local laws and specific customs. However, some gifts and hospitality can create improper influence and conflicts of interests. In some instances they can be viewed as bribes that could damage the DS Smith Group's reputation or even break the law.

You must never accept a gift or hospitality which could compromise your business judgment, could conflict with your duty to the DS Smith Group and/or the DS Smith Group's clients or which could appear to others that your business judgment has been compromised or improperly influenced. Equally, you must never offer a gift or hospitality which could have this effect on the recipient.

Employees are required to report any circumstances which are in breach of this Gifts and Hospitality Policy. In the first instance, you should report any problems or concerns to your line manager. If you are not comfortable doing this then there are three "Speak Up!" options available to you:

- You can make a report through the "Speak Up!" dedicated free phone line (see posters for the freephone number for your country);
- You can make a report through the secure website <https://wrs.expolink.co.uk//dssmith>
- You can call or send an email to the Group General Counsel & Company Secretary (Telephone: +44 (0)20 7756 1835 or email: ain.simm@dssmith.com).

All reported incidences of actual or suspected breaches will be promptly and thoroughly investigated.

You are required to comply with this Policy at all times and without exception. Failure to do so will be treated as a disciplinary matter and may lead to dismissal.

Miles Roberts
Group Chief Executive

December 2017



1. Summary of Key Points

- 1.1 You must never accept a gift or hospitality which could compromise your business judgment, could conflict with your duty to the DS Smith Group and/or DS Smith Group customers, could encourage you to act improperly or which could appear to others that your business judgment has been compromised.
- 1.2 You must never offer a gift or hospitality which; could compromise the recipient's business judgment, could conflict with their duty to their employer and/or clients, could encourage them to act improperly where it was your intention that they do so, or which could appear to others that their business judgment has been compromised.
- 1.3 Cash must never be offered or received.
- 1.4 No gifts, travel, entertainment or hospitality should be offered or given to relatives or Associated Persons of any Foreign Public Official.
- 1.5 Payment of travel, entertainment or hospitality for Foreign Public Officials should not be made directly to a Foreign Public Official. Instead, payment should be made directly to suppliers/providers or, if that is not possible, to the government or governmental agency with which the Foreign Public Official is associated.
- 1.6 You must refuse all gifts and hospitality which are lavish, inappropriate or excessive.
- 1.7 You should notify your Line Manager and the Group General Counsel & Company Secretary that you have returned the gift or declined the hospitality.
- 1.8 You must not offer, either directly or indirectly, any gift or hospitality with the intention that the recipient of that hospitality be influenced to act improperly or grant a business advantage or prevent a disadvantage to the DS Smith Group.
- 1.9 You must never ask for or solicit gifts or hospitality.
- 1.10 Gifts and hospitality (given or received) less than the value of £50 // \$50 do not require approval from your Line Manager, and do not need to be entered in a Gifts & Hospitality Register, unless given to or received from a Foreign Government Official.
- 1.11 Approval from your Line Manager must be obtained before:
 - giving or receiving any gift over the value of £100 // \$100;
 - giving or receiving any hospitality over the value of £100 // \$100 per person;
 - giving or receiving any gift or hospitality of any value to or from a Foreign Government Official.
- 1.12 You must be able to prove the value of any gift over £100 // \$100 or hospitality received over £100 // \$100 per person.
- 1.13 Approval from your Line Manager and the Group General Counsel & Company Secretary must be obtained before:
 - receiving any gift over the value of £500 // \$500;
 - receiving any hospitality over the value of £500 // \$500 per person.



1.14 See Section 4 in respect of giving gifts or hospitality over £500//\$500.

1.14 Any time off work which is taken as a result of receiving a gift or hospitality must be agreed with your Line Manager.

1.15 Each Division is required to maintain a Gifts & Hospitality Register recording all gifts and hospitality offered and received, regardless of amount, other than those falling within the exception set out in 1.10 above.

1.16 For purposes of approvals under this Policy, the cost of any travel resulting from receiving a gift or hospitality must be included in the total cost of the gift or hospitality received (but see section 6 below).

1.17 If you are in any doubt as to whether to accept a gift or hospitality you should consult your Line Manager and/or the Group General Counsel & Company Secretary.

1.18 If you have any questions regarding this Policy please contact the Group General Counsel & Company Secretary.

2. Definitions

2.1 Gifts:

- For the purpose of this Policy the word "gift" or "gifts" means any tangible item(s) provided by a person or entity with which the DS Smith Group has a current or potential business relationship.
- For the avoidance of doubt, tickets to any event where the donor is not present will be classed as a gift.

2.2 Hospitality:

- For the purpose of this Policy the word "hospitality" means all forms of entertainment where the donor is present. It includes, but is not limited to, lunches, dinners, parties, sporting events, cultural events or seminars.
- Entertainment provided by the DS Smith Group at any DS Smith Group office is subject to this Policy.
- Where accommodation is a necessity, reasonable accommodation expenses can be accepted/provided as part of the hospitality.
- Where travel is a necessity, reasonable travel expenses can be accepted/provided as part of the hospitality but the cost must be included as part of the approval amount under this Policy.

2.3 Foreign Public Official:

- For the purpose of this Policy "Foreign Public Officials" means officials of any government department or agency; officials of any public international organisation (eg. the United Nations); political parties and party leaders;



candidates for public office; executives and employees of government-owned or government-run companies (such as a doctor in a state-controlled hospital); anyone acting on behalf of any of these officials; an individual holding a legislative, administrative or judicial position, or any Associated Person of any such individuals.

2.4 **Associated Person:**

- For the purpose of this Policy, an "Associated Person" is any person closely associated with you, including but not limited to a spouse, partner, child, other family member or friend.

3. Receiving Gifts & Hospitality ("G&H")

- 3.1 It is an offence under the UK Bribery Act 2010 to directly or indirectly request, agree to receive or accept a gift intending that, in consequence, a relevant function or activity be performed improperly. It is also an offence if the request, agreement or acceptance of it itself constitutes improper performance of a relevant function.

Lavish or extraordinary hospitality may lead to a conclusion of bribery. Most routine and inexpensive hospitality is unlikely to lead to a reasonable expectation of improper conduct.

Please see the Anti-Bribery and Anti-Corruption Policy for details of enforcement and discipline for bribery and corruption offences.

3.2 **Gifts received with a value of £500 // \$500 or more**

- You must obtain prior approval from your Line Manager and the Group General Counsel & Company Secretary to accept gifts with a value of £500 // \$500 or more or for any gifts received from Foreign Public Officials. You do this by completing the G&H Dispensed/Received Form available on Plexus at <http://plexus.dss.dssmithgroup.local> and appended to this Policy.
- Where possible, you must attach documentary evidence confirming the value of the gift with the G&H Dispensed/Received Form.
- If you want to keep the gift, you will be required to donate an amount equivalent to the value of the gift to a DS Smith Group nominated charity.
- If you decide not to keep the gift then the gift should be provided to the Group General Counsel & Company Secretary who will arrange for it to be donated to charity or sold and the money raised to be donated to a DS Smith Group nominated charity.
- If you decide to return the gift to the donor, you must notify your Line Manager and the Group General Counsel & Company Secretary stating who provided the gift, what the gift was, its value and why you returned it.
- When you receive a gift you must treat the whole gift as having been received by you. You may not (where possible) split the gift between others to reduce the value of the gift (e.g. a case of wine). Therefore if the value of the gift is valued



at £500 // \$500 or more you will need to follow the approved process if you wish to retain this gift.

3.3 **Hospitality received with a value in excess of £500 // \$500**

- You must obtain prior approval from your Line Manager and the Group General Counsel & Company Secretary to accept hospitality with a value of £500 // \$500 or more or for any hospitality provided by a Foreign Public Official. You do this by completing the G&H Dispensed/Received Form.
- Where possible, you must attach documentary evidence confirming the value of the hospitality with the G&H Dispensed/Received Form.

4. **Dispensing Gifts & Hospitality**

4.1 It is an offence under the UK Bribery Act 2010 to directly or indirectly offer, promise or give hospitality with the intention that the recipient of the hospitality be influenced to act improperly. It is also an offence if you know or believe that acceptance of the hospitality would of itself constitute the improper performance of a relevant function or activity. Lavish or extraordinary hospitality may lead to a conclusion of bribery. Most routine and inexpensive hospitality is unlikely to lead to a reasonable expectation of improper conduct.

Please see the Anti-Bribery and Anti-Corruption Policy for details of enforcement and discipline for bribery and corruption offences.

4.2 **Gifts/Hospitality dispensed with a value in excess of £500 // \$500 per person**

- You must obtain prior approval from your Line Manager and the Group General Counsel & Company Secretary for dispensing any gift or hospitality with a value of £500 // \$500 per person and/or total value of £5000 // \$5000 or more. In addition you must obtain prior approval from your Divisional CEO for dispensing any gift or hospitality with a total value of £500//\$500 or more per customer. Approval can be obtained by completing the G&H Dispensed/ Received Form available on Plexus (<http://plexus.dss.dssmithgroup.local>) and appended to this Policy.
- This applies to all gifts/hospitality with a value in excess of £500 // \$500 per person and/or a total value of £500 // \$500 per customer and/or total value of £5000//\$5000, including any such hospitality included in department budgets (e.g. payment for private box at a concert venue).
- You must obtain prior approval from the Group General Counsel & Company Secretary for dispensing any gift or hospitality of any value for the benefit of a Foreign Public Official. Approval can be obtained by completing the G&H Dispensed/Received Form.
- In addition, attention must be given to how frequently gifts/hospitality are provided or accepted.

4.3 Giving or receiving any gift or hospitality with a value of over £100 // \$100 but less



than £500 // \$500 requires the approval of your Line Manager. All gifts and hospitality, whether dispensed or received, and whether or not they exceed the financial thresholds referred to above, must be disclosed on a G&H register to be maintained by the Finance Director for that Division.

- 4.4 In the event that actual names of attendees or other information are not finalised when approval is sought/obtained, this information must be provided as soon as it is available and the original G&H Form must be re-signed by all the signatories to confirm final approval.

5. G&H Register

- 5.1 The G&H Register must be completed and signed by the relevant Line Manager and returned to the Finance Director for each Division no later than the fifth business day after the preceding month end.

6. Travel out of the country of residence

- 6.1 The DS Smith Group will not ordinarily pay for travel away from their country of residence for clients it is entertaining and where DS Smith Group employees are being entertained, the DS Smith Group (where approved) or the employees will pay for any travel out of their country of residence.
- 6.2 This rule may be waived with the agreement of the Line Manager in certain exceptional circumstances. If the Line Manager wishes to waive this rule, they must document their justification and confirm that in waiving the rule they are not creating any significant conflict for the recipient of such travel. This justification must be attached to the relevant form when it is submitted to the Group General Counsel & Company Secretary for approval. When declaring the estimated value of the gift or hospitality given or received, where applicable, this must include the cost of any such travel.
- 6.3 The DS Smith Group will not pay for travel out of their country of residence of any Associated Person to attend any event whatsoever unless approved by the Group Finance Director or Group General Counsel & Company Secretary.

7. Associated Persons

7.1 Receiving Gifts and Hospitality

Where an Associated Person attends or receives a gift because of your role in the DS Smith Group you must apply the requirements in this Policy as if the gift/hospitality had been given to you.

7.2 Gifts received by Associated Persons

Where an Associated Person receives a gift because of your role in the DS Smith Group the value of the gift received must be added to the value of any gift received



by you and if the total value of the gift is £100 // \$100 or more you will need to obtain prior approval to retain this gift.

7.3 Hospitality received by Associated Persons

- Where an Associated Person accompanies you to an event, the value of the hospitality for the person(s) accompanying you must be added to the value of the event for you. For example, if you and your partner attend an event which is valued at £100 // \$100 per person, the value of the hospitality to you is considered to be £200 // \$200.
- If the total value of the hospitality is £100 // \$100 or more you will need to obtain prior approval to attend this event.

7.4 DS Smith Group Hospitality and Associated Persons

- Where DS Smith Group is providing the hospitality, any DS Smith Group employees and Associated Persons attending the event are discounted in arriving at the event cost per person figure.
- For example, the DS Smith Group invites four business guests and their partners (eight people) and two DS Smith Group employees and their partners (four people), who will act as hosts, to an event. The total cost of the event is £2,400 // \$2,400. Whilst 12 people are attending, only four of them are business contacts, therefore the cost per person for the event will be £400 / \$400 (£2,400 less £800 (\$2,400 less \$800) - the cost of the DS Smith Group attendees = £1,600 // \$1,600 divided by four).
- Please see Sections 4, 5 and 6 for the prior approval and disclosure requirements.

8. Holidays

- 8.1 It is the Line Manager's decision on whether to require the person receiving hospitality which will take place during normal working hours, to take the time off as holiday.



DS SMITH GROUP

GIFTS AND HOSPITALITY DISPENSED/RECEIVED FORM

Name of Employee	
Title & Department	
Name of Customer & Name of Organisation	
Position of Customer	
Existing or New Customer	EXISTING / NEW (Delete as applicable)
Number of times Gift or Hospitality dispensed/received to/from this Customer over past 12 months	
Is Customer a Government Official?	YES / NO (Delete as applicable)
Description of Gift and/or Hospitality dispensed/received	
Date Gift and/or Hospitality dispensed/received	
Value of Gift and/or Hospitality dispensed/received	£ // \$
Reason for Gift and/or Hospitality being dispensed/received	
Evidence of value of Gift and/or Hospitality attached	YES / NO (Delete as applicable)
If entertainment, will donor be present at entertainment?	YES / NO (Delete as applicable)
Employee signature	
Date	



Authorisation required as follows:

Approval from Line Manager must be obtained before:

1. giving or receiving any gift over the value of £100 // \$100;
2. giving or receiving any hospitality over the value of £100 // \$100 per person;
3. giving or receiving any gift or hospitality of any value to or from a Foreign Government Official.

Approval from Line Manager and the Group General Counsel & Company Secretary must be obtained before:

- giving or receiving any gift over the value of £500// \$500;
- giving or receiving any hospitality over the value of £500 // \$500 per person.

giving or receiving any hospitality over the value of £5000//\$5000. Approval from Divisional CEO must be obtained before giving or receiving any hospitality over the value of £500//\$500 per customer.

For Official Use only

Authorised:

Authorised by Line Manager/Divisional CEO (Name)	
Signed	
Date	

Authorised by Group General Counsel & Company Secretary	
Signed	
Date	



Rejected:

Rejected by (Name)	
Signed	
Date	
Reason for Rejection	