

COMPLIANCE

How to handle invitations and
gifts correctly

We will be pleased to help you!



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Preface

This flyer provides information about how to handle invitations and gifts. **Please be aware that the procedure described must be adjusted to your individual sphere of business.** That means, you have to coordinate with your superior how to **practically** implement the requirements in your respective sphere of business – for example also with regard to reachability of your superior during business trips, vacation, etc.

I. Public Officials and Public Service Employees

Domestic or foreign public officials and public service employees include:

- Civil servants
- Administration employees
- Employees of public authorities
- Staff members of the German Ministry of Defence and the Bundeswehr
- Employees from electricity and water suppliers
- Employees from companies which are (in part) in public ownership
- Employees from private companies who perform public tasks
- Additionally abroad: e.g. members of royal families, etc.
- Etc.

In the following checklist, all of them are referred to as „public officials“.

Checklist – Public Officials

1. Please inquire in advance about applicable regulations of the respective public authority by means of officially accessible sources. If you want to directly contact the public official for that purpose, please coordinate your way of proceeding with your superior in advance.
 - Check with the public official/public authority whether and what gifts or invitations are permissible or approvable after all. Moreover, ask for the permissible value of a gift/invitation. For documentation purposes, you should in any case make a written note of that.

2. If all applicable regulations are observed, obtain your superior's written approval of the intended benefit. For documentation purposes, please take a written note (e.g. memo or email) of oral approvals.
3. Should there be any doubts, obtain the Diehl Corporate Compliance Officer's (CCO) written approval of the intended benefit.

II. Private Sector

Please pay attention to the following checklist when giving or accepting gifts or invitations in doing business with private sector companies.

Checklist – Private Sector

1. Please find out in advance whether there are guidelines, information sheets or notices from business partners regarding gifts and invitations, such as the request not to present any Christmas gifts.
 - If there is nevertheless any uncertainty and you want to directly contact the business partner to clarify things, coordinate the modalities with your superior in advance.
2. The objective of giving or accepting gifts or invitations must not be to influence business decisions.
 - Therefore, check the value of an invitation/a gift in advance as to whether this might have an influence. Coordinate the value of the invitation/gift with your superior, for both giving and accepting.
 - Avoid giving any impression of improper or inappropriate behavior.
 - You are not allowed to accept or give cash or cash-like gifts such as gift vouchers.
 - You must not send or receive gifts or other benefits to/at private addresses.
 - Do not participate in mainly leisure-type events.
 - Do not participate in prize games, lotteries, raffles, etc.

3. If the above restrictions are observed, ask your superior to approve the intended giving or acceptance of a gift/invitation. For documentation purposes, please take a written note (e.g. memo or email) of oral approvals.
4. Should there be any doubts, obtain the Diehl Corporate Compliance Officer's (CCO) written approval to give or accept a gift/invitation.

Practical Tip ←

For reasons of legal certainty, proceed as follows:

- A written invitation must contain the following notice:

“We are pleased to invite our guests for lunch/dinner [if appropriate, further events]. We assume that this invitation complies with the compliance regulations applicable for our guests. “
- For **spontaneous invitations**, we basically recommend a wording such as:

„We are pleased to invite you, however, do not want you to get into trouble. Please observe your internal regulations. “

For the purpose of documentation, the person extending the invitation should always write a corresponding note.