

Functional Group: Legal and Compliance
 Procedure Name: Hospitality, Entertainment and Gifts
 Effective date: April 2020

SOP GRP-LC6-025
 Revision No: 003
 Applicable Regions: Global

Hospitality, Entertainment and Gifts (Giving and Receiving)

1.1 Policy statement

IMI only receives or gives hospitality, entertainment and gifts within pre-defined limits and never to secure any improper advantage or to influence a business decision.

1.2 Document purpose

This document sets out the limits on the value of any hospitality, entertainment and gifts and the approvals needed in respect of them. It applies to expenditure on external parties (e.g. customers and suppliers) and expenditure by external parties for the benefit of IMI employees or their family and friends.

Divisions may, with the approval of their Divisional Managing Director, adopt their own policies and procedures relating to hospitality, entertainment and gifts, provided that the requirements are no less strict than the requirements set out in this Standard Operating Procedure (i.e. they cannot allow higher limits on spending).

1.3 The nature of the hospitality, entertainment or gift

Any hospitality, entertainment or gift either given or received should be in the normal course of business, reasonable in value and have a legitimate business purpose. It must never be intended to influence a specific business decision. You should think about how others may perceive such hospitality, entertainment or gift and be confident the employer of the person receiving the hospitality, entertainment or gift would approve it.

Hospitality, entertainment and gifts should always be within the legal and regulatory requirements in the jurisdiction in which they are given or received and should not include anything that can be perceived as not in keeping with the image of a professional business or morally questionable, for example, gambling, strip clubs or drunkenness.

Gifts must not be cash or any equivalent of cash, such as cheques, gift cards, or shop tokens.

1.4 Recording hospitality entertainment and gifts

All expenditures on hospitality, entertainment and gifts (whether or not they require approval as per paragraph 1.5) must be properly recorded through your company accounting and expenses systems, including proper descriptions of the expenditure and who it was for (including the full names and titles of the individuals concerned and the name of the company they work for). Expenses are also subject to The Travel and Expenses Policy (SOP GRP-FC7-017) which can be found under the Group Finance section of the Global Intranet.

1.5 Limits on value

The table below sets out the spending limits for hospitality, entertainment and gifts (whether provided or received). Divisions and local business units may have adopted lower limits which apply to you. Exceptional approval to exceed these limits must be obtained in advance from your line

manager and the appropriate Divisional Managing Director (or Finance Director), or the Chief Executive. A template approval form is attached.

Category	Event Limit per person	Limit for Public Officials per person	Exceptional Approval
Business meals including all drinks (before and after)	Up to £100	Up to £50	
	Between £100 & £200	Between £50 & £100	Divisional MD or FD
	£200 or more	£100 or more	Chief Executive
Sporting, cultural and entertainment events (including food, drinks and gifts that form part of the event)	£250	£75	
	Between £250 & £500	Between £75 & £150	Divisional MD or FD
	£500 or more	£150 or more	Chief Executive
Gifts (not included in packages for entertainment events)	£100*	£25*	
	Between £100 & £200	Between £25 & £50	Divisional MD or FD
	£200 or more	£50 or more	Chief Executive

* Unless given by Chief Executive or a Divisional Managing Director in which case the limit is £150 (or £50 for any Public Official).

1.6 Spouses, partners, other family members and friends

Prior written approval from the appropriate Divisional Managing Director or Finance Director is required to include spouses, partners, other family members and/or friends (of either IMI employees or external parties) in any hospitality or entertainment or to give gifts to them.

1.7 Funding travel and accommodation for external parties

You should not offer any travel and accommodation to external parties, unless it is a modest amount, such as taxi fare to a local train station or airport. Any exceptions to this must be approved in writing in advance by the appropriate Divisional Managing Director or Finance Director and must comply with the limits included herein.

Approval is only likely to be given in exceptional circumstances such as attendance at technical seminars, factory visits and product promotions. Approval is unlikely to be given for any event exceeding two days in duration and involving long-haul flights (five hours or over). Cash allowances for expenses are not permitted.

Any travel and accommodation costs for external parties approved for payment by IMI should be invoiced to and paid directly by IMI. If this is not possible, then reimbursement must be paid into a business bank account of the external party concerned (never an individual's account) and subject to proper supporting documentation for the expenses being reimbursed.

1.8 Promotional campaigns and events

Any gifts or prizes to be given at promotional campaigns or events require prior written approval of the appropriate Divisional Managing Director or Finance Director.

1.9 Document Definitions

Term	Definition
Public Body	<p>Any of the following:</p> <ul style="list-style-type: none"> ➔ A government or governmental department, agency or enterprise; ➔ A legislative, administrative or judicial body; ➔ An organisation or enterprise wholly or partially owned or controlled by a government (whether directly or indirectly); ➔ A public international organisation; ➔ A political party; or ➔ Any other body or state-owned enterprise with the power to issue licenses, permits or perform functions on behalf of the public.
Public Official	<p>Any employee, official or individual:</p> <ul style="list-style-type: none"> ➔ Of a Public Body; ➔ Who exercises a public function on behalf of a Public Body; ➔ Who is a political candidate; or ➔ Who is a member of a royal or ruling family

Template Approval Form for Hospitality, Entertainment and Gifts requiring DMD/FD or CEO approval

About the IMI person requesting approval:	
1. Your name and title:	
2. Your IMI business name:	
3. Your telephone number:	
4. Your email address:	
About the Approval Request	
5. Are you requesting approval for hospitality, entertainment or gifts that you are providing or that you are receiving?	
6. What type of hospitality, entertainment or gift are you requesting approval for? (Please clearly highlight all that apply)	<ul style="list-style-type: none"> • Meal • Sporting, cultural or other event (including food and drink if applicable) • Gift • Accommodation and/or travel costs for/by a third party • Invitation of spouse(s), partner(s), family member(s) or friend(s) to a meal or other event • Gifts (or prizes) within a promotional campaign • Other – please specify
7. Please provide a brief description of the hospitality, entertainment or gift to be provided or received, including (as applicable): <ul style="list-style-type: none"> • The venue • The date of the event (or the date the gift is expected to be given) • The nature of any entertainment • The nature of any gift • The business reason for the hospitality, entertainment or gift 	
8. Please specify the cost per head (or if couples are being invited, the cost per couple) of the hospitality, entertainment or gift.	
9. Please provide details of each of the people receiving the hospitality, entertainment or gift (if you are providing it) or providing it (if you are receiving it), In both cases specify if any giver or receiver is a Public Official.	

Specific questions about travel and accommodation for third parties	
10. If the request is for third party travel or accommodation, why is this not paid for by the recipient's employer?	
Compliance with laws and regulations	
11. Are you comfortable that the hospitality, entertainment or gift to be provided would not breach any relevant local legal restrictions?	
Is there any other information you consider relevant to your request?	
By signing this form, both the requestor and the sponsoring manager confirm that they consider the content of the form and are a true and accurate description of the hospitality, entertainment or gift for which approval is requested.	
Requestor's Signature	
Print Name and Title	
Requestor's Manager's Approval – Signature:	
Print name and Title:	
For approval purposes only	
Approval decision	Approved/ Rejected/ Referred for further information
Decision date	
Signature of Approver	Print Name: Print Title: