



GN
GIFTS, TRAVEL AND
ENTERTAINMENT POLICY

GN STORE NORD GROUP
February 2023



Message from management

In accordance with GN's Ethics Guide, GN is committed to doing business the right way. As part of this commitment, GN has a zero-tolerance policy towards bribery and corruption of any kind. Therefore, GN has devised this policy to guide our employees and business partners when it comes to gifts, travel and entertainment in GN.

GN expects all GN employees to follow, and all suppliers and customers, to respect these guidelines and be compliant in all matters relating to these issues.

GN expects that all anomalies are reported to a senior management either through the normal line of business, to Group Legal, Group Risk & Compliance directly or through the Alertline.



A handwritten signature in black ink, appearing to read 'GP Aabo'.

Gitte Pugholm Aabo, CEO



A handwritten signature in black ink, appearing to read 'PK Karlströmer'.

Peter Karlströmer, CEO



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1 The purpose

The purpose of this policy is to provide GN employees with a guide on how to give and/or receive benefits of various kinds when operating on behalf of GN. This document aims to help identify when alarm bells should be ringing. As well as whom to consult if you need further guidance or want to report a concern.

2 Responsibilities

All GN employees, regardless of business division, country or title, are expected to take responsibility and act with integrity in all dealings, and to comply with this policy. GN has a zero-tolerance policy towards corruption and requires all employees to comply with this policy in both word and spirit, in all dealings made on behalf of GN.

If there is a conflict between this policy and local regulations, GN and GN employees should always adhere to the higher of the two standards.

This policy is owned and updated by Group Risk & Compliance. Questions on this policy can be directed to Group Risk & Compliance.

3 What is corruption?

Corruption is the abuse of power for private gain. Corruption occurs in many different forms, and is not limited to the ones described in this policy.

Further guidance on corruption and examples of corruption can be found in the GN Anti-Corruption Policy and the GN Ethics Guide.

4 What is a public official?

Corruption involving a public official is a very serious offence for which you can also be held personally liable. This means you should be especially alert since this offence could have

consequences for you personally as well as for GN.

A public official is any person hired as an employee or a consultant by the public sector and in some countries this definition is very broad.

A public official could be a health care professional (HCP) hired full time or part time at a public hospital or a public clinic, a teacher working at a publicly owned university, a buyer employed in the public sector or an employee with a public authority such as the police, tax authorities, customs, etc.

A public official also can be a third party hired by the public sector, e.g. to facilitate a public tender, a specific project or responsible for a specific area. As well as a person working for a public NGO organization.

Example:

A doctor working at the local public hospital but who also has his/her own private clinic is always considered a public official.

Rule of thumb:

Be very cautious about offering/giving gifts, entertainment or benefits to a public official!

5 Gifts, travel and entertainment

When we talk about gifts, travel and entertainment, we mean anything that has to do with presenting something of value to the receiver, be it items, transport, entertainment or some other kind of hospitality, see more examples below.

All of the favours presented in this policy could be seen as an attempt to influence the receiver, and hence attempted bribery. In a situation where something is offered to you/or offered by you, you need to adhere



to the guidelines presented. The guidelines are not limited to the examples described.

When dealing with any business partner, customer or supplier it is sometimes custom and also acceptable to exchange small token gifts. As long as these gifts are within certain limits explained below, this poses no problem.

Furthermore, educational sessions with a clear business purpose sometimes require both travel and accommodation for business partners, and this may also be allowed as long as it stays within reasonable limits and always has a strict business purpose.

The limits described in this policy are GN maximum limits. Where these limits can be considered extravagant in a local setting, it is the responsibility of local management to set local limits and communicate them clearly. Local limits can never exceed the limits set out in this policy, and always have to comply with local legislation. Should the GN limits differ from local legislation, GN will always adhere to the stricter of the two.

5.1 Receiving gifts

Definition:

Gifts are not limited to tangible items but also includes gratuities, rewards, favours or benefits.

Policy:

In the normal course of business, it is acceptable to receive token gifts from an organization or person doing business with GN.

However, benefits can never exceed a perceived value of USD 100.

Acceptable benefits include:

- Transportation to or from the customer's or supplier's place of business.

- Hotel accommodation in relation to business activities.
- Attendance at sporting or cultural events.
- Business lunches or dinners.
- Small seasonal holiday gifts or prizes to be used in office draws and raffles.

In some instances, refusal of a valuable gift may cause embarrassment or offence to the person offering it. In these cases, it is usually best to accept the gift on behalf of GN, report it to your manager and turn it over to the company. You can never accept cash, or the equivalent of cash (vouchers or gift cards) regardless of the amount.

Example:

A vendor would like to show her appreciation to your team and offers a voucher for the local supermarket to each of your team members. You cannot accept this gift. Gift vouchers are considered cash payments and as such could easily be seen as corruption.

Rule of thumb

Never accept cash or cash equivalents. Stay below the USD 100 perceived value.

5.2 Giving gifts

Definition:

Gifts are not limited to tangible items but also includes gratuities, rewards, favours or benefits.

Policy:

It is ok to offer token gifts. However, any gift must be of modest value and you should always consider local tradition and regulations.

Overall limit:

Gifts can never exceed a perceived value of USD 100 and should always be of modest value considering local standards. Local limits



may apply so ask your management for guidance.

Acceptable gifts include:

- Small seasonal holiday gifts or prizes to be used in office draws and raffles.
- Token gifts such as pens, notebooks, mouse pads, etc.

GN does not want to put people in a precarious situation by offering a gift.

For HCPs very strict rules typically apply so make sure to familiarize yourself with local rules. When in doubt, you should refrain from offering any kind of gift to HCPs as a precaution.

You can never give cash or the equivalent of cash (vouchers or gift cards) regardless of the amount.

Example:

You are visiting a very good customer and would like to give him a gift as a token to acknowledge him as an important customer. You give him a gift card for Jabra.com so he can get a nice set of headphones of his choice. Gift cards are never allowed regardless that it is to our own store.

Rule of thumb

Never offer cash or gift vouchers. Always keep in mind that the value should be modest and always take local prices into account.

5.3 Travel

Definition:

Travel is defined as expenses, to transport a customer, supplier or business partner, paid by GN.

Policy:

For legitimate business purposes relevant to the company and/or the products we sell, it

can be justifiable to provide travel arrangements to business partners, customers or suppliers.

However, it always has to be reasonable and for airfare, economy class tickets is the preferred choice. On rare occasions e.g. where the person has to perform a task for the company on the day of arrival, premium economy class or even business class can be permitted. In this case approval has to be obtained by two levels of management above you and the last of this has to be at SVP level or higher. For train and coach travel, first class can be justifiable for longer journeys (more than 4 hours) and when it is an alternative to air travel.

Taxis should be used when shuttlebuses are not available and train or regular busses are not reasonable alternatives.

For more details on allowed travel expenses check the GN Travel Policy.

Example:

You have invited a customer to visit your office for a training session on a new innovative product. The customer agrees, however the customer lives 5 hours from your offices and is afraid to fly. A train is the alternative and you decide to buy the customer a first-class train ticket as an appreciation that the customer is willing to spend that much time travelling. The cost is very modest compared to a plane ticket so this would be ok according to the policy.

Rule of thumb

Always seek the most reasonably priced option and never provide travel that exceeds what you yourself would be allowed to book for a business trip.



5.4 Entertainment

Definition:

Entertainment is a dinner, a show or any other kind of non-physical gift given to a partner and paid for by GN or a GN representative.

Policy:

Entertainment needs to be offered only at modest value and only after a careful evaluation. Special attention is needed when it comes to public officials and during tender processes. Generally, entertainment should be avoided entirely in these instances. The purpose can never be to influence a business decision. Documentation always needs to be detailed and traceable. If you have doubts, ask your manager or Group Risk & Compliance for advice.

Example:

You have a customer that has given you a lot of business over the years and to show your appreciation you have decided to reward her with a dinner and a show. You really want to make the evening extraordinary to make her understand that you see her as one of your key customers. So, you book a table at a famous Michelin restaurant in town and front-row tickets to the ballet later in the evening. This event would be much too lavish to justify. It is well above what would be deemed reasonable. You should choose a more reasonably prized restaurant and refrain from offering the ballet tickets.

Rule of thumb:

Be aware that you need to keep in mind that you cannot be lavish and that specific local rules may apply. Local rules always have to be followed.

5.5 Hospitality

Definition:

Hospitality is when GN or a GN representative offers accommodation to business partners, suppliers or customers in relation to meetings or events.

Policy:

Hospitality follows to a wide extent the same rules as those applying for gift giving, especially when it comes to public officials and tender processes.

In relation to business meetings and conferences it can sometimes be ok to offer accommodation. However, there should be a specific and documented business purpose. This also applies to speakers at sponsored events. The entire event, both travel and accommodation, ought to be of reasonable standard and never more expensive than what you yourself would be allowed to spend.

Example:

One of your best customers and also a leading audiologist has been hinting that he was hoping to attend a large industry conference that is coming up. You feel he deserves a little extra recognition and have decided to invite him. You booked a business class plane ticket for him and got him the royal suite in one of the leading hotels in town. Since this is more than you would be allowed to book for yourself, it would not be permissible in this case either. Also, you need to consider very closely if you should invite him at all. Is there a business purpose for him attending? And is this compliant with anticorruption rules?

Rule of thumb:

Be aware that you cannot be lavish and that specific local rules may apply. You should consider if this could stand the scrutiny of a newspaper front page.