

## SCOPE

The requirements of this policy apply across Balfour Beatty in the UK. This policy applies to all employees, consultants, contractors and agency workers, including those working in joint ventures (in this policy “employees”).

## PURPOSE

This policy sets out the gifts and hospitality rules and the procedure that we must follow when giving or receiving any gift, hospitality or other benefit.

The giving and receiving of gifts and hospitality has a role in facilitating business practice. It is recognised that in the course of carrying out your duties, you may receive gifts and/or hospitality on occasion as part of a business relationship with existing or future stakeholders, etc. This policy is aimed at providing guidance to employees on the appropriateness of giving and receiving gifts and hospitality, whilst protecting Balfour Beatty and individuals from allegations of improper conduct, partiality/bias, or bribery and corruption.

## ABBREVIATIONS / DEFINITIONS

<b>Gifts</b>	A gift is something given as a present to another person, this includes gift vouchers, cash rewards, hampers, gifted alcohol, event tickets, etc. Trivial gifts such as unsolicited promotional items (i.e. stationary, pens) or other low value items that have no commercial value are not covered by this policy.
<b>Hospitality</b>	Hospitality refers to meals and functions and includes receptions, presentations, conferences, invitations to events such as social, cultural, education or sporting events, Christmas/Summer parties, awards dinners, trade association events, transport and/or accommodation provided by the hosts to/from an event etc. It would not usually include a training event or a working lunch at Balfour Beatty’s or a third party’s premises.

## INPUTS

Reference	Type	Title
<a href="#">Link</a>	Reference	Code of Ethics
<a href="#">ETH-PL-0104</a>	Policy	Conflicts of Interest Policy
<a href="#">ETH-RM-0103a</a>	Reference	Gifts & Hospitality Decision Tree

## OUTPUTS

Reference No.	Document Title	Responsibility	Retention Period
<a href="#">Link</a>	Gifts and Hospitality Register	All employees	n/a
<a href="#">Link</a>	Conflicts of Interest Register	All employees	n/a
<a href="#">Link</a>	Speak Up Helpline	All employees	n/a

## 1. GUIDING PRINCIPLES

- 1.1 You must declare (honestly and accurately) all offers of gifts or hospitality regardless of value. All offers must be declared whether accepted or declined.
- 1.2 Declarations must be recorded on Balfour Beatty's Gifts & Hospitality Register. (accessed on The Hub [here](#)).
- 1.3 Registration and approval to accept any gifts or hospitality is required in advance. Where this is not possible, a retrospective entry should be made as soon as reasonably practicable (within two working days).
- 1.4 If the offer is made to a number of employees in the context of an existing business (or potential business) relationship, then each employee is responsible for registering the offer.
- 1.5 Should you allow another employee to make entries on the Gifts & Hospitality register on your behalf, you (as the recipient of the offer) are responsible for the accuracy of any entry and complying with this policy.
- 1.6 If any spouse, partner, children, parents or other associates of any employee were to be offered any gift or hospitality which is in connection with your employment, for the purposes of this policy, such gift/hospitality shall be treated as having been offered to the employee and the terms of this policy apply to the question of whether such gift/hospitality can be accepted.

## 2. COMMON SENSE FACTORS

- 2.1 This policy promotes a balanced approach and helps to protect both Balfour Beatty and you against allegations of bribery and corruption, ensuring that Balfour Beatty is not, and is not perceived to be, tainted by bias/preference.
- 2.2 Acceptance of frequent invitations to events or functions, particularly from the same source and/or where the hospitality is expensive/lavish, may expose Balfour Beatty and you to the risk of accusations of bribery or partiality.
- 2.3 Where you are offered any gift, hospitality or benefit, you must consider:
  - The intention behind the offer
  - The nature of the relationship between the offeror and Balfour Beatty;
  - The value
  - Its timing

### **If you are unsure, do not accept**

- 2.4 Finally, you must ask yourself when considering whether to accept any offer of a gift or hospitality:
  - Would you be embarrassed if anyone found out about it?
  - Does receiving the gift, hospitality or other benefit influence you in any way?
  - How would you feel if you read about it in newspapers, on social media, etc?
- 2.5 If a gift is received that it is not possible to return this may be accepted by you on behalf of Balfour Beatty and passed to the Ethics team to be auctioned at the end of the year to raise funds for a Balfour Beatty charity.
- 2.6 Each of us who is offered a gift or hospitality is responsible for assessing these matters thoroughly and being accountable for the decision on whether to accept or decline the offer.

## 3. LIVE PROCUREMENT

- 3.1 Receiving any gifts or hospitality is a particularly sensitive issue where the third party providing or receiving it is in an "active tender" with Balfour Beatty. An "active tender" is the period of time

between a party expressing an interest in a contract or tender and a period of 3 months after contract signature.

- 3.2 If you are undertaking the role of an “assessor” in a particular procurement, then you are not permitted to receive any gifts or hospitality from any third party who is participating in the procurement while it is an active tender.
- 3.3 For all other employees, acceptance of gifts and/or hospitality during live procurements is strongly discouraged. Careful thought should be given as to the risks of accepting and registration and prior approval must be obtained from your SBU Managing Director or Head of Function.

## 4. RECEIVING GIFTS & HOSPITALITY

- 4.1 TRAFFIC LIGHT SYSTEM: the following will assist you in determining what action to take in response to any offer of gifts and hospitality:

### **GREEN – Acceptable but must be recorded**

- Gifts under £100 that are given to Balfour Beatty as relationship building, cultural or ceremonial or as a thank you for a job well done or providing assistance
- Hospitality that is customary and not lavish or extravagant
- Attendance at an event where you have been invited to present or speak and you have received authorisation from the Communications Team
- Award ceremonies
- Charitable events
- Attendance at a Summer/Christmas party or an industry/awards event where the invitation is made by an institution
- Attendance at an industry event where the invitation is made by a supplier/client or potential supplier/client. \*(this is particularly sensitive and requires consideration as to how this may be perceived externally)

### **AMBER – May be acceptable but must be recorded and requires prior approval from the Business Unit Managing Director or Head of Function**

- Gifts valued at over £100
- Hospitality involving:
  - international travel or overnight accommodation
  - spouse/partner participation
  - a value exceeding £200
- Gifts or hospitality involving parties engaged in an active tender with Balfour Beatty

### **Red – never acceptable but must be recorded**

- Anything illegal, unsavoury or sexual in nature or otherwise inconsistent with Balfour Beatty's Values
- Any gift or hospitality that has been solicited (i.e. asked for)
- Gifts of cash or cash equivalents (e.g. vouchers)
- Anything that might give the impression that you are being offered the gift/hospitality in order to influence your judgement
- Gifts or hospitality involving a Balfour Beatty “assessor” from or to parties engaged in an active tender with Balfour Beatty

- Gifts or hospitality which is recurring, regular and/or could be part of a reciprocal arrangement
- Gifts or hospitality which are lavish or extravagant

You may also wish to consult the Gifts & Hospitality Decision Tree [here](#).

4.2 Note: Some gifts or hospitality may involve a Conflict of Interest. See the Conflicts of Interest policy ([ETH-PL-0104](#)), and ensure that you register any Conflict of Interest [here](#).

4.3 The Ethics team has sight of all gift and hospitality entries and therefore has an aggregate view of what gifts and hospitality have been offered, received and rejected by employees and teams. **The Ethics team is therefore responsible for providing advice as to the appropriateness of accepting any offer of gifts or hospitality.** This will allow a level of consistency across Balfour Beatty and also ensure that offers from a specific organisation are proportionate.

## 5. OFFERING GIFTS OR HOSPITALITY

5.1 Gifts to other parties or their relatives are not a normal aspect of Balfour Beatty's business as usual activities. Payment for such gifts must be approved in advance by your SBU Managing Director or Head of Function and details logged on the Gifts and Hospitality register.

5.2 It may be the case that Balfour Beatty business or stakeholder relationships can be furthered by offering modest hospitality. How such offers may be perceived is an important consideration. All hospitality offered must be approved in advance by your SBU Managing Director or Head of Function and details logged on the Gifts & Hospitality register.

5.3 If you want to offer a gift or hospitality to a public official, prior approval must be obtained from the Ethics team ([ethics@balfourbeatty.com](mailto:ethics@balfourbeatty.com)).

## 6. NON-COMPLIANCE

6.1 Employees may be subject to audit/review at any time in connection with their compliance with this policy.

6.2 Failure to comply with this policy could lead to accusations of improper conduct, criminal liability under the Bribery Act 2010 and resulting fines or penalties for both you and Balfour Beatty and/or disciplinary action.

6.3 Any suspected breaches of this policy should be reported to the Ethics team ([Ethics@balfourbeatty.com](mailto:Ethics@balfourbeatty.com)) or via Balfour Beatty's independent [Speak Up helpline](#).

6.4 If applicable, please also refer to the [UK Conflicts of Interest Policy](#).