

# **Business Gifts and Entertainment Policy**

## ***Policy Statement***

The term “business gifts” in this policy includes business entertainment, as well as gift items. The giving of business gifts is a customary way to strengthen business relationships and, with some restrictions, is a lawful business practice. It is 3M policy that company employees may give and receive appropriate, lawful business gifts in connection with their 3M work with commercial customers and other nongovernmental parties, provided that all such gifts are nominal in value and not given or received with the intent or prospect of influencing the recipient’s business decision-making.

Special laws and rules apply to gifts to government employees and it is 3M policy to strictly comply with all such restrictions. Local laws in the United States and around the world strictly limit gifts to government employees. These may be criminal acts, regardless of whether they are paid for with 3M or personal funds.

Bribery is illegal and violates this policy. 3M policy does not allow for corrupt practices in any form, including bribery. Even when legal, employees cannot give or receive business gifts if doing so would violate this policy. Any business gifts given or received by a 3M employee must be nominal in cost, quantity and frequency. Never accept or offer gifts of cash or cash equivalents, such as gift certificates. Never accept a gift that could be viewed as lavish.

## ***What it means***

- No 3M employee may give or receive a gift that violates the law, regulations, agreements or reasonable customs of the marketplace.
- Make sure any business gift is nominal in cost, quantity and frequency and that the gift can withstand public scrutiny without damaging 3M’s reputation.
- Gifts of 3M consumer products are generally likely to be appropriate, as are gifts of items that are marked with 3M promotional labeling.
- Properly record any business gift on your business unit’s books and make sure that it complies with any policies of your specific 3M business unit.
- When deciding on the appropriateness of giving or receiving a business gift, consider how the gift compares in value to the usual gift-giving practices in your industry and country, the sum of gifts to or from that entity over time, the suitability of the gift given your position at 3M, the impact of the gift on building positive business relations with the recipient, and how the gift might look to an outsider.

- These guidelines apply even when no reimbursement from the company is sought.
- If you plan to give or accept a business gift of more than a nominal value, you must inform your supervisor.
- Coffee, doughnuts, soft drinks and similar refreshments of nominal value provided other than as part of a meal are not considered to be gifts under the gift rules for executive branch employees. Therefore, these types of nominal refreshments may be provided to executive branch employees. Do not be offended if they seek to make reimbursement, however, and accept any such payment.
- Consult with your assigned 3M legal counsel before giving business gifts to consultants and employees of state and local government agencies.

### ***What to avoid***

- Giving or receiving money or other cash equivalent as a business gift.
- Unless it is clear that applicable laws and regulations permit it or prior approval has been obtained from assigned 3M legal counsel, offering business gifts to U.S. government employees. Although U.S. executive branch employees may lawfully accept some nominal gifts, the gift rules for U.S. judicial and legislative branches differ from the executive branch and are sometimes even stricter. Because of these strict limitations, 3M employees should avoid giving gifts to any U.S. government employees, including military personnel, regulatory agency employees and U.S. government employees located outside the United States.
- Giving or receiving gifts that are too costly or frequent to be within the customs of the marketplace.
- Giving any gift to reward a government employee.
- Giving or receiving gifts that influence or give the appearance of influencing business judgment.
- Offering a gift if you know it would violate the recipient's policy to accept it.
- Giving or receiving entertainment, such as tickets to a sporting event, where a representative of the company offering the gift will not be accompanying the recipient to the event.