

# Guidelines for Gifts, Meals, Travel and Entertainment

## General Rule

When people or companies who do business or seek to do business with Analog Devices offer us gifts or pay for our travel, meals, or entertainment, we do not accept them (or allow our immediate families to accept them) if our receipt of such things may influence, or even appear to influence, our business decisions or judgments on behalf of ADI. Similarly, we do not offer or give gifts, meals, travel or entertainment to our customers, competitors, suppliers, or others doing business with ADI if our giving of these things may influence or appear to influence their business decisions or judgments on behalf of their companies.

We may, however, give or accept gifts, meals, travel or entertainment that:

- are reasonable and customary in the country or region and for the circumstances in which they are given - for example, a plant or food item for a holiday;
- do not present a danger of improper influence;
- are permissible under the laws and rules applicable to ADI and the recipient; and
- are not lavish. In the United States, Japan, Europe, and other countries and regions with a similar cost of living, a gift with a **value of \$150 or less** will not generally be considered lavish. ADI sites in other regions may have lower thresholds, so check with your site manager or ADI's Ethics & Compliance Group.

In addition, the expense for all gifts, meals, travel or entertainment that we give must be properly recorded in ADI's records and accounts, including the name and professional affiliation of the recipient and the purpose for which the benefit is given.

## Gifts

Items that may be considered "gifts" include physical items (such as clothing, jewelry, food, drink, office supplies, artwork, etc.), stock or other securities, and reimbursement of expenses.

**Permissible Gifts:** To be permitted under ADI's policies, gifts that we give or accept must meet all of the following criteria:

- The gift must be modest. If you were to buy the gift at market value (regardless of how much ADI or the giver actually pays for it), it should cost **\$150 or less** and not be considered lavish.
- The gift must be reasonable and customary in the country or region in which it is given. For example:
  - A plant or food item that is customary for the holiday or season.
  - A promotional item that has a company logo on it.
- A gift from another organization must have been offered freely without any request or suggestion from you.
- If the gift is a reimbursement of travel expenses, then it must meet all of the following criteria:
  - The travel must be in accordance with ADI's [Travel and Entertainment Policy](#).
  - The travel must be directly related to genuine ADI business.
  - The amount of the reimbursement must equal the actual documented expense.

**Gifts That Are Not Permissible:** We may not give or accept a gift that meets any one or more of the following criteria:

- We must never offer or receive gifts of cash (including cash, checks, wire transfers, debit cards, shopping cards or other cards which can be redeemed to receive cash, or other cash equivalents) other than reimbursements of expenses. (See above regarding reimbursement of travel expenses.)
- We must never accept a gift from another organization that is intended to influence, or appear to influence, our decisions on behalf of ADI. When considering whether to accept a gift, you should ask yourself whether the gift would make you, or make you appear to be, any more likely to work with or buy products from the gift-giving organization instead of another organization. If yes, then you must not accept the gift.
- We must never offer or give a gift to someone at another organization if that person has said or hinted that the gift would make him or her more likely to work with or buy products from ADI.

If a gift is not permissible but refusing it would be considered discourteous, then you may accept the gift on ADI's behalf, so long as the gift is then promptly donated to charity or otherwise disposed of.

**Red Flags:** The following are some other signs that a gift may be inappropriate:

- Gifts which come in the wake of a pending offer or negotiation
- Gift with conditions attached or anything expected in return
- Gifting that occurs too frequently
- Gifts that may be perceived as a return commission, or kickback, directly to an employee for services carried during a business relationship

### **Travel, Meals, Entertainment**

Items that may be included in this category include meals, drinks, sports or theatrical events, travel, accommodations, and similar items.

**Permissible Travel, Meals, Entertainment:** To be permitted under ADI's policies, travel, meals, or entertainment that we give or receive must meet all of the following criteria:

- Must be in accordance with ADI's [Travel and Entertainment Policy](#).
- Must be modest, appropriate under the circumstances, and customary in the country or region in which it is given.
- Must be clearly intended to serve legitimate business goals and address business issues. For example:
  - A meal or other entertainment in conjunction with a product or service demonstration.
  - A meal or other entertainment in conjunction with the negotiation of a contract.
  - A meal or other entertainment that allows personnel of ADI and the other organization to discuss a business transaction.
- A representative of the hosting company (that is, ADI if ADI is giving the entertainment, or another company if the other company is giving the entertainment) must be present at the meal or event; otherwise, the ticket should be considered a gift.

**Travel, Meals, Entertainment That Is Not Permissible:** We may not give or receive travel, meals, or entertainment that meets any one or more of the following criteria:

- We must not host, sponsor, or attend travel, meals or entertainment that could be embarrassing to ADI.
- We must not host, sponsor, or attend travel, meals or entertainment with the same company more than four times in any 12-month period.
- We must never partake in travel, meals or entertainment given by another organization if we think the travel, meal or entertainment might make it appear to, or would, influence our decisions on behalf of ADI. When considering whether to participate in travel, meals or entertainment offered by another organization, you should ask yourself whether attending or participating in the travel, meals or entertainment would make it appear to, or would, make you any more likely to work with or buy products from that organization instead of another organization. If yes, then you must not attend or participate in the travel, meals or entertainment.
- We must never offer travel, meals or entertainment to someone at another organization if that person has said or hinted that the travel, meal or entertainment would make him or her more likely to work with or buy products from ADI.

**Use Your Best Judgment:** You need to use your own best judgment when deciding whether a gift or business entertainment is permissible under ADI's Code of Business Conduct and Ethics and these guidelines. Please note that the above rules are meant to be a helpful guide, and are not the only factors to consider when complying with the [Travel and Entertainment Policy](#). If you aren't sure whether you can give or accept a gift or entertainment, then check with your manager. If you and your manager still aren't sure, then you can contact ADI's Ethics & Compliance Group for guidance.

### **Gifts, Travel, Meals and Entertainment for Government Officials**

Special rules apply to gifts, travel, meals or entertainment to government officials. Please note that most countries have laws restricting the gifts, travel, meals or entertainment that companies may give to government officials, so if you are considering giving gifts, travel, meals or entertainment to someone who works for or is involved with the government – either directly or through an agent, contractor, or other third party acting on ADI's behalf – then you need to be aware of that we have strict rules that apply to those situations. No ADI employee may offer or give anything of value to a government official for any reason, except as follows:

- You may pay for or reimburse a government official for the reasonable, actual and documented travel, meal and accommodation expenses incurred by that official, so long as they are directly related to the conduct of legitimate ADI business.
- Any such payment or reimbursement must not be made with the intention of improperly influencing the government official's decisions or actions regarding ADI or gaining an improper business or other advantage.
- You must ensure that your expense report reflects that the payment was made to or on behalf of a "government official" so our books and records are accurate.
- Any such payments or reimbursements must also be in accordance with ADI's [Travel and Entertainment Policy](#) and ADI's [Anticorruption Policy](#).
- Any such payments or reimbursements must be permissible under the laws and rules applicable to the government official.

"Government officials" include officers and employees of all ranks, no matter how high or low, of national governments, local governments, companies that are owned or controlled by the government or state, and public international organizations, such as the United Nations or World Bank. "Government officials" also include political parties, party officials, and candidates for public office. Keep in mind that people

who work for government owned or controlled companies, such as airlines, news organizations, hospitals, public utilities, telecommunications companies, and banks are considered “government officials” for these purposes. Similarly, people who work for national or local government agencies, such as tax or licensing authorities are considered “government officials.”

### **Exceptions**

Exceptions to these Guidelines require signatory authorization from the Chief Executive Officer, the Chief Financial Officer, a Senior Vice President or the General Counsel.

### **Violations of These Guidelines**

Any violation of these Guidelines may cause irreparable reputational damage to ADI or result in potential legal liability to ADI and thus constitutes a serious violation of ADI’s policies. As a consequence, any violation of these Guidelines may result in discipline up to and including termination.

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