	ORGANIZATIONAL GUIDANCE	Reference	D0011-GIT99
	POLICY ON GIFTS AND HOSPITALITY	Revision	02

POLICY ON GIFTS AND HOSPITALITY

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1 PURPOSE

This procedure has the purpose of establishing guidelines for managing the processes related to the granting of gifts and hospitality.

2 APPLICATION

All of Aegea’s Management Members, Employees, including the Organizational Units, and Business Partners.

3 REFERENCES

- Not applicable.


4 DEFINITIONS

- G&H: Gifts and Hospitality.
- GIFT: any object, benefit or advantage to which a value, monetary or not, can be attributed, which is given or received as a result of a commercial or institutional relation and for which the recipient does not have to pay its respective market value;
- HOSPITALITY: benefits offered or received with the aim of strengthening relationships with Business Partners, such as: accommodation, expenses for travelling and/or tickets or invitations for workshops, conferences, lectures, presentations, parties, shows, lunch, dinner, cocktail, events, among other activities;
- GIFT: institutional item distributed as a courtesy, advertisement or publicity with no commercial value or with market value below one hundred reais (R\$100.00), which has the company’s logo, such as diaries, notebooks, calendars, keychains, pens, etc. Its distribution must be conducted in an impersonal and general manner;
- BUSINESS PARTNER: all hired professionals or legal entities that are not permanent employees, but act on Aegea’s behalf or operate (directly or indirectly), for any reason and in any form, inside or outside any business unit, in the interest or to the benefit of Aegea, as well as Aegea’s service providers.

5 DESCRIPTION

5.1 DESCRIPTION OF ACTIVITIES

Next, the basic principles and the specific rules that must be met for each type of transaction will be described, representing a “general rule”. The exceptions will be dealt with under the item related to the Integrity Department’s pre-approval process.

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5.2 BASIC PRINCIPLES FOR BENEFITS, GIFTS AND HOSPITALITY

Everyone must follow the basic principles when dealing with Benefits, Gifts and Hospitality. They are:

- No benefit, gift or hospitality can be granted or received for obtaining any unfair advantage;
- The law in force must be fully complied with (the law must allow the action, the taxes have to be taken into consideration);
- No negative perception should arise, as it might affect the image of the company or of its management members and employees;
- The benefit must be duly recorded and represent reality truthfully.

If there is doubt whether or not the granting or receipt of a benefit is allowed, the Integrity Department must be consulted. Failing to consult the Department means that the involved person is taking responsibility for the action and is sure that the guidelines related to this procedure and the company's code of conduct are being followed.

In addition, whenever there is a warning sign, the Integrity Department must be consulted. Warning signs examples are:


- If it is suspected that a specific benefit may be decisive for obtaining a business, favor, concession or unfair advantage for a company, it cannot be accepted under any circumstance;
- If the transparency of the act itself is any cause for concern (for instance: in the event the act is published in the media or if other people are aware of it, the act would cause embarrassment to or a negative effect on the company and its employees);
- Should a similar event be held by the competition, it would cause indignation, suspicion or complaint;
- Any other situation that deserves attention to protect the image of the company and its employees.

5.3 SPECIFIC RULES FOR BENEFITS, GIFTS AND HOSPITALITY

Granting or receiving any unfair advantage, either directly or indirectly, is not allowed to/from anyone or organization, be they management members, employees or business partners.

5.3.1 RULES FOR MEALS

- Paying or accepting meals the value of which is above one hundred reais (R\$100.00) per person is forbidden;
- Invitations to business partners (wife, family members, friends) are forbidden;
- Meals with a person that can influence a business-closing decision is forbidden within a period of 3 months prior to that decision;
- Meals with alcoholic beverages are forbidden;

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- Paying meals to government agents is forbidden;

5.3.2 RULES FOR GRANTING OR RECEIVING GIFTS

- Promotional gifts/freebies must carry the company logo (ex.: pens, notepads);
- Gifts/freebies can only be granted in connection with business and/or marketing events (this means that dates such as Christmas, Secretary's Day, birthdays, and so on, cannot be used for such actions);
- Granting gifts/freebies to government agents is forbidden;
- Receiving gifts/freebies is forgiven. If received not as a promotional gift/freebie, it must be returned;
- Granting gifts/freebies to people that can have an influence in business-closing decisions is forbidden before such decisions are taken;
- Granting or receiving gifts/freebies of a personal nature to/from business partners, directly or indirectly, or unfair advantages that may influence decisions, facilitate businesses or benefit business partners and/or the Company itself is forbidden.

5.3.3 TRAVELLING

- Paying for trips with no clear business purpose is forbidden;
- Trips can only be paid in economic class and 4-star hotel accommodation, at the most;
- Paying trips to spouses and any other type of companion is forbidden;
- Paying trips to government agents is forbidden;
- No trip can be paid to anyone that may have an influence over an important decision before this decision is made or during agreement negotiations;
- In the case of technical visits, inspections and similar situations, trips can only be paid as expressly established in the agreements;
- It is forbidden to have trips paid by business partners.

5.3.4 ENTERTAINMENT


- Paying above five-hundred reais per person for events is forbidden;
- Any entertainment must be connected with the business;
- Receiving entertainment not connected with the business and valued above five hundred reais (R\$500.00) per person is forbidden;
- Making an entertainment invitation during an ongoing negotiation is forbidden;
- Accepting entertainment during an ongoing negotiation is forbidden.

5.4 PRE-APPROVALS BY THE INTEGRITY DEPARTMENT

The pre-approval process must be carried out in the following situations:

- When there is an exception to the rules of this procedure. That is, when in a special situation, an established rule needs to be loosened up for dealing with a certain requirement.

When involved, the Integrity Department must verify if the conditions established in this procedure are being met. Very close attention must be paid

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in the case of exceptions; for instance, everything has to be clearly documented and the reasons given must be really pertinent, never in breach of ethical and integrity principles. The Integrity Department can carry out Due Diligence research.

Important: in any case of pre-approval, the situation can NEVER violate the Integrity principles.

6 ATTACHMENTS

- Not applicable.

7 RECORDS

IDENTIFICATION	STORAGE		PROTECTION	RECOVERY	RETENTION	DISPOSAL
	PLACE	FORM				