

## Gifts & Hospitality Guidance

**Associated Group Risk Category:** Legal Compliance

**Associated Standard:** [Gifts and Hospitality](#)

**Applicability:** This guidance applies to everyone working for, or on behalf of, BT.

**Additional information:** [Being trusted: our code](#). Group Policies and Standards are mandatory. You should read this Standard and if you do not understand any element of it, you should contact Group [Ethics and Compliance](#). Any non-compliance may lead to disciplinary action, which could include dismissal. We may terminate our relationship with other individuals and organisations working on our behalf if they breach this guidance or associated Standard.

**Objective of this document:** We must always act in BT's best interests. In this guidance, we explain in more detail how to make sure you follow our Standard on gifts and hospitality. Gifts and hospitality may be an appropriate part of a working relationship. However, BT people must not offer, give or receive gifts or hospitality that may, or appear to, improperly influence a business decision.

You can access the [gifts and hospitality system here](#).

If you need help, we encourage you to [ask the Ethics and Compliance team a question](#).

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# 1 Approval procedure

For all gifts and hospitality (given or received), you must follow this simple process:



- Please see the [country registration thresholds here](#).
- Click here for the [gifts and hospitality system](#).

The majority of registrations are completed in a few minutes. However, some risk factors will trigger a manual review, such as gifts or hospitality for public officials over £25 or high value gifts and hospitality, which require approval from the Ethics and Compliance Director for BT Group (or their delegate). It is important that you wait to receive the formal approval before going ahead with any gifts or invitations for hospitality so that you do not risk breaking the law or violating BT's desired standard in this area or have the embarrassing experience of having to withdraw an invitation, or your acceptance of an invitation.

Occasionally, you may receive a gift or some hospitality without expecting it and therefore could not seek prior approval. Where this happens, you must register unexpected gifts and hospitality you receive as soon as possible after the event, if it's above the registration thresholds. You must also tell your line manager.

## 2 Guidance

Apart from making sure you comply with the rules above, here are a few other things you should think about when offering or receiving gifts or hospitality:

**Public Officials:** Is the gift or hospitality for, or from, a public official? Offering, giving or receiving gifts and hospitality to and from public officials carries a higher risk and may not be allowed by law. Please see Section 4 for further guidance.

**Influence:** Is there an expectation, or a possibility, that the gift or hospitality will alter or influence the business relationship or transaction? If yes, it's not appropriate. For example, avoid inviting guests linked to upcoming/ongoing negotiations.

**Scale:** Is the value of the gift or hospitality appropriate for the recipient? What might seem minor to a senior executive is likely to be inappropriate for a junior employee. Do not give or receive lavish gifts or hospitality.

**Volume:** Has the recipient received repeat hospitality in the last 9 months? Frequent hospitality could unfairly influence someone's behaviour and may be seen as inappropriate by others. You must not provide repeat hospitality to a person who has had cumulative hospitality above £500 within a 9-month period.

**Situation:** All gifts and hospitality should have a clear business reason and you should be able to fully explain and justify the gift or hospitality. It is never acceptable to engage in entertainment which is unlawful or would be seen as inappropriate or may offend others, e.g. sexual entertainment or excessive alcohol consumption.

If you're not sure it feels right or are concerned about what others might think then it probably isn't ok. If in doubt, ask the [Ethics and Compliance team](#). You must not give or accept inappropriate gifts or hospitality.

**Travel:** We do not usually accept travel (especially flights) that is funded by third parties where we are accepting the hospitality. Nor do we usually fund travel where we are providing the hospitality as it can significantly increase the total cost and appear 'lavish' and create additional reputation risk. If a hospitality offer is made to you which includes travel, you must declare this on your registration and provide a clear rationale why you think it would be appropriate to accept. It's never appropriate to ask a third party to cover travel costs.

You must ensure that any social 'downtime' connected to the hospitality is kept to a minimum. Don't offer 'extras', for example, we don't cover expenses if a guest wants to extend their stay for personal reasons.

**Competitions:** If you enter any external competition with the opportunity to win a prize, it has to be an unbiased competition where it is open to a multiplicity of people and organisations, including those who do not work for, or on behalf of, BT. Any prize awarded has to be registered on the [gifts and hospitality system](#).

### Declining gifts and hospitality

We can't always accept gifts or offers of hospitality. You must say no if it could be seen as lavish, expensive or inappropriate in the circumstances, or if it is intended to sway your business decisions. For example, if you're in ongoing contract or commercial negotiations.

If you decline hospitality or refuse a gift, then typically you do not need to register it unless it exceeds £500 in value. However, if you have concerns, the offer exceeds £500 or the offer is one of several made in the context of an existing, or potential, business relationship, then you must register the details for transparency.

If you get given a gift in person: If the gift isn't a one-off, you suspect it's part of a series of gifts or it comes under any of the examples above, you should politely decline it.

If you get a gift through the post: If the gift isn't a one-off, or you think it's unprofessional for you to accept it, you can politely return it with a thank you note. If it's impracticable to return it then speak to the [Ethics and Compliance team](#) and consider giving it to charity. If you do that, remember to get a receipt for your records. Send a thank you note and tell the person who gave you the gift what you did with it.

# 3 Public officials

Most anti-corruption and bribery laws demand stricter rules around how companies interact with public officials. Offering, giving or receiving gifts and hospitality to or from public officials carries a higher risk, and may be against the law. You must ensure that all gifts and hospitality above £25 offered, given or received to or from public officials have prior approval from the Ethics and Compliance Director (or their delegate). This allows the [Ethics and Compliance team](#) to review your registration, and where it is required, mitigations can be put in place beforehand to ensure we comply with all relevant rules.

We don't pay for travel or accommodation as it may be seen as excessive, lavish and it significantly increases risk. You must keep a record of the details of all recipients and add this to your registration. This helps us track across BT if the same individual or organisation is receiving multiple BT invitations or gifts.

You should get written confirmation from the public official, which confirms that they can accept the gift or hospitality as it is in line with their own organisation's policy and the law of their country. You should contact the [Ethics and Compliance team](#) to discuss the options for getting this confirmation.

**Definition of Public Officials.** This is a broad term which includes:

<p><b>Elected politicians</b></p> <p>including political party officials or employees or candidates for political office or unelected representatives such as members of the House of Lords in the UK.</p>	<p><b>Political appointees</b></p> <p>People appointed to or employed by a non-departmental public body (for example Ofcom, the Environment Agency or Ordnance Survey).</p>	<p><b>Civil servants or government customers</b></p> <p>including administrative and judicial officers, and members of the military and police or officials in government customers like the NHS in the UK or state-owned customers elsewhere.</p>	<p><b>Officers and employees of state-owned or controlled enterprises</b></p> <p>including health care systems, the BBC and public international organisations like the World Bank.</p>	<p><b>Customs and border controllers</b></p>	<p><b>Government advisers</b></p> <p>including consultants and agents acting on behalf of a government, government entity or a public international organisation such as the UN.</p>
				<p><b>Members of a royal family</b></p>	

## Additional rules for US Officials

There are strict rules around activities with US officials. We have to make sure we're in line with the Lobbying Disclosure Act. We have to file two separate types of reports on expenditures related to US government officials. One of these reports, which is filed every six months, specifically captures political contributions. This includes donations to Political Action Committees, donations to charities founded by, controlled by or related to US government officials as well as certain gifts, hospitality and sponsored travel.

The definition in US regulations is very wide, particularly in relation to donations. In addition to the list above, it also includes things like attending a charity dinner where a US public official was in attendance and received an award in recognition of their support for the charitable cause. Even though BT had not invited the public officials, the cost of the BT person attending the event would be classified as a political donation.

The penalties for non-compliance with the rules for US public officials are severe, and could be very damaging to our reputation, so it's really important that these events are properly recorded. Where these events are not registered centrally as gifts and hospitality or charitable donations, or where it has been registered but the attendance of the public official is not known beforehand, you must notify the Vice President US Government Affairs of the event as soon as possible.

If you need further advice, please ask contact the [Ethics and Compliance team](#) or the Vice President US Government Affairs.

## 4 BT hosted marketing events and BT sponsored third party events

For gifts and hospitality purposes, a marketing event is:

- an event where we provide gifts and/or hospitality, likely for more than ten people; and
- funded from pre-agreed marketing budgets, not business expenses or corporate box use; and
- part of the marketing team calendar.

There must be a clear and approved business justification, covering the cost and reasons for inviting the attendees and a reason for the location/activity/content for each event or series of events.

You must register all marketing and sponsorship events like any other gifts or hospitality. Therefore, where the value of hospitality or gifts for each attendee is above the levels for gifts and hospitality, you must register it on the [gifts and hospitality system here](#). It is important that you value all elements of the event honestly and accurately (this includes any business courtesies such as transport or accommodation if provided - although such elements are discouraged). Please include evidence of approval from the budget holder and finance when making the registration.

Make sure you register things in the early stages of event planning because the [Ethics and Compliance team](#) will need time to look at it. You must not send out invitations until you've got approval confirmed on the gifts and hospitality system.

Where the event is ticketed all of the pan-BT Marketing and Brand teams have been instructed not to release tickets for the events until they have seen evidence from you that the gifts and hospitality registration has been completed and properly approved.

Always remember to tell the [Ethics and Compliance team](#) if your event changes after it has been approved. It is important that records of gifts and hospitality are accurate to comply with the law and to be able to conduct accurate monitoring and assurance of gifts and hospitality.

## 5 Speaker opportunity requests

When BT people are invited to speak at seminars on our behalf, the offer might include accommodation, transport and hospitality at the event. The speaker request therefore needs to be registered on the [gifts and hospitality system](#) and it must be approved before the invitation can be accepted.

If you've received an invitation to speak or plan to speak at a conference and the organiser isn't offering an inducement to speak, you must still register in advance on the [gifts and hospitality system](#) and the Ethics and Compliance team will be notified. They'll check that it supports our business priorities and campaigns and will contact you if they have any concerns. You must also apply for authorisation to travel from your line manager and there should be a clear business case supporting your attendance. For more information on speaking at conferences, go to the [Speaker Programme](#) guidance pages.

## 6 Charitable and community donations

All charitable donations and sponsorships must be in line with our Charity Policy and FAQ available [here](#). Donations should not seek inappropriate or hidden commercial benefits. The motive and benefits must always be transparent.

If you're involved in a charitable activity that requires registration, please make a registration [here](#) by completing the 'charitable donation' form. Charitable use of BT's corporate box tickets must be registered in advance using the [charitable donation form](#).

# 7 Public affairs and political engagement

BT does not make donations to political parties. However, the definition of political donations in the UK Companies Act 2006 is very wide, covering activities such as making MPs aware of key industry issues. All such expenditure must be authorised and operated by the UK and Global Public Affairs teams.

Shareholder approval for expenditure of this kind is sought at the annual general meeting each year. A specific record of expenditure of this kind must be kept, as the total is disclosed in BT's Annual Report. Therefore, you need to report and get authorisation from your regional Public Affairs team before committing to any political expenditure.

Click [here](#) to see if there are any additional in-country specific requirements relating to public officials. For further guidance, please [ask the Ethics and Compliance team a question](#).



## 8 Sales incentives

Sales incentives are an additional transfer of value to an individual as a means of increasing their output. A sales incentive is typically provided on completion of a requested action being performed.

At BT, Sales incentive schemes are usually in place to provide rewards for meeting sales targets. The reward can be in the form of a tangible asset provided to sales teams, such as a product (e.g. a Kindle), or remuneration-based rewards such as rebates, discounts and commissions.

This Guidance covers third party sales incentives schemes. These are sales incentives that are:

- Issued by BT People to third-party people (i.e. not BT employees); or
- Issued by a third-party to BT employees or BT resellers and distributors.

For exchanges where BT people are rewarded, please refer to [HR Rewards](#). Our guidance doesn't cover sales incentive schemes which are funded by BT for BT employees. These are covered by the [BT Group Sales Incentives Plan](#).

Sufficient funds must be set aside to cover any national insurance and personal tax costs arising from a sales incentive offer. If a third-party organisation is funding this, then you must get written agreement from the [Tax team](#) before a sales incentive scheme can be launched.

You must register any third-party sales incentives with the [Ethics and Compliance](#) team in advance for approval. You must also get approval for a sales incentive from your line manager and get CFU/CU finance sign-off and, where relevant, CFU/CU legal sign-off.

After launch, you must keep accurate records and documentary evidence to account for use of all the funds. This helps to protect our integrity and the teams working with these funds, and to prevent any perception of wrongdoing.

# 9 Market Development Funds

Market development funds (MDF) are funds made available by a third party to BT to help with sales and marketing programs for a product or brand. Examples of what an MDF may include are (but not exclusive to):

- Marketing activities;
- Sales Incentives; and
- Training and knowledge activities.

You must register any third-party market development funds with [Ethics and Compliance](#) in advance for approval

# 10 Speak Up about your concerns

If you are worried you've spotted something unethical, or something that makes you feel uneasy at work, do the right thing and contact [Speak Up](#).

Speak Up is a safe and confidential way for you to help protect yourself, BT and live our values. Don't rely on someone else, get in touch yourself. We can't act on your concerns if we don't know about them. For further information on Speak Up, please see the [Speak Up intranet pages](#).

If you are a BT employee and have any questions about this Standard, speak to the [Ethics and Compliance Team](#).

## Version Control

Version	Approval Date	Reason for Change
1.0	15 March 2022	Updated to new Standards template
2.0	October 2022	Updated to new Standards template