



## **Business Courtesies Policy**

### **Appendix A – Guidelines on Business Courtesies**

In many countries, gifts play an important role in business protocol and customs. In addition to the Stericycle Business Courtesies Policy, the following guidelines may assist you in determining what, when and to whom it is appropriate to provide or accept Business Courtesies.

#### **Help in Identifying High Risks:**

As the Policy states, it is important to identify Government Officials and High Risk Vendors as certain laws, regulations and policies pertaining to Business Courtesies apply to them.

*Government Official(s)* include anyone who is a(n):

- Officer (elected, appointed, or career) or employee of any department, agency, or instrumentality of a government (federal, state, provincial or local), whether administrative, legislative or judicial, no matter the rank or function;
- Person acting in an official capacity for or on behalf of a government or any department, agency, or instrumentality of a government (either at federal, state, provincial or local level);
- Officer or employee of a government-owned or government-controlled (in whole or in part) enterprise, organization, company, or instrumentality;
- Any employee or officer of an entity hired to prepare a request for proposal or an invitation for bids, or to review and/or accept bids for any federal, state, provincial or local government or any department, agency, or instrumentality of a government;
- Official or employee of a public international organization (e.g., UN, World Bank, EU, WTO, NATO, Red Cross, FIFA, International Olympic Committee);
- Individual acting for or on behalf of a government or international organization, even though he/she may not be an employee of such government or organization;
- Any political party or official and/or employee of a political party and/or candidate for political office; and
- Individual who is considered a government official under applicable local law.

High Risk Vendors (HRV) are *Third Party Representatives* that interact with government agencies, officials and/or employees on behalf of Stericycle. They may include:

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| • sales agents and representatives      | • customs clearing agents  |
| • consultants                           | • brokers and joint venture partners   |
| • lobbyists                             | • temporary or contract staff  |
| • transportation or logistics providers | • any non-Company third parties operating under a power of attorney granted by the Company |

Because an HRV presents a higher risk to the company, due diligence review will be required prior to utilization.



There are a few areas to pay special attention to when considering giving or receiving Business Courtesies:

- 1) Conflicts of Interest – Consider if the exchange will compromise or be perceived to compromise an individual’s ability to make a fair and objective business decision.
- 2) The Circumstances – Consider the circumstances under which a business courtesy is offered, the nature, value or frequency of courtesies and the intent of the Courtesies offered. Is there a current RFP involving the recipient? If offered to influence or reward an action or decision of the recipient, or to gain an improper advantage, then the business courtesy may be viewed as a criminal bribe.
- 3) Third Party Representatives – Remember that the Business Courtesies Policy applies equally to the Company’s Third Party Representatives as well as to its employees. Employees must be vigilant in their dealings with Third Party Representatives to ensure that the Company is not funding, reimbursing, or authorizing (directly or indirectly) the provision of Business Courtesies by Third Party Representatives to Stericycle’s Business Partners in violation of the requirements of this Policy.
- 4) High Risk Vendors - Risks associated with Business Courtesies are particularly high when interacting with High Risk Vendors based on the business they conduct for the Company. They are acting on our behalf and we are assuming risk for their actions. Take a conservative approach to giving or accepting Business Courtesies to/from High Risk Vendors, and clearly and accurately document in the Company’s books and records any such exchanges.

Generally, no Business Courtesy should be accepted or provided if it will compromise or be perceived to compromise an individual’s ability to make a fair and objective business decision.

**Gift Guidelines:**

In addition to the guidance in the Policy, the following examples will help you determine if a gift can be accepted or given and when increased risks may exist.

**Acceptable giving and receiving:**

- Food received as Gifts, particularly around holiday times, may be accepted but should be placed in a common area and shared with team members.
- Promotional items that are insignificant in market value, such as logo-ed pens, hats, mugs, etc., generally are permitted independent of the individual \$50 USD limit and \$150 USD annual limit.
- Team members may accept tickets to entertainment or cultural events (e.g., sporting event, theater, etc.) from a Business Partner in excess of the \$50 limit provided the Business Partner also attends and other requirements are met. (See Policy Section 5.2)
- Gifts individually costing more than \$50 USD given as prizes for games of skill or chance (e.g., “closest to the pin” golf outing; door prize drawings) are permitted provided all attendees have an equal opportunity to win the prize.



- Gifts individually costing more than \$50 USD given at a conference, summit or industry event (e.g., attendee gift bags) are permitted provided they are available to all attendees and are not lavish or excessive.
- Team members who wish to solicit a Gift from a Business Partner on behalf of a charitable or non-profit organization must first seek approval from the Office of Ethics and Compliance.

Areas to use caution:

- Gifts should be appropriate to the occasion under local standards and customs, and not be (or appear to be) lavish or excessive in value or quantity.
- Team members must not request or solicit Gifts (including services) from any Business Partner for themselves or others, including family members or friends. Team members must not solicit tips or gratuities for services performed as part of their duties with the company.

**Obtaining Pre-Approvals for Gifts to Government Officials**

Plan ahead. The Office of Ethics and Compliance **and** the Country Manager must pre-approve in writing any gift or business courtesies to be given to a Government Official. Leave time to vet the situation with key stakeholders through the Pre-Approval Process described in Section 5.4 of the Policy.

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