Corporate policy statement on ethical business practices of BCD Travel

1. Statement of policy

It is a fundamental policy of the company to conduct its business with honesty and integrity and in accordance with the highest legal and ethical standards.

The ethical business practices policy set forth in this corporate policy provides guidance in specific situations. It is not possible to provide guidance for all situations that may arise; therefore, it is the individual employee’s responsibility to exercise good judgment to act in a manner that will reflect favourably upon the company and the individual.

Employees shall comply with the spirit as well as the letter of this policy. Employees shall not attempt to achieve indirectly, through the use of agents or other intermediaries, what is forbidden directly.

2. Applicability

The policy applies to all employees of the company throughout the world, including employees of subsidiaries controlled by the company.

3. Implementation

All managers are responsible for both ensuring that employees under their supervision are familiar with the policy and for promoting compliance with the policy.

Employees having questions on how to proceed or on interpretation should consult their supervisors, the legal department, or the SVP Internal Audit directly.

Employees associated with companies not controlled by the company shall be guided in their conduct by the provisions of the policy. They shall attempt to influence those companies to conduct their activities in conformity with all applicable laws and the policy and shall report violations in accordance with the policy.

The internal audit activity will review management’s processes for ensuring compliance with this policy and will determine compliance with the policy as part of its standard auditing procedures.

Compliance with the policy is essential. Violations will result in disciplinary action, including dismissal where warranted.

4. Questionable or improper payments or use of the company’s assets
The use of any funds or assets of the company for any unlawful or improper purpose is strictly prohibited. Protecting company assets, which specifically include intangible assets such as customer accounts and intellectual property related to business travel service processes and systems, is critical. All employees are personally responsible for protecting the property entrusted to them and for helping to protect the company’s assets in general. All employees should be alert to any situations or incidents that could lead to the loss, misuse, or theft of company property and report all such situations to the security department or their manager as soon as they come to their attention.

Company proprietary information is any information that is owned by the company. Much of the proprietary information is confidential and gives the company a competitive advantage. It may also be subject to copyright, patent, or other intellectual property or legal rights. Proprietary information includes such things as: technical or scientific information relating to current and future products, services, or research; business or marketing plans or projections; earnings and other financial data; personnel information, including executive and organizational changes; and software.

It is critical that no employee discloses or distributes that information except as authorized by the company and that all employees follow all company safeguards for protecting that information.

No payment from the company's funds or assets shall be made to or for the benefit of a representative of any domestic or foreign government (or subdivision thereof), labour union, or any current or prospective customer or supplier for the purpose of improperly obtaining a desired government action, or any sale, purchase, contract, or other commercial benefit. This prohibition applies to direct or indirect payments made through third parties and employees as well and is intended to prevent bribes, kickbacks, or any other form of payoff. In addition, employees of the company shall not accept payments of the kinds described in this paragraph. Benefits in kind or, alternatively, payments provided to a customer which are duly incorporated, documented and authorized in the pricing of a service agreement concluded or to be concluded between the company and a customer are not considered improper business practice. However, the Legal Department needs to be involved to ensure proper treatment from a procedural and contractual perspective.

Nothing of value (for example, gifts or entertainment) may be provided to government personnel unless clearly permitted by law, any applicable regulation, and this policy.

Commercial business entertainment that is reasonable in nature, frequency, and cost is permitted. Reasonable business entertainment would cover, for example, a lunch, dinner, or occasional athletic or cultural event; gifts of nominal value (approximately $100 or less); entertainment at facilities of the company; or authorized transportation in the company's vehicles. In addition, reasonable business entertainment covers traditional promotional events sponsored by the company.

All arrangements with any third party such as distributors, agents, and suppliers must be formalized in a written contract or purchase order that provides for clear description of the services that are in fact to be performed and/or products that are in fact to be delivered for reasonable fees and/or reasonable prices, respectively. Authorization and settlement of invoices related to any service or product provided to the company require two signatures, can only be conducted based on factually correct supporting documentation such as the correct number of hours worked by an external consultant, the final report issued, reaching at least generally accepted industry standard, on an assessment or advice sourced as well as confirmed design specifications for products. For further details please refer to the applicable purchasing policy.

The company’s assets are maintained for use by employees for business-related purposes. An employee’s occasional personal use of items such as stationery, supplies, copying facilities, mail, or
telephone, where the cost to the company is insignificant, is permissible. Employees shall reimburse the company for personal use of company assets in line with the applicable HR policies.

Using company work time to perform non-company work, including time given with pay to handle personal matters is not permitted. In addition, employees are not permitted to use company equipment/resources or proprietary information for outside work. For further details please refer to the applicable HR policies.

5. Conflicts of interest/related-party transactions

A conflict of interest is deemed to exist whenever an employee is in a position, as a result of the nature or responsibilities of his or her employment with the company, to further any personal financial interest of the employee or a member of the employee’s immediate family.

For example, the following situations would be considered conflicts of interest:

a. An employee’s investment or financial interest in, or holding a position with, any supplier, customer, or competitor of the company (except for an investment in publicly traded securities as described below).

b. An employee’s acceptance of, or giving permission for a member of the employee’s immediate family to accept, gifts or favours of more than nominal value (approximately $100 or less) from an actual or prospective customer, supplier, or competitor of the company, or any governmental official or employee. This does not preclude an employee’s acceptance of reasonable business entertainment, such as a lunch or dinner, or events involving normal sales promotion, advertising, or publicity.

c. An employee's disclosure or use of confidential information gained by reason of employment by the company for profit or advantage for himself/herself or anyone else.

d. An employee's competition with the company in the acquisition or disposition of rights or property.

Actual or potential conflicts of interest involving an employee or his/her immediate family shall be reported in writing to the employee’s immediate supervisor, who shall consult with the Legal Department or the SVP Internal Audit directly to determine whether a conflict of interest actually exists and to recommend measures to be taken to neutralize the adverse effect of the conflict of interest reported.

This procedure shall be applied so as to minimize its effect on the personal affairs of employees consistent with the protection of the company's interests.

No employee should permit himself/herself to be placed in a position that might give rise to the appearance that there is a conflict of interest.

6. Books and records of the company

The company's books, records, and accounts shall accurately and fairly reflect the transactions of the company in reasonable detail and in accordance with the company's accounting practices and policies.

For example:
7. Payment of amounts due customers, agents or distributors

All commission, distributor, or agency arrangements must be in writing and provide for services to be performed and for a fee that is reasonable in amount and reasonably related to the services to be rendered; i.e., not in excess of normal rates for the product sold or the place doing business.

All payments for commissions, discounts, or rebates must be made by the company’s check or draft (not by cashier’s check or in currency) in the name of the agent, distributor, or customer and must be (i) personally delivered to the payee in the country in which the business was transacted or (ii) mailed to the payee’s business address or designated bank in the country in which the business was transacted. Where the payee represents in writing or presents an opinion from a reputable local counsel that payment outside the country in which the business was transacted does not violate any law of such country, such payment may be permitted upon approval from the Legal Department.

Credit memoranda are the preferred method of affecting a rebate and should be issued to the customer unless the company’s check or draft (not a cashier’s check or currency) is necessary due to the nature of the transaction. Any check or draft should refer to the sales invoices involved and indicate the amount of discount or rebate and number of units.

All payments or discounts, rebates, and commissions shall be fully disclosed in the accounting records maintained by the CFO or Finance Director of the respective organization. Proper documentation of contracts and agreements shall be maintained.

8. Insider trading

In the course of your employment with the company, you may become aware of information about the company or its subsidiaries or other companies that has not been made public. The use of such non-public or "inside" information about the company or another company for your financial or other benefit not only is unethical, but also may be a violation of law. The company will not tolerate the improper use of inside information. These prohibitions apply in all countries.

Material inside information is information that is not available to the general public and could influence a reasonable investor to buy, sell, or hold stock or securities. While it is not possible to identify in advance all information that could be viewed as material inside information, some examples might include non-public information about the company’s financial performance,
including earnings and dividend actions; acquisitions or other business combinations; divestitures; major new product announcements; significant advances in research; and other significant activities affecting the company. Here are some examples of how every employee can avoid the improper use of inside information:

- If an employee knows that the company is considering an alliance or is about to announce a new product or make a purchasing decision that could affect the price of the stock of a supplier or other company, he/she should not buy or sell the stock of that company until after the information becomes public.
- Similarly, if an employee knows that the company is about to make an announcement that could affect the price of its own stock, he/she should not buy or sell the company stock on the open market until after the announcement.
- No employee should buy or sell the stock of a customer or alliance company based on any inside information he/she has about that company.
- If an employee has non-public information that the company is about to build a new facility or expand an existing facility, he/she should not invest in land or in any business near the new site.
- No employee should disclose inside information to company employees who do not have a business need to know or to anyone outside the company.

As with investments, employees should not evade these policies by acting through anyone else or by giving inside information to others for their use even if the employee will not financially benefit from it.

If employees have any doubt about what they can or cannot do in this area, they should consult with the Legal Department or the SVP Internal Audit directly.

9. Employee privacy

The company collects and maintains personal information which relates to the employment of its staff, including medical and benefit information. Access to such information is restricted to people with a need to know. Personal information is normally released to outside parties only with employee approval, except that the company may release personal information to verify employment, to satisfy the legitimate requirements of a company or other entity which is considering acquiring some of the company’s business operations, or for appropriate investigatory, business, or legal reasons. Employees who have access to personal information must ensure that the information is not disclosed in violation of any law or company policies or practices.

For further details please refer to the applicable HR policies.

10. Reporting violations

All employees of the company are responsible for bringing violations of this policy to the attention of the senior company management through normal reporting channels or by reporting violations to a member of the legal department or the SVP Internal Audit directly. In addition, all managers are responsible for taking corrective action when potential violations involving the policy come to their attention.