



Gifts, Entertainment and Sponsored Travel Policy

What is a Business Gift?

The propriety of a business gift should be considered primarily in the context of a possible conflict of interest and improper personal gain. The business gift represents a potential conflict of interest because it has the potential or appearance of undermining one's judgment to act in the best interests of Tech Data.

Business gifts should be interpreted in the broadest sense to include anything of value given or received because of a business relationship where the recipient does not pay fair market value. Business gifts may include, for example, products, meals, services, tickets to entertainment, golf fees, expense paid trips, discounts not generally available, or art objects.

The purpose of business gifts is to establish and foster business relationships and their exchange within reasonable bounds is normal and appropriate. Tech Data generally permits the giving and receiving of business gifts in accordance with the nature of the gift and monetary limits that are periodically reviewed by Senior Management and the Board of Directors. This standard is intended to be both flexible in order to accommodate the customs and practices where the company does business throughout the world, and sufficiently objective to provide useful guidance.

What is not a Business Gift?

Business gifts do not include and therefore the limitation on the value of the gift does not apply to:

- Gifts, meals and entertainment provided as the result of a personal relationship. This would apply to relationships that were developed and/or maintained independent of the employee's connection with Tech Data.
- An award or prize achieved as the result of an incentive or promotion offered by a business associate. Such payments can be made in a variety of forms and for many reasons. The guiding principle is that the promotion or contest be announced in advance for which an award based upon achieving certain goals. While there may be no gift limitations applicable there may be tax reporting and withholding requirements.

Appropriate business gifts.

In general each employee should carefully consider the appearance and appropriateness of accepting a business gift. The value and nature of business gifts should be commensurate with the circumstances of the offer or receipt. The gift should enhance the Tech Data's business relationship with the giver or receiver and not create an obligation or embarrassment. The gift should be in accordance with accepted practice and custom and not offend the other party. The status of the giver or recipient should correspond to the value of the gift. A recipient of a business gift should consider the motives of the giver and the perception its acceptance will have upon others both within and outside of Tech Data.

In general, infrequent meals, tickets for sports and entertainment events that a business associate provides **and** at which the host business associate is present are appropriate. The standard is that the cost of the meal, entertainment or event should be reasonable in light of the location, the level of the employee, and the context and nature of the event. The employee should consider whether there is a necessary and valid business reason to be present?

If the cost of the meal or event is unreasonable or their occasion frequent, then the employee must promptly submit a report it to their manager and the Human Resources Department.

Food and beverages consumed at a business function, or unsolicited promotional items with logos or advertising are acceptable. Infrequent business gifts or sports tickets having a retail value of less than \$300 at which the business associate is not present are acceptable.

If the cost of the gift is to be reimbursed by Tech Data, the full cost must be identified together with the name and business relationship of the recipient. Business gifts the employee intends to give must be reported to the employee's supervisor.

When in doubt disclose it and seek guidance on the gifts receipt and disposition from your Ethics Adviser.

Certain business gift and entertainment are never permitted to be given or received, including:

- Cash or its equivalents, loans, securities
- Offensive, lewd or illegal products or services
- Solicitation of a specific gift
- Gifts given immediately preceding or in direct response to a favorable business decision
- To anyone acting in a direct purchasing responsibility
- In violation of a known policy of the recipient or giver
- Prohibited by law or regulation, or
- Persons representing the government (other than TD promotional gifts valued at less than \$20).

An employee may accept a business gift and is not required to report it under the following circumstances:

- Infrequent business gifts having a value of \$300 or less or its foreign equivalent (herein "gift limit value").
- Perishable food or beverage consumed at a business function. or
- Giveaways of business related products, which individually or in the aggregate exceed the gift limit value, if made at industry-wide events to the general attendees at the event.

An employee may accept a business gift that exceeds the gift value limit, but is required to report it under the following circumstances:

- A gift of a product that Tech Data sells or is likely to sell, which is provided to the employee for demonstration or testing purposes, which is loaned or donated product received in accordance with the Gift and Loaned Product Policy Procedures at <http://tdnet.techdata.com/pm/GiftandLoanedProductPolicy.pdf>
- A gift that the employee accepts on behalf of Tech Data that is capable of being turned over to a charitable organization designated by the company. The employee, where possible, should advise the giver of the company's intention to donate the item to charity.
- A business associate (vendor, supplier, customer, etc.) presents a gift, which shall become an asset of Tech Data and is handled in accordance with the Gift and Loaned Product policy.
- The employee must reimburse Tech Data for the amount the gift exceeds \$300.00.

Accepting and reporting events and travel.

The employee may infrequently accept sponsored travel by the vendor or customer to a business-related event; however, the travel must be reported (as described below) and approved in writing, in advance by the traveler's supervisor.

Other restrictions on business gifts.

In addition to the above guidelines, additional responsibilities apply to employees with direct purchasing responsibility. Such employees should only accept: beverages and meals served during business meetings or on travel status; promotional items of only nominal value. Any offers of gifts, entertainment and travel should be reported to the Director of Ethics and Compliance.

Gifts, payments or any thing of value from a contractor to the US Government for the purpose of improperly obtaining or rewarding favorable treatment is prohibited and should be referred to the Director of Ethics and Compliance.

A gift to a spouse or family member is considered to be a business gift if given as a result of a Tech Data business relationship. Such gifts are subject to the same policy affecting employees and apply both to the giving and receiving of business gifts.

Reporting excessive valued business gifts, event, meals or company-sponsored travel.

In the event you receive or give a business gift (including meals, event, travel or benefit) that exceeds the gift limit value, and is not otherwise excluded from reporting as described above, you should take the following steps:

Describe the gift, event, travel or benefit, which exceeds the limit, including dates, location, and attendees.

In the event of travel or an event describe who sponsored the travel or event, and the business purpose.

What is the giver's or recipient's relationship to Tech Data and you?

What is the market value of the gift, event, travel or benefit?

Submit the report to your manager **and** the Corporate HR department.

GIFTS POLICY DECISION TREE

