

List of Frequently Asked Questions regarding corruption-related risk situations

This list of Frequently Asked Questions (FAQ) was developed as part of the implementation of the "anti-corruption and influence peddling" Code of Conduct. Its purpose is to illustrate risky situations with regard to corruption and influence peddling.

This FAQ cannot illustrate all cases. It is not an exhaustive list of situations that may be encountered with regard to corruption or influence peddling. If this FAQ does not provide the expected answers you may contact your line manager or your local Human Resources Manager.

A – Gifts and entertainment

Gifts and entertainment are a way to foster good relationships but they can be seen as a way to influence a decision to favor a company or a person.

Case n°1

Question : I am a buyer for the LISI Group; I have relationships with several suppliers as part of my job. The end-of-year negotiations are just around the corner and I will be invited for a lunch by my suppliers; under what conditions can I accept ?

Answer : Invitations in the context of contractual negotiations are permitted to the extent that they meet the following conditions:

- supplier must be present at lunch
- the invitation must be neither excessive nor unusual in nature
- the venue or cost of the invitation must not influence your decision-making process.

Case n°2

Question : I am a buyer. My suppliers are used to offering me gifts as part of our business relations: for example, I receive chocolates each end of the year. Can I accept this type of gift ?

Answer : Yes, but under certain conditions. As the gift is not a promotional gift, it becomes property of LISI: it should therefore transmit this gift to your superiors who would share it with all staff or follow the rules set by the General Management.

Case n°3

Question : I am invited to a seminar during which a draw is organized at the end of the session. It turns out that I was drawn and that the gift offered is a watch. Can I accept this type of gift ?

Answer : NO, the gift is not a promotional gift of reasonable value, it can't be accepted. You must refuse the gift by explaining that this is not in line with the guidelines set by your company.

Case n°4

Question : I am Sales Director for a division of the LISI Group. This year, to impress our customers, we would like to make more personalized gifts. How far can we go ?

Answer : It is recommended to follow the internal procedure in terms of gift/present policy. The authorized threshold for sites is EUR 1,000/year, and if the amount exceeds this threshold the expense must be submitted to the General Management for approval.

❓ If it is difficult for you to judge whether a gift or invitation is within the limits of reasonable commercial practice, you should ask yourself the following questions:

- is it directly related to our business ?
- could we say, without any embarrassment, that we have received or given a present ?
- would we feel obliged to do favors in exchange for this gift ?

B – Gifts/Donations

Gifts or donations are usually benefits given for a specific purpose such as research or training for charitable or humanitarian purposes, as well as political ones.

Case n°1

Question : I am a Purchasing Director within a division of the LISI Group; I take part in negotiations for an invitation for tenders with local elected officials in the context of purchase of land for a plant in France. At the same time, one of my colleagues told me that one of the elected officials, who he knows well, asked him whether LISI could make a donation to a charity that helps the poor in the region. Can we donate ?

Answer : It is possible to make this donation under the following conditions :

- the elected official who asked whether LISI could make this donation should not be a decision-maker to choose the company that can buy the land.
- the donation must meet the thresholds and approval rules set by the internal gift/present policy.

C – Facilitation payment

Case n°1

Question : I work on the Chinese market as a sales representative, and sometimes I am confronted with ambiguous situations related to local customs. How should I behave ?

Answer : The conduct to adopt should comply with the most restrictive law. Local custom is generally not in accordance with the law. It is important to abide by the LISI Code of Conduct. If local legislation is more restrictive, then local legislation applies. Local custom, in principle, is prohibited.

D – Conflict of interest

One can come across conflicts of interest, a situation similar to an act of bribery or influence peddling, under various circumstances.

Case n°1

Question : I am a LISI employee and I hold a financial interest in a company other than LISI: can I establish business relations between this company and LISI ?

Answer : Generally NO, because that could generate a biased situation. On the other hand, it is possible to put the company in which you hold a financial interest in touch with the LISI Group if you have no influence in the decisions regarding the relationship that could be established between the two companies. Internal procedures also require you to disclose to the Legal Department the elements of information that will help it check that the financial interests held in a company cannot generate a risk of conflict of interest.

Case n°2

Question : I want to work with a company other than LISI, do I have the right to ?

Answer : Depending on the law, the contractual provisions or the contract of employment, it is possible to work in another company under certain conditions :

- you must respect the obligation of loyalty, i.e. you cannot exercise an activity that might compete with LISI or be in a position of conflict of interest.
- you should not have a specific clause in your employment contract that does not allow the accumulation of jobs.
- you must respect the maximum legal working hours. These working hours must be respected, whatever the number of employers and the duration of the work provided in each contract.
- you should not use the tangible or intangible benefits offered by LISI to perform your duties within the external company.
- you must inform your line manager and your Human Resources manager.

Case n°3

Question : Do I have the right to recruit a member of my family or a friend ?

Answer : NO, you do not have the right to do that if you are the only decision-maker. On the other hand, you may recommend that such person send his or her application or apply to the human resources department of a LISI entity. It is important that you have no influence on the decision to recruit a family member or friend within the LISI Group.

Case n°4

Question : One of my friends works for a company that could be a partner of the LISI Group; do I have the right to maintain a business relationship with his/her company through him/her ?

Answer : NO, you cannot directly maintain a business relationship with one of your friends: an important principle is that you should not be the only decision-maker in case of business decisions.

Case n°5

Question : A family member or friend works for a competing company; to what extent can I tell him/her about LISI's business ?

Answer : It is important to remember that you should never disclose confidential information to a family member or friend working for a competing company.

E – Business relations

Case n°1

Question : I have to go to India for business. I have to prospect new clients through a commission agent. This agent offers me his services in return for payment of commissions. How should I react ?

Answer : It is quite possible to deal with a local commission agent. The conditions for working with this type of intermediary is to draft, in accordance with LISI internal procedures, a contract signed by both parties setting detailed terms of commission.

Case n°2

Question : We have an opportunity to place our products for sale on the Swiss market. Customs are asking us to pay a customs clearance fee: can I pay them in cash in exchange for customs clearance ?

Answer : NO, because payment in cash does not allow for reliable traceability of the flow of the service. As part of your business activities and for the transit of products marketed by LISI, it is important to follow the accounting rules when paying for a service; in this particular case, customs must issue a customs clearance invoice to LISI. The invoice must stipulate the essential components of the invoicing of a service, with the transit documents attached to preserve the traceability of the physical flow of the goods. Customs must then send the invoice; the invoice will be processed by the accounting department, who will record the invoice according to the accounting procedures and will make the payment according to the terms officially set on the invoice.