Gifts, Hospitality, and Giveaways Policy

"Integrity is not for sale, not up for negotiation, and certainly not wrapped with a bow."

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1. Introduction: Ethics is not sold, not bought — and not gifted

In business routines, it is common for companies, suppliers, and partners to offer giveaways, invitations, or gestures of courtesy as part of commercial relations. Symbolic gifts, courtesy lunches, tickets to events, or tokens on commemorative dates are often seen as cultural practices, especially in some market segments. However, when they are not handled with clear criteria and well-defined ethical limits, these gestures can compromise impartiality, influence decisions, or even create legal and reputational risks.

The line between legitimate courtesy and improper favoritism can be subtle. That is precisely why companies committed to integrity — like 4U Homes — need to establish transparent and objective rules on receiving (or offering) gifts, hospitality, and giveaways. What is at stake is not the material value of what is received, but the perception that a professional decision may have been influenced by personal interests.

Beyond reputational risks, there are legal risks. Laws such as the Foreign Corrupt Practices Act (FCPA), which applies to American companies, prohibit any practice that constitutes bribery — including the use of gifts or entertainment to obtain undue advantages. In many cases, the mere appearance of impropriety may be enough to damage the company's image.

At 4U Homes, we want to ensure that all of our business decisions are made based on technical, ethical, and transparent criteria — and never influenced by personal benefits. This chapter will help you understand what is acceptable, what must be refused, and how to act whenever in doubt.

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2. What are gifts, hospitality, and giveaways in the corporate context

In the corporate environment, it is common for doubts to arise about what may or may not be accepted as part of interactions with partners, suppliers, clients, and even colleagues from other companies. To make ethical decisions, it is important first to understand the difference between a gift, hospitality, and a giveaway — and what these actions represent in the business world.

Gift is any item of value — material or symbolic — given to an employee without a clear quid pro quo. It may be an object, a voucher, a gift card, a personalized memento, or even cash (which, in itself, is totally prohibited).

Hospitality involves experiences or services offered as a courtesy, such as lunches, dinners, tickets to events, trips, or stays.

Giveaway, in turn, is usually a low-value item, often distributed on a large scale (such as planners, pens, pads, or promotional t-shirts), generally without any expectation of return or favoritism.

At first glance, these gestures may seem harmless — and, in many cases, they truly are. However, when the value or frequency exceeds common sense, or when the context in which they are offered raises questions about the intention behind the gesture, the gift may cease to be a courtesy and become an ethical risk.

📌 **Practical example:** Receiving a personalized pen from a supplier at an industry fair, along with dozens of other promotional giveaways, may be acceptable. Now, if that same supplier sends a branded watch to your home address during a contract renewal period, the situation changes completely — and comes to represent a possible conflict of interest.

💡 **Good practices to recognize the ethical line:**

- Assess the approximate value of the item or invitation;
- Consider the timing of the offer (e.g., close to a negotiation or relevant decision?);
- Reflect on the intention: is it just a courtesy or is there an expectation of something in return?
- Ask yourself: "If this were disclosed publicly, would it look appropriate?"

Understanding these differences is the first step to acting with integrity — and protecting your reputation and that of 4U Homes.

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3. When is it permitted to accept gifts, hospitality, or giveaways?

At 4U Homes, we know that good relations with partners, suppliers, and clients also involve gestures of courtesy — and that not every gift represents a risk. The challenge is to distinguish a legitimate gesture of professional appreciation from a disguised attempt to influence business decisions. For this, we have established clear criteria to guide when receiving gifts, giveaways, and hospitality is acceptable — and when it must be refused. Acceptance of a gift or invitation will only be considered appropriate if it aligns with four fundamental principles:

✅ **Transparency** — It can be shared with your leadership and recorded, if necessary.

✅ **Proportionality** — It has modest value, not exaggerated or luxurious.

✅ **Legitimate purpose** — It is clearly associated with an institutional, commemorative, or promotional gesture.

✅ **Absence of conflict of interest** — It is not linked to a pending decision, active negotiation, or relationship of professional dependence.

It is permitted to accept gifts, hospitality, or giveaways when:

- It is a low-value promotional giveaway (e.g., pen, notepad, t-shirt, key ring), widely distributed and without excessive personalization;
- The gift is symbolic, modest, and unrelated to business decisions (e.g., a simple basket sent on commemorative dates, like Christmas, provided it is duly communicated to leadership);
- Hospitality is related to a clearly institutional event, such as a technical lunch with a supplier's team during a jobsite visit, provided it is at a modest place, without ostentation;
- The event invitation is professional, with a technical, educational, or networking purpose, and is previously approved by leadership (e.g., trade shows, conferences, sponsored talks);
- The employee does not hold a position of direct decision-making over the partner involved in the gesture.

📌 **Practical example:** You work in the Engineering department and receive an invitation from a supplier to attend a technical breakfast at a construction trade fair. The event is open to the sector's public, free of charge, and institutional in nature. In this case, there is no impediment — but it is important to inform your direct manager, especially if giveaways or courtesies are involved.

💡 **Important tip:** Whenever you accept a gift, think: "Would this be easy to report in a team meeting or compliance report?" If the answer is yes, it is likely within ethical limits. If not, it is better to decline gracefully.
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4. Situations in which receipt must be refused

Although there are legitimate situations in which giveaways and hospitality may be accepted, there are also contexts in which the only acceptable behavior is immediate refusal. Even an apparently simple gift can represent an ethical risk if offered under the wrong circumstances — such as during a critical negotiation, after a favorable decision, or in settings where there is a clear intent to generate influence.

At 4U Homes, protecting the integrity of our conduct means recognizing these risk situations and acting with firmness and transparency.

It is mandatory to refuse gifts, giveaways, or hospitality when:

🚫 The item has high value or is considered luxury (e.g., electronics, jewelry, perfumes, imported beverages);

🚫 The gesture occurs during or immediately before a decision on hiring, renewal, evaluation, or payment;

🚫 The employee holds a position of direct influence over the partner offering the gift (e.g., buyer, contract supervisor, engineer responsible for an ongoing project);

🚫 There is an implicit or explicit expectation of reciprocation, favoritism, or future priority;

🚫 The gift is made on a personal basis, sent to the employee's home address or without the team's knowledge;

🚫 The content of the gift or invitation could generate discomfort, embarrassment, or violate the company's values (e.g., invitation to inappropriate events, luxurious dinners, or recreational trips);

🚫 The gesture could not be easily justified in an audit report or before company leadership.

📌 **Practical example:** You are leading the hiring of a new materials supplier and, during the quotation process, receive a case of high-end wine delivered to your home with a thank-you card in advance. Even if the supplier does not ask for anything explicitly, the situation constitutes an attempt to influence and must be immediately reported to your manager and formally refused.

📌 **Another example:** A partner company offers a pair of VIP tickets to a sporting event, with box access and transportation included. Although the invitation may seem a courtesy, the value involved and the personal nature of the invitation make acceptance inappropriate — especially if you are in a position to decide on contracts with that company.

💡 **How to refuse:**

- Be courteous and firm. Thank them for the gesture, but explain that 4U Homes' internal policies do not allow acceptance under those conditions;
- Whenever possible, return the item with an explanatory note and record the occurrence with your manager or the Compliance department;
- If the gift cannot be returned (for example, perishable food), consult leadership so it is allocated transparently, such as a social donation or an authorized institutional raffle.

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5. Offering gifts and hospitality on behalf of the company

Ethics in the corporate environment does not apply only to what we receive — but also to what we offer on behalf of the company. At 4U Homes, we know that gestures of courtesy, such as sending giveaways or offering hospitality, can strengthen institutional relations, express gratitude, or celebrate strategic partnerships. However, any such action must follow clear criteria, be approved, and be duly recorded.

Offering gifts, invitations, giveaways, or any type of material benefit to clients, partners, suppliers, or representatives of the public sector must always respect the principles of legality, proportionality, and transparency. What seems like a simple kindness, if done without control, can be interpreted as an attempt at favoritism, misconduct, or even bribery — especially when public entities, regulatory bodies, or agents with decision-making power are involved.

It is only permitted to offer gifts or hospitality when:

✅ There is prior authorization from leadership or the Compliance department;

✅ The gesture has a legitimate institutional purpose (e.g., year-end commemorative kits for key partners, giveaways at corporate events, coffee breaks during technical visits);

✅ The value of the item or service is modest and proportional to the occasion;

✅ There is no intention (nor appearance) of obtaining advantage or influence over decisions;

✅ The action is recorded, including recipient, reason, and date.

🚫 **It is prohibited** to offer, promise, or deliver gifts, invitations, or benefits:

- To government representatives or public bodies without express authorization and legal validation;
- To business partners at times that coincide with negotiations, contract reviews, or competitive processes;
- In values that exceed the institutional limit (to be defined by the company) without justification and formal approval.

📌 **Practical example:** 4U Homes' marketing team wants to send welcome kits to new business partners. The items are simple (mug, pad, pen, thank-you card) and all follow the institutional standard. The action is approved by the responsible department, recorded, and distributed in a standardized way — this is a good example of courtesy aligned with the company's ethical culture.

📌 **Another example (inappropriate):** An employee decides, on their own, to offer lunch at a high-end restaurant to a public inspector to "ensure a good relationship" during an inspection. Even if well-intentioned, this gesture is considered unacceptable and may be classified as an attempt to improperly influence and generate serious legal consequences.

💡 **Final reflection:** Courtesy only has value when practiced with transparency. More important than pleasing is respecting ethical limits — because the company's reputation is also in the hands of those who offer, not only those who receive.

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6. Procedure in case of doubt or conflict of interest

Not every situation involving gifts or hospitality is black and white. Sometimes legitimate questions arise: "Can this giveaway be accepted?", "Should I report this invitation?", "Is this courtesy appropriate to the context?" — in such moments, the most ethical and mature conduct is to seek guidance before acting.

At 4U Homes, no employee will be penalized for consulting or reporting a situation in good faith. On the contrary: acting with transparency in the face of doubt demonstrates responsibility, care for the company's reputation, and alignment with the culture of integrity we promote.

Whenever there is uncertainty, follow this procedure:

1. **Do not accept** the gift, invitation, or benefit immediately. Politely thank them and explain that you need to confirm with your leadership or the responsible department.
2. **Inform your immediate superior.** Whenever possible, describe the context (who offered it, what was offered, estimated value, occasion, and perceived intention).
3. **Consult the Compliance or Human Resources department.** Especially if the case involves high values, strategic partners, public entities, or critical moments (such as ongoing negotiations or audits).
4. **Wait for official guidance** before taking any decision. This avoids misunderstandings, unnecessary exposure, and rash decisions.
5. **Record the situation, if necessary.** In some cases, you will be asked to complete a form reporting the receipt or offer of a gift, for control and filing.

📌 **Practical example:** During a construction-industry event, you participate in a raffle promoted by a supplier and win a tablet. The value of the prize is significant, and the supplier is competing in a quotation process in your area. You inform your manager, who contacts the Compliance department. The decision will be that the prize cannot be accepted — and it will be returned with an institutional letter of thanks. Voluntarily reporting the situation demonstrates your integrity and commitment to the company.

💡 **Final reflection:** Doubts are normal. What differentiates ethical professionals is how they choose to act when facing them. When you choose transparency, you protect yourself, your team, and 4U Homes' reputation. When in doubt, ask. When uncertain, pause. When uncomfortable, share. Integrity is also made of small decisions.

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7. Consequences for non-compliance

4U Homes' policies do not exist merely to guide — they exist to protect. And when the topic is gifts, hospitality, and giveaways, the risks are real and serious. A simple gesture, done without criteria or transparency, can raise suspicions of bribery, compromise trust in a business decision, or, in more serious cases, constitute a violation of anti-corruption legislation.

Therefore, it is essential that everyone understand: any non-compliance with this policy will be handled with rigor proportional to the seriousness of the occurrence and may generate disciplinary, contractual, and legal consequences.

Consequences include, but are not limited to:

✅ **Verbal or written warning,** when it is a one-off infraction, low impact, and without intent to favor;

✅ **Mandatory participation in corrective ethics and compliance training,** with leadership and HR follow-up;

✅ **Temporary removal from critical functions,** especially when there is a breach of trust in areas such as purchasing, service contracting, or partner negotiation;

✅ **Termination for cause, in serious cases,** such as:

- Acceptance or offer of high-value gifts without authorization;
- Deliberate concealment of giveaways, favors, or hospitality;
- Attempt to influence decisions through personal benefits;

- Involvement of third parties (family members, suppliers, partners) in favoritism schemes; ✅ **Civil and/or criminal actions,** if the behavior has caused financial damage, reputational harm, or violation of the FCPA (Foreign Corrupt Practices Act), the Brazilian Anti-Corruption Law, or other legal provisions applicable in the U.S. or abroad.

📌 **Important:** The mere fact that a gift was "accepted in good faith" does not eliminate the obligation to report and, if necessary, return it. The employee who acts with transparency will always have support. But anyone who omits, ignores the rules, or acts for personal benefit may be fully held accountable.

💡 **Final message:** There is no neutrality when it comes to integrity. Accepting or offering something outside the guidelines can cost not only your credibility but also your continued employment. Ethics is not negotiable — it is practiced.

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8. Inspiring closing

At 4U Homes, we believe ethics is not expressed only in big decisions — but above all in the quiet choices of everyday life. It is when you refuse an inappropriate gift, report a suspicious invitation, or seek guidance before acting that we show, in practice, the kind of culture we are building: a culture based on trust, transparency, and respect for what is right.

In a competitive market, where the line between courtesy and influence often becomes subtle, having clarity of principles is what sets an ordinary company apart from an integral organization. And that difference starts with you.

Every 4U Homes employee carries the company's image — and also the responsibility to protect it. Therefore, more than knowing what the policy allows or prohibits, the most important thing is to internalize the value it represents: the commitment to fair, impartial decisions free from hidden interests.

🧭 **Remember:** trust is not earned with giveaways, but with conduct. Reputation is not bought — it is built, gesture by gesture.