



KONGSBERG

ANTI-CORRUPTION
GUIDE



KONGSBERG IS OPPOSED TO ALL FORMS OF CORRUPTION

“It is prohibited for anyone to demand, receive, or accept an offer of an undue advantage in connection with a position, engagement or task, or to offer or give any person the same.

The same also applies if the purpose is to seek to influence someone else in their position, engagement or task. Aiding in such activities is also prohibited.

This relates to situations with both governmental officials and private commercial counterparts.”

KONGSBERG's Code of Ethics

5	Message from the CEO	9	Sustainability and Corporate Social Responsibility	14	Gifts & hospitality	25	Training
6	Why is anti-corruption important for KONGSBERG?	10	Applicable laws and regulations	16	Facilitation payments	26	Do you need guidance?
7	Strong values and a sound platform constitute the bases for our results	11	Code of ethics, directives and guidelines	16	Trading in influence	27	Do you need to raise a concern?
		12	KONGSBERG's anti-corruption programme	17	Sponsorships and political contributions	28	How to raise a concern
				18	Suppliers	29	Questions & answers
				19	Market representatives (agents and others)		
				20	Joint ventures and other teaming arrangements		
				21	Projects and tenders		
				22	Mergers and acquisitions (M&A)		
				23	Documentation and record keeping		

HOW TO USE THIS GUIDE

This guide is designed to help KONGSBERG's management, employees and others who act on our behalf, to comply with our anti-corruption standards. It is also intended to communicate and promote understanding of and respect for KONGSBERG's anti-corruption efforts outside the Group.

The guide is not exhaustive, and it must be supplemented by consulting Compliance, Legal and/or Governing Documents when assessing complicated cases.

“All employees who are acting on behalf of KONGSBERG, and all other persons representing KONGSBERG, must be familiar with and comply with applicable laws, our Codes and governance documents.”

IMPORTANCE

- 5 Message from the CEO
- 6 Why is anti-corruption important for KONGSBERG?
- 7 Strong values and a sound platform constitute the bases for our results



MESSAGE FROM THE CEO

We live in an ever more complex world. Risks, and combinations of risks, are natural parts of our business execution. Understanding our total risk picture, foreseeing upcoming risks, as well as knowing how to respond to them, are prerequisites for the success of global enterprises like ours.

At KONGSBERG, we are well aware that our operations represent inherent risks related to business commitments, contracts, geographical markets and technology solutions. Given our presence in all corners of the world, we also encounter different political systems, legislation, institutions, financial conditions, business cultures and, most importantly, different people. Further, we operate in some of the world's most challenging industries: defence, maritime and oil & gas.

This guide is about managing a specific part of our total risk picture – namely the business ethics risks. I hope it will capture your attention and trigger some reflections on your part. It is intended to promote understanding and respect for our anti-corruption efforts. The text is based on KONGSBERG's existing Code of Ethics, as supported by our policies, procedures and compliance programmes. In other words, the guide enshrines KONGSBERG's standing anti-corruption culture. It represents how we base our activities, processes and decisions not only on legislation and regulations, but also on attitudes, experience and best practice.

With this guide, we want to communicate our position clearly, raise awareness and provide guidance for actions.



Walter Qvam, *President and CEO*

Links

www.unglobalcompact.org
www.transparency.no

! "Corruption is now recognized to be one of the world's greatest challenges. It is a major hindrance to sustainable development, with a disproportionate impact on poor communities and is corrosive on the very fabric of society. The impact on the private sector is also considerable – it impedes economic growth, distorts competition and represents serious legal and reputational risks."

Source: unglobalcompact.org

WHY IS ANTI-CORRUPTION IMPORTANT FOR KONGSBERG?

KONGSBERG is committed to compete fairly, and to build our business and reputation on world-class quality. Corruption undermines all sorts of business activities and free competition. Corruption would erode our reputation and expose the Group and individuals to risk.

KONGSBERG supports the UN Global Compact initiative, which sets out the work against corruption as its 10th principle. KONGSBERG agrees with UN Global Compact's statement about corruption as quoted as Fact on this side. Such detrimental effects on society are in stark contrast to KONGSBERG's determination to act and deal with people fairly and respectfully.

KONGSBERG has been a member of Transparency International (TI) since 2007. Transparency International is a nonpartisan organisation intended to fight corruption at the national and international levels.



STRONG VALUES AND A SOUND PLATFORM CONSTITUTE THE BASIS FOR OUR RESULTS

To promote achievement, our values are the very essence of all our conduct.

Our values

Determined

What we start, we finish.
We do not give in.



Innovative

We relentlessly pursue improvements,
new ideas and new solutions.



Collaborative

We collaborate as individuals and
as an organisation.



Reliable

We are reliable people.
We are responsible citizens.



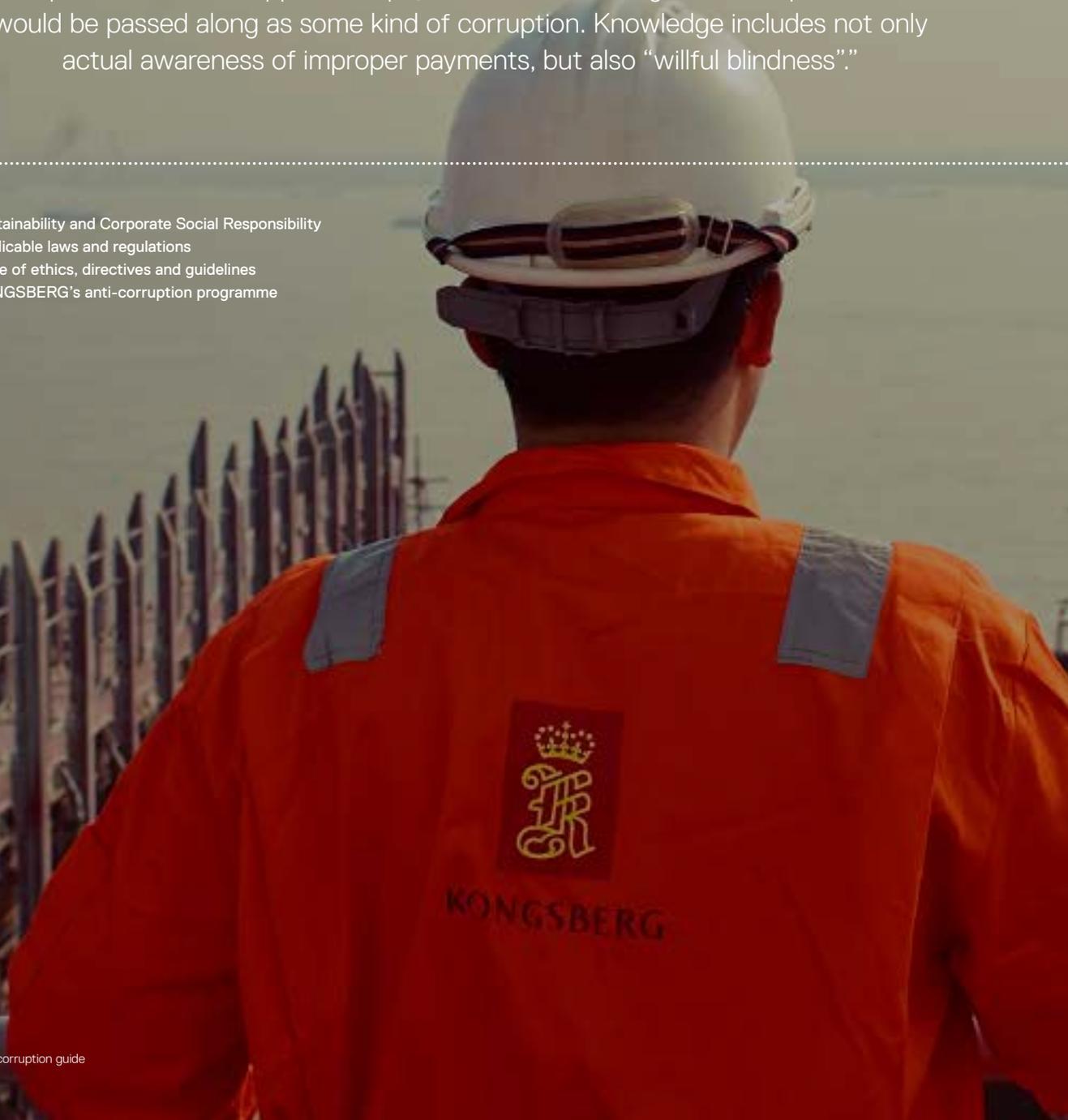
Our results are created on the basis of a sound platform

- We work transparently and ensure traceability for what we do.
- We document our decisions.
- We take responsibility and clarify accountability.
- We acknowledge our risks and use them to guide our priorities.

“KONGSBERG may also be liable if, on KONGSBERG’s behalf, a person makes or approves a payment while knowing that all or part of it would be passed along as some kind of corruption. Knowledge includes not only actual awareness of improper payments, but also “willful blindness”.”

STANDARDS

- 9 Sustainability and Corporate Social Responsibility
- 10 Applicable laws and regulations
- 11 Code of ethics, directives and guidelines
- 12 KONGSBERG’s anti-corruption programme



SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

KONGSBERG bases its operations and results on sustainable behaviour. Not only do we ensure compliance with relevant legislation and internal policies, but we also conduct our business practices in an ethical and socially responsible manner. We respect human integrity and environmental vulnerability. We require loyalty from our employees, partners and representatives in showing respect for culture, environment and religion in the regions where we operate.

To ensure responsibility throughout our operations, KONGSBERG repeatedly and unconditionally emphasises line management's accountability for compliance and sustainability. The overriding principles set out in our Code of Ethics are operationalised in other internal documents, as well as in contracts with our suppliers and representatives. We also have a comprehensive system for assessing and monitoring ourselves and our representatives. Our activities are based on risk assessments to ensure that we devote the right priority and resources to our continuous improvement.

EIERSKAPSMELDINGEN / WHITE PAPER

St.meld. nr. 13 (2010 – 2011):

"Companies in which the Norwegian State holds a significant stake are to play leading roles in respect of Corporate Social Responsibility in the areas in which this is natural for them. The companies are expected to comply with best practice regardless of where they do business."

NORWAY'S GENERAL CIVIL PENAL CODE SECTION 276 A

"Any person who
a) for himself or other persons requests or receives an improper advantage or accepts an offer thereof in connection with a position, office or assignment, or
b) gives or offers any person an improper advantage in connection with a position, office or assignment, shall be liable to a penalty for corruption."

Such an offence is interpreted more strictly when public employees are involved, but applies similarly in the private sector. An improper advantage could consist of cash, an object, a discount, a favour, payment of travel or lodging expenses, participation in events, services, etc.

APPLICABLE LAWS AND REGULATIONS

As a company headquartered in Norway and listed on the Oslo Stock Exchange, KONGSBERG's operations in Norway and abroad are regulated by Norway's General Civil Penal Code (the "Penal Code").

The corruption prohibition as set out in Section 276 a of the Penal Code has extraterritorial effect. Similarly, the UK Bribery Act and the US Foreign Corrupt Practices Act apply and are enforced internationally.

Although all of these sources of law prohibit and criminalise corruption, they may apply variably to certain situations. KONGSBERG shall operate in compliance with all relevant anti-corruption legislation, hereunder refusing facilitation payments and trading in influence. We expect the same of our business partners, as well as business representatives, market representatives and others who act on KONGSBERG's behalf.

Facilitation payments constitute corruption and are covered by the general prohibition in the Penal Code Section 276 a. For an explanation of facilitation payments, see separate article in this brochure. Section 276 c of the Penal Code explicitly prohibits trading in influence.

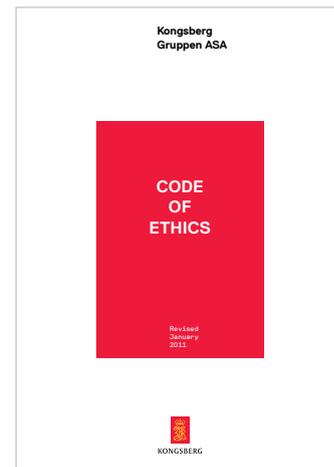
CODE OF ETHICS, DIRECTIVES AND GUIDELINES

KONGSBERG has developed and implemented a comprehensive set of governing documents to continuously strengthen our compliance, business ethics and corporate responsibility. The top level documents are available on www.kongsberg.com. Further internal documents are available for KONGSBERG's employees.

The Code of Ethics expresses KONGSBERG's basic principles for business practice, hereunder corruption and other business conduct aspects. It also contains overriding principles for follow-up of non-conformance.

KONGSBERG's Code of Ethics applies to all companies and employees in the KONGSBERG Group, and it is distributed to all permanent and temporary employees, as well as to people working on consultancy contracts, agency contracts, distributor contracts and other contract partners. Suppliers shall receive a copy of KONGSBERG's Supplier Conduct Principles.

KONGSBERG has adopted an internal Code of Business Conduct and Compliance to ensure that all persons acting on behalf of KONGSBERG perform their activities in an ethical way and in accordance with standards set by KONGSBERG.



KONGSBERG'S ANTI-CORRUPTION PROGRAMME

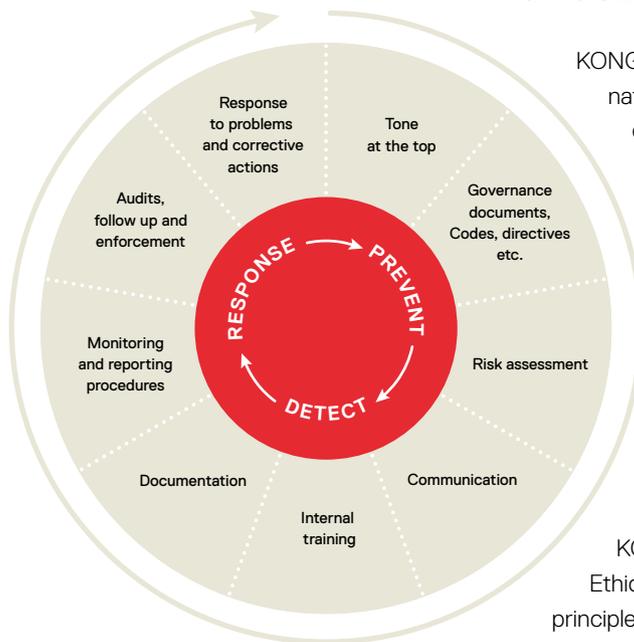
KONGSBERG has an extensive anti-corruption programme. It ensues from the nature of our business and the geographical spread of our operations that we encounter risks of corruption.

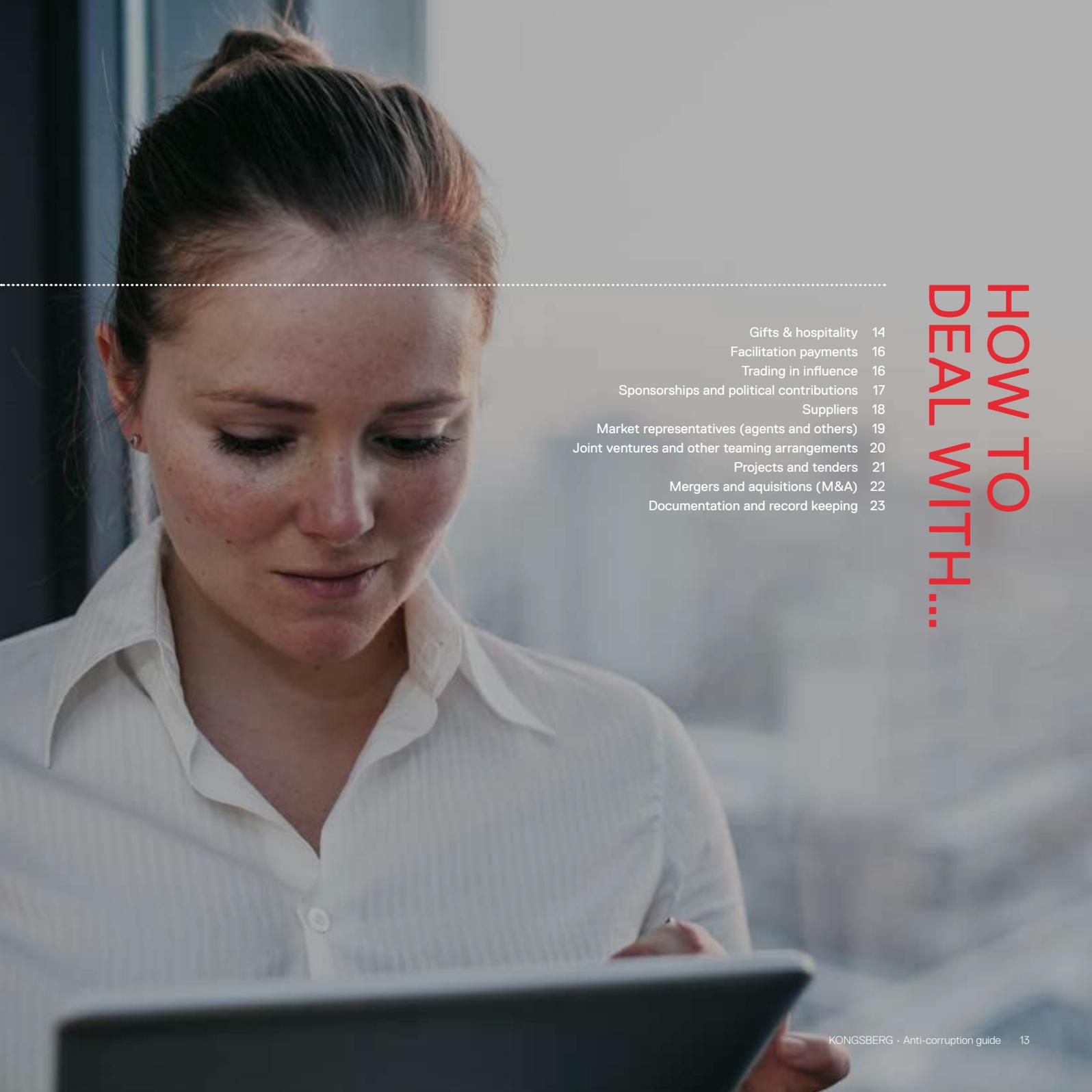
Our Board of Directors has expressed clear expectations of management to continuously improve and secure our operations against corruption. We constantly seek anti-corruption improvements in our own operations, as well as operations with our representatives and other business partners. Positive side effects include reduced risk of fraud, loss of business opportunities and loss of reputation, and cost overruns.

Our efforts are based on risk assessments to ensure that we assign the right priorities and resources to meet our challenges.

KONGSBERG's anti-corruption programme is anchored in our Code of Ethics and also consists of internal documents to operationalise overriding principles, clarify responsibilities and expectations, and provide practical advice for representative situations.

KONGSBERG's Code of Ethics or Supplier Conduct Principles is incorporated in contracts with our market representatives, consultants and suppliers, and our expectations related to anti-corruption apply similarly to them.





HOW TO DEAL WITH...

Gifts & hospitality	14
Facilitation payments	16
Trading in influence	16
Sponsorships and political contributions	17
Suppliers	18
Market representatives (agents and others)	19
Joint ventures and other teaming arrangements	20
Projects and tenders	21
Mergers and acquisitions (M&A)	22
Documentation and record keeping	23

Definition

Improper (undue) advantage

A key issue in the Penal Code is which actions, contributions or services may constitute an improper advantage and hence incur liability for corruption. An advantage is "everything that the passive party finds in his/her interest or can derive benefit from" this broad definition covers:

- Economic advantages such as cash or in bank accounts, cars, free trips, entertainment, shares in a company etc.
- Non-economic advantages with no direct material value, e.g. the passive party is promised a future holiday, his/her child is accepted by a private school

! Do not pay anyone to obtain an improper business advantage!

Gifts can be items, but also include tickets to events, vouchers, rewards and prizes, and items loaned or bought at below their market value.

Hospitality includes the provision of meals and invitations, and being accompanied to sporting, entertainment and other venues where the inviting party pays some or all of the costs of the attendees.

Gifts and hospitality are to be business-related, not extravagant and not intended to influence business decisions in an improper way.

GIFTS & HOSPITALITY

KONGSBERG requires caution when giving and accepting gifts or other enticements that could be perceived as entailing inappropriate influence. Neither monetary nor non-monetary items may be provided, promised or accepted for the purpose of obtaining or rewarding any improper business advantage or personal reciprocity.

In connection with negotiations, bids, tenders and the like, common courtesy in local culture and networking should be exercised with special caution in relation to legal boundaries and business integrity.

Improper and excessive gifts may be in conflict with anti-corruption legislation, and could therefore put KONGSBERG and the individuals involved in a vulnerable position. This also includes non-monetary items such as travel, lodging, events, entertainment and favours. Travel and lodging are to be paid for by KONGSBERG. Gifts, invitations, etc. that may be deemed excessive, of significant value or inappropriate should be discussed with superiors or the Compliance Officer.

Transparency is crucial. Gifts and hospitality must be correctly and traceably recorded in financial records.

Gifts etc. to public officials or their families are to be considered with extra care. Specific requirements have been established for gifts and courtesies to public officials in the US. Political and charitable contributions should be avoided due to the potential for the appearance of impropriety.

Violations of laws committed by individuals acting on behalf of KONGSBERG not only reflect poorly on KONGSBERG, but may also cause KONGSBERG's management and other employees to be involved in criminal prosecution.

Ask yourself

- Is the gift or hospitality covered by our corporate guidelines?
- How would the gift or hospitality be perceived by your boss, the public, others?
- Might the intention of the gift be to influence?
- Are you in a situation of tendering, negotiation or procurement?
- Is the gift or hospitality of a personal nature or company-related?
- Are there expectations of getting anything in return?
- Is the gift or hospitality of significant or insignificant value?
- Is the recipient subject to restrictions under his/her in-house code as related to gifts or hospitality?
- Is the recipient a public official?

If you are uncertain about these questions, ask your superior.



! In exceptional cases, where the situation represents a threat and life, health or crucial assets are at risk, facilitation payments may be permissible. Payments undertaken in such situations should always be reported immediately and recorded correctly.



FACILITATION PAYMENTS

Facilitation payments are payments of small sums of money to facilitate or expedite the performance of routine government functions, such as issuing permits or licences or processing government papers (visas, customs clearances, etc.).

Facilitation payments imply bribery of public officials. Facilitation payments are therefore illegal and punishable under most circumstances and in most countries, including the Norwegian Penal Code.

Requests for facilitation payments from KONGSBERG employees or representatives shall be reported to his/her superior or to the legal department. Any payments made will only be reimbursed when accounted for on travel expense records with explicit specification of the amount and the reason for payment. The payment shall be recognised on the accounts separately, specifying its purpose.

TRADING IN INFLUENCE

Trading in influence exists when an improper advantage is offered or requested in order to influence someone's duties.

Lobbying is a legal activity using an intermediary to influence decisions in the private or public sector. Use of lobbyists must comply with KONGSBERG's requirements for entering into such arrangements. KONGSBERG rejects any illegal trading in influence, and lobbying on behalf of KONGSBERG may never imply any improper advantage to achieve the desired influence.

SPONSORSHIPS AND POLITICAL CONTRIBUTIONS

KONGSBERG carefully offers sponsorship of projects and initiatives that promote our values. Our sponsorship activities shall harmonise with our fundamental values, Code of Ethics and sponsorship strategy. Any sponsorship should be based on the principles of predictability, transparency and non-discrimination. Some of our sponsorship activities and the requirements for being considered for sponsorships are presented on our website under Corporate Social Responsibility.

KONGSBERG has issued detailed provisions, including procedures for approval, for granting sponsorships. Sponsorship activities shall be perceived as positive by our employees and in the communities in which we operate, and shall contribute positively to the general image of KONGSBERG. The directive also covers charitable gifts and marketing activities bordering on sponsorship. Charitable gifts are financial contributions to socially beneficial, non-political causes, such as charitable organisations, social initiatives or the like. The gifts are provided unconditionally and without expectation of any form of return favour.

KONGSBERG does not sponsor political parties or representatives due to the potential for the appearance of impropriety.



[Link](#)

www.unglobalcompact.org/docs/issues_doc/Anti-Corruption/Fighting_Corruption_Supply_Chain.pdf



SUPPLIERS

Corruption in the supply chain is a common risk for all private, public and government undertakings. Regular and specific corruption risk assessments, as well as audits and other follow-up processes, are integral to KONGSBERG's supply chain management. The processes include country risk assessment, product risk assessment and other risks. Every year, we set targets for further risk reduction and improvement in the supply chain.

KONGSBERG has developed special Suppliers' Conduct Principles that apply to our suppliers. These principles require suppliers to maintain the highest standards of integrity in all business interactions. Suppliers shall prohibit any and all forms of corruption, bribes and other means of obtaining undue or improper advantage.

Suppliers are expected to communicate KONGSBERG's principles to all internal and external parties that take part in their supply chain, hereunder the requirement to implement monitoring and enforcement procedures to ensure compliance, and to provide means for their employees to report or discuss their concerns confidentially.

Ensuring KONGSBERG's interests in the supply chain is balanced with KONGSBERG's treatment of suppliers, making sure that all suppliers compete on an equal footing with other suppliers.

MARKET REPRESENTATIVES (AGENTS AND OTHERS)

Before entering into an agreement with a market representative, managers are responsible for checking that the representative's ethical standards are satisfactory. To support our business lines in assuring the integrity and compliance of our market representatives, we have established a separate directive for the entering into and following up of agreements with such representatives. Corruption risk assessments are included in this directive.

All market representatives are contractually committed to act in compliance with KONGSBERG's Code of Ethics or standards of equal level. Without the loyal adherence of our market representatives, KONGSBERG will be unable to fulfil its commitment to compete fairly and to build our business and reputation on world-class quality.

The inherent risk in engaging market representatives shall be mitigated to an acceptable level in accordance with the abovementioned directives. If risks cannot be sufficiently controlled, KONGSBERG may not enter into the market representative relationship in question.



Definition

Joint venture – An association of two or more individuals or companies engaged in a solitary business enterprise for profit without actual partnership or incorporation.

KONGSBERG's VALUES

- **Determined**
- **Innovative**
- **Collaborative**
- **Reliable**

JOINT VENTURES AND OTHER TEAMING ARRANGEMENTS

KONGSBERG may enter into joint ventures and other teaming arrangements. We will bring our values, i.e. into our joint ventures and other cooperation.

To ensure KONGSBERG's and relevant stakeholders' interests when teaming with others, we have established risk-based mandatory rules. We evaluate the risk of corruption in the country and sector in question. We shall carry out a due diligence investigation on the other party or parties and key people involved in the arrangement, and we systematically assess whether other aspects may expose KONGSBERG to corruption or other relevant risks.

KONGSBERG recognises that our values, principles and internal requirements will sometimes preclude us from pursuing business opportunities.

PROJECTS AND TENDERS

KONGSBERG participates in a multitude of deliveries, often entailing public procurements and payments. Many business opportunities are pursued through projects and tenders.

Projects and tenders in their nature represent a certain risk of corruption. KONGSBERG's projects typically run over considerable time and involve people from different companies and cultures. KONGSBERG has defined mandatory rules for participation in public projects and tenders. Compliance with these rules is the responsibility of the business area involved in the project.

If risks cannot be sufficiently controlled, KONGSBERG may not tender for the contract.



Definition

Mergers and acquisitions – (abbreviated M&A) as discussed here implies the buying, selling, dividing and combining of different companies and similar entities that can help an enterprise grow rapidly in its sector or location of origin, or a new field or new location, without creating a subsidiary, other child entity or using a joint venture.



MERGERS AND ACQUISITIONS (M&A)

Following the acquisition of other companies or the assets of other companies, KONGSBERG may be liable for anti-corruption violations committed by that company presently or prior to the acquisition. The consequences for KONGSBERG may include corporate liability and civil damages. The consequences for individuals may be preclusion from performing their duties as a result of prosecution and criminal proceedings.

Any acquisition of a company requires a due diligence process that includes an evaluation of ethics and business conduct, with a focus on possible anti-corruption violations. The use of market representatives and other third parties shall be included in the evaluation insofar as possible.

M&As may take place by purchase of shares or purchase of assets. The companies involved may enter into a merger on equal footing, or one company may take over (acquire) another. Purchase of smaller shareholdings or assets will not constitute a merger or acquisition as covered herein.

Background

As a pre-requisite for living KONGSBERG's values, our business records (including accounts, correspondence, memoranda, electronic media, papers, books and other documents) must be accurate, complete and otherwise representative of their nature and factual background. Transparency in books and records is an important element in fighting corruption, and an attempt to conceal a payment or code it to a misleading account may constitute a more serious violation than the initial payment itself.

DOCUMENTATION AND RECORD KEEPING

KONGSBERG's accounting information must be correctly registered and reproduced in compliance with legislation, regulations and mandatory accounting standards. In order to secure this, generally accepted accounting principles and KONGSBERG's system of internal accounting controls must be applied. Accounting records must not contain any false or intentionally misleading entries. Transactions and related occurrences shall be fully and completely documented, and KONGSBERG's expenses must in reasonable detail be fairly and accurately reflected. No information may be concealed from audits.

KONGSBERG's liability for correct books and records extends to companies where we have a controlling interest.

Examples of falsifying books and records are:

- Using off-the-books accounts or un-recorded cash payments
- Mischaracterisation of an improper payment e.g. as a commission payment, customer development charge, processing fee or rebate
- Not recording a transaction at all
- Submitting inaccurate expense reports
- Use of "slush funds"

! KONGSBERG shall stand for open, correct and scrupulous business practices, and at the same time respect binding confidentiality. Information provided about KONGSBERG's business operations shall be communicated precisely and correctly, inside and outside the Group.

The training shall enhance employees' awareness and understanding of and contribution to building a strong corporate culture to promote ethics, business conduct and compliance.

TRAINING & SUPPORT

- 25 Training
- 26 Do you need guidance?
- 27 Do you need to raise a concern?
- 28 How to raise a concern
- 29 Questions & answers

TRAINING

KONGSBERG's Training Programme for Ethics, Anti-Corruption and Business Conduct and Compliance is intended to give employees the understanding and awareness required to carry out their responsibilities in compliance with legislation, regulations and the corporate Code of Ethics, including supplemental business conduct and compliance documents.

KONGSBERG has developed various mandatory training tools, including basic e-learning based on our Code of Ethics for all employees, classroom training for new employees and new line managers, and specific training for exposed personnel, managers and market representatives. The training material and instructors are to be approved by the Corporate Compliance Officer. The annual training plan is to be risk based, focusing on new laws and requirements, KONGSBERG's Directives and mandatory governing documents.



DO YOU NEED GUIDANCE?

All business areas have dedicated compliance officers who can provide guidance on compliance issues. Information is available on the business area's intranet.

The Corporate Compliance Officer supports all business areas, including employees and external parties. Questions can be sent by e-mail to ethics@kongsberg.com.

The Corporate Legal Department is responsible company-wide for legal advice, and consultations.



We will guide you to
adequate actions

Questions can be sent by e-mail to
ethics@kongsberg.com

...or you can contact your business area's dedicated compliance officer.
Detailed contact information is available on the business area's intranet.

DO YOU NEED TO RAISE A CONCERN?

KONGSBERG aims to ensure the same standard in all our operations world-wide, though always with respect for local legislation.

Provisions regarding raising concerns are set out in Norway's Working Environment Act. Pursuant to these provisions, employees have the right to report censurable conditions on the part of their employer as long as the notification is justified and carried out in good faith. Reprisals against persons who report concerns on this basis, are prohibited. See more about how to raise a concern in the next section.

Questions related to KONGSBERG's operations or working environment should not normally be formally reported as a censurable condition. Such issues should be discussed in the ordinary manner with one's immediate superior, the HR Department, HSE Manager, a safety delegate or a trade union representative.

KONGSBERG considers it important for the development of the Group that employees provide constructive positive and negative feedback on work-related matters. Such feedback will ordinarily be part of the ongoing dialogue between employee and supervisor in the continuous efforts to make improvements. KONGSBERG aims to ensure that employees are taken seriously when they provide feedback to their employer.

! Raising concerns is about reporting censurable conditions, for instance:

- Criminal offences
- Other infractions of the law, e.g. breaches of health, environmental and safety regulations
- Infringements of KONGSBERG's corporate Code of Ethics
- Infringements of ethical standards that are commonly and generally accepted in the relevant community

! Employees in the US or Canada can also raise concerns electronically through the AlertLine (<https://kongsberg.alertline.com/gcs/welcome>) where you can report anonymously while still being available for dialogue and follow-up questions.

HOW TO RAISE A CONCERN

It is important that employees demonstrate the requisite discretion in raising concerns, to protect the interests of KONGSBERG, individuals involved, and third parties from unnecessary harm. Such interests may include trade secrets and the risk of losing customers, the climate of cooperation, as well as personal data.

In ordinary situations, an employee should notify his/her immediate superior, or the next level superior, about the concern. Local or corporate HR may constitute another communication path. Only if such communication is highly problematic should the employee raise the issue elsewhere, e.g. with KONGSBERG's Ethics Council through the Council's ombudsmen, a safety delegate, a member of the Working Environment Committee or a trade union representative. As a last resort, the employee can notify KONGSBERG's Chairman of the Board.

The intention is for any censurable conditions to be resolved through KONGSBERG's routines. However, employees may also contact public supervisory bodies, e.g. the Norwegian Labour Inspection Authority, about relevant matters.

Ordinarily, notifications should be submitted in writing. Although KONGSBERG prefers to know the identity of the notifying person, it is also possible to report anonymously. However, anonymous reporting may make it more difficult to follow up with important questions and clarifications.

External parties who want to report concerns can do so by sending an email to **ethics@kongsberg.com**.

Q&A

We invite you to discuss dilemmas, and we offer some common examples through Q&A to get you started.

Can I accept gifts, meals or other business courtesies?

- Q:** I received an expensive basket of fruit from a supplier as a holiday present. I did not request the gift. What should I do?
- Q:** At the end of the year, a supplier sent me a large basket of chocolates and cookies as a token of appreciation for our business during the year. May I accept this basket?
- A:** Inform your superior that you received the gift. Holiday gift baskets are a common business courtesy in some areas, but may be less acceptable in others. Generally, you may accept such gifts if the value is moderate. Consult with your superior about whether the gift falls within the guidelines for gifts and entertainment. If the gift is not acceptable, consider whether it may be returned. In the event it would be impractical or impolite to return the gift, share it with others in your work area, or give it to a charitable organisation or the like. The point is to disconnect the gift from the individual recipient.
- Q:** I have heard that we are soliciting gifts from vendors to help local charities in our community. Is this an acceptable practice?
- A:** No. It is not acceptable to ask for gift or favours under any circumstances. We do not want to give our vendors the impression that their business with KONGSBERG depends on gifts, donations, favours or the like.

Q: If ordinary employees must decline invitations from suppliers, customers or others for an event or an act of hospitality that might seem extravagant or unrelated to business, then why are certain senior officers of KONGSBERG allowed to accept invitations to attend events of this type?

A: Occasionally, KONGSBERG identifies opportunities to enhance or maintain important business relationships through attendance at more elaborate functions. Senior officers of KONGSBERG may be permitted and, in fact, encouraged to attend because of their relationships with significant customers and suppliers that are important to KONGSBERG's business operations. Before accepting an invitation, consult with your superior. KONGSBERG considers carefully which kinds of functions are appropriate and how attendance should be funded, and authorises attendance only when important business relationships are at stake and the risks are acceptable.

May I take advantage of discounts offered by vendors?

Q: I have been offered a discount on a product sold by one of KONGSBERG's suppliers. May I take advantage of this?

A: It depends. You may accept the discount only if it exists under a group discount programme generally available to KONGSBERG's employees. Accepting discounts not generally available to KONGSBERG's employees may create the appearance of favouritism of the donor, or may imply that there will be favouritism in the future related to you on the part of the provider, as an individual rather than to KONGSBERG as a company.

What gifts or other business courtesies am I allowed to offer?

- Q:** Is it acceptable to buy a drink for a supplier's representative after a meeting at the end of the day?
- A:** Yes, you may buy a person a drink if it is after business hours and no other company policies are violated. However, you should not drive afterwards while under the influence.
- Q:** I occasionally hear about managers playing golf with suppliers, customers, clients, or others, sometimes even during their ordinary work hours. What rules apply to such invitations?
- A:** The guidelines for golf events are the same as for any other gift or invitation. There should be a valid business purpose, the cost should be nominal, and there should be no expectation of special treatment in return. For example, an employee whose job is to manage KONGSBERG's relationship with a customer or vendor's representative who likes to golf might find it worthwhile to accept or extend a golf invitation as an opportunity to discuss business issues in a relaxed atmosphere. Before setting up a golf date during ordinary working hours, the employee should clear it with his/her manager or supervisor. A round of golf at a local public course will be more acceptable than at an expensive club, which could exceed the nominal value test. In any event, golf and other recreational activities during ordinary working hours should be rare.

WORLD CLASS – through people, technology and dedication

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Please visit www.kongsberg.com to ensure you have the current version of our Anti-corruption Guide.