
1 Scope and Purpose

1.1 Introduction

Benchmark Electronics, Inc. and its subsidiaries (Benchmark) strives to maintain the highest ethical and integrity standards throughout their worldwide operations and seeks to avoid even the appearance of impropriety in the actions of Benchmark directors, officers, employees, and agents (**Employees**). This Gifts and Entertainment Policy (**G and E Policy**) furthers that goal and provides guidance regarding appropriate amounts and frequency of Gifts and Entertainment.

Benchmark bases its decisions on whether to engage with its various customers and suppliers on their respective integrity, quality, reliability, and price, and we anticipate their using similar criteria when considering whether to engage with us. Business relationships are formed during these engagements, and the goodwill that flows from these engagements is a vitally important part of successful business relationships.

The exchange of Gifts and Entertainment is an accepted business practice that can build goodwill in business relationships. However, we must all exercise good judgment and vigilance because some Gifts and Entertainment may create improper influence or the appearance of improper influence. Improper influence can be seen as bribes that tarnish Benchmark's reputation for fair dealing. It can also break the law and expose Benchmark and its Employees to significant legal risks.

1.2 Scope

All Employees must follow this G and E Policy even when traveling, Employees are bound by the G and E Policy and any local rules appropriate for the location being visited. If complying with this G and E Policy presents any issue or conflict, then Employees should discuss them with their supervisor, local Human Resources representative, or with Corporate Legal. It is each Employee's duty to ensure that, where an issue or conflict arises, they actively seek to resolve the issue as soon as possible.

This G and E Policy is supplemented by the separate Global Anticorruption Policy. The G and E Policy applies in most instances of private-party transactions, meaning those transactions involving a non-Government Official. Where the transaction does involve a Government Official (see Section 4.4), Corruption or Bribery, as those terms are defined in the Global Anticorruption Policy, then the Global Anticorruption Policy governs those transactions.

2 References

BE-00003 Global Anticorruption Policy

3 Definitions

Gifts and Entertainment means anything of value for which fair market value is not paid by the recipient. Some examples include: discounts, loans, favorable terms on any product or service, medical services, education, prizes, transportation, living expenses, use of another company's vehicles, use of vacation facilities, shopping, stocks or other securities, participation in stock offerings, home improvements, tickets, or gift certificates.

- **Gifts** generally refers to an item or event offered, to the recipient(s) for the recipient's use or benefit independent of the offeror, while
- **Entertainment** generally refers to an item or event offered, to the recipient(s) for the recipient's use together with the offeror.

Nominal Value generally refers to that range of values that will not suggest improper influence.

- For a **Gift**, Nominal Value means an amount equal to or less than the equivalent of
 - one-fourth of one day of the recipient's pay for any single Gift; and
 - one day of the recipient's pay for total, combined Gifts from a single source in any single calendar year.
- For **Entertainment**, Nominal Value means an amount equal to or less than the equivalent of
 - one day of the recipient's pay for any single event; and
 - three days of the recipient's pay for total combined Entertainment from a single source in any single calendar year.

When providing Gifts and Entertainment to recipients who occupy a similar level in their organization to yours within Benchmark, your pay may be a suitable proxy for Nominal Value. When providing Gifts and Entertainment to recipients who occupy a level in their organization higher or lower than yours within Benchmark, then a greater or lesser value may be appropriate.

These definitions are listed in the Global Record, Benchmark Glossary.

4 Requirements

4.1 Generally

- Gifts and Entertainment offered by any Employee must always be for a specific business purpose, be in good taste, and not violate any applicable law or regulation.
- Offerors and recipients of Gifts and Entertainment are deemed to include their family members for the purposes of this G and E Policy.

4.2 Approval Categories

Gifts and Entertainment offered by either third parties or Employees fall into three categories:

- Those that are Usually Acceptable, which you may approve yourself.
- Those that are never acceptable, which are Always Prohibited.
- Those that may be acceptable but Require Prior Approval.

4.2.1 Usually Acceptable

Some Gifts and Entertainment of Nominal Value are usually acceptable and do not require approval. The following generally fall into this category:

- Occasional meals of Nominal Value with a business partner.
- Ordinary sports, theater, and other cultural events tickets of Nominal Value.
- Group Gifts for a facility or department, for example, pizza for a facility or a large gift basket shared by the department.
- Gifts marked with Benchmark's or the other company's promotional labeling.
- Where the overall frequency and level of Gifts exchanged is considered appropriate to the customs of the local marketplace.
- Other Gifts or Entertainment of Nominal Value that are tasteful and appropriate to the occasion (defined locally).

4.2.2 Always Prohibited

Some types of Gifts and Entertainment are simply wrong, either in fact or in appearance, so that they are never permissible. Some examples include:

- Any Gift or Entertainment that is illegal under applicable law.
- Giving or receiving cash or cash equivalents (gift cards, gift certificates, coupons, etc.) as a Gift or Entertainment.
- Giving or receiving Gifts or Entertainment that are too costly (greater than Nominal Value such that they could be considered excessive or extravagant) or too frequent to be within the customs of the marketplace.
- Giving or receiving Gifts or Entertainment that improperly influence or give the appearance of improperly influencing business judgment.
- Offering a Gift or Entertainment if you know it would violate the recipient's policy to accept it.

4.2.3 Require Prior Approval

Some types of Gifts and Entertainment can be proper, but only with prior written approval from Benchmark's Chief Financial Officer (**CFO**). Examples of this category include:

- Gifts and Entertainment including any expense greater than Nominal Value that is not covered by 4.2.2 above. Verbal approval by the CFO is sufficient to order such Gifts; however, the expense must be approved in writing by the CFO before tendering the Gift.

- Gifts and Entertainment that involve any significant travel (including day trips away from the office and weekend travel).
- Giving or receiving Entertainment, such as tickets to a sporting event, of greater than Nominal Value.

4.3 More Restrictive Local Requirements

Benchmark sites may adopt more restrictive local requirements than those found in this G and E Policy. Appendix 1 – Local Currency Gift Limits provides more restrictive guidance, if any, on equivalent local currency for Gifts at many sites. Any such local requirements must be approved in advance in writing by the General Counsel and CFO. Approved local requirements must be communicated to affected Employees in an appropriate manner. It is the Employee's responsibility to observe the more restrictive local requirements.

4.4 Gifts and Entertainment Involving Government Officials

Governments in some parts of the world have substantially more stringent requirements regarding Gifts and Entertainment, and breaches of these rules can be serious offenses. Gifts can be provided to Government Officials only to the extent that they meet the guidelines found in the Global Anti-Corruption Policy. **Government Official** means: (i) any officer or employee (including any person nominated or appointed to be an officer or employee) of a government or department, agency, or instrumentality of a government (including a government-controlled enterprise), including any member of the armed forces; (ii) any person acting in an official capacity on behalf of a government or any department, agency, or instrumentality of a government; (iii) any officer or employee of a company or business owned in whole or part by a government; (iv) any officer, employee, or person acting on behalf of a public international organization, such as the World Bank or the United Nations; (v) any officer or employee of a political party or any person acting in an official capacity on behalf of a political party; (vi) any candidate for political office; and (vii) family members of any of the foregoing.

4.5 Returning Gifts

Wherever possible, Employees should politely refuse Gifts or Entertainment of greater than Nominal Value, explaining to the offeror that Benchmark's G and E Policy prohibits the receipt of such Gifts and Entertainment. There may be cases where refusal of a Gift would cause embarrassment to the person offering it, particularly if you are a guest in certain countries. Guidance on local customs and behavior should be sought before going on a business trip. Employees who are given or offered a Gift or Entertainment of greater than Nominal Value, or preferred treatment they believe is inappropriate must refuse if possible and report the event promptly to their supervisor or business unit controller, who must contact Benchmark's Chief Compliance Officer for further guidance on handling.

4.6 Self-Test/Quick Tips

In addition to applying the principles discussed in this G and E Policy, ask the following questions to determine whether a Gift or Entertainment is appropriate:

- Intent – Is the intent only to build a business relationship or offer normal courtesy, or is it to influence the recipient's objectivity in making a business decision?
- Materiality and frequency – Is the Gift or Entertainment modest and infrequent or could it place you (or the other party) under an obligation?
- Legality – Are you sure that the Gift or Entertainment is legal both in your country and in the country of the other party?
- Compliance with the other person's rules – Is the receipt of the Gift or Entertainment allowed by the recipient's or offeror's organization? Special care must be taken when dealing with Government Officials that may not be allowed to accept any Gifts or Entertainment.
- Transparency – Would you be embarrassed if your manager, colleagues or anyone outside Benchmark became aware? If so, there is probably something wrong.
- Hypocrisy – Are you adopting double standards? We should only offer what we would be comfortable accepting (and vice versa).

Circumstance: In some cultures, giving expensive Gifts and Entertainment is essential to doing business. It is not seen as a conflict of interest or ethically compromising. I don't want my team to feel hampered by rules that prevent them from competing according to prevailing cultural regimes.

Answer: This is a common and understandable concern, but you and your colleagues must exercise good judgment in these circumstances and that includes:

- Adhering to Benchmark policies;
- Exercising the principles of moderation and proportion;
- Getting prior approval for the receipt and giving of courtesies as required in this G and E Policy.

Question: I've already accepted a Gift from a supplier, which, now that I think about it, may appear excessive. What should I do?

Answer: Only if it is too late to return the Gift, you should immediately declare the Gift to your supervisor or business unit controller, who should contact the Chief Compliance Officer for further guidance on handling. The Gift should be turned over to Benchmark so that you are beyond suspicion of making a personal gain to influence a business decision.

Question: One of our suppliers offered me two tickets to a really good event. He can't accompany me, so he told me to use them with a friend. Can I accept the tickets without approval since their face value is not more than USD\$ 75.00?

Answer: Under the G and E Policy, you are generally not required to get approval for ordinary business Entertainment of less than Nominal Value. However, if the face value is more than Nominal Value for Gifts (because the supplier is not going with you), then you must get prior approval from the CFO.

Revision History

Date	Rev	Reason for Change:	ECO Number:
08/25/2022	C	Minor revisions to clarify terms (Company changed to Benchmark) (business partners changed to customers and suppliers) (practice changed to business practice) (private-party transactions changed to meaning those transactions involving a non-Government Official) (involves changed to does involve) (e.g., changed to Some examples include) (Value means equal changed to Value means an amount equal) (in good taste added language after "and not violate any applicable law or regulation") (added after "Nominal Value" such that they could be considered excessive or extravagant)	CORP004942
3/9/2015	B	Revisions to 3.2 gift nominal value, update document template.	CORP003311