



Anti-Bribery Guidance for Teledyne Third Parties

Requirements for Doing Business with Teledyne

As a representative of Teledyne in the marketplace, we have certain requirements related to your business operations (These items are part of your agreement with Teledyne):

- 1.** Compliance with Teledyne's Code of Conduct for Service Providers.
- 2.** Compliance with all applicable laws and regulations. We strictly prohibit the use of bribery or corruption in any form to gain or retain business. No exceptions.
- 3.** Bribery is illegal and contrary to Teledyne's values.
- 4.** Compliance with United States export regulations and other applicable export regulations that may apply to the transaction.
- 5.** Promptly investigate and remediate ethics and compliance concerns that may arise in your business operations.

Always Operate with the Highest Ethical Standards

What is the Foreign Corrupt Practices Act (FCPA) and How Does it Apply to Your Business?

- The FCPA makes it illegal to offer something of value to a foreign official (including an employee of a state-owned entity) for the purpose of obtaining an unfair advantage (e.g., obtaining or retaining business). It also has a provision that makes it illegal for records to reflect payments or hospitality inaccurately.
- The FCPA applies wherever you are because you are representing Teledyne, which is a U.S. Corporation.
- Businesses and individuals can be prosecuted for engaging in bribery or corruption.
- Every country has laws prohibiting bribery of their own government officials, and many have laws which prohibit commercial bribery and bribery of foreign government officials. For example, the United Kingdom has the UK Bribery Act, Canada has the Corruption of Foreign Public Officials Act and China has various anti-corruption laws. When acting on behalf of Teledyne, you are expected to follow all the laws that may apply.

FAQ #1: What is “anything of value?”

Anything of value can literally be anything! Money, charitable donations, loans, golf outings, tickets to sports events, travel expenses, meals, entertainment, gifts, gift cards, offers of employment, and personal favors.

The reputations of both companies are at stake!

What Limitations Does Teledyne Place on Your Business with Respect to Hospitality?

- All trips or entertainment must have a legitimate business purpose. Someone from your company must be in attendance. Examples of legitimate trips include attendance at technical training or factory acceptance testing.
- Trips cannot exceed the time required to accomplish the business purpose. No extra days for sight-seeing will be allowed.
- No trips or other benefits should be provided to any spouse, family member or friend of a business partner. If spouses, friends, or family members will join, they must be responsible for paying their own fare.
- All expenses should be reasonable and appropriately tied to the business being conducted. E.g., no first-class airfare or gold watches.
- Payments can be inappropriate even if they are made indirectly, e.g., to a charity associated with a customer or to a customer’s family member disguised as a personal gift.
- These restrictions apply even if a Teledyne third party or an employee of the Teledyne third party is paying.
- All travel should be cleared with the customer’s employer in advance. Teledyne third parties should book the travel themselves rather than reimburse the customer. Cash payments are never acceptable.

FAQ #2: Our customers are coming a long way to attend a conference. What kind of entertainment can I provide them consistent with these Guidelines?

You may entertain your customers but the entertainment must not take up a substantial portion of the agenda for the trip. Examples of reasonable entertainment would be a two-hour bus tour of the city you are in, or a play or baseball game in the evening. Day-long sightseeing outings, spa days, trips to amusement parks, or inappropriate or adult entertainment generally will not be permitted.

Violations of these requirements may result in termination of your contract with Teledyne!

Test Your Knowledge

Scenario 1:

Sam works for a Teledyne distributor. The distributor has spent months trying to win a sale for Teledyne, but the competition is steep. The buyer at the customer tells Sam that it can guarantee Sam's company will win the bid if Sam can give the buyer a \$10,000 payment. Can Sam ask Teledyne to discount the product \$10,000 more, so he will have the extra \$10,000 to give to the customer?



Answer:

No! Even though the \$10,000 USD would be paid by Sam and not Teledyne, it would violate anti-bribery laws, even if Teledyne did not know about it. No offers of payment or for things of value can be made by any Teledyne third party to unfairly win a sale.

Scenario 2:

Amad is an employee for a Teledyne Distributor. Amad's customer needs to come to Amad's facility to test the Teledyne product before acceptance. Amad wants to fly the customer in a few days early and pay for him to go sight-seeing, in hopes that this gesture will improve his chances of winning a follow-on contract. Can Amad do this?



Answer:

No! Trips cannot exceed the time required for the business purpose. Teledyne would not allow its distributor to do this, and it could potentially be illegal.

Scenario 3:

Stefan is a Teledyne Sales Representative. Stefan sells into countries in Asia where it is still custom to provide gifts to business associates as a gesture of good will. Stefan decides to start leaving gold jewelry in his customers' offices and suitcases from time to time to let them know that he considers them important business partners. Is Stefan's activity reasonable?



Answer:

No! Gold jewelry would be considered lavish and inappropriate. Any gifts provided should be nominal in value and transparent (not hidden or secret) and tied to business, such as promotional items that bear company logos.

Scenario 4:

Zahara is a Teledyne consultant. Teledyne has engaged Zahara to obtain certification from the local government for Teledyne's products to be permissible to sell in the country. The government agent tells Zahara that unfortunately the products fail to meet the certification requirements, but he can look past it, if she pays him \$5,000 USD. Can Zahara make the payment so long as it is with her own money instead of her company's money?



Answer:

No! It does not matter who specifically makes the payment. No one can make a payment on behalf of Teledyne to gain an unfair advantage. This would be against Teledyne policy and illegal.



Raising Compliance Questions or Concerns

- Teledyne Director of Ethics and Anti-Corruption, Tina Luther at *Tina.Luther@teledyne.com*
- Teledyne FLIR Deputy General Counsel, Tim Stevenson at *Tim.Stevenson@teledyneflir.com*
- Teledyne General Counsel – Digital Imaging and Europe, Nick Wargent at *Nick.Wargent@teledyne.com*
- Teledyne General Counsel and Chief Compliance Officer, Melanie Cibik at *Melanie.Cibik@teledyne.com*
- Our confidential Ethics Help Line is available to our partners 24/7 – if you file a report, provide as much detail as possible to allow us to properly investigate.
- 1-877-666-6968 or www.teledyne.ethicspoint.com
(*International dialing instructions are available at www.teledyne.ethicspoint.com.*)

