



## **English Summary of decision 2014:1 by the IMM Ethics Committee**

Stockholm 2014-02-19

### **The matter**

A private company arranging conferences has a framework agreement with a public agency in Stockholm. The agency can order conference services at the company's facilities outside of Stockholm. The company intends to highlight the benefits with the agreement and the conference facility at an evening event. The event will take place at a movie theater owned by the same business group as the company. The invitation will be sent directly to employees within the agency that has the ability to order from the agreement, but will also be communicated through the agency's info email, and thereby directed to other employees in general. The Company will be serving coffee and water at the event and at the completion of the presentation, all participants will be invited to watch a movie. The employees that attend the movie will also be served popcorn. The Company emphasizes that they will inform all participants that it is voluntarily to participate at the movies as a concluding activity.

At the same event employees from another public agency that has a frame agreement for conference services at the movie theater will be invited. Invitations will be sent out using the same procedure as described above.

### **Considerations**

The question in the matter is if it is in line with the IMM Code of Business Conduct to offer employees within the public agency an evening event arranged by a supplier, that gives a presentation of services provided within the agreement with the supplier, as well as coffee, popcorn and watching a movie.

The company is to be seen as such a company that is covered by the IMM Code of Business Conduct according to point A 2. What the ethics committee has to decide is whether it is a question of impermissible benefits pursuant to sections B4 and B5 of the Code of Business Conduct.

The invitation is sent to a specific target group, as well as all employees in general. The specific target group, do not, according to the information provided in the specific case, work with public procurement or authorization from the agency. Therefore point B 4 is non applicable. Thus, the people within the target group have the ability to order services according to the frame agreement with the



company. According to point B 5, the question whether a benefit is unfair is determined in the light of all relevant circumstances of the particular case. The circumstances to be considered in particular are the following;

#### **The value of the benefit**

According to the Business Code of Conduct the risk of effects on a behavior increases with the value of the benefit (economical and personal value). In assessing if the value of the benefit is behavior-affecting the value must be viewed from the recipient's point of view.

The value of the movie and popcorn, amounting to no more than 150 SEK, is not, as such, assumed to be behavior-affecting.

#### **The position of the recipient**

Invitations are sent to employees who have the ability to order from the agreement and from that position could be affected. The invitations are also provided to employees in general, those employees are not in a position where particular caution is to be had.

#### **The nature of the benefit**

The risk that a benefit is to be seen as unfair increases the weaker the link is to the receiver's duties according to the Business Code. It is significant that the benefit has been clearly associated with and is a natural and useful part of the recipient's work in relation to the persons that are specifically invited to the event. In contrast, an invitation to the other employees is difficult to justify: it does not constitute a natural and useful part of the recipients' work simply because they are employees of the agency.

#### **The group of recipients and the forms for offering the Benefit**

It would have been more in line with the Code of Business Conduct if the invitation had been sent directly to the public agency for assessment.

In making this assessment, there is no reason to distinguish between the invited group of employees depending on whether they are subject to the framework agreement for conference services in a particular location or under a framework agreement concerning conference services at a cinema in Stockholm.

#### **THE DECISION BY THE ETHICS COMMITTEE**

The offer of an evening event is, as described in this particular case, is in line with the IMM Business Code of Conduct.