TEG GIFTS AND GRATUITIES

Current as of February 2024

Purpose

This policy outlines the policies and procedures that should be followed by all TEG employees regarding business gifts, gratuities, and entertainment. It also recognises and appreciates the service of those employees with TEG.Scope

Scope

All TEG employees

Policy Statement

This policy is designed to ensure:

- The acceptance of a gift or benefit will not influence, or have the potential to influence, a TEG staff member in such a way as to compromise or appear to compromise integrity and impartiality, or to create a conflict of interest, or the reasonable perception of a conflict of interest.
- The acceptance of a gift or benefit is not related to advice or decisions about (but not limited to): awarding contracts; competitions & prizes or giving approvals.
- The gift or benefit has not been solicited either directly or indirectly by the intended recipient.

Policy Owner and Effective Date

Chief Financial Officer
Effective Date: 23 May 2023
Review Date: 1 February 2025

TEG GIFTS AND GRATUITIES

Current as of February 2024

TEG Gifts & Gratuities Policy

INBOUND GIFTS

This policy applies to anything given or received as a result of a business relationship for which the recipient does not pay fair market value, and which goes beyond common courtesies associated with accepted commercial practice. This includes things such as travel, lodging, goods, services, and entertainment. The policy applies at all times – it does not change during traditional gift-giving seasons or during a company event.

This policy is designed to ensure:

- The acceptance of a gift or benefit will not influence, or have the potential to influence, a TEG staff member in such a way as to compromise or appear to compromise integrity and impartiality, or to create a conflict of interest, or the reasonable perception of a conflict of interest.
- The acceptance of a gift or benefit is not related to advice or decisions about (but not limited to): awarding contracts; competitions & prizes or giving approvals.
- The gift or benefit has not been solicited either directly or indirectly by the intended recipient.
- Any obligation or potential obligation implied in accepting a gift or benefit which has a greater than nominal value has been assessed by the CFO as not compromising the integrity and impartiality of TEG.
- Solicitation of gifts or payments is never appropriate. TEG employees are not to solicit gifts, gratuities, tickets or entertainment from suppliers or customers regardless of their value. This also applies to agents and third parties who act on our behalf.
- A business gift or payment is never permitted if:
    - prohibited by law or regulation
    - prohibited by known policies of the employer of the intended recipient(s)
    - intended to improperly influence or if it would give the appearance of improperly influencing the recipient
- Offering or accepting bribes, kickbacks, secret commissions, gifts of cash or similar payments, is always prohibited. Criminal laws prohibit bribery and corrupt commissions or rewards. In addition, the Criminal Code Amendment (Bribery of Foreign Public Officials) Act 1999 (Commonwealth of Australia) created a new offence of bribing a foreign public official. The legislation followed an OECD convention and there are similar laws in many other countries. There are defences where the alleged conduct is sanctioned by the law in the foreign public official's country and for facilitation payments made for a routine government action. The facilitation payment defence applies only if the value of the benefit was of a minor nature and the conduct was for the sole or dominant purpose of expediting or securing the performance of a routine government action of a minor nature. Furthermore, a record must promptly be made of the payment and kept. Penalties for bribery, secret commissions and similar offences include imprisonment.
- All gifts and entertainment, other than infrequent items of nominal value, must be disclosed to your department head. To determine whether a gift is appropriate the following questions should be considered by you and your department head:
    - Is this gift an item of nominal value? (Nominal value is typically less than A$200)?
    - Why is the gift being offered to you? Or why are you offering the gift?
    - Do you feel any pressure to reciprocate or grant special favours as a result of this gift? Or are you trying to pressure someone else to reciprocate or grant favours?
    - Could your acceptance of the gift adversely affect your job performance or your judgement on behalf of the Company?
    - Are you certain that the gift does not violate any law or regulation?
    - Are you comfortable owning up to the giving or receipt of this gift in front of other customers or suppliers? Other employees? Your department head or senior management? Your family? The media?
- There may be rare cases where refusal of a gift would cause embarrassment or hurt to the person offering it. This is particularly likely if a gift is offered as part of a public occasion. In these cases, the best practice generally is to accept the gift on behalf of TEG and report it to your department head and CFO so the Company can decide how to handle it.

OUTBOUND GIFTS

- Gifts given to clients should be only from TEG employees in client-facing roles and given to a person or group who could contribute to the development of TEG business.
- The level of expenditure on TEG gifts for clients' needs to be managed in line with the department head and must be approved by the CFO or CEO.
- For corporate donations and sponsorships, refer to policy [insert hyperlink here on policy once on intranet]
- Where complimentary tickets are donated for charitable purposes, it is the General Manager's responsibility to ensure reasonable usage.

Procedure

For the avoidance of doubt, any gift received by a TEG employee (or series of gifts from the one party), which might as a matter of judgement, fall outside this statement must be reported with full details of the offer prior to acceptance to the department head. The request should be sent by the department head to the CFO or CEO for approval.

For offers made directly to a TEG Business Entity (not individual) the full offer must be disclosed to the department head and CFO.

CONSEQUENCES OF NOT DECLARING A GIFT

TEG may understate its FBT liability as a result of incomplete gift declarations.

TEG retains the rights to be compensated for any loss or damage arising from non-declaration, false or misleading information provided, or wrongful actions undertaken by employees.

GIFTS FROM TEG TO EMPLOYEES

This policy

- defines the value of gifts for departing employees based on length of service.
- applies to those employees who leave TEG through their own volition, for example through resignation or retirement, or by way of redundancy and restructuring.
- Employees whose employment ends as a result of misconduct or misdemeanor will not be entitled to receive a gift in accordance with this policy.
- The provision of gifts for departing employees is at the discretion of the department head.
- With the department head's approval, staff may purchase with Company funds and give a gift or benefit of nominal value (up to A$100) to a staff member for condolence or to recognise a significant event like births or marriages.

For farewell gifts to staff, the department head is authorised to arrange a gift to employees where:

- The employee has given the required, or agreed to, notice period
- The employee has not been terminated for reasons of misconduct or misdemeanor
- It is appropriate based on the department head's judgement

The value of the gift is to be made in accordance with the following scale:

Years of Service	**Gift Value (max)**	**Social Function Amount (max)**
Less than 3 years	Nil Staff collection is a great way to of thanking the employees with less than 3 years' service for their contribution	Nil
3 – 5 years	$50.00	$50.00
>5 years	$100.00	$50.00
>10 years	$150.00	$100.00

Major Employment Milestone Gifts (limits are per person):

Employees who have reached 5 years' service will be presented with a certificate.

Employees who have reached 10, 15, 20 or 30 years' service will be presented with a certificate and a reward in the form of a gift card. The amount of this reward is dependent on the years of service.

Employees must hold continuous service with the business to be recognised for their service.

Please see table below:

Years of Service	**Gift Card Value**
5 years	Nil
10 years	$200.00
15 years	$300.00
20 years	$500.00
30 years	$500.00

BUSINESS ENTERTAINMENT EXCEPTION

Business Entertainment for the purpose of securing new business and or business negotiations can be conducted by authorised representatives of TEG and sits outside the Gift Policy.

- Prior to attending a Business Entertainment event paid for by an external party, approval to attend must be sought from the line manager or department head.
- If a Business Entertainment event is paid for by TEG, it must be reported as part of the Expenses Policy.
- All other Business Entertainment provided by an external party to TEG non authorised representatives must be reported as a gift following the procedures defined above.

DEFINITIONS

Social Function - A morning tea, lunch, afternoon tea, or team dinner event for employee in the workplace.

Authorised Representative - A person whose primary role requires that they manage external third party business relationships.