

Gifts and Entertainment Policy.

INTERNAL STAFF POLICY

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1. Introduction.

McInnes Wilson is committed to maintaining a high standard of integrity and good corporate governance.

Our Gifts and Entertainment Policy forms part of our firm's risk management framework and is intended to be read alongside our Fraud, Bribery and Corruption Policy.

2. Purpose.

This Policy outlines our firm's requirements regarding the management of gifts and entertainment, which protects you and your reputation and minimises potential negative consequences for you and our firm. This Policy is also underpinned by our values to:

Under the Policy you must:

- not give or accept gifts and/or benefits that will compromise, or appear to compromise, your integrity and objectivity in performing your duties
- not give or accept gifts and/or benefits that cause, or appear to cause a conflict of interest
- record gifts or benefits worth \$100 or more in the Gift and Entertainment Register
- record in the Gift and Entertainment Register where a gift or benefit provided on behalf of McInnes Wilson is in excess of \$100
- decline gifts and/or benefits worth \$400 or more (unless an exception applies)

The Policy also applies globally. If travelling outside of Australia, McInnes Wilson employees are subject to the laws of the country they are in; however, the principles of this Policy must be followed regardless of whether or not that country has specific bribery and corruption laws. Where a country has specific bribery and corruption laws which are of a lesser standard to this Policy, this Policy prevails.

3. Scope.

This Policy applies to all Principals and employees (whether permanent, fixed term or temporary), contractors, consultants and secondees.

Third party means any individual or organisation you come into contact with during the course of your work, and includes actual and potential clients, suppliers, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

4. Gifts and Entertainment Register.

Employees must declare all gifts and benefits, valued at \$100 or more, in the Gift and Entertainment Register.

Employees are also expected to decline (or avoid accepting) gifts and benefits which are valued at \$400 or more, with the exceptions being:

- work related conferences
- invitations to speak at a professional association (including flights and accommodation)
- working lunches
- where it is part of a sponsorship deal

5. Approval Process.

Employees should, where possible, discuss with their supervising Principal the fact that they have been offered a gift / benefit before accepting it, in order to determine the appropriate action.

Employees are required to enter any gift / benefit in the Gift and Entertainment Register within 5 working days of receiving or being offered the gift / benefit.

Principals need to action (approve, decline, donate or return) any gifts and benefits reported to them within 5 working days of receiving the disclosure from the employee.

Noting that gifts / benefits should not be accepted on a re-occurring basis or broken down into parts of less than \$100.

6. Acceptable Gift and Entertainment Expenditure.

Gifts and genuine hospitality and entertainment expenditure that is reasonable and proportionate is allowable provided it complies with the following:

- made for the right reason – it should be clearly given as an act of appreciation or common courtesy associated with standard business practice
- no obligation – it does not place the recipient under any obligation
- no expectation – expectations are not created by the giver or an associate of the giver or have a higher importance attached to it by the giver than the recipient would place on such a transaction
- made openly – if made secretly and undocumented then the purpose will be open to question
- reasonable value – its size is small and in accordance with general business practice. Note: the reasonable person test means if the value is not known, what value would a reasonable person place on the gift?
- appropriate – its nature is appropriate to the relationship
- at “arm’s length” – all transactions / gifts should be at an “arm’s length” basis with no special favours and no special arrangements
- legal – it complies with relevant laws
- documented – the expense or gift, if valued at \$100 or more, is fully documented in the Gift and Entertainment Register

Some examples of acceptable gifts and/or benefits:

- token gifts / benefits where offered in business situations or to all participants and attendees (for example, work-related seminars, conferences, trade and business events and would include items such as a pen, cap, stationery, coffee mug, stress ball, mouse pad, corporate umbrellas and memory sticks)
- a gift / benefit for presenting at a work-related conference, seminar, and / or business event
- a ceremonial gift from another organisation on behalf of McInnes Wilson. Please note that ceremonial gifts belong to the firm and as such you must declare and report the item on the Gifts and Entertainment Register and arrange to display the item in our premises where appropriate
- a gift / benefit given in gratitude when hosting business events or overseas delegations only where refusal would be unreasonable and unnecessarily offensive
- light refreshments (e.g. tea, coffee, water, juice) or a modest meal during a meeting or as a participant of a working group

These circumstances are never acceptable:

- gifts in the form of cash and / or cash equivalent vouchers or gift certificates
- "quid pro quo" (a benefit or advantage offered for something in return)
- making incomplete, false or inaccurate entries in the firm's books and records for example Gift and Entertainment Register

7. Record Keeping.

We must keep financial records and have appropriate internal controls in place which will evidence the business reason for giving and receiving gifts and entertainment.

You must declare and enter in the Gifts and Entertainment Register within 5 business days. This Register may be subject to managerial review and internal and external audit. You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.

Please refer to Appendix 1 for what details are required to be recorded in the Gifts and Entertainment Register.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness.

No accounts must be kept "off-book" to facilitate or conceal improper payments. Noting it is an offence under the Crimes Legislation Amendment (Proceeds of Crime and Other Measures) Act 2016 for a person to make, alter, destroy or conceal an accounting document (including being reckless in their conduct which allowed such an act) to facilitate, conceal or disguise the corrupt conduct.

Please also refer to the Travel and Entertainment as well as the Procurement Policies.

8. Exceptions.

Approval for any gifts and entertainment above \$400 may only be provided by the Chairman and, for the Chairman, by the Chairman and must be disclosed in the register.

9. Monitoring and Review.

Regular reviews of the register enable the identification and management of any emerging risks, for example if a particular company is presenting a significant number of gifts to various employees or if companies are offering frequent and substantial hospitality to employees, for example dinners, seats at sporting events, access to corporate boxes at sporting or cultural venues, upgrades on flights, theatre tickets and so on.

Internal control systems and procedures will be subject to regular audits and reviews to provide assurance that they are effective in countering bribery and corruption. There may also be independent reviews undertaken from time to time.

APPENDIX 1 – Completing the Gift and Entertainment Register.

The following information is required in completing the Gift and Entertainment Register:

Receiving Gifts and Entertainment	Offering Gifts and Entertainment
Date received	Date offered
Name, Position of recipient	Name, Position, Company of offeror
Description of gift / entertainment	Description of gift / entertainment
Name of Giver (Who is giving you the gift / entertainment)	Name of Receiver (Who are you offering the gift / entertainment too)
Value \$	Value \$
Decision on what will happen to gift / entertainment	
Reason for acceptance	Reason for offering
Name and Position of Approving Principal	Name and Position of Approving Principal