

Procedure No: CS-GOV-03
 TRIM Ref No: B/D/12/67750
 Reviewed: 06/19
 Amended: 06/19
 Review Due: 06/21



CS ENERGY PROCEDURE

GIFTS, BENEFITS AND ENTERTAINMENT CS-GOV-03

Responsible Officer: Special Counsel
 Responsible Manager: Assistant Company Secretary
 Responsible Executive: Executive General Manager Corporate Services

DOCUMENT HISTORY

Key Changes	Prepared By	Checked By	Approved By	Date
Supersede Procedure for Pecuniary Interest, Conflict of Interest and Protected Disclosure Procedure (CS-GOV-4). Now: - Conflicts of Interest (CS-GOV-04) - Complaints & Investigations (CS-GOV-13) - Gifts, Benefits & Entertainment (CS-GOV-03)	B Jardine	J FitzPatrick	A Varvari	07/01/2014
Further clarifying amendments prior to broad communication.	J FitzPatrick	B Jardine	A Varvari	10/01/2014
Amendments to reflect creation of two separate disclose forms for gifts and conflicts of interest – and minor editorial changes	J FitzPatrick	S Roach	A Varvari	01/07/2014
Review against industry standards and stakeholder expectations	J FitzPatrick	A Watson	A Varvari	18/06/2019



CONTENTS

DOCUMENT HISTORY	1
1 PURPOSE	3
2 SCOPE	3
3 RESPONSIBILITIES AND ACCOUNTABILITIES	3
4 GIFTS, BENEFITS AND ENTERTAINMENT	3
4.1 Unacceptable Gifts, Benefits and Entertainment	5
4.2 Accepting Gifts, Benefits and Entertainment	5
4.3 Disclosing Gifts, Benefits and Entertainment	5
4.4 Managing Gifts, Benefits and Entertainment	6
4.5 Recording Gifts, Benefits and Entertainment	7
4.6 Entertainment during work hours requires leave approval	7
4.7 Reporting Gifts, Benefits and Entertainment	7
4.8 CS Energy Giving Gifts, Benefits and Entertainment	7
5 BREACHES OF THIS STANDARD	8
5.1 Consequences	8
5.2 Reporting	8
6 TRAINING AND COMMUNICATION	8
7 REVIEW	8
8 DEFINITIONS	9
9 REFERENCES	9
10 RECORDS MANAGEMENT	10



1 PURPOSE

To promote probity, accountability and responsible behaviour by CS Energy directors, employees and contractors (**workers**) by establishing a common understanding of the behaviour expected from workers when offered Gifts, Benefits and Entertainment.

This Procedure supports [CS-GOV-04 Conflicts of Interest Standard](#), which provides further guidance on the disclosure and management of conflicts of interest.

2 SCOPE

This Procedure applies to CS Energy and its subsidiary entities (collectively CS Energy), to all workers and to the management of all Gifts, Benefits and Entertainment and related disclosures.

The Procedure does not apply to gifts, benefits or entertainment given by CS Energy to workers under an approved service program or reward and recognition program that recognises worker contributions towards CS Energy outcomes and objectives.

3 RESPONSIBILITIES AND ACCOUNTABILITIES

All Gifts, Benefits and Entertainment accepted by workers from third parties in the course of or in connection with their official duties for CS Energy, are technically the property of CS Energy.

All workers must ensure that any Gift, Benefit or Entertainment received in the course of their duties or in connection with their association with CS Energy is promptly disclosed and managed in accordance with this Procedure.

4 GIFTS, BENEFITS AND ENTERTAINMENT

In the ordinary course of business, workers may be offered Gifts, Benefits and Entertainment by external parties that have a commercial relationship with CS Energy or wish to enter a commercial relationship with CS Energy.

The acceptance of Gifts, Benefits and Entertainment, regardless of monetary value, can give rise to perceptions of undue influence, provoke a sense of obligation in the recipient, affect a worker's objectivity and independence, and consciously or unconsciously influence decisions made by the worker.

This Procedure outlines specific requirements for applying the general Conflicts of Interest process in [CS-GOV-04 Conflicts of Interest Standard](#) to the receipt of Gifts, Benefits and Entertainment to ensure transparency and probity.

Due to the sensitivity and potential complexity involved in managing Conflicts of Interest, it is strongly recommended that any uncertainty as to whether a Gift, Benefit or Entertainment may be accepted or whether it potentially represents a Conflict of Interest or concern should be raised early and advice sought from the manager responsible on appropriate disclosure and management (see Table 1).

Person offered Gift, Benefit or Entertainment	Manager Responsible
Chair of Board	Board
Other Director	Chair of Board
Chief Executive	Chair of Board
Other Senior Executive	Chief Executive
Other employee or worker	Executive General Manager / Group Manager / Site Manager

Table 1 - Conflict advice and management roles

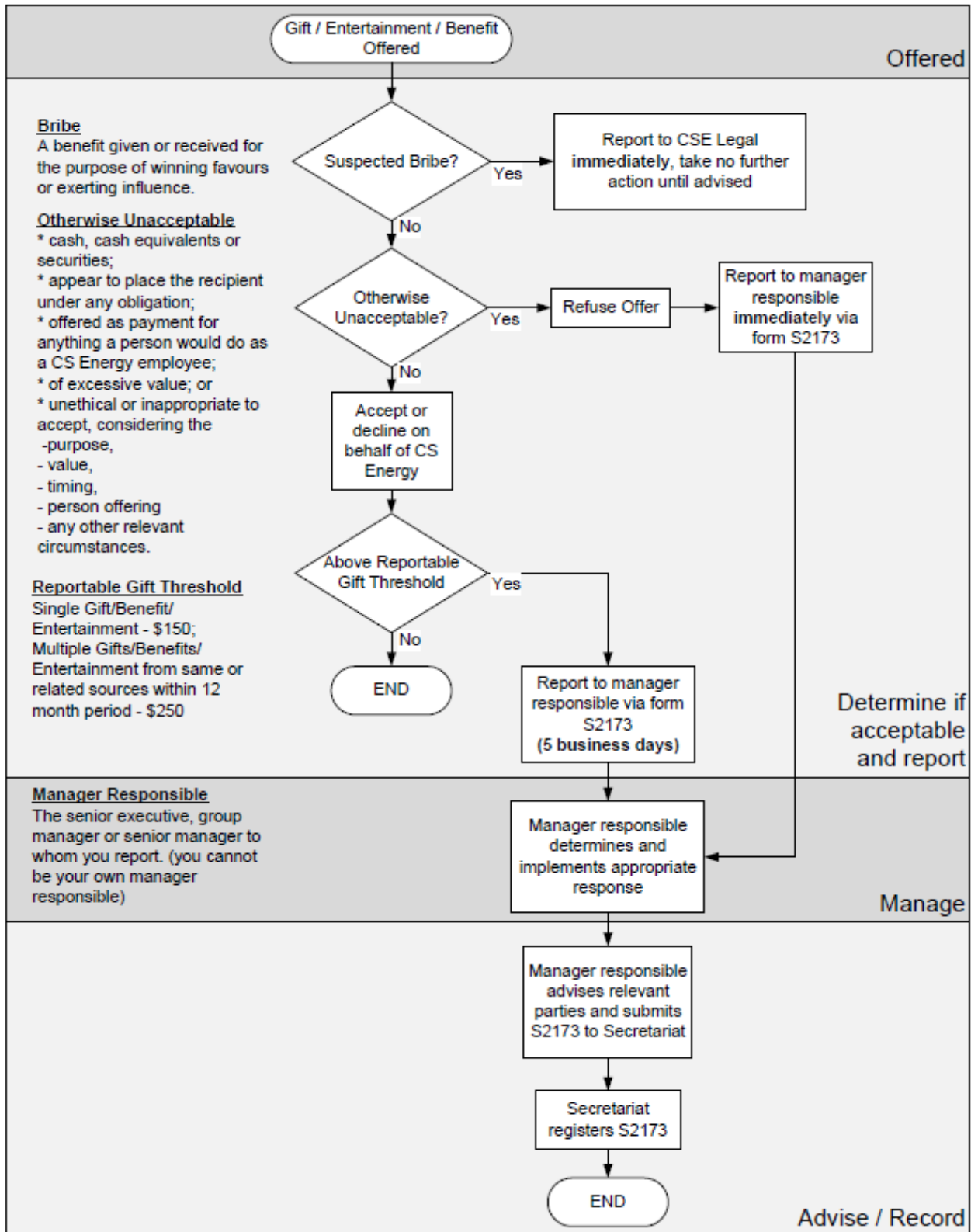


Figure 1 - Summary of Gifts Management Process

4.1 Unacceptable Gifts, Benefits and Entertainment

Accepting Gifts, Benefits and Entertainment can create a conflict of interest between your personal interests and your official duties to CS Energy. In particular, if you work in a sensitive area of the business or in an area of particular trust (e.g. Assurance or Procurement), you should refuse **any** gift that could create a perception of bias or influence if you accept it.

The following Gifts, Benefits and Entertainment are always unacceptable:

- a bribe;
- cash, cash equivalents or securities;
- Gifts, Benefits and Entertainment that place or appear to place the recipient under any obligation;
- Gifts, Benefits and Entertainment offered as payment for anything a person would do as a CS Energy worker;
- Gifts, Benefits and Entertainment of excessive value (in excess of business or social norms); or
- Gifts, Benefits and Entertainment which would for any other reason be unethical or inappropriate to accept, considering the purpose, value, timing, person offering the Gift, Benefit or Entertainment and any other relevant circumstances.

Under no circumstances should you request or solicit a Gift, Benefit or Entertainment of any kind from a supplier, customer or other party with whom CS Energy conducts, or may in the future conduct, business.

If you are at all uncertain, seek advice from your responsible manager as per **Table 1**.

4.2 Accepting Gifts, Benefits and Entertainment

To determine whether a Gift, Benefit or Entertainment is acceptable, there should also be a demonstrable direct link to official CS Energy business. The Gift, Benefit or Entertainment must be defensible having regard to public expectations and perception. Workers must always act responsibly and in the best interest of CS Energy.

Gifts, Benefits and Entertainment that:

- have a demonstrable direct link to official CS Energy business;
- are not unacceptable for reasons set out in Section 4.1; and
- are below the Reportable Gift Threshold;

may be accepted by workers and do not require formal reporting.

If the recipient has any doubt as to the acceptability of the Gift, Benefit or Entertainment, seek advice as per Table 1. Advice should be sought in advance unless this would be unreasonable in the circumstances (e.g. immediate hospitality offered which is not apparently unacceptable).

4.3 Disclosing Gifts, Benefits and Entertainment

Any Gift, Benefit or Entertainment offered, that:

- **may constitute a bribe** must be **immediately** reported by the worker to CS Energy Legal in accordance with section 5.2 of this Procedure. Bribery is a serious criminal offence and no action should be taken on the bribe pending direction from CS Energy Legal.



- **is otherwise unacceptable** must be refused and immediately disclosed (within 1 business day) via [Form - S2173 - Gift Benefit and Entertainment Disclosure](#) to the manager responsible (see Table 1) and CS Energy Legal.
- **exceeds the Reportable Gift Threshold** must be promptly disclosed to the manager responsible (see Table 1), prior to acceptance, via [Form - S2173 - Gift Benefit and Entertainment Disclosure](#).

Workers may also report the receipt of gifts, entertainment and benefits that are below the Reportable Gift Threshold, including for transparency or where a number of gifts have been received from the same donor. Note: Multiple Gifts/Benefits/Entertainment received from the same or related sources, within a 12 month period, that exceed the aggregate reportable gift threshold must be declared.

Value of Gift / Benefit	Reportable Gift Threshold
Single Gift/Benefit/Entertainment	Report if greater than \$150
Multiple Gifts/Benefits/Entertainment from same or related sources within a 12 month period	Report if total greater than \$250
Unacceptable Gift / bribe (regardless of value)	Do not accept and report immediately

Table 2- Reportable Gifts Threshold

Treatment of Special Cases¹:

- **Corporate box and event invitations** — these must be declared if there is any official connection with the donor and the invitation is above the Reportable Gift Threshold, even when the invitation appears to be issued on a personal basis.
- **Lucky door prizes and similar gifts at functions or conferences** — if the worker attends the event in an official capacity or with funding from CS Energy then these gifts should be declared. Raffle or lottery winnings from tickets that the worker paid for privately at the event are not ordinarily considered a gift or benefit. However, these should be disclosed for transparency if the value is above the Reportable Gifts Threshold.
- **Benefits such as coffee shop discounts** or travel deals that are offered equally to all CS Energy employees and are sanctioned by CS Energy management, are not considered a personal gift or benefit.
- **Retail reward scheme points** — subject to any contrary provision in a CS Energy policy, standard or procedure that specifically deals with particular reward scheme points – where points accrue from the use of a corporate credit card or other purchasing arrangement the reward scheme points belong to CS Energy. Frequent flier points accrued by workers travelling on CS Energy business may be used by the individual.
- **Industry awards received for work done in an official CS Energy capacity** — these must be disclosed and assessed (including: trophies, equipment, travel, holidays, bursaries or scholarships).

4.4 Managing Gifts, Benefits and Entertainment

The manager responsible (as per Table 1) must determine if the reported Gift, Benefit or Entertainment should be:

- kept or accepted by the individual;

¹ Crime and Corruption Commission – Gifts and Benefits Corruption Prevention advisory 14/12/16

- kept or accepted by CS Energy;
- returned to the Donor; or
- dealt with in some other manner.

Relevant considerations in making this determination include the value of the Gift, Benefit or Entertainment, local customs and stakeholder perceptions. **In no circumstances** may the person responsible for managing the conflict, approve the acceptance of an **unacceptable** Gift, Benefit or Entertainment described in Section 4.1 of this Procedure.

The determination should be recorded in the [Form - S2173 - Gift Benefit and Entertainment Disclosure](#) and the completed form forwarded to Secretariat.

4.5 Recording Gifts, Benefits and Entertainment

The key details of each Gift, Benefit or Entertainment registered via a [Form - S2173 - Gift Benefit and Entertainment Disclosure](#) will be centrally recorded by Secretariat to inform monitoring and reporting.

4.6 Entertainment during work hours requires leave approval

Where Entertainment will occur during the worker's normal working hours for CS Energy, the worker must declare that fact on the [Form - S2173 - Gift Benefit and Entertainment Disclosure](#). The Manager Responsible may approve the absence (as work related and not requiring a leave application) or require the worker to apply for leave to attend the Entertainment.

Where attendance at Entertainment forms part of or is contemplated by a worker's ordinary role responsibilities, no absence or leave approval is required.

4.7 Reporting Gifts, Benefits and Entertainment

The Assistant Company Secretary will submit a copy of the Gift, Benefit and Entertainment register to the Culture and Remuneration Committee (or equivalent) of the Board for consideration and noting, on an annual basis.

4.8 CS Energy Giving Gifts, Benefits and Entertainment

This procedure does not apply to sponsorships, entertainment, strategic business development activities, donations or merchandising, etc provided by CS Energy under Corporate Affairs' initiatives approved through standard budget and executive approval processes.

Other Gifts, Benefits and Entertainment given by CS Energy to external parties should be for a proper business purpose and in accordance with business and social norms.

Where the Current Market Value of the Gift, Benefit, or Entertainment given by CS Energy is above the Reportable Gift Threshold (individually or in aggregate to the same or related recipients within twelve months) a [Form - S2173 - Gift Benefit and Entertainment Disclosure](#) must be submitted and assessed in accordance with sections 4.3 and 4.4 before the Gift, Benefit, or Entertainment may be given.

Delegation limits for corporate entertainment and hospitality, including for CS Energy employees, are set out in [CS Energy Authorities and Delegations Policy](#) and [CS-FIN-01 Authorities and Delegations Standard](#).

5 BREACHES OF THIS STANDARD

Breaches of this Procedure include:

- failure to report a Gift, Benefit, Entertainment or bribe as required by this procedure;
- acting while conflicted in a way that obtains an improper personal benefit, or potentially damages the interests or reputation of CS Energy; or
- contravening a management plan put in place by CS Energy to address one or more conflicts of interest.

5.1 Consequences

Breaches of this Standard will be treated very seriously and investigated as described in [CS-GOV-13 – Complaints & Investigation Handling](#). Disciplinary action, up to and including dismissal, will be taken in the event of a substantiated breach.

5.2 Reporting

Workers must immediately report suspected activity that is illegal, unethical, may constitute corrupt conduct, or that breaches the Code of Conduct or this Standard, to CSE Legal, [Intranet Whistleblower Form](#) or the Whistleblower hotline: **1800 339 195**. Directors must report such activity through either those channels or directly to the Company Secretary or the Chair of the Board

All reports will be treated with the utmost confidentiality.

Reprisal against persons reporting suspected misconduct will not be tolerated and disciplinary measures up to and including dismissal will apply. Reprisal may also be a criminal offence.

Reports found to be deliberately false or vexatious will be dealt with under CS Energy disciplinary procedures.

Refer to [CS-GOV-13 – Complaints & Investigation Handling](#).

6 TRAINING AND COMMUNICATION

All CS Energy employees will receive annual on line training on the disclosure and management of conflicts of interest, including gifts, benefits and entertainment, in accordance with [CS-GOV-04 Conflicts of Interest Standard](#).

All employees will be reminded of their obligations under this Procedure via an e-mail from the Assistant Company Secretary issued annually, prior to the Christmas period.

The Assistant Company Secretary must cause a copy of this Procedure to be placed on CS Energy's website for public access.

7 REVIEW

The Assistant Company Secretary must arrange for this Procedure to be periodically reviewed, not less frequently than once every two years. The review will involve consideration of the effectiveness of this Procedure in managing Gifts, Benefits and Entertainment, including reviewing the spreadsheet of reported Gifts, Benefits and Entertainment.

8 DEFINITIONS

Term	Definition
Benefit	Something that is non tangible that has value to the recipient. For example, a new job or promotion, preferential treatment such as queue jumping, or access to confidential information.
Bribe	A benefit given or received for the purpose of winning favours or exerting influence. For example, an undue reward offered to influence behaviour and to induce the person to act in a way that is contrary to the principles of honesty and integrity, or may create a feeling of obligation.
Conflicts of Interest	Arise when there is a divergence or inconsistency between an individual's personal interests and the interests of CS Energy. Conflicts of Interest can be actual, perceived or potential
Current Market Value	of a Gift, Entertainment or Benefit, means its market value on the day it is offered or received.
Donor	the giver of a Gift, Entertainment or Benefit, including organisations and individuals.
Entertainment	Includes tickets to events, dinner, drinks, hospitality, travel, commodity or other benefit – that one person gives to another.
Gift	An item of value – money, voucher, entertainment, hospitality, travel, commodity, property or other benefit – that one person gives to another. Gifts may be offered as an expression of gratitude and should create no obligations of repayment.
Reportable Gift	A Gift over the Reportable Gift Threshold .
Reportable Gift Threshold	Refer Table 2.
Senior Executive	The Chief Executive Officer, Chief Financial Officer and Executive General Managers. These officers comprise the Executive Leadership Team.

9 REFERENCES

Reference No	Reference Title	Author
"B/D/15/22275"	Corporate Governance Guidelines for Government Owned Corporations	Qld Treasury
	Gifts and Benefits – Corruption Prevention Advisory December 2016	CCC (Qld)
"B/D/15/23910"	Toolkit - Managing Conflicts of Interest in the Public Sector - 2004	CMC (Qld) ICAC (NSW)
"B/D/14/2004"	Policy - Authorities and Delegations	CS Energy
"B/D/11/39713"	Standard - CS-FIN-01 - Authorities and Delegations	CS Energy
"B/D/13/8790"	Standard – CS-GOV-04 – Conflicts of Interest	CS Energy
"B/D/13/28187"	Standard – CS-GOV-13 – Complaints and Investigation Handling	CS Energy
"B/D/13/36346"	Procedure - CS-RISK-07 - Energy and Financial Risk Management	CS Energy
"B/D/12/71088"	Form - S1867 - Declaration of Personal Interests	CS Energy
"B/D/12/72540"	Form - S1868 - Conflict of Interest Disclosure	CS Energy
"B/D/12/70935"	Form - S1871 - Protected Disclosure	CS Energy
"B/D/14/18681"	Form - S2173 – Reportable Gift Benefit and Entertainment Disclosure	CS Energy

10 RECORDS MANAGEMENT

In order to maintain continual improvement, suitability, safety and effectiveness of the organisation, CS Energy's registered documents will be reviewed on a two-yearly basis or at intervals specified by legislative or regulatory requirements. Review of controlled documents should occur where it has been identified that there are changes in technology, legislation, standards, regulation or where experience identifies the need for alteration to the content. Registered documents should also be reviewed following an incident, change management process, modification or where directed as part of a risk assessment process. A 'review' can simply mean that it has been identified, confirmed and appropriately recorded that no changes are required and that the existing process remains the same.

CS Energy must ensure that records are retained according to accountability, legal, administrative, financial, commercial and operational requirements and expectations. In compliance with records retention and disposal, all documentation created in relation to CS Energy business must be retained in line with minimum retention periods as detailed in legal retention and disposal schedules.