

Gifts and Benefits Policy

POT-0447
REVISION: 12

1. POLICY STATEMENT

This Gifts and Benefits Policy outlines the ethical considerations and procedures for employees of Port of Townsville Limited (the Port) when giving, receiving or being offered Gifts and Benefits. This policy provide guidelines for identifying and dealing with conflicts of interests that may arise from the giving, receiving or offer of Gifts and Benefits, and ensures there are systems, procedures and practices in place to enable the administration and management of reportable Gifts.

2. PURPOSE

The purpose of implementing this policy is to:

- enhance transparency;
- reduce the opportunity for corruption in the Port's business;
- assist the making of ethical decisions;
- emphasise the importance of identifying and dealing with conflicts of interest;
- avoid circumstances that could be construed as giving rise to a conflict of interest;
- set out the ethical behaviour expected of employees; and
- set out the accountability requirements associated with accepting Gifts and Benefits.

3. PRINCIPLES

The following principles underpin this Policy:

3.1 Accountability

the Port will ensure that all employees remain accountable for their actions and decisions regarding the receipt and provision of Gifts and Benefits in the course of their employment.



3.2 Transparency

the Port values transparent business transactions and aims to pursue this by implementing a framework for dealing with the receipt and provision of Gifts and Benefits.

3.3 Ethical Business Conduct

the Port expects all employees to uphold a high level of ethical business conduct at all times.

3.4 Integrity

Employees of the Port are not to improperly use his or her position to waste, abuse or extravagantly use the Port's resources.

4. GIFTS, ENTERTAINMENT AND SERVICES

Employees must at all times be mindful of their obligation to act in the interest of the Port in performing their official duties.

Employees must not engage in any act that may compromise the transparency of business dealings. Employees must not be influenced by any consideration whatsoever of undue personal gain or gain to any Personal Associate that may arise from the acceptance of a Gift or Benefit.

An employee must not solicit for private purposes any Benefit in connection with his or her official function and duties. At all times consideration must be given to the perception that may arise of a conflict of interests, and how an acceptance of a Gift or Benefit would appear to the general public and/or the media. Employees must not encourage the giving of any form of Gift or Benefit in connection with their employment at the Port. This includes entering, as representatives of the Port, any discretionary competitions which involve a prize.

Employees should not accept Gifts from a customer or from anyone having or seeking business with the Port other than non-cash Gifts of nominal value generally used for promotional purposes by the donor.

Participating in business related functions, including accepting lunches or other meals with a supplier, customer or business associate is a permissible business practice. However, the employee should ensure these functions have a business purpose and that their value and frequency are not excessive. Gifts and Benefits should not require time away from work unless they form part of the Employee's duties or leave has been approved.

Particular care should be exercised in ensuring that any function falls within the limits of socially acceptable behaviour and that the employee's presence does not reflect negatively on the Port.

Employees should not enter into any loans or receive or purchase any goods or services from any supplier on terms which are more favourable than available in the normal course of private business.

Where any doubt exists regarding the acceptance of any Gift, entertainment, goods or service, irrespective of their value, advice should be obtained from the employee's direct General Manager or the Chief Executive Officer.



4.1 Unacceptable Gifts

An employee of the Port should not accept a Gift if it will or may be perceived to influence the way they carry out their duties. An employee must not ask for or accept a fee or any other Benefit for doing something that is part of their regular duties as an employee of the Port.

If a Gift is likely to place an employee under an obligation or influence the employee's decisions in carrying out their official duties, the employee should not accept the Gift.

If the Gift will influence the employee to, or result in the perception that the employee may give favoured treatment to the donor, or influence the Port's impartiality in business dealings, the employee should not accept the Gift.

4.2 Acceptable Gifts

It is accepted that normal business protocols may involve the giving and receiving of certain Gifts and Benefits. Employees must ask him or herself whether the Gift itself is commensurate with the purpose of providing the Gift.

A gift is generally acceptable if it is a Token Gift or if it:

- is offered on the clear understanding that it does not place or could be perceived to place any employee under any obligation, and
- is not offered as payment for anything the employee would do in their regular duties as an employee of the Port; and
- has a retail value less than \$250.

4.3 Exclusions to what constitutes a Significant Gift

- working lunches, seminars and attendance at industry functions, the costs of which are reasonable and defensible;
- benefits obtained through normal performance based contractual arrangements with providers of goods and services; and
- donations, bequeaths and transfers of any assets such as shares, land or other property to the Port.

Examples of Gifts or Benefits that may be received during employment are outlined in **Appendix A**.

5. PROCEDURE

Employees may accept Token Gifts, Gifts or Benefits having a retail value less than \$250 on an infrequent basis when supplied in the normal course of business, provided there is no possibility that the employee or the Port will be, or will be perceived to be, placed under an obligation or associated to any personal gain or benefit of any Personal Associate.

1. Before accepting a Gift or Benefit, employees must consider:
 - the purpose of the donor providing the Gift or Benefit;
 - the value of the Gift or Benefit;



- the timing of the offer relevant to any recent, pending or potential business dealings; and
 - any cultural sensitivities.
2. If the Gift or Benefit has a value that is or is likely to be \$250 or greater, a Significant Gift/Benefit Declaration form must be submitted to the relevant General Manager within five (5) business days of receiving the Gift, and subsequently recorded in the Register of Reportable Gifts and Benefits within 14 days of the receipt of the Gift or Benefit.
 3. If an employee, within one year before the date of receiving a Gift or Benefit, has received another Gift or Benefit from the same person or organisation, and the current market value of all Gifts and Benefits received within that one year period is or is likely to be \$250 or greater, all Gifts or Benefits received from that person or organisation are reportable. A Significant Gift/Benefit Declaration form must be submitted to the relevant General Manager within five (5) business days of receiving the second Gift or Benefit, and all Gifts and Benefits received subsequently recorded in the Register of Reportable Gifts and Benefits within 14 days of the receipt of the Gift or Benefit.
 4. Neither nominal nor significant monetary Gifts should be accepted by an employee of the Port under any circumstances.
 5. Any Gift accepted by an employee of the Port, which is not an infrequent Token Gift, Gift or Benefit having a value that is less than \$250, is the property of the Port. At the discretion of the relevant General Manager, the employee may retain the Gift under the terms of this Policy or apply it as follows:
 - (a) as a donation to the Port's Social Club;
 - (b) as a donation to an external charity or community based organisation/event;
 - (c) as a raffle prize for work related fundraising campaigns;
 - (d) as a prize to internal employees on a performance basis; or
 - (e) as a prize for a random draw from a pool of co-workers names.
 6. All Gifts of cultural or historical significance must remain the property of the Port, regardless of their value.

6. REGISTER OF REPORTABLE GIFTS AND BENEFITS

A Register of Reportable Gifts and Benefits is maintained by the Company Secretary and Legal Counsel to record:

- the date of the reportable Gift or Benefit was made or received;
- the persons involved in making or receiving the Gift or Benefit:
 - name of donor and organisation; and
 - name and position of recipient.
- the description of the reportable gift;



- the approval given for making or receiving the Gift or Benefit, if relevant;
- the present location of the Gift or Benefit or the application of the proceeds from its disposal;
- the circumstances surrounding the making or receiving of the Gift or Benefit; and
- the current or estimated market valuation details.

The information regarding the Gift or Benefit will be entered to the register within 14 days of receipt.

The Chief Executive Officer is to be notified at the earliest possible opportunity by the Company Secretary and Legal Counsel where any offer appears to be an attempt to bribe or induce favoured treatment by the recipient.

A current version of the Register of Reportable Gifts and Benefits is to be made available to the public by application to the Company Secretary and Legal Counsel (contact detail of how to make an application is to be outlined on the Port's website).

7. COMPLIANCE AND LEGISLATION

GUIDELINES AND DIRECTIVES

QAO Guidelines for Dealing with Reportable Gifts (including Hospitality and Entertainment).

Public Service Commission Directive No. 22/09 notified on 24 December 2009, made under the *Public Service Act 2008* (Qld) (while not directly applicable, is taken into consideration for purposes of policy).

8. DEFINITIONS AND ACRONYMS

Benefit	Similar to a Gift in that it is of value to the recipient, but less tangible – e.g. a new job or promotion, preferential treatment, private services for an individual by a supplier to the Port for free or reduced rates or access to confidential information.
Gift	An item of value e.g. money, voucher, entertainment, hospitality, travel, commodity, property, that one person presents to another. Gifts may be either offered as an expression of gratitude with no obligation to repay, or given to create a feeling of obligation.
Hospitality	Hospitality may include flights, accommodation and/or catering.
Personal Associate	A Personal Associate may include a friend, relative or business associate.
Token Gift	A non-cash Gift with no significant or lasting value, and one that conforms to industry norms e.g. an inexpensive pen, tie, plaque or bottle of liquor.
Significant Gift	A Gift or Benefit which has a retail value of or exceeding \$250. Significant Gifts are reportable Gifts for the purposes of this Policy.
Bribe	A Gift or Benefit given for the purpose of winning favours. A bribe can take the form of an undue reward offered to someone in order to influence their behaviour in their official position at the Port, or to induce them to act in a way that is contrary to the customary rules of honesty and integrity or in contravention of the Port's policies and procedures.



9. DOCUMENT INFORMATION

DOCUMENT OWNER	Manager Legal Services
APPROVAL AUTHORITY	Board
APPROVAL DATE	02/09/2020
REVIEW SCHEDULE	36 months



10. APPENDIX A

EXAMPLE SITUATIONS

The following are examples of Gifts of Benefits an employee may be offered during his or her employment at Port of Townsville Limited:

1. Box of chocolates, movie discount passes & inexpensive bottle of wine

You are a receptionist and a regular customer gives you a box of chocolates, movie discount passes, or an inexpensive bottle of wine during the festive season. This would be considered acceptable as a Token Gift.

2. Expensive bottle of wine

You hold a position of considerable standing within the Port, and are offered an expensive bottle of wine by a local developer after a work-related meeting. The circumstances may be such that acceptance of the Gift is acceptable provided that the purpose of the Gift was not to influence the exercise of the employee's duties. The Gift should be declared in accordance with this Policy. In the event the value of the bottle of wine is \$250 or more the Gift should be applied as follows:

- (a) as a donation to the Port's Social Club;
- (b) as a donation to an external charity or community based organisation/event;
- (c) as a raffle prize for work related fundraising campaigns;
- (d) as a prize to internal employee members on a performance basis; or
- (e) as a prize for a random draw from a pool of co-workers names.

3. You have been invited to speak at a conference regarding port security to be held interstate and your senior Manager has given approval for you to attend. The organisers of the conference have offered to pay for your travel, seminar attendance and accommodation, meals and incidental entertainment. The cost of these arrangements is estimated at \$2,600.

In this situation it would be acceptable business practice to accept the offer by the conference organisers to meet the costs of travel, attendance, accommodation and meals. There is negligible prospect of you, as a representative of the Port, being or being perceived to be placed under an obligation by accepting the offer. Further, the payment by the conference organisers of your arrangements would not prima facie meet the requirements to be notified and recorded in the gifts register as it could be viewed as a fee for service that would otherwise be incurred and billed to the conference organiser. The total value of this Gift requires that it be declared in accordance with this Policy.

4. You are currently seeking information relating to tenders for an impending environmental survey. Before going out to tender, one company aware of your intentions invites you to spend the Saturday with them as their guest at a corporate sporting box. The value of this entertainment is assessed at \$85.

This offer constitutes an unacceptable Gift or Benefit. It is understandable that it would be very enticing to accept what has become one of the most popular forms of corporate entertainment. Although at a value of \$85, the offer does not meet the \$250 test for



Significant Gifts, the perception that may arise should you accept this offer could be that the Port's impartiality and transparency has been compromised.

5. **You receive a carton of beer from a port customer to entice you into assessing their development application faster than the usual processing timeframe and to give them priority over other customers.**

This offer constitutes an unacceptable Gift as its purpose is to substantially influence the employee in the exercise of his/her duties. The employee should not accept the Gift as it would be seen as a conflict of interest and/or damage customer relationships. It would also affect the employee's ability to properly and impartially assess the development application.

[Adapted from the Auditor-General of Queensland Report No. 1 2000-2001]

