



Nuchev Limited

Accepting and Providing Gifts, Entertainment and Travel Policy

Version: 2.0

Approved Date: 20/11/2019

I. INTRODUCTION

Business gifts and entertainment on a modest scale are commonly used to build goodwill and strengthen working relationships among business associates. Providing or accepting occasional meals, small company mementoes and tickets to sporting and cultural events may be appropriate in certain circumstances. Occasionally, it may also be appropriate to accept or provide offers involving travel for business events with business associates.

However, if offers of gifts, entertainment or travel are frequent or of substantial value, they may create the appearance of, or an actual, conflict of interest or illicit payment.

Nuchev Limited and its subsidiary companies (Nuchev) have developed this policy to help employees make the right decisions when providing or accepting gifts, entertainment or travel while conducting business on behalf of Nuchev. This Principle helps ensure that Nuchev conducts these lawful business practices consistent with its Code of Conduct and Anti-Bribery and Corruption Policy, complies with all applicable laws and rules, and that accurate books and records are kept reflecting these expenses.

When dealing with customers, partners, and/or government officials, employees must ensure they offer, give, and receive gifts, provide meals or entertainment, and pay for travel only if it is in accordance with the requirements and guidelines set out in Nuchev's Anti-Bribery and Corruption Policy. In particular, it must be of reasonable value, comply with the recipients' own laws and corporate regulations, not be given with any intent to improperly influence a relationship or decision affecting Nuchev or its business, and is infrequent.

Any gift, entertainment or travel that requires approval or is received from or provided to a third party under this policy must be properly reflected in the books and records of Nuchev. The record must expressly state the nature and purpose of the gift or entertainment, including the value and the identities of the giver and receiver, and details of any approvals given.

The policy covers the following:

1. Accepting Gifts / Entertainment / Travel
2. Providing Gifts / Entertainment / Travel
3. Government Officials
4. Disclosing instances of inappropriate Gifts, Entertainment or Travel
5. Disclosure Register
6. Policy Breaches

II. SCOPE

This Policy applies to all employees, officers and directors of Nuchev Limited and its subsidiaries and those acting on behalf of Nuchev.

III. POLICY

1. Accepting Gifts / Entertainment / Travel

a. Accepting Gifts

For purposes of this policy, the term "gift" means any gift, gratuity, favour, benefit, discount, forbearance, or other tangible or intangible item having monetary value for which the recipient does not pay fair market value. A "gift" also includes meals, drinks, entertainment and recreation (tickets, passes, etc.), services, training, transportation, discounts, promotional items, lodging, gift cards, door prizes or physical items (such as 'free' products, flowers, wine, tickets to events and the like).

Nuchev recognizes that it is customary for some of its suppliers, customers and other business associates to occasionally give small gifts to those with whom they do business. It is important, however, that these gifts do not affect an employee's business judgment, or give the appearance that judgment may be affected. Accordingly, Nuchev and its employees must be very careful when it comes to accepting gifts. As a general rule, Nuchev employees may accept gifts from suppliers, customers or other business associates, provided the gift complies in all respects with the Anti-Bribery and Corruption Policy and:

- does not create the appearance (or an implied obligation) that the gift giver is entitled to preferential treatment, an award of business, better prices, improved terms of sale, or any other business or other advantage;
- would not embarrass Nuchev or the gift giver if disclosed publicly;
- if valued above \$A300 (even if promotional in nature), is reported to and approved by the recipient's direct manager (or higher level in accordance with the Delegated Authority policy limits) and is disclosed under the Disclosure Register (DR);

The following gifts are never appropriate:

- gifts of cash;
- gifts that are prohibited by the law, regulations, contracts or agreements, or reasonable customs of the marketplace;
- gifts given as a bribe, payoff or kickback (e.g., in order to obtain or retain business, or to secure an improper advantage);
- gifts given in the form of services or other non-cash benefits (e.g., the promise of employment).

The cumulative annual value of all gifts an employee may receive from any one gift giver in a financial year cannot exceed \$A1000 unless disclosed under the DR and approved by the CEO.

Employees who receive a gift at an event of a ceremonial nature (e.g., a customer outing or a commemoration of a business transaction) that might not be appropriate under these guidelines, but is impractical or offensive to refuse, may accept the gift and then promptly report it to their supervisor. The employee and supervisor can then discuss the appropriate response.

Nuchev employees must never ask for gifts, gratuities or other items that benefit them personally, regardless of value. Employees are expected to exercise good judgment in accepting gifts from suppliers, customers or other business associates. Employees should talk to their supervisor when in doubt as to whether a gift is appropriate.

b. Accepting Entertainment

Business entertainment (e.g., meals, tickets to the theatre or a sporting event) can play an important role in strengthening working relationships among business associates. Accordingly, Nuchev employees may accept business entertainment offered for legitimate business purposes, such as building goodwill and enhancing relationships with customers or suppliers, provided that it complies with these guidelines and the requirements of the Anti-Bribery and Corruption Policy. Specifically, accepting entertainment from Nuchev suppliers, customers or other business associates is permitted only if such entertainment:

- is infrequent;

- is reasonably related to a legitimate business purpose (e.g., accompanying a customer or supplier to a local theatre/sporting event or attending a business meal);
- is not given as a bribe, payoff or kickback (e.g., in order to obtain or retain business, or to secure an improper advantage);
- does not create the appearance (or an implied obligation) that the gift giver is entitled to preferential treatment, an award of business, better prices or improved terms of purchase, or any business or other advantage;
- is in good taste and occurs at a business appropriate venue;
- is reasonable and appropriate in the context of the business occasion;
- would not influence, or appear to influence, the employee's ability to act in the best interest of Nuclech; and
- if valued above \$A300 is reported to and approved by the recipient's direct manager (or higher level in accordance with the Delegated Authority policy limits) and is disclosed under the Disclosure Register (DR).

The following is never appropriate:

- entertainment that can be viewed as excessive in the context of the business occasion;
- Any item or entertainment that is illegal or sexually explicit involving nudity or lewd behaviour;
- entertainment that the recipient knows the gift giver is not permitted to give; and
- entertainment that is otherwise prohibited by local law.

Employees should talk with a supervisor when in doubt as to whether an event, location or expenditure is appropriate.

Finally, note that these entertainment guidelines apply to situations in which the host is present. Tickets to sporting or cultural events provided to Nuclech employees and not attended by the host are really "gifts" and should be viewed under the gift guidelines above.

c. Accepting Travel

Infrequently, it may be appropriate for customers, suppliers or other business associates outside Nuclech to pay for travel-related expenses for Nuclech employees. As these situations are rare, offers to pay for travel and/or related expenses from third parties must be:

- a) reviewed and approved by the direct manager (or higher level in accordance with the Delegated Authority policy limits) and disclosed under the DR.

In reviewing the travel request, the manager should consider a number of factors, including whether:

- the primary purpose of the travel is business-related;
- the class of travel is appropriate in the business context;
- the proposed expenditures comply with local laws and customs; and
- the itinerary minimizes side trips and avoids tourist or vacation destinations.

Note that Nuclech will not usually approve travel expenses for spouses or children, and will not approve trips that appear to be provided in exchange for any business or other advantage.

2. Providing Gifts / Entertainment / Travel

a. Providing Gifts

Occasionally, offering gifts to third parties may be appropriate to strengthen relationships or comply with local customs. Accordingly, NuChev permits such gifts, provided they comply with these guidelines and NuChev's Anti-Bribery and Corruption Policy. Specifically, NuChev employees may offer gifts to suppliers, customers or other business associates for legitimate business purposes, such as building goodwill and strengthening working relationships (e.g., holiday or ceremonial presentations, service anniversaries, or retirement), provided the gift complies in all respects with the Anti-Bribery and Corruption Policy and:

- is valued under \$A300 (preference should be given to merchandise of a promotional nature);
- if valued at \$A300 or over, is reported to and approved by the recipient's direct manager (or higher level in accordance with the Delegated Authority policy limits) and disclosed under the Disclosure Register (DR);
- would not embarrass NuChev or the recipient if disclosed publicly.

The following gifts are never appropriate:

- gifts of cash;
- gifts that are bribes, payoffs or kickbacks (e.g., gifts given in order to obtain or retain business, or to secure an improper advantage);
- gifts that are prohibited by the law, regulations, contracts or agreements, or reasonable customs of the marketplace;
- gifts the gift giver knows are prohibited by the recipient's organization;
- gifts given in the form of services or other non-cash benefits (e.g., the promise of employment).

The cumulative annual value of all gifts an employee may provide in a financial year cannot exceed \$A1000 unless disclosed under the DR and approved by the CEO.

This policy applies even when personal funds or assets are used and no reimbursement from the company is sought. Any time the gift may be seen as being given on behalf of NuChev, this policy must be followed.

b. Providing Entertainment

Business entertainment (e.g., meals, tickets to the theatre or a sporting event) can play an important role in strengthening working relationships among business associates. Accordingly, NuChev permits business entertainment when done for legitimate business purposes, such as building goodwill and enhancing relationships with customers or suppliers, provided that it complies with these guidelines and NuChev's Anti-Bribery and Corruption Policy. Specifically, entertaining suppliers, customers or other business associates outside NuChev is permitted only if such entertainment:

- is not a bribe, payoff or kickback (e.g., provided in order to obtain or retain business, or to secure an improper advantage);
- does not create the appearance that NuChev is entitled to preferential treatment;
- is in good taste and occurs at a business appropriate venue;
- is reasonable and appropriate in the context of the business occasion; and
- if valued above \$A300 is reported to and approved by the recipient's direct manager (or higher level in accordance with the Delegated Authority policy limits) and is disclosed under the Disclosure Register (DR).

The following is never appropriate:

- entertainment that can be viewed as excessive by an objective third party;
- Any item or entertainment that is illegal or sexually explicit involving nudity or lewd behaviour;
- entertainment the host knows the recipient is not permitted to accept; and
- entertainment that is otherwise prohibited by local law.

Employees should talk to their supervisor when in doubt as to whether an event, location or expenditure is appropriate.

Finally, note that these entertainment guidelines apply to situations in which Nuchev employees are present. Tickets to sporting or cultural events provided by Nuchev to suppliers, customers or other business associates at which Nuchev employees are not present are “gifts” and should be viewed under the gift guidelines above.

c. Providing Travel

Like gifts and entertainment, providing travel must be viewed with care. But unlike gifts and entertainment, travel expenses are rarely “nominal” (i.e. under \$300). As a result, any request for the payment of travel expenses must be reviewed on a case-by-case basis.

The payment of any travel or travel-related expenses requires the prior approval of CEO who should be contacted in advance of accepting the request.

In reviewing the travel request, the CEO will consider a number of factors, including whether:

- the primary purpose of the travel is business-related;
- the class of travel is appropriate and reasonable;
- the proposed expenditures comply with local laws and customs; and
- the itinerary minimizes side trips and avoids tourist or vacation destinations.

Note that Nuchev will not usually approve travel expenses for family members, and will not approve trips that appear to be provided to obtain or retain business or secure an improper advantage.

d. Record Keeping

All uses of Nuchev funds and assets must be properly reflected in the books and records of Nuchev and employees must follow all expense reimbursement rules to obtain reimbursement of business amenities. You must keep accurate records of all business gifts, entertainment and travel that requires approval under this policy or is received from or provided to any third party, including the name of the person receiving and giving the gifts, entertainment and/or travel, the nature and purpose of the gift, entertainment and/or travel, and an accurate description of the gift provided, including the name of the service establishment in the case of meals and entertainment and the value of the gift, entertainment and/or travel. Records should also be kept regarding the details of any approvals given. Accurate receipts must be obtained for all items paid for by Nuchev. All records must be retained in accordance with the relevant laws and legislation.

3. Government Officials

Nuchev employees should be especially careful when offering gifts / entertainment / travel to government officials. Because the laws of most nations prohibit giving anything of value to government officials in order to obtain or retain business or to secure some other advantage, it is

important to be sure that anything provided to these individuals cannot be construed as bribes. Further, government officials often are prohibited by law from accepting gifts, so offering a gift may put the official in an awkward position.

Who is a “Government Official?”

The term “government official” is a broad one. A full definition is included in the Anti-Bribery and Corruption Policy. Notably, it includes all employees, at any level, of a government department or agency, whether executive, legislative or judicial. Officers and employees of companies under government ownership or control are also considered “government officials.” Thus, the term includes not only individuals such as elected officials, customs and tax inspectors and government procurement officials, but also the employees of state-owned enterprises.

The above policy guidelines apply, however Employees should be especially cautious and should talk to their supervisor when in doubt as to whether an event, location or expenditure is appropriate.

4. Disclosing instances of inappropriate gifts, entertainment or travel

Where an Employee becomes aware of an instance or potential instance of any inappropriate gifts, entertainment or travel they should report it to their direct manager (or higher level in accordance with the Delegated Authority policy limits).

5. Disclosure Register

The Disclosure Register is available on Nuchev’s server as advised.

#	Date	Gift / Entertainment / Travel Description	Estimated Value (AUD)	Recipient Organisation	Giver Organisation	Entered by	Approved by
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							

Extracted template above.

6. Policy Breaches

Violations of law (including Australian Anti-Bribery and Corruption regulations), Nuchev’s Accepting and Providing Gifts, Entertainment and Travel Policy, Nuchev’s Anti-Bribery and Corruption Policy, employee policies or Code of Conduct will result in discipline, up to and including termination from employment.