



Policy No.:	LSH Auto Australia AUA.2020.06.04
Policy Name:	Gift & Invitation Registry
Attention:	All LSH Auto Australia Employees
Version:	2.4
Last Reviewed:	1 <sup>st</sup> December 2023
Effective From:	1 <sup>st</sup> December 2023
Approved By:	MD and CFO
Changes:	Increase of maximum amounts

## LSH Auto Australia Gift & Invitation Registry Policy

### Purpose

- Maintain control over the Company's expenses;
- Provide LSH Auto Australia management with guidance with regard to gifts to employees at the Company's cost;
- Establish effective methods for managing the Company's gift costs;
- Outline requirement for participation in competitions and access to prizes; and
- Ensure compliance with the relevant LSH Auto Australia Policies and local regulations.

### Scope

This policy applies to all full time, part time and casual employees employed by the Company.

### Statement

This policy is intended to promote guidance on company policy and practice. It does not form part of an employee's contract of employment. In the event of a conflict, the contract of employment or industrial instrument prevails. This policy may be varied, withdrawn, or replaced at any time by the Company at its absolute discretion.

### Policy

#### 1.0 Authorisation

Receipt of a Gift, prize, benefit and/or invitation to an employee must have been authorised in terms of the guidelines provided in this policy, including the appropriate completion of the required forms.

#### 2.0 Benefits provided by the Company

##### 2.1 Employee Gifts

Fringe Benefits Tax (FBT) allows for a company to provide a gift to an employee on the provision that it meets the guideline that it is "minor and infrequent".

To ensure that our company complies with FBT requirements, for the purpose of this instruction, LSH Auto Australia has determined a maximum value of a gift for specific purposes and this can be found in **Appendix A** of this policy including the upper limits.

##### 2.2 Special Occasions/Bereavement



There are certain occasions or circumstances in the lives of our employees where the Company would like to express their support. These may include:

- Birth of a Child
- Long Term Illness/Hospital Stay
- Bereavement
- Marriage/Wedding

In such circumstances, the purchase of flowers, a fruit basket or something similar is permitted. Please refer to **Appendix A** for details of the expenditure limits relating to each.

### **2.3 End of Probation Acknowledgement**

On the successful completion of the Probationary Period, Human Resources will organise a gift on behalf of the Department. The gift will be selected from available LSH Auto Australia brand merchandise (e.g. MB collection pen).

### **2.4 Resignation of Employees/Retirement**

In the situation where an employee with greater than 15 years of completed service resigns or retires from the company, the Manager is authorized, if they so desire to purchase a small gift on the company's behalf. The maximum amount available to contribute, in addition to any collections from work colleagues, is detailed in **Appendix A**.

### **2.5 Recognition/Anniversary of Service**

The Company recognises long serving employees with a Recognition of Service Award and Bonus Payment, these are provided for staff on milestone years of service (e.g. 10, 15, 20, 25 etc), please refer to **Appendix A**.

Collective service for those that have had a break in service for less than 3 months will be recognized for Anniversary of Service purposes but not for other benefits that are service related (e.g. annual leave, personal leave)

Any/all recognition of service bonus payment must be approved by the Dealer Principal, CFO and MD prior to processing. This payment will be a pre-tax payment. This listing will be maintained by the local HR representative.

### **2.6 Internal Dealer Recognition Programs**

From time-to-time business units may organise specific events or incentives to acknowledge performance.

If an employee is invited to attend an event, it is considered that this will form part of their employment relationship to suitably represent their department. In such cases, the number and mix of employees to be invited should be included in event proposals.

No additional approval is required for employees to attend such an event and the benefits provided should be no greater than invited guests that are not employees of our company.

## **3.0 Benefits from Business Partners to LSH Auto Australia**

### **3.1 Employees Principles**



Gifts, competitions, prizes, benefits, or invitations may influence or appear to influence business decision.

To avoid situations in which private/personal interests' may conflict with LSH Auto Australia's interests the appropriateness of each needs to be checked by the employer, independent of the value.

Gifts, competitions, prizes, benefits, or invitations to an LSH Auto Australia employee need to be refused whenever their nature would influence or appear to influence the business decision (refer to **Appendix B**).

In case of any doubt regarding the appropriateness of a gift, competition, prize, benefit, or invitation the employee's manager or Dealer Principal or Group Compliance Officer needs to be consulted. In the case of a Dealer Principal, the Managing Director is to be consulted. Please note that if you are asked by the Business Partner for an address to forward a gift/invitation, the company's address must be provided. It is strictly prohibited to have gifts or invitations delivered to a personal home address.

Further, for the following cases employees must consult with their direct Manager, Dealer Principal and Group Compliance Officer prior to accepting the gift, competition, prize, benefit, or invitation in order to disclose and document the endorsement accordingly. For a Dealer Principal, the Managing Director is to be consulted.

- The same Business Partner invites more than twice a year to an entertainment event (Entertainment Event means that the leisure and event character of the occasion is focal point);
- Benefits offered to spouses/partners from the Companies Business Partners, including invitations and gifts.

If the business partner who has invited you is not attending the event to which they invited LSH Auto Australia employees, the invitation needs to be treated as a gift considering the reference value for gifts mentioned above.

During the review of business services or tender, LSH Auto Australia employees cannot accept benefits from the direct/indirect involved Business Partner in order to avoid the potential risk of entering into a conflict of interest. Received or offered invitations/gifts which are not appropriate must be returned immediately to the business partner or donated to a suitable charity and written response to the Business Partner which outlines the reasons for not accepting the benefit including notice of the charity to which the gift has been donated. A template which may be used in these circumstances is attached (refer to **Appendix B**).

### **3.2 Participation in External Competitions / Prizes**

#### **3.2.1 Prized Competition**

Any competition or challenge, whether sponsored by a business partner, the OEM or private parties, in which a prize is offered as an inducement or incentive to encourage participants in the competition to achieve a particular goal.



### **3.2.2 Approval of participation in Prized Competition**

An employee may not participate in a prized competition on behalf of the company without prior approval by the Managing Director, Dealer Principal and Group Compliance Officer.

Approval may be obtained through a written application, prior to any entry and/or participation in a prized competition. As a minimum, the employee must supply:

- Identity of organisation holding prized competition
- Outline of the effort(s) required to be considered for prize(s)
- Starting and finishing dates of the prized competition
- Outline of prizes and value of prizes or benefits on offer
- Terms and conditions associated with the prized competition and any other requirements for participation

### **3.2.3 Penalties**

Failure to obtain the required approval for participation shall be considered a violation of this policy and may result in disciplinary action, up to and including suspension and dismissal.

### **3.2.4 Distribution of Prizes**

Any prize awarded for participation shall be the property of the company. With respect to authorised prizes the Company may, at its discretion, allot the prize / benefit to the employee, this shall be at the approval of the Managing Director and Group Compliance Officer.

## **4.0 Documentation Requirements**

All gifts, competitions, prizes, benefits, or invitations must be recorded in the Invitation & Gift Register regardless of value. The receiving Employee must complete a Gift & Invitation Authorisation Form (refer to **digital form on intranet**).

The completed form must be approved and signed by the employee, the Manager, and the Dealer Principal. All data will be maintained for reporting purposes and will include the following information:

- Employee's name and email;
- Manager's name and email;
- Dealer Principal's name and email;
- Dealership / Position / Department;
- Name of provider / date received / description of gift/invitation
- Reason for gift/invitation
- Frequency of receipt

At least annually, the Chief Financial Controller or Dealership Accountant takes the responsibility to check their business division's "Gift & Invitation Register" regarding appropriate logging, pre-approval prior to execution (if necessary) and appropriateness of accepted gifts, benefits and invitations. In case of queries or concerns they follow up with the respective employee. As evidence of their check they sign the "Gift & Invitation Register" and follow up on taken steps.

Incidents where it can be proven that receipt of gifts/invitations was not reported or



reported more than 5 days from receipt of the gift/invitation can lead to disciplinary action including and up to termination.

## **5.0 Reporting**

### **Collection of Authorisation Forms**

All approved and signed authorization forms must be submitted within 5 days of notification of gift, competition, prize, benefit, or invitation. All non-completed forms will be returned to the responsible manager for completion.

### **Submission**

All approved forms are to be recorded in the Gift & Invitation Registry.

### **Submission of Registry**

Upon review of the authorisations, ensuring completeness and obtaining approval the complete register will be forwarded to the Group Financial Controller.

### **Review**

The Group Financial Controller will audit the completeness, accuracy and compliance – and then submit to the MD and CFO.



## Appendix A: Gift & Invitation Allowance

Occasion	Maximum Amount Australia: AUD	Type ( Including delivery cost if required)
Birth Of a Child	<ul style="list-style-type: none"><li>• \$100 per person</li></ul>	Flowers, Fruit Basket or something similar
Long Term Illness/ Hospital Stay	<ul style="list-style-type: none"><li>• \$100 per person</li></ul>	Flowers, Fruit Basket or something similar
Marriage/ Wedding	<ul style="list-style-type: none"><li>• \$100 per person</li></ul>	Gift Only
Bereavement; Death of an employee or former employee	<ul style="list-style-type: none"><li>• \$100 per person</li></ul>	Flowers, Charity donation or similar
Probation Acknowledgement	<ul style="list-style-type: none"><li>• \$50 per person</li></ul>	Gift only (e.g. LSH Auto Pen)
Resignation / Retirement Of employee (>15 years) Value of gift should be dependent upon employee level and overall contribution to company)	<ul style="list-style-type: none"><li>• 15 – 20 Years - \$150</li><li>• 21 - 25 Years - \$200</li><li>• 26 - 30 Years \$250</li><li>• 31 – 35 Years \$300</li><li>• 36 - 40 Years \$350</li><li>• 40 Years + \$400</li></ul>	Gift Only
Recognition of Service	<ul style="list-style-type: none"><li>• 10 Years - \$500</li><li>• 15 Years - \$750</li><li>• 20 Years - \$1,500</li><li>• 25 Years - \$2,000</li><li>• 30 Years - \$3,000</li><li>• 35 Years - \$5,000</li><li>• 40 Years - \$7,500</li><li>• 45 Years - \$10,000</li><li>• 50 Years - \$15,000</li></ul>	To be paid as a Bonus



## Appendix B: Unable to Accept Gift

[EXAMPLE LETTER]

Date

<Name>,  
<Company>,  
<Address>,  
<City>

State, Postcode>.

Dear <Name>,

Thank you for your very kind gift that I received on the xx/xx/xx. Unfortunately, I am unable to accept your gift. As a highly valued partner of our company I wish to set out the reasons below as to why we are unable to accept this gift.

Under our internal guidelines, benefits provided by (Business Partners) need to be deemed reasonable in nature and scope to avoid any potential situations in which private interests conflict with the interests of LSH Auto Australia and/or local subsidiaries.

All LSH Auto Australia employees are bound by our Integrity Code, which has been developed to ensure that we operate consistently no matter where in the world we are represented. It is seen as an important piece in ensuring that our reputation is protected throughout our business.

In this case I believe it is appropriate to return the gift trusting that you understand the decision. (OR, I have taken the liberty to donate your kind gift to the (xyz charity), who I am sure will greatly benefit from this donation.)

Once again, thank you for your kind thought and we look forward to continuing an ongoing successful relationship.

King regards,