

Gifts and Hospitality Policy



Category: Governance

Contact: GM Corporate Services

Approval: Board

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1. Purpose and Scope

Gas Industry Co needs to avoid or manage potential conflicts of interest that may arise in the context of employees and contractors giving or receiving gifts or hospitality.

This Policy applies to all employees and contractors of Gas Industry Company (the Company) and should be read in conjunction with the Conflicts of Interest Policy.

2. Policy

The Company should generally be open to all stakeholders and willing to interact with them, with the aim of fulfilling its role as gas industry body. Interactions with stakeholders should aim to be on an equal basis over time, as opportunities arise, so that there can be no inference that an individual stakeholder has been treated more favourably than others.

The Company requires that its staff do not solicit, accept, or offer money, gifts, favours, or entertainment that might influence, or might appear to influence, its business judgment.

2.1. What is a gift?

A gift includes anything of value that a person receives from another person, outside the normal fees or remuneration that they are entitled to receive from that person (if any). Examples may include donations, wine, souvenirs, and other items. Tickets for sporting, cultural or entertainment events are a 'gift' if the donor or a representative of the donor company will not be going with the recipient. For example, if an industry participant gives you tickets to the football, which are just for you and your family, and the participant donor does not attend, the tickets are a gift, not hospitality. If you receive tickets for transport to and from such an event, this forms part of the gift. In establishing the value of any gift, the normal retail cost must be used as the benchmark.

2.2. What is hospitality?

'Hospitality' means conventional business courtesies, such as joining an industry participant in attending lunch, sporting events, outings or cultural or entertainment events. In relation to industry participants, vendors, or other third parties, 'hospitality' would cover payment for working session meals or reasonable expenses where Gas Industry Co related work is discussed.

Reasonable expenses associated with a hospitality event will also be treated as hospitality. For example, if a participant pays for you to join them at a business conference, and gives you tickets to fly directly to and from the conference and reasonable accommodation during the conference, this is hospitality. However, expenses that are not of a reasonable value or are not directly related to the hospitality are a 'gift' (i.e. a 'gift' does not include reasonable hospitality).

2.3. When you may accept a gift or hospitality

The acceptance of some types of reasonable and incidental business hospitality and gifts is permissible when the following criteria are met:

1. The hospitality/gift is unsolicited; and
2. There is no conflict of interest; and
3. The donor is not attempting to influence the employee/contractor.

Employees/contractors must never:

1. Accept cash gifts (or the equivalent such as gift cards or vouchers); or
2. Request or solicit a gift or hospitality; or
3. Accept a gift or hospitality in exchange for doing something, or refraining from doing something, for someone else.

2.4. Seeking approval and recording gifts and hospitality

All gifts or hospitality over \$50 in value must be reported. If you feel a gift could be misinterpreted, you must seek approval from the Chief Executive before accepting any item and record the item in the Gifts and Hospitality Register. There is no requirement to record gifts or hospitality in the register which you have declined, however if the magnitude of the gift or hospitality declined is such that it could be considered an inducement, you must report this to the Chief Executive.

2.5. Providing a gift or hospitality to someone outside the Company

In some circumstances, it may be acceptable and customary for the Company to extend items of gifts or hospitality to external parties. When giving gifts to someone who does business with the Company, you should be certain the gift will not give rise to a conflict of interest, whether actual or perceived. Also, you should not offer the gift if you believe it will violate any codes or policies of the Company, or of the recipient. Approval of the Chief Executive and management of the recipient company or business is required in cases where a particular gift or hospitality might be construed as excessive or an improper inducement, either by the employer of the recipient or a third party. Gifts are an expense and should be within an employee's delegated authority.

2.6. Gifts to Government Officials or political parties

Permission from the Chief Executive is required prior to making any gift from the Company to a government employee or official, including a representative of a regulator. If a gift is made, it should be recorded in the gifts register regardless of the amount.

Payments made to attend conferences, dinners or other events run by political parties may be treated as donations and you must obtain approval from the Chief Executive prior to committing to attend. You should be aware that various government agencies, legislative bodies and jurisdictions may have their own rules and regulations regarding the receipt of gifts by their employees or officials. These regulations may differ from country to country. In some cases, government employees or officials may be prohibited from accepting any gifts. Entertainment and other acts of hospitality for government or political officials should never compromise or appear to compromise the integrity or reputation of the Company. When hospitality is extended, it should be with the expectation that it will become a matter of public knowledge.

2.7. Koha given to external parties

Koha is a voluntary, unconditional gift which is made to any non-profit body or organisation. It is a way in which one can express deep gratitude and respect to your hosts in the form of a gift such as money or food. It is usually appropriate to give koha when you are visiting a marae for an event or occasion, such as a site blessing, or an employee is invited to speak on a marae.

The company recognises the practice of providing koha as a gesture of thanks and goodwill, in particular when dealing with tangata whenua on project consultation.

All koha is required to be approved by the Chief Executive and sufficient records must be maintained, including time, date, payment method and reason.

2.8. Gifts and Hospitality Register

A Gifts and Hospitality Register is maintained by the General Manager Corporate Services. Each employee is responsible for verifying their entries on the gifts and hospitality register, which will constitute the primary record of gifts and hospitality received and provided.

2.9. Reporting

The Chief Executive provides the Board with details of entries in the Gifts and Hospitality Register each quarter.

The General Manager Corporate Services reviews the Gifts and Hospitality Register quarterly, and if necessary, will take the appropriate action which may include proposing additional controls, policies, or procedures, or taking disciplinary action.