

## **CORPORATE ENTERTAINMENT, GIFTS, HOSPITALITY AND PROMOTIONAL EXPENDITURE POLICY**

A gift is considered to be any item, cash or goods or any service which is offered to an individual at no cost to them or at a cost which is less than its commercial value. Hospitality is considered to be entertainment offered to an individual at no cost or a cost which is less than its commercial value. For example, drinks receptions, dinner invitations or corporate hospitality at an event.

TECS Group will permit corporate entertainment, gifts, hospitality and promotional expenditure that are undertaken for the following purposes:

- To establish or maintain a good business relationship
- To improve the image and reputation of the company
- To present the company's goods or services effectively.

This is on the provision that it is arranged in good faith and is not offered, promised or accepted to secure an advantage for the company or any of its associated persons to influence the impartiality of the recipient.

Some of TECS Group's clients have stipulated in their contracts that offers of gifts and hospitality of any value are not to be offered or accepted. Employees or associated persons are responsible for checking the client's contract prior to the offering of any gift or hospitality, even if it is considered to be token in nature.

The company will only authorise reasonable, appropriate and proportionate entertainment and promotional expenditure in line with the following guidance.

### **Accepting gifts**

TECS Group understands that in the course of day-to-day business some employees may be offered gifts of significant value. Employees, or associated persons, must not accept offers of gifts from individuals or companies with whom TECS Group currently, or might in the near future, conduct business with, except for gifts of a token nature or of relatively insignificant value (i.e. less than £50 such as diaries, calendars or promotional material). Employees, or associated persons, should never put themselves in a position where they could be accused of taking bribes or inducements for personal gain. Employees, or associated persons, should talk to their line manager if they are unclear as to what is acceptable.

If an employee or associated persons is offered a gift of over £50 then this should be raised with their line manager and the Chief Executive. The offer will be logged in the gifts and hospitality register and the appropriate course of action will be expressly communicated to the individual.

### **Giving or offering gifts**

TECS Group recognises that as well as receiving gifts some employees, or associated persons, may be required to offer gifts to third parties, including customers and suppliers, in order to maintain good working relationships and to retain and obtain business. With the exception of token gifts (i.e. less than £50) prior approval from a board director must be obtained before any employee, or associated

persons, can offer a gift to a third party. Where a gift has a value of over £500 the board director must obtain authorisation from the Group Managing Director. It is the responsibility of the board director to ensure all authorised gifts are recorded in the company gift and hospitality register.

### **Accepting hospitality**

There may be some circumstances where hospitality is offered to events which will promote TECS Group's interests and TECS Group recognises that external networking for some departments is a core part of their work.

Personal invitations to non work-related, non-TECS Group events involving corporate hospitality, offered or given by any supplier, client, business contact or potential contractor, must be notified to the individual's line manager. If the hospitality has a commercial value of more than £500 authorisation must be sought from a board director. The director is responsible for ensuring the offer of hospitality is logged in the gifts and hospitality register regardless of whether or not it is authorised.

### **Giving or offering hospitality**

TECS Group recognises that as well as accepting hospitality some employees, or associated persons, may be required to offer hospitality to third parties, including customers and suppliers, in order to maintain good working relationships and to retain and obtain business.

With the exception of a working lunch or refreshments during a meeting with third parties, prior approval from a board director must be sought before any employee, or associated persons, can offer hospitality to a third party. Where such hospitality is more than £1,000 in one occurrence, or £2,000 in aggregate to any one party over a period of twelve months, the board director must obtain authorisation from the Chief Executive. If the hospitality is authorised then it is the responsibility of the board director requesting the authorisation to ensure it is recorded in the company gift and hospitality register.