

Gifts and Benefits Policy

Level: Board
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Approved by: Board

1.0 DEFINITIONS

1.1 Benefits means any non-tangible item of value, including preferential treatment or access to proprietary information, which is conferred by an external party on a Director, employee or contractor of the Company.

Board means the Board of Directors of the Company.

Company refers to Downer EDI Limited (ACN 003 872 848), its subsidiary companies, operating divisions and business units.

Company Secretariat means the office of the Company Secretary.

Company Secretary means the Company Secretary of the Company.

Connected Person means, in relation to a Director, employee or contractor:

- a) his or her spouse or domestic partner and child or step child and immediate family;
- b) a relative who has shared his or her household for at least 12 months as at the date of the relevant conduct;
- c) companies that are associated with him or her, or his or her connected persons by virtue of them holding (together or separately) 20% or more of the securities or controlling the exercise of 20% or more of the voting power at any general meeting;
- d) a trustee where the beneficiaries of the trust include him or her or any of their connected persons;
- e) his or her business partners and business partners of his or her connected persons; and
- f) companies in which he or she is a director or a senior executive concerned in, or taking part in, the management of the Company.

Director means any person who is appointed to the Board and includes alternate directors.

Gifts means any tangible item of value, including money, alcohol, favours, hospitality, entertainment, tickets to sporting events and accommodation, which is presented by an external party to a Director, employee or contractor of the Company and that recipient does not pay fair market value.

Gifts of Nominal Value means:

- a) token gifts: gifts offered in business situations (and not as personal gifts) to official representatives of the Company and are usually small office or business accessories with a value of less than AU\$100;
- b) ceremonial gifts: gifts with a value of less than AU\$100 used to express gratitude during the conduct of official business between the Company and an external party; and
- c) seasonal or special occasion gifts: gifts with a value of less than AU\$100 given during a festive season, or in appreciation for performing specific tasks or for exemplary performance of duties.

Relevant Country Threshold Amount means the threshold amounts for each jurisdiction in which the Company operates as stipulated in the table contained in Attachment 1.

2.0 INTRODUCTION

2.1 What conduct does this Policy apply to?

Offering or accepting gifts and hospitality is a legitimate contribution to building good business relationships. From time to time, external parties may offer or give the Company's Directors, employees and contractors certain gifts and benefits. While some gifts and benefits are acceptable, others have the potential to appear to compromise the integrity of the Company and its Directors, employees or contractors.

All Company Directors, employees and contractors need to exercise extreme care when offering or accepting gifts, hospitality or entertainment in order to maintain the reputation of the Company against allegations of misconduct and to ensure that anti-bribery and corruption laws are not breached. This Gifts and Benefits Policy does not intend to prohibit reasonable and proportionate hospitality and promotional or other similar business expenditure intended for these purposes. Rather, this Gifts and Benefits Policy has been developed to ensure the Company and its Directors, employees and contractors do not give or accept gifts or benefits which may appear to compromise their integrity or create an actual, potential or perceived conflict of interest.

2.2 Who does this Policy apply to?

This Gifts and Benefits Policy applies to all of the Company's Directors and employees, and to all contractors engaged by the Company, and forms a crucial part of the duties and responsibilities of each individual Director, employee and contractor.

2.3 What is your commitment to comply?

Each Director, employee and contractor of the Company must understand his or her obligations under, and must comply with, this Gifts and Benefits Policy.

The Company provides a copy of this Gifts and Benefits Policy to, and holds regular training sessions about this Gifts and Benefits Policy for, all Directors and employees and contractors of the Company to ensure that they are aware of their obligations and responsibilities.

Not all situations can be directly addressed within a policy. You should also bring your reason, propriety and judgment to contexts addressed in this Policy.

2.4 What other policies are relevant to this Policy?

This Policy forms part of the Group's corporate governance framework. The other policies which comprise this framework and should be read in conjunction with this Policy are:

- a) Standards of Business Conduct;
- b) Business Integrity Policy;
- c) Anti-Bribery and Corruption Policy; and
- d) Directors' Independence Policy.

3.0 WHAT CONDUCT IS PERMITTED?

3.1 When can you give or accept a gift or benefit without prior approval of the Company Secretary?

Subject to Clause 4 of this Gifts and Benefits Policy, a Director, employee or contractor is not required to seek the prior approval of the Company Secretary in order to give or accept:

- a) Gifts of Nominal Value; or
- b) gifts or benefits that do not exceed the Relevant Country Threshold Amount as stipulated in the table contained in Annexure A,

unless:

- c) the individual involved is unsure whether it is appropriate to give or accept that gift or benefit; or
- d) the same external party has offered or given that person another gift or benefit, irrespective of the value, within the last 12 months; or
- e) the person giving or accepting the gift or benefit is a government official or a government authority,

in which case, refer to Clause 3.3 below.

3.2 Even though Company Secretary approval is not required, do you have to notify anyone?

Notwithstanding that the prior approval of and notification to the Company Secretary is not required to give or accept a gift or benefit described in Clause 3.1(a) and (b), if a Director, employee or contractor does offer or accept such a gift or benefit, he or she:

- a) must notify his or her line manager in writing as soon as possible after giving or acceptance; and
- b) is encouraged to notify the Company Secretary in accordance with Clause 5.1 if he or she wishes to do so.

3.3 What if you are unsure if you can give or accept a gift or benefit without prior approval?

Notwithstanding that a gift or benefit may be valued under the Relevant Country Threshold Amount, in some circumstances, it may be unclear whether it is appropriate to give or accept a gift or benefit because it may contravene the prohibitions in Clause 4 of this Gifts and Benefits Policy.

If a Director, employee or contractor is unsure whether a gift or benefit he or she has given, been offered or has accepted contravenes this Gifts and Benefits Policy, or the circumstances of Clause 3.1(d) apply, he or she **must** comply with the Notification Requirement as set out in Clause 5.1.

3.3 What if there are special circumstances?

In situations where:

- a) it is not possible, for relationship or logistical reasons, to seek approval prior to giving or accepting a gift which would otherwise require approval, the gift should be given or accepted and approval of the Company Secretary should be sought immediately. If approval is not subsequently granted, the gift must be disposed of the manner specified by the Company Secretary;
- b) it is impractical or inappropriate, for relationship or logistical reasons, to decline a gift which would otherwise be unacceptable, the Company Secretary may approve it on the basis that it is appropriately disposed of in the manner specified by the Company Secretary.

4.0 WHAT CONDUCT IS PROHIBITED?

4.1 Can you solicit gifts and benefits?

The Company's Directors, employees and contractors must:

- a) not solicit or request any gift or benefit in connection with their position with the Company; and
- b) take reasonable steps to prevent any of his or her Connected Persons (as defined in Clause 1.1) from soliciting or accepting gifts and benefits from external parties as prohibited under this Gifts and Benefits Policy.

4.2 When are you prohibited from giving or accepting gifts and benefits?

The Company's Directors, employees and contractors must not give or accept:

- a) gifts or benefits that could be seen to influence them in carrying out their duties with the Company, induce or reward improper performance, regardless of their value;
- b) monetary gifts such as cash, cheques, money orders, traveller's cheques or direct deposits;
- c) any gift or benefit for any duties performed or not performed by them, particularly where acceptance may give rise to an actual, potential or perceived a conflict of interest;
- d) gifts or benefits that are intended to generally ingratiate the giver with them for favorable

treatment in the future;

- e) gifts or benefits to or by anyone involved in any stage of a tendering process from any organisation involved in a bid or tender with the Company;
- f) gifts, hospitality or entertainment of an inappropriate nature or at an inappropriate venue;
- g) gifts or benefits with a value exceeding the Relevant Country Threshold Amount, or a number of single gifts of any value from a single party, without approval from the Company Secretary (refer to Clause 5 for Notification Requirement); and
- h) offers of sponsored travel and accommodation (including for your spouse or partner). If there is a valid business purpose to incur travel and accommodation expenses, then the Company will pay for these expenses.

4.3 What happens if you contravene the Policy?

The Company considers contravention of this Gifts and Benefits Policy a serious matter and reports of any contravention will be investigated by the Company.

Disciplinary action, including termination for misconduct, may be taken against any Director, employee or contractor of the Company who contravenes this Gifts and Benefits Policy.

It is important to note that the Company's Directors, employees and contractors may also be personally liable for contravening this Gifts and Benefits Policy.

5.0 WHAT IS THE NOTIFICATION AND APPROVAL PROCESS?

5.1 What is the notification process?

If a Director, employee or contractor gives, is offered or has accepted a gift or benefit and is required to notify the Company Secretary of that gift or benefit, he or she must submit a signed and completed *Notice of offer or receipt of gift or benefit* to the Company Secretary (by email to company.secretary@downergroup.com) before 5:00pm on the first day after he or she gives, is offered or has accepted the gift or benefit.

5.2 What is the approval process?

Upon receiving notification in accordance with Clause 5.1 above, the Company Secretary will:

- a) consider the offer or acceptance;
- b) notify the individual whether such acceptance is appropriate; and
- c) update the Gifts and Benefits Register in accordance with Clause 6.1,

as soon as possible.

6.0 OTHER IMPORTANT INFORMATION FOR YOU TO KNOW

6.1 How are Gifts and Benefits recorded at the Group level?

The Company Secretariat will maintain a register of the details of all gifts and benefits notified to the Company Secretary in accordance with Clause 5.1, both accepted and declined and

irrespective of value.

6.2 How are Gifts and Benefits recorded at the Divisional level?

Each manager is responsible for maintaining written records of all gifts and benefits notified to and approved by them in accordance with Clause 3.2(a), both accepted and declined and irrespective of value, which may be reviewed by the Company Secretariat from time to time.

6.3 What if you receive a Gift or Benefit in an unlisted jurisdiction?

If a Director, employee or contractor gives, is offered or has accepted a gift or benefit in a jurisdiction that is not currently listed in the table contained in Attachment 1, he or she must:

- a) assume that the Relevant Country Threshold Amount for that jurisdiction will be the local foreign currency equivalent of AUD\$500; and
- b) notify the Company Secretariat as soon as possible after such offer or acceptance.

ANNEXURE A – RELEVANT COUNTRY THRESHOLD AMOUNTS

Country	Amount (per person)
Australia	AUD 500
United Kingdom	GBP 500
United States of America	USD 500
Canada	CDN 500
South Africa	R 3,000
New Zealand	NZD 650
India	INR 5,000
China	RMB 3,000
Singapore	SGD 500
Hong Kong	HKD 3,000
Vietnam	VND 11,000
Thailand	THB 15,000
Papua New Guinea	PGK 1,200
Botswana	BWP 4,200
Malaysia	RGT 1,600
Brazil	BRL 1,100
Chile	CLP 242,000
Fiji	FJD 910,000
Vanuatu	VUV 47,000
Indonesia	IDR 5,000,000