

Gifts, Benefits and Hospitality Policy

June 2025



Investing for Victoria's future

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1 Introduction

1.1 Purpose

As public officials, how we respond to offers of gifts, benefits and hospitality is critical to earning and sustaining the trust of those we serve. The purpose of the Gifts, Benefits and Hospitality Policy (“**this Policy**”) is to outline requirements for:

- responding to, declaring and reporting offers of gifts, benefits and hospitality, and
- providing gifts, benefits and hospitality

1.2 Scope

This Policy applies to all directors, employees, and contractors of VFMC while performing their duties or acting on behalf of VFMC. For the purposes of this Policy, the term ‘employees’ / ‘you’ throughout means all employees and contractors. The requirements applicable to directors are specifically outlined in section 6.1.

1.3 Consequences

Non-compliance with this Policy may constitute misconduct and disciplinary action may be taken. Such disciplinary action may include (depending on the severity of the breach), but is not limited to, reprimand, formal warning or termination of employment or engagement.

2 Your obligations

When you’re working for VFMC, no matter what that work is, **you must** act with integrity and impartiality consistent with the Code of conduct for Victorian public sector employees (“**the VPS Code**”) and the VFMC Code of Conduct. This includes placing the public interest above your private interests. This does not just help VFMC. It protects you if you are accused of wrongdoing and helps you to navigate difficult situations.

The VPS Code requires all employees to comply with this Policy and other policies which support the application of the VPS Code. A Code of Conduct cannot anticipate every possible situation. Where policies and procedures are unclear or prove insufficient in particular circumstances, go back to first principles and consider the core ideas contained in both the Code and the public sector values on which it is based.

If you consider that gifts, benefits and hospitality or conflicts of interest within VFMC may not have been declared or are not being appropriately managed **you should** speak up and notify your people leader or the CFRO. VFMC may take decisive action, including possible disciplinary action, against individuals who discriminate against or victimise those who speak up in good faith.

2.1 Employees

As an employee, **you must** comply with this policy when you are offered or when you provide gifts, benefits and hospitality. If you are unsure what to do, please speak to your People Leader.

2.2 People Leaders

If you’re a People Leader with direct reports, **you must** also:

- be aware of the gifts, benefits and hospitality risks inherent in your direct reports’ roles
- oversee your direct reports’ compliance with this policy
- promote awareness and give advice
- model good practice

2.3 Risk and Compliance team

If you or your People Leader need more clarity on the policy requirements, the Risk and Compliance team can provide advice on interpretation, but they cannot approve your decision as the ultimate decision rests with you.

3 Principles / Minimum Accountabilities

The Victorian Public Sector Commission (VPSC) issues *minimum accountabilities for managing gifts, benefits and hospitality in the Victorian public sector* ("**Minimum Accountabilities**") which are binding on VFMC. This Policy is based on the Minimum Accountabilities which are detailed in **Appendix 2**.

You should proactively engage with your external stakeholders and communicate information in relation to VFMC's position on gifts, benefits and hospitality, as outlined in minimum accountability 11.

4 Management of offers of gifts, benefits and hospitality

You must not seek offers of gifts, benefits and hospitality

Have you been offered a gift, benefit or hospitality (including from VPS entities)?

Offers include:

- Gifted items or services (e.g. chocolates, books, bottle of wine, free training courses)
- Benefits (e.g. promise of a new job, discounted services)
- Hospitality (e.g. meals, drink, travel, accommodation, and tickets to sporting, cultural, or social events)

YES

Is it prohibited?

- Money, similar to money (e.g. gift vouchers) or easily converted to money (e.g. shares)
- Creates an actual, perceived, or potential conflict of interest
- Could compromise public trust
- Not consistent with community expectations
- Could be seen as a bribe or inducement
- Non token offer with no legitimate business benefit (includes networking and maintaining stakeholder relationships)
- Tickets to a sporting, cultural or social event
- Offer made by party where you are likely to make a decision in the foreseeable future (excluding token hospitality provided at a business meeting)

YES

NO

Is it a token offer?

(of inconsequential or trivial value and **no more than \$50**)

YES

NO

**Decline the offer
(recording not
required)**

If you cannot immediately refuse, either return the offer or transfer ownership to VFMC.

**Decline & record
the offer ***

If you cannot immediately refuse, either return the offer or transfer ownership to VFMC.

Is it a token offer?

(of inconsequential or trivial value and **no more than \$50**)

NO

YES

**Does it have a
legitimate business
benefit**?**

YES

**Pre-approval to
accept & then
record the offer**

**Have you received multiple
offers from the same source?**

NO

YES

**May accept the
offer
(recording not
required)**

**May refuse
the offer#
(recording
not
required)**

* Generic, bulk event invitations that are declined or ignored (e.g. spam email offers) do not need to be recorded.

** **Networking and maintaining stakeholder relationships are not considered a legitimate business benefit.**

More than one token offer may be accepted. However, multiple offers must not be used to avoid offers being recorded on the Register.

4.1 Token offers (under \$50)

Acceptance and Approvals – You **do not need approval to accept** token offers. However, token offers may be considered to become non-token where:

- token offers are made often by the same person or organisation; or
- there may be a perception that the offers may influence the recipient (see table below in section 4.2).

You may accept more than one token offer; however, **you must** take care to ensure that multiple offers are not used to avoid offers being recorded.

Recording on Register – You **do not need to record token offers** on the Register.

Example – Conference presentation

You have delivered a presentation to an international conference on sustainable development. As you make your closing remarks, the MC steps forward to thank you for an engaging presentation and presents you with a box of chocolates.

What should you do?

The MC is presenting you with chocolates to say thanks for your presentation. You estimate that the chocolates are worth approximately \$30 which is a token offer under this policy, so you may accept the chocolates. You do not need to seek pre-approval or record the gift on the Register.

4.2 Non-token offers (\$50 and over)

Acceptance and Approvals – You **must seek written approval from your people leader promptly before accepting** a non-token offer. If you can't seek written approval before accepting an offer, for example where you are travelling overseas, **you must seek approval from your people leader promptly** and ideally within five business days of your acceptance.

Recording on Register – You **must record all non-token offers** on the Register, whether accepted or declined.

In assessing whether to accept or decline a non-token offer, **you should** consider the 'GIFT' test, the table below and consider whether 'thanks is enough'. Where a gift would likely bring you or VFMC into disrepute, **you must** return the gift. If it represents a conflict of interest for you, **you must** return the gift or transfer the ownership to VFMC to mitigate this risk.

Benefits or Hospitality provided as a contractual deliverable

Where a benefit or hospitality is provided as part of a contractual deliverable, for example, meals or travel while participating in site visits or due diligence trips, development opportunities or meals or travel while attending due diligence site visits, they are not considered an offer and therefore do not require approval under this policy or recording on the register. However, alternative VFMC policies and procedures may apply.

| 'GIFT' test | | |
|-------------|------------------|--|
| G | Giver | Who is providing the gift, benefit or hospitality and what is their relationship to me? <ul style="list-style-type: none"> Does my role require me to select contractors, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make? |
| I | Influence | Are they seeking to gain an advantage or influence my decisions or actions? <ul style="list-style-type: none"> Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy or a token of appreciation or valuable non-token offer? Does its timing coincide with a decision I will make in the foreseeable future? |
| F | Favour | Are they seeking a favour in return for the gift, benefit or hospitality? <ul style="list-style-type: none"> Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months? Would accepting the offer create an obligation or feeling of obligation to return a favour? |
| T | Trust | Would accepting the gift, benefit or hospitality diminish public trust? <ul style="list-style-type: none"> How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think? |

| Non-token offers | |
|---|---|
| May be accepted with pre-approval | Must be declined |
| – brings a legitimate business benefit to VFMC, the public sector, or the State, and no actual, potential, or perceived conflict of interest arises. | – money , items used in a similar way to money, or items easily converted to money |
| | – could create an actual, potential, or perceived conflict of interest |
| | – could compromise public trust that you will perform your duties impartially, or impact public trust in VFMC or the public sector |
| | – not consistent with community expectations |
| | – could be perceived as a bribe or inducement |
| | – no legitimate business benefit to VFMC, the public sector, or the State |
| | (note: networking or maintaining stakeholder relationships are not considered a legitimate business benefit) |
| | – invitations to ticketed sporting, cultural or social events |
| | – offers from those about whom you are likely to make business decisions in the foreseeable future (excluding token hospitality) |

Examples of offers which you may receive are listed below:

Example – A day at the tennis (no legitimate business benefit & ticketed sporting event)

You work in the investment team, and part of your role includes contributing to the assessment of which external fund managers to appoint, terminate or retain. While attending a working lunch with an existing external manager, they invite you to attend the Australian Open tennis tournament along with other clients.

What should you do?

It was appropriate to attend the lunch hosted by the existing external manager to report back on the information received at the lunch regarding the relationship, performance and outlook of the external manager. However, it would not be appropriate to attend the Australian Open, as the focus of the event is maintaining stakeholder relationships which is not considered a legitimate business benefit for VFMC, and ticketed sporting events are specifically prohibited under this policy. It could also raise a perceived conflict of interest, as the external manager could be seeking to influence future investment decisions to appoint (i.e. for a further mandate), terminate or retain them as a manager. You should decline the invitation and record the non-token offer of Australian Open tickets on the Register.

Example – Travel sponsorship (legitimate business benefit and conflict of interest)

You work in the operations team, and part of your role includes making the recommendation on which technology service providers to appoint, terminate or retain. You are invited by an existing service provider to attend a one-week conference in Sydney with flights, accommodation and meals paid for by the service provider.

What should you do?

There is a legitimate business benefit for VFMC in you attending the conference to understand recent technology developments and report back on the information presented. However, it could raise a perceived conflict of interest, as the service provider making the offer could be seeking to influence your future decision to retain them.

You should discuss with your people leader if the conflict of interest can be eliminated by VFMC paying for the flights, accommodation, and meals. If they agree that the conflict can be eliminated and your people leader approves your attendance; you may accept the conference element of the offer and decline the flights, accommodation, and meals element, and must record both on the Register. If the conflict cannot be eliminated, you must decline the full invitation and record the offer on the Register.

Example – Conference presentation (no legitimate business benefit and conflict of interest)

You agree to present at a conference hosted by an industry body on the benefits of diversity and inclusion in the investment management profession, drawing on your 30-year career. In anticipation of your contribution, a representative from the body has asked if you would like to nominate a registered charity that the body could make a monetary donation to on your behalf.

What should you do?

While well meaning, this offer presents reputational risks such as VFMC appearing to preference once charitable organisation over another and could impact perception of the public sector. It may also be considered to influence future procurement activities. You should decline the offer and suggest the body may like to donate to a charity of their own choosing. They could then make the financial donation directly to a registered charity in their name with no involvement from you. If the declined offer is a non-token one, you must record the declined offer on the Register.

Example – Contractual commitments to provide benefits and hospitality

VFMC has a contract with an investment manager which contains an obligation on the manager to pay for VFMC's travel and meal costs in attending site visits. An investment manager offers you an all expenses paid trip attend several site visits and the manager's annual conference.

What should you do?

You must refer to the contract and determine what falls within the definition of 'travel costs' and may only accept the parts of the offer that comply with the provisions of the contract. You must decline (or VFMC should fund subject to normal expenditure approvals) the invitation to attend the conference and must record the declined offer in the Register.

Example – State Purchase contract commitments to provide benefits and hospitality

VFMC is a signatory to the Legal Services Panel (LSP) (a Victorian Government State Purchase Contract). A partner from a panel firm offers members of the legal team an invitation to attend a cocktail party to celebrate the achievements of women in law.

What should the legal team do?

The LSP agreement (to which the law firm is a signatory) obliges panel firms to provide continuing professional education sessions (which often include token hospitality). The legal team must decline the invitation to the cocktail party and should remind the partner of the obligations under the agreement for panel firms to refrain from making offers of hospitality to public sector entities.

Example – Hospitality at market briefings (legitimate business benefit)

External service providers such as external fund managers and professional service firms host regular market briefings over lunch to a range of their clients and other industry participants. An external fund manager has invited you to market update over lunch which includes a round table discussion on market outlook with a high-profile and highly respected global investor.

What should you do?

There is a legitimate business benefit for VFMC in you attending the lunch to hear important insights from the panel discussion and report back on the information presented. In determining whether you may accept or you should decline, you should consider your relationship with the external fund manager including whether you are likely to make business decisions about them in the foreseeable future as this may create a potential or perceived conflict of interest, as the service provider making the offer could be seeking to influence a future decision to retain them.

4.3 Conflicts of interest

In determining whether an actual, potential or perceived conflict of interest arises from an offer you receive, **you must** consider the relationship between you and the person or organisation offering the gift, benefit or hospitality. You should refer to the VFMC Code of Conduct if you need further information on conflicts of interest.

You **must not** accept gifts, benefits or hospitality from those about whom you are likely to make business decisions. Examples include, during, or immediately prior to, tenders for service from external parties such as technology providers, and external fund managers etc. In these cases you have the power to make a decision in favour of the person making the offer and could be influenced, or create a perception that the offer is an inducement for a favourable decision.

4.4 Repeat offers, inducements and attempted bribery

You should be alert to repeated offers of gifts, benefits and hospitality from a single source. The cumulative value of the offers over a year may be quite high, and receiving multiple offers from the same person or organisation can generate a stronger perception that they will influence you. When accepting offers becomes a habit or even an expectation, you are likely to be in breach of the VFMC Code of Conduct.

You **must refuse** all bribes or inducements and report inducements and bribery attempts to the CEO or CFRO, who must then report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission. You **must report** any colleague who tries to solicit a bribe.

The acceptance of money, items used in a similar way to money, or items easily converted to money is prohibited, as accepting this type of offer has a high risk of influencing or being perceived as an inducement for favourable treatment.

4.5 Ceremonial gifts

Ceremonial gifts are official gifts provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial gifts are the property of VFMC, irrespective of value, and **you should** accept them on behalf of VFMC. You should speak to the CFRO to arrange handover of the gift to VFMC. The receipt of ceremonial gifts should be recorded on the Register, but this information does not need to be published online.

5 Managing the provision of gifts, benefits and hospitality

When deciding whether to provide gifts, benefits or hospitality, or what type to provide, **you must** ensure that:

- it is provided for a business reason (see section 5.1 below),
- any costs are proportionate to the benefits obtained for VFMC or the State and reasonable in terms of community expectations (see section 5.2 below),
- it does not give rise to an actual, potential, or perceived conflict of interest; and
- participants demonstrate professionalism in their conduct and extend a duty of care to other participants

In assessing whether, or how, to provide gifts, benefits or hospitality, **you should** consider the 'HOST' test.

| 'HOST' test | | |
|-------------|--------------------|---|
| H | Hospitality | To whom is the gift or hospitality being provided? <ul style="list-style-type: none"> • Will recipients be external business partners, employees, or a mixture of both? |
| O | Objectives | What is the business reason for providing the hospitality? <ul style="list-style-type: none"> • Will it further the conduct of official business? • Will it promote and support government policy objectives and priorities? • Will it contribute to employee wellbeing and workplace satisfaction? |
| S | Spend | Will the costs incurred be proportionate to the benefits obtained? <ul style="list-style-type: none"> • What type of hospitality will be provided? • Will it be modest or expensive? • If alcohol is to be provided, why? Would it be a courtesy or an indulgence? • Is an external venue necessary or does VFMC have facilities to host the event? • Is the proposed hospitality proportionate to the number of attendees? • Does the size of event and number of attendees align with intended outcomes? • Is the gift symbolic rather than financial in value? |
| T | Trust | Will public trust be enhanced or diminished? <ul style="list-style-type: none"> • Will the gift, benefit or hospitality be proportionate to public expectations or seen as excessive? • Is there a conflict of interest? • Could you publicly explain the rationale for providing the gift or hospitality? • Will the event be conducted in a manner which upholds the reputation of the public sector? • Have records in relation to the gift, benefit or hospitality been kept in accordance with reporting and recording procedures? |

5.1 Provided for a business reason

The provision of gifts, benefits or hospitality should further the conduct of official business or other legitimate goals of VFMC, the public sector or the State. Examples of legitimate business reasons include to:

- welcome guests,
- facilitate the development of business relationships and outcomes,
- cater employee related events such as training or workshops; and
- celebrate achievements.

Celebrations such as birthdays, marriages or the birth of a child should not be funded by VFMC. While VFMC may provide gifts to employees, for example as part of an organisational reward and recognition program, this should only occur in exceptional circumstances and any gifts should be token in nature.

5.2 Costs proportionate to the benefits

When providing a gift, benefit or hospitality **you must** consider the balance between costs incurred, potential benefits to VFMC or the State, and community expectations. **You should** contain costs wherever possible and **you must** follow the expenditure approval requirements set out in the VFMC Instrument of Delegations and VFMC Procurement Policy and Corporate Plan approvals and meet record keeping requirements as per the VFMC Records Management Policy.

5.3 Conflicts of interest

In determining whether an actual, potential or perceived conflict of interest arises when you provide a gift, benefit or hospitality, **you must** consider the relationship between you and party receiving the offer. Refer to the VFMC Code of Conduct for more information on conflicts of interest.

You **must not** provide gifts, benefits or hospitality unless

- no conflict exists, or
- you declare a conflict and VFMC develops a conflict management plan explicitly allowing you to provide the gift, benefit or hospitality.

5.4 Conduct during hospitality

You must ensure that when hospitality is provided **participants must**:

- demonstrate professionalism in their conduct
- uphold their duty of care to other participants

Participants accepting hospitality **must** also comply with this requirement.

5.5 Providing alcohol

The supply of alcohol at any event can lead to increased risks, including the risk of anti-social behaviour and reputational damage. VFMC generally does not permit the consumption of alcohol during business hours. If alcohol is provided to you, **you must** consider your individual obligations under the VFMC Code of Conduct, and **you must not** be impaired by alcohol whilst in the workplace or whilst representing VFMC.

6 Declaring gifts, benefits and hospitality

6.1 Directors declaration process

Directors must declare any non-token offers of gifts, benefits and hospitality offered to you in your capacity as a director of VFMC (whether accepted or declined), on VFMC's register by informing the Board at the next scheduled Board meeting and by providing written notification to the Corporation Secretary.

6.2 Gifts, Benefits and Hospitality Register ("the Register")

VFMC maintains the Register in the Protecht system, and this is regularly reviewed by the Risk and Compliance team. **You are individually responsible for declaring in Protecht all non-token gifts,**

benefits and hospitality offered to you (whether accepted or declined). You should seek advice from your People Leader if you are uncertain of how to respond to an offer of a gift, benefit or hospitality.

You **do not need to declare** generic and/or bulk event invitations that are declined (e.g. spam email offers or unsolicited offers from unknown parties).

6.3 Publication

A subset of the Register, together with this Policy, **must be published** on the VFMC public website within four months of each financial year. The published Register must cover the most recent and previous financial year.

7 Reviews

7.1 Risk and Compliance review

The Risk and Compliance team reviews all Register entries to monitor compliance with the requirements of this Policy. The results of these reviews are reported to the ARCC annually.

7.2 CEO Annual Attestation

VFMC is required to attest in the Annual Report that there have been no material breaches of the Standing Directions. This attestation includes compliance with this Policy, and it is supported by attestations from the CEO and management to the Board in this respect.

8 Related Documents

8.1 Related policies

- Code of Conduct
- Instrument of Delegations
- Procurement Policy
- Records Management Policy

8.2 Related Acts

- Financial Management Act 1994
- Public Administration Act 2004
- Public Records Act 1973

8.3 Related guidance

- Gifts, Benefits and Hospitality Policy Guide: Victorian Public Sector revised May 2024. The Minimum Accountabilities in the guide are binding obligations for VFMC under the Instructions supporting the Standing Directions 2018, incorporating revisions to 4 September 2023.
- The Code of Conduct for Victorian Public Sector Employees.
- The Code of Conduct for directors of Victorian public entities.

9 Document Information

9.1 Document Status

| | |
|-----------------------------------|--------------------------|
| Original issue date | 19 February 2009 |
| Current approval date | June 2025 |
| Document category | Board level policy |
| Annual attestation required | Yes (R&C responsibility) |
| Policy induction session required | Yes (R&C responsibility) |

9.2 Document Review and Approval

| Policy role | VFMC role | Minimum review frequency | Last review date | Next review date |
|-----------------------------------|-----------------------------|--------------------------|------------------|------------------|
| External review | N/A | N/A | N/A | N/A |
| Owner | Head of Risk and Compliance | Every three years | May 2025 | April 2028 |
| Approver 1 (ELT member) | CFRO | Every three years | May 2025 | April 2028 |
| Approver 2 (Management committee) | ORMC | Every three years | May 2025 | May 2028 |
| Approver 3 (Board committee) | ARCC | Every three years | June 2025 | June 2028 |
| Approver 4 (Board) | Board | Every three years | June 2025 | June 2028 |

9.3 Document History

| Version | Date | Summary of changes |
|------------|-------------|--|
| 1.0 – 17.0 | 2009 - 2023 | First issue and subsequent reviews |
| 18.0 | June 2025 | Update to reflect changes to VPSC Minimum Accountabilities and adopt elements of model policy with major changes including: <ul style="list-style-type: none"> • Introduction of People Leader responsibility section • Addition of requirements to report offers from VPS organisations • Change of mandatory 5 day reporting requirement for offers accepted without pre-approval to guideline • Removal of surplus text for readability • Change of review frequency from 2 to 3 years |

Appendix 1 - Definitions

| Term | Definition |
|------------------------------------|---|
| Gifts | <p>Items that are free or discounted or would generally be seen by the public as a gift. These include items such as vouchers, gift cards, books artwork, chocolates or flowers; services such as car repair. Gift cards and vouchers must be treated the same as money under the minimum accountabilities.</p> <p>The monetary value of a gift is the estimated monetary value of the item if it were not being provided either free or discounted.</p> |
| Benefits | <p>Preferential treatment, privileged access, favours or other advantage. They may include invitations to sporting, cultural or social events, access to discounts and loyalty programs, or the promise of a new job.</p> <p>The value of benefits may be difficult to define in dollars, but as they are valued by the individual, they may be used to influence the individual's behaviour.</p> |
| Hospitality | Friendly reception and entertainment of guests. Hospitality may range from light refreshments at a business meeting to expensive restaurant meals and sponsored travel and accommodation. |
| Business Associate | An external individual or entity which VFMC has, or plans to establish, some form of business relationship, or who may seek commercial or other advantage by offering gifts, benefits or hospitality. |
| Ceremonial gifts | Official gifts provided as part of the culture and practices of communities and government, within Australia or internationally. Ceremonial gifts are usually provided when conducting business with official delegates or representatives from another organisation, community or foreign government. Ceremonial gifts are the property of VFMC, irrespective of value, and should be accepted by individuals on behalf of VFMC. The receipt of ceremonial gifts should be recorded on the register but does not need to be published online. |
| Conflict of interest | <p><i>Actual</i> - there is a <u>real conflict</u> between an employee's public duties and private interests.</p> <p><i>Potential</i> - an employee has private interests that <u>could conflict</u> with their public duties. This refers to circumstances where it is foreseeable that a conflict may arise in future and steps should be taken now to mitigate that future risk.</p> <p><i>Perceived</i> - the public or a third party could reasonably <u>form the view</u> that an employee's private interests could improperly influence their decisions or actions, now or in the future.</p> |
| Legitimate business benefit | <p>gifts, benefits and hospitality accepted or provided for a business purpose, in that it furthers the conduct of official business or other legitimate goals of VFMC, the public sector or State.</p> <p>Note 'networking' and 'maintaining stakeholder relationships' are not considered to be a 'legitimate business benefit'.</p> |
| Public official | <p>has the same meaning as under section 4 of the <i>Public Administration Act 2004</i>. This includes:</p> <ul style="list-style-type: none"> • public sector employees; • statutory office holders; and • directors of public entities. |
| Public Register | register is a record, preferably digital, of a subset of the information contained in a register, for publication as required by the Minimum Accountabilities. Guidance regarding the information that should be published is provided in the VPSC Gifts, Benefits and Hospitality Policy Guide. |

| Term | Definition |
|------------------------|---|
| Register | is a record, preferably electronic, of all declarable gifts, benefits and hospitality. It records the date an offer was made and by whom, the nature of the offer, its estimated value, the raising of any actual, potential or perceived conflicts of interest or reputational risks and how the offer was managed. For accepted offers, it details the business reason for acceptance and the officer approving the acceptance. |
| Token offer | <p>is an offer of a gift, benefit or hospitality that is offered as a courtesy or is of inconsequential or trivial value to both the person making the offer and the recipient. Whilst the primary determinant of a token offer is that it would not be reasonably perceived within or outside the organisation as influencing an individual or raising an actual, potential, or perceived conflict of interest, it cannot be worth more than \$50.</p> <p>They may include promotional items, such as pens and note pads provided to you at a conference, or modest hospitality that would be considered a basic courtesy, such as light refreshments offered during a meeting.</p> |
| Non-token offer | <p>is an offer of a gift, benefit or hospitality that is, or may be perceived to be by the recipient, the person making the offer or by the wider community, of more than inconsequential value. All offers worth more than \$50 are non-token offers and must be recorded on a gift, benefit and hospitality register.</p> |

Appendix 2 – Minimum Accountabilities

When you **receive an offer** of gifts, benefits and hospitality, including from other public sector organisations, **you must:**

1. **Not seek or solicit** offers either for yourself or others
2. **Refuse all offers** that:
 - are money, items used in a similar way to money, or items easily converted to money
 - give rise to an actual, potential or perceived conflict of interest
 - could compromise the public's trust that you will perform your public duties in an impartial manner or the public's trust in the impartiality of VFMC or the public sector
 - are not consistent with community expectations
 - could reasonably be seen as a bribe or other inducement and report the offer to VFMC's CEO or delegate (who should report any criminal or corrupt conduct to Victoria Police or the Independent Broad-based Anti-corruption Commission); or
 - are non-token offers without a legitimate business benefit
3. **Declare all non-token offers** (valued at \$50 or more and any lesser value if there is a conflict of interest) whether accepted or declined on VFMC's Gifts, Benefits and Hospitality Register ("the Register").

When you **provide** gifts benefits and hospitality on behalf of VFMC, including to other Victorian public sector organisations, **you must** ensure that:

4. It is provided for a business purpose in that it furthers the conduct of official business or other legitimate organisational goals or promotes and supports government policy objectives and priorities
5. Any costs are proportionate to the benefits obtained for the State and would be considered reasonable in terms of community expectations
6. You do not provide gifts, benefits or hospitality unless no conflict of interest exists, or you declare a conflict and your organisation develops a management plan that explicitly allows you to provide it
7. When hospitality is provided participants demonstrate professionalism in their conduct and uphold their obligation to extend a duty of care to other participants

Additional obligations for heads of public sector organisations – VFMC's **CEO must:**

8. Model good practice and foster a culture of integrity
9. Establish, implement and review organisational policies and processes for the effective management of gifts, benefits and hospitality that comprehensively address the Minimum Accountabilities. This also includes policies and procedures to
 - actively support and protect employees who speak up in good faith
 - take decisive action including possible disciplinary action, against anyone who discriminates against or victimises an employee who speaks up in good faith; and
 - respond in a constructive manner to the information provided
10. Communicate policy and processes effectively to employees and make clear that a breach of this Policy or related processes may constitute a breach of binding codes of conduct and may constitute criminal or corrupt conduct and may result in disciplinary action
11. Establish and communicate a clear policy position to business associates on the offering of gifts, benefits and hospitality to directors and employees, including possible repercussions for a business associate acting contrary to VFMC's policy position. The information provided should include:
 - what constitutes a gift, benefit or hospitality
 - VFMC's policy
 - that VFMC discourages the making of offers
 - any whole of Victorian Government supplier codes of conduct
12. Report at least annually to VFMC's ARCC on the administration and quality control of this Policy, related processes and the Register. This report must include:
 - a copy of the register
 - analysis of VFMC's gifts, benefits and hospitality risks (including repeat offers from the same source and offers from business associates)
 - risk mitigation measures and any proposed improvements

13. Establish and maintain a Register for gifts, benefits and hospitality offered to VFMC directors and employees that, at a minimum, records sufficient information to effectively monitor, assess and report on these minimum accountabilities and meet the information requirements of the public register.
14. Publish this Policy and a public register of reportable offers on VFMC's public website. The published register should cover the most recent and previous financial year and be published within four months of each new financial year. The public register must at a minimum contain the following reportable information:
 - all non-token offers, whether they were accepted or not
 - the date each non-token offer was made
 - the position of the recipient
 - the position and organisation of the person making each offer
 - where possible, whether the offeror is a business associate of VFMC
 - a description of each offer and its value
 - whether the offer was accepted or declined
 - if accepted, the business reason for doing so