



Better
infrastructure
solutions.
Better lives.

A white shield with a teal border and a 3D effect, tilted slightly to the right. Inside the shield is the text 'Be CPCS smart' in a dark blue, sans-serif font. The 'CPCS' part is in a larger, bolder font, and 'smart' is in a smaller font with a small red triangle above the 'a'.

Be CPCS smart

Gifts, Entertainment and Hospitality Policy

Upholding our Integrity Standards

Approved by the CPCS Board of Directors: 02/05/2024

This policy is applicable to:

CPCS

CPCS Transcom Limited and all its subsidiaries.

All CPCS People

Employees, directors, associates and exclusive associates

Vendors and Suppliers

Based on nature of service and risk assessment.

Your responsibility

Always act with integrity. We each represent CPCS and share a collective responsibility to safeguard our organization's values.

OUR COMMITMENT

Our success is based on our individual and collective integrity, never on illegal and unethical behavior.

We do not offer nor accept anything of value to get business, keep business, or gain an unfair benefit or advantage.



PREVENT CORRUPTION

CPCS prohibits all forms of illegal conduct, including corrupt behaviors.

We value integrity in our personal and professional interactions and

relationships with our stakeholders, including clients, partners, competitors, and government officials, among others.

We're committed to upholding the highest integrity standards. And you must too.



Policy Statement

This policy outlines one's responsibilities with respect to GEH and complements our Anti-Corruption Policy.

CPCS acknowledges that occasional modest gifts, entertainment, or hospitality can be a normal part of business relationships. However, it's important not to seek, give, or accept such offerings if they could unduly influence judgment, create obligation on the part of the receiver, or give the appearance of impropriety.

CPCS Integrity Standards apply equally to GEH exchanged with both government and private sector individuals. The standards also apply to all CPCS people irrespective of the fact that they may be acting in a personal capacity and not expensing the GEH to CPCS.

Use good judgment, and when unsure, consult our Corporate Integrity Officer for advice.

Definitions

This Policy covers the following types of business courtesies exchanged with external parties:

- **Gifts** – any type of gift, whether pecuniary or not and including personal gifts.
- **Entertainment** – attendance at social, cultural or sporting events.
- **Hospitality** – meals, drinks, as well as lodging and travel expenses.

You may give or accept GEH of negligible value. This means a GEH no greater in value than \$100 USD (or the equivalent amount in foreign currency) per receiving person, and which is customary in the regular course of business.

CPCS people are responsible for understanding the rules of different jurisdictions and agencies - and erring on the side of caution, including where it contradicts the policy statement of \$100 USD

You may never give or accept a gift of cash, regardless of the value.



Considerations

Regional

Customs and practices related to GEH can vary in regions where CPCS works. Business gifts are important in some cultures for building relationships.

Ensure you're aware of the rules, cultural, and business practices where you work. Regardless of the location, you must nonetheless follow the guidelines outlined in this policy.

Third Party

We ensure that business partners, including sub-contractors, understand and are aware of CPCS's policies and have been provided with a copy of the *CPCS Integrity Code for Business Partners*. We also recognize that our clients and other involved parties may operate under more stringent GEH policies. Accordingly, we are dedicated to aligning with these policies and facilitating an understanding among our partners to maintain the highest standards of ethical business practices.

Public Officials

In light of stringent anti-corruption legislation worldwide, it's vital to exercise heightened diligence in our interactions with public officials. This group includes government representatives, civil servants, and personnel from state-owned or controlled entities, who are often subject to rigorous GEH restrictions. These restrictions may extend to seemingly minor offerings, such as accepting a cup of coffee, which could be misconstrued or prohibited outright. We are dedicated to aligning with these restrictions. If there is any uncertainty regarding the propriety of a GEH offering, staff should seek guidance. This can be done by consulting with colleagues familiar with the specific cultural and legal expectations of the jurisdiction, reaching out to the Corporate Integrity Officer, or, when appropriate, directly inquiring with the involved public official about their respective GEH policies.



Use Judgement

At CPCS, we trust our staff to exercise sound judgment, consistent with our GEH policy, when deciding on giving or accepting gifts, entertainment, or hospitality. Such decisions should be made with a clear understanding of our policies and a steadfast aim to prevent any perception of bribery or undue influence. Remember that compliance with the policy is not solely about the value of an individual item but also its context. Ensure that the total value of multiple offerings to or from the same entity does not cumulatively breach our guidelines, as this could suggest an improper influence. Should you find yourself in doubt or require advice on making the right choice, do not hesitate to consult your manager or the Corporate Integrity Officer for guidance.

Other Considerations

In the context of maintaining the integrity of our professional relationships and adhering to CPCS's ethical standards, it is essential to consider the broader implications of gift exchanges. Therefore, as part of this policy, employees must respectfully decline any gifts offered to their family members or friends by clients or business associates of CPCS. This policy applies irrespective of the gift's value, as such gestures may be perceived as attempts to gain favor or influence CPCS employees indirectly.

Likewise, employees are prohibited from offering gifts to the family members or friends of any third parties associated with CPCS, including clients, potential clients, or competitors. This ensures that all business dealings remain transparent and free from any appearance of impropriety.

To reinforce our commitment to ethical business conduct, CPCS employees must abstain from soliciting or accepting personal loans from any individuals or organizations that have, or seek to establish, a business relationship with CPCS, as well as from any competitors. Such transactions could be construed as bribes by regulators and law enforcement, potentially resulting in criminal sanctions for both the individual and the company. Upholding this policy is imperative to ensure our business decisions remain unbiased and adhere to the highest standards of integrity.



Registration and Approval

If there are compelling reasons that may justify giving or receiving GEH over \$ 100 USD, these must first be registered, reviewed and approved by our Corporate Integrity Officer reviews. To do this:

- Submit a request via our *GEH approval form*.
- When CPCS offers GEH, our most senior employee present will cover the relative expenses and ensures compliance with this policy through approval and registration.
- When CPCS receives GEH, the employee who receives the courtesy is responsible for its approval and registration, even if it is later shared with colleagues.

Compliance

Employees involved in any act in breach of this policy will be subject to disciplinary action commensurate with the breach up to and potentially including termination.

Moreover, violating anti-corruption laws may lead to potential imprisonment, monetary fines, and penalties, as well as the possible debarment of CPCS from bidding on public projects.



Questions and Raising Concerns

The Corporate Integrity Officer (CIO) at CPCS is the primary and accessible point of contact for all employees to report concerns or allegations of wrongdoing. The CIO possesses the necessary authority and responsibility to thoroughly address and investigate such matters, ensuring accountability to senior management and the board. If in doubt about any aspect of this policy, contact the Corporate Integrity Office at integrity@cpcs.ca

All CPCS People have a duty to promptly report acts that they believe in good faith are violating this policy and our Integrity Code.

4 ways to do this

- Report the concern to your manager or a member of the Talent Management team.
- Report directly to the Corporate Integrity Officer: integrity@cpcs.ca.
- Report anonymously by completing this [online form](#) (received by the Corporate Integrity Officer)
- If you have a valid reason to believe that a report to the Corporate Integrity Officer may not be handled appropriately, you can report directly to CPCS external director, Carman Joynt: cjoynt@cpcs.ca.

For more information on how to report suspected misconduct, refer to our *Integrity Code, Integrity Reporting and Investigation Policy*.



Q&A

Am I allowed to accept a computer that I won as part of a supplier-sponsored draw at a trade exhibition?

You can keep the computer if it was a random draw, and if all attendees were eligible to participate equally. No need to record it in our GEH registry.

What should I do if I receive a “more than modest” gift from a business partner in a country that traditionally provides frequent and expensive gifts?

In some cultures, gifts are important for business relationships. It's crucial to be aware and adapt to local customs when working abroad.

Consult with the Corporate Integrity Officer for approval to accept the gift, and if granted, record it in our GEH registry. The gift should not be used for personal use.

Would the \$100 limit apply to groups (more than one recipient) receiving the GEH?

GEH is considered negligible value if no greater in value than \$100 USD (or the equivalent amount in foreign currency) **per receiving person**.



Q&A **What specific factors should I consider when determining whether the GEH is such as to cast doubt on me or CPCS's integrity?**

When I'm evaluating the appropriateness of Gifts, Entertainment, and Hospitality (GEH), I must reflect on various factors to ensure my actions uphold and protect both my integrity and that of CPCS.

Always consider the following. Was the GEH:

- Did it adhere to legal requirements, the CPCS Integrity Code, and our policy?
- Was the GEH provided openly and with full transparency?
- Was it reasonable and customary given the context and locale?
- Was it given with the intent to preserve objectivity in business decisions?
- Would public disclosure of the GEH cause discomfort or raise concerns?
- Was it in cash or cash equivalents, e.g., checks, loans, gift cards, stock, stock options, etc.
- Was proper validation and recording of GEH values performed.

Every instance of GEH should be evaluated against these criteria to maintain the high ethical standards CPCS is committed to.



Q&A **What are examples of GEH considered unacceptable?**

- Any form of illegal contributions or inducements.
- Monetary gifts or equivalents, including vouchers, stocks, or any items that can be converted to cash, irrespective of value.
- Gifts or hospitality that are excessively lavish or not aligned with the significance of the event.
- Offerings that could compromise or seem to influence the impartiality of the recipient's business decisions.
- Any GEH that contradicts the CPCS Integrity Standards.
- Offerings to individuals in the process of making significant business decisions for CPCS, such as contract awards.
- GEH that could tarnish the reputation of CPCS if it became public knowledge, both within the local context and globally.
- Any GEH that violates the internal policies of the recipient, particularly for government officials subject to strict regulatory regimes.



Q&A **What are examples of GEH normally acceptable?**

The following are normally acceptable when given to third parties who are not public officials:

- Token seasonal gifts, where such gifts are a common cultural feature and the value of the modest gift is within this policy's financial limits.
- Modest, occasional meals with a business partner that fall within this policy's financial limits.
- Small corporate, promotional gifts, for example pens marked with the company logo and similar items.
- Occasional attendance at ordinary sporting or cultural events such as theatre performances or concerts.

What are examples of GEH requiring approval?

The following examples may be acceptable, but must first be authorized by the Corporate Integrity Officer:

- Travel expenses of third parties involving flights and overnight stays.
- The inclusion of partners at CPCS hospitality events.
- Invitations to particularly expensive cultural or sporting events, such as World Cup finals.
- Gifts on special occasions, such as births and weddings, if above USD\$100.

