



<b>Name of Policy</b>	No Gift Policy		
<b>Companies</b>	Boustead Holdings Berhad and its subsidiaries or related companies		
<b>Scope</b>	All directors and employees		
<b>Version</b>	Version 1/2019	<b>Effective Date</b>	1 <sup>st</sup> December 2019

## **1.0 POLICY STATEMENT**

- 1.1 Boustead Holdings Berhad and its subsidiary companies (*hereafter referred to collectively as the Group*) are committed towards ensuring the highest standards of integrity, accountability and professionalism in the conduct of its businesses to protect and preserve the Group's interests and reputation. This is consistent with the Group's core values of **RESPECT, INTEGRITY, TEAMWORK** and **EXCELLENCE**.
- 1.2 This No Gift Policy is intended to apply to all directors and employees of Boustead Group and its subsidiary companies. Boustead Group expects that contractors, agents, representatives and others who are undertaking work for or in the interest of Boustead Group will comply with it when fulfilling their duties and provision of services.
- 1.3 Aimed at avoiding perception of conflict of interest for either parties involved in business dealings with Boustead Group, this No Gift Policy is established to provide guidance for providing and receiving gifts, entertainment and hospitality.
- 1.4 Directors and employees should comply with the law if a law contradicts with the policy as set forth in this No Gift Policy. In any event the provision in this Policy contradicts with the law in their jurisdiction, directors and employees should consult with the Integrity and Governance Department. Nonetheless, if a local custom contradicts with this Policy, directors and employees are required to comply with this Policy.

## **2.0 OBJECTIVES OF THE POLICY**

- 2.1 Subject to certain exceptions, in accordance with this No Gift Policy the Group has adopted, its directors, employees and family members or agents acting for or on behalf of the Group are strictly prohibited from receiving or providing gifts, entertainment and hospitality directly or indirectly.
- 2.2 In order to prevent the element of conflict of interest for either parties involved in business dealings with the Group, directors and employees are bound to comply with this policy as gifts, entertainment and hospitality might be construed as bribery and might adversely affect the Group's credibility or be in violation of anti-bribery and corruption laws.
- 2.3 External parties involved in business dealings with Boustead Group should be informed by the directors and employees that the Group practices a No Gift Policy and to acquire their understanding of compliance with this Policy.

### 3.0 DEFINITION

- 3.1 **The Group** refers to Boustead Holdings Berhad and its subsidiaries or related companies.
- 3.2 **Policy** refers to this No Gift Policy.
- 3.3 **Gifts** refer to any token of appreciation and gratitude, gift vouchers, cash, physical gifts or other items of value, to and from people who may have, or who may facilitate the creation of a business relationship with Boustead Group.
- 3.4 **Entertainment** means participation at any social events, sporting events, functions, meals or other occasions (whether they include a business purpose or not and received or provided) in connection with Boustead Group.
- 3.5 **Hospitality** refers to any travel and accommodation received or provided by people who may have, or who may facilitate the creation of a business relationship with Boustead Group.
- 3.6 **Family/Household** refers to employee's spouse(s), children, parents, step-parents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews as well as other persons who are members of the household.
- 3.7 **Employee(s)** means any person who is in the employment of Boustead Group including but not limited to executives, non-executives, secretaries and secondees.
- 3.8 **External Party** means any individual who may be directly or indirectly involved with Boustead Group.
- 3.9 **Government Officials** is defined as person acting in an official capacity for, or on behalf of any government entity.

### 4.0 GIFTS

#### 4.1 RECEIVING GIFTS

Gift giving is a common business practice in certain norms or situations and can be a very delicate subject. Some external parties may still insist in providing gifts to the Group's employees, directors and/or their family members in certain situations which fall outside the general exceptions despite acknowledging this Policy.

Although such gifts should be refused or returned immediately, the acceptance of gifts on behalf of the Group is permitted only in certain situations where the rejection of a gift might offend and may sever the Group's business relationship with external parties.

However, under no circumstances may a director or an employee, his/her family/household members accept gifts in the form of cash or cash equivalent from parties that it conducts business with. If there is a conflict of interest situation, then the gift must be politely returned with a note of explanation about the Group's No Gift Policy.

#### 4.2 PROVIDING GIFTS

The principle of integrity requires that directors and employees of the Group should not place themselves under an obligation that might influence, or be perceived to influence the conduct of their duties. Generally, directors and employees are not permitted to provide gifts in any form, in their dealings with external parties.

#### 4.3 EXCEPTIONS

Although the Group practices a No Gift policy, subject only to certain narrow exceptions, receiving and providing of gifts shall be exempted in the following situations:

- i) Gifts given or received are permitted as long it does not exceed RM500 and does not violate the provisions of this Policy.
- ii) Exchange of gifts at the company-to-company level (e.g. gifts exchanged between companies as part of an official company visit/courtesy call and thereafter said gift is treated as company property).
- iii) Gifts from the Group to external institutions or individuals in relation to the Group's official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event).
- iv) Gifts from the Group to directors and employees and/or their family members in relation to an internal or externally recognised Group function, event and celebration (e.g. in recognition of an employee's or director's service to the Group).
- v) Token gifts of nominal value normally bearing the BOUSTEAD logo (e.g. diaries, calendar, pens, mugs or other small promotional items) or that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events such as conferences, exhibitions, training, trade shows etc. deemed as part of the Group's brand building or promotional activities.
- vi) Gifts to external parties who have no business dealings with the Group (e.g. monetary gifts or gifts in-kind to charitable organisations).

Where the value of gifts given or received exceeds the monetary threshold of RM500, directors and employees shall declare the gift given or received to the Integrity and Governance Department. Directors and employees are required to exercise proper judgement in handling gifts and act consistent with the general principles set out as below regardless of the above exclusions:

- i) Uphold high standards of integrity.
- ii) Exercise reasonable care and proper judgement.
- iii) Avoid conflicts of interest.
- iv) Refrain from misuse of position, title or any authority associated with the Group for personal gain.
- v) Comply with applicable laws, regulations and the Group's policies and procedures.

## **5.0 ENTERTAINMENT**

### **5.1 RECEIVING ENTERTAINMENT**

Where there is a business purpose in connection with the Group, occasional acceptance of an appropriate and moderate level of entertainment provided by external parties is recognized as a lawful way of creating goodwill and enhancing business relationships.

Directors and employees should always exercise proper care and judgement in determining the appropriateness of the entertainment provided by an external party in order to protect the Group's reputation from allegations of impropriety or undue influence.

The family members of directors and employees by no means may accept entertainment in exchange for the exercise of the Group authority or conversely to the disadvantage of the Group.

### **5.2 PROVIDING ENTERTAINMENT**

In order to encourage good business relationships, the Group recognises that providing moderate entertainment is fundamentally a regular practice within the business setting to build good business relationships with external clients. Directors and employees are permitted to entertain external clients through reasonable and moderate acts in the context of business networking as well as a measure of goodwill towards the recipients. The act of hospitality through entertainment is a central part of business etiquette in certain countries.

Directors and employees should be mindful when providing entertainment since perception is more important than fact and should always exercise proper care and judgement to ensure compliance with local anti-bribery and corruption laws.

Providing or offering entertainment in order to exert undue influence in exchange for any future benefit or outcome on any party is strictly prohibited. Whether directly or indirectly provided by an intermediary, it may be construed as an act of bribery and may conflict with the prevalent principles.

Directors and employees are obliged to comply with the policies and procedures laid down by the Integrity and Governance Department, and keep track of the expenses incurred when carrying out entertainment activities.

## **6.0 HOSPITALITY**

### **6.1 RECEIVING HOSPITALITY**

The Group strictly prohibits directors and employees from soliciting hospitality nor are they allowed to accept hospitality in any form. There is concern that acceptance of hospitality particularly from a repetitive source and/or where a considerable degree of hospitality is involved may expose the individual and the Group to allegations of impropriety or undue influence.

### **6.2 PROVIDING HOSPITALITY**

The Group strictly prohibits directors and employees from providing hospitality in any form, in their dealings with external parties. An organisation faces the risk of being prone to accusations of impartiality, bias, deceit or even unlawful conduct.

## **7.0 GOVERNMENT OFFICIALS**

Certain countries put forward a more rigid and strict penalization of the laws bribery and corruption, therefore it is necessary to exercise prudence when dealing with government officials. The Government of Malaysia prohibits giving anything of value to government officials in order to obtain or retain business or to secure some other improper advantage precisely to avoid corruption or the impression of corruption. Providing gifts, entertainment and hospitality to government officials or their family/household members is generally considered a "red flag" situation in most jurisdictions. Reasonable due diligence should be exercised, particularly when the arrangements involve government officials. To prevent violation of laws, directors and employees must be aware of local laws governing the activity and to ensure compliance.