



*Delivering
Sustainable Futures*

Gifts, Hospitality & Donations Procedure

Version 1.0

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Purpose

Sime Darby Berhad's ("**The Group**", "**our**", "**we**", "**us**") Gifts, Hospitality & Donations Procedure ("**GHD Procedure**", or "**this Procedure**") sets out the standards and requirements which must be observed when providing or receiving gifts, entertainment, hospitality or donations (collectively, "**GHD**") to or from any person or entity outside the Group. This Procedure must be read in conjunction with GPA B1 - Code of Business Conduct and Section 8 of the Group's Anti-Bribery and Anti-Corruption Policy ("**ABC Policy**").

Applicability

This policy applies to all Directors and Employees of the Group. This includes Employees on secondment to Joint Ventures, affiliates or associates. Counterparties are also expected to comply with this Policy. Business Partners are encouraged to adopt similar principles and standards of behaviour.

You must comply with additional regulatory requirements which may apply to your business / country, and contact your legal team / Group Compliance & Integrity ("**GCI**"), should you have any jurisdiction-specific questions.

All individuals and entities performing services for and on our behalf will be held to the same ethical standards as our Employees, including but not limited to consultants, agents, contractors and goods / service providers, distributors, resellers, and government intermediaries (collectively, "**third parties**").

Scope

Gifts and Hospitality

This Procedure prescribes the Limits of Authority with regards to Gifts and Hospitality.

Business units are expected to develop their own respective thresholds, based on the prescribed Gifts and Hospitality thresholds in this Procedure.

Donations and Sponsorships

For further guidance, please refer to GPA B1 - Code of Business Conduct and Section 8 of the Group's Anti-Bribery and Anti-Corruption Policy ("**ABC Policy**").

Please refer to **GPA E5 - Operational Matters** for the applicable thresholds for donations and sponsorships. Business units are expected to develop their own respective thresholds, based on the prescribed thresholds in GPA E5.

Definitions

Gifts	<p>Gifts refers to valuable property or service of any value (even if nominal), for which the recipient does not pay the fair value.</p> <p>Gifts are divided as follows:</p> <ul style="list-style-type: none"> (a) <u>Courtesy Gifts</u> are customary gifts to strengthen business relationships. Examples of Courtesy Gifts include, but are not limited to gift baskets, boxes of chocolate, wine, collectibles, flowers. (b) <u>Corporate gifts</u> normally bear the company name and logo and are of nominal value. Examples of corporate gifts include items such as diaries, table calendars, pens, notepads, and plaques. (c) <u>Festive Gifts</u> include traditional treats or gifts customary to the occasion. Examples include festive hampers, oranges, dates. (d) <u>Congratulatory and Compassionate gifts</u> are customary gifts which include, but are not limited to the following: <ul style="list-style-type: none"> (i) <u>Congratulatory gifts</u> include gifts to mark the opening of a business, graduation, weddings. (ii) <u>Compassionate gifts</u> include tokens of bereavement in the event of death, gifts given following an illness / accident. <p>All Gifts offered and received are subject to the Gift and Hospitality Guiding Principles. Please refer to the Gifts, Hospitality and Donations Procedure for applicable limits of authorities for Hospitality.</p>
Hospitality	<p>Hospitality is the collective term referring to any form of accommodation, drink, meal, entertainment, cultural or sporting event, theatre event, recreation and travel or transportation. Entertainment and travel are defined further as follows:</p> <ul style="list-style-type: none"> (a) <u>Entertainment</u> refers to an activity or meal intended to maintain the Group's business relationship where a Group employee is in attendance, including conference or event passes, or tickets /passes to concert or sporting events. (b) <u>Travel</u> refers to domestic or international trips provided to/receive from any third party, where the travel serves a legitimate business purpose above and beyond developing relationships. Costs associated with travel include airfare, hotel accommodations, and ground transportation during a trip. <p>All Hospitality offered and received are subject to the Gift and Hospitality Guiding Principles. Please refer to the Gifts, Hospitality and Donations Procedure for applicable limits of authorities for Hospitality.</p>
Donations	<p>Includes donations and sponsorships to: (i) registered charitable organisations and (ii) customer's and supplier's event and activities. These exclude contributions made to Yayasan Sime Darby.</p>

	All political contributions and / or donations must be approved by the Board.
Notes	Any other terms used here shall carry the same meaning in the ABC Policy

Gifts and Hospitality Guiding Principles

Gifts and Hospitality Guiding Principles

In general, offering and accepting Gifts and Hospitality is permissible, provided the following guiding principles are observed (“Gifts and Hospitality Guiding Principles”):

Principle 1: Recipients

The recipient’s organisation permits the giving or receiving of such Gifts / Hospitality.

Principle 2: No Cash & Personal Services

Gifts / Hospitality in the form of cash or cash equivalents, or personal services are not allowed. However, should local custom or circumstances dictate that cash is the only appropriate form of gift, it will be strictly subject to approval of the Division Managing Director.

Principle 3: Ability to Influence

The Gift / Hospitality will not create an actual or perceived conflict of interest. Gifts / Hospitality that appear to or are intended to establish an obligation on the recipient, or influence the impartiality of the recipient are prohibited.

Principle 4: Value

The Gift / Hospitality is not lavish and is proportionate under the circumstances (accounting for, among other factors, the value of the Gift / Hospitality, frequency with which Gift / Hospitality has been given to or received from said party/organisation in the past).

Principle 5: Nature of Gift / Hospitality

The Gift / Hospitality is appropriate, and inoffensive (i.e.: not indecent, sexually oriented or culturally insensitive).

Principle 6: Government Officials

Gifts and Hospitality given to Government Officials expose the Group to higher risks under anti-bribery and anti-corruption laws. Depending on jurisdiction, there may be additional laws, rules, and regulations that govern the Group’s business dealings with Government Officials. Employees are expected to be mindful and comply with all rules that apply to interactions with Government Officials, including rules regarding the offering of gifts and hospitality.

Where possible, Directors, Employees and Counterparties (when acting on behalf of Group Companies) should avoid offering Gifts and Hospitality to Government Officials. If a Gift is necessary, a Corporate Gift is encouraged.

- a) With regards to accepting Hospitality in the form of Travel: Employees may accept lodging and meals provided by Counterparties, Business Partners or other stakeholders within the host country if the trip is for business purposes and prior approval has been obtained from the relevant Division MD or the GCEO. The cost of travelling to the host country must be borne by the Group.
- b) With regards to offering Hospitality in the form of Travel: Unless prohibited by law or the policy of the recipient organisation, the Group may bear the costs of transportation and lodging for Counterparties, Business Partners or other stakeholders in connection with a legitimate business purpose e.g. on-site examination of equipment, contract negotiations or training. Prior approval from the relevant Division MDs or the GCEO must be obtained.
- c) Please refer to the following guideline for Gifts, Hospitality, and Donations & Sponsorships that are allowed. The following guidelines shall be read together with the attached Limits of Authority which sets out Divisional / Regional Limits of Authority. Where a GHD Register is required to be filled and completed, please refer to the attached GHD Register Template.

Type of Gift / Hospitality / Donation	Description	OFFERING GHD		RECEIVING GHD	
		To all other recipients	To Government Officials	From all other third parties to Sime Darby Employees	From Government Officials to Sime Darby Employees
Courtesy Gifts	Is it allowed?	✓	✓*	✓	✓#
	Is a limit of authority prescribed?	Refer to Limits of Authority		X Subject to Gifts and Hospitality Guiding Principles	X Subject to Gifts and Hospitality Guiding Principles
	Must GHD Register be filled up?	✓	✓	✓	✓#
Corporate Gifts	Is it allowed?	✓	✓*	✓	✓#
	Is a limit of authority prescribed?	X	X	X	X
	Must GHD Register be filled up?	X	X	X	X

Type of Gift / Hospitality / Donation	Description	OFFERING GHD		RECEIVING GHD	
		To all other recipients	To Government Officials	From all other third parties to Sime Darby Employees	From Government Officials to Sime Darby Employees
Festive Gifts	Is it allowed?	✓**	✓*	✓	✓#
	Is a limit of authority prescribed?	Refer to Limits of Authority		X Subject to Gifts and Hospitality Guiding Principles	X Subject to Gifts and Hospitality Guiding Principles
	Must GHD Register be filled up?	✓	✓*	✓	✓#
Congratulatory Gifts	Is it allowed?	✓**	✓*	✓	✓#
	Is a limit of authority prescribed?	Refer to Limits of Authority		X***	X Subject to Gifts and Hospitality Guiding Principles
	Must GHD Register be filled up?	✓	✓	✓***	✓#
Compassionate Gifts	Is it allowed?	✓**	✓*	✓	✓#
	Is a limit of authority prescribed?	X***	X***	X***	X
	Must GHD Register be filled up?	✓	✓	✓***	✓#
Entertainment	Is it allowed?	✓	✓*	✓	✓#
	Is a limit of authority prescribed?	Refer to Limits of Authority		X Subject to Gifts and Hospitality Guiding Principles	X Subject to Gifts and Hospitality Guiding Principles
	Must GHD Register be filled up?	X	✓*	X	✓#

Type of Gift / Hospitality / Donation	Description	OFFERING GHD		RECEIVING GHD	
		To all other recipients	To Government Officials	From all other third parties to Sime Darby Employees	From Government Officials to Sime Darby Employees
Travel	Is it allowed?	✓	✓*	✓	X
	Is a limit of authority prescribed?	Refer to Limits of Authority		X Subject to Gifts and Hospitality Guiding Principles	X
	Must GHD Register be filled up?	✓	✓	✓	X
Donations & Sponsorship	Is it allowed?	✓	X	X	X
	Is a limit of authority prescribed?	✓ Refer to GPA E5 (Para 7.2)	X	X	X
	Must GHD Register be filled up?	✓ Refer to GPA B1 (Para 10.4)	X	X	X

* To exercise caution, as Gifts / Hospitality given to Government Officials expose the Group to higher risks. Where possible, a Corporate Gift is preferred. Gifts in the form of cash or cash equivalents are not allowed

** Where cash or equivalent are being offered under circumstances which are customary or where cash is unavoidable (e.g. festive angpows and or shopping vouchers and/or prepaid cards, and/or bereavement token), special approval must be obtained in writing from the relevant Division MD or the GCEO to seek an exception from Principle 2 of the Gifts and Hospitality Guiding Principles.

*** No thresholds prescribed (as Congratulatory and Compassionate Gifts are received in an Employee's personal capacity). However, amounts must be declared and records must be kept.

Gifts/ Hospitality from government officials are unlikely. However, in the event that employees do receive Gifts/ Hospitality from government officials, it is mandatory for Employees to declare by completing the GHD register.

Limits of Authority

Entertainment

All Gifts → Courtesy Gifts/ Festive Gifts/ Congratulatory Gifts/ Compassionate Gifts (except Corporate Gifts as no threshold is prescribed)

Region Authority	China	Hong Kong	Macau	Taiwan	Australia	New Zealand	**Malaysia	Thailand	Singapore
Division MD	*RMB 3,000 (RM1,800)	HKD 8,000 (RM4,400)	MOP 8,000 (RM4,200)	NTD 30,000 (RM4,200)	AUD 2,500 (RM7,500)	NZD 2,500 (RM7,000)	RM 2,500	THB 20,000 (RM2,600)	SGD 2,000 (RM6,000)
Region Authority	Brunei	**Vietnam	**South Korea	Maldives	Papua New Guinea	New Caledonia	Christmas Island	Solomon Island	Japan
Division MD	BND 500 (RM1,500)	VND 10M (RM1,800)	KRW 400,000 (RM1,400)	MVR 5,500 (RM1,485)	PGK 4,200 (RM5,166)	XPF 120,000 (RM4,800)	AUD 500 (RM1,500)	SBD 9,800 (RM4,900)	JPY 100,000 (RM3,900)

Travel

Region Authority	China	Hong Kong	Macau	Taiwan	Australia	New Zealand	Malaysia	Thailand	Singapore
Division MD	RMB 40,000 (RM24,000)	HKD 60,000 (RM33,000)	MOP 60,000 (RM31,800)	NTD 227,000 (RM31,780)	AUD 20,000 (RM60,000)	NZD 20,000 (RM56,000)	RM 20,000	THB 150,000 (RM19,500)	SGD 15,000 (RM45,000)
Region Authority	Brunei	Vietnam	South Korea	Maldives	Papua New Guinea	New Caledonia	Christmas Island	Solomon Island	Japan
Division MD	BND 7,000 (RM21,000)	VND 100M (RM18,000)	KRW 5M (RM17,500)	MVR 55,000 (RM14,850)	PGK 50,000 (RM61,500)	XPF 1.45M (RM58,000)	AUD 5,000 (RM15,000)	SBD 115,000 (RM57,500)	JPY 400,000 (RM15,600)

Donations and Sponsorships

Notes

- Please refer to Paragraph 7.2 of GPA E5 - Operational Matters for applicable thresholds
- * The LOA is the maximum amount prescribed by law.
 - ** The limits prescribed applies to non-government officials only. For limits that applies to providing gifts and entertainment for government officials please take extra caution and refer to your respective Legal Department for limits prescribed by local laws.
 - 1. All limits of authority are prescribed on per person basis.
 - 2. The GCFO assumes the LOA for DMD.
 - 3. If the LOA is exceeded, then prior approval from its one level above is required.
 - 4. For Division with Deputy DMD, both Deputy DMD and DMD assumes the same LOA prescribed for DMD.
 - 5. This following exchange rate table must be used in conjunction with the authority limits stipulated in this Procedure to assess the threshold requirements for the countries listed. The amounts provided in the table are not intended to be an exact conversion, but a reasonable equivalent for that country.

Exchange Rate	RMB 1 : MYR 0.6	HKD 1 : MYR 0.55	MOP 1 : MYR 0.53	NTD 1 : MYR 0.14	AUD 1 : MYR 3	NZD 1 : MYR 2.8	THB 1 : MYR 0.13	SGD 1 : MYR 3	BND 1 : MYR 3	VND 1,000 : MYR 0.18	KRW 100 : MYR 0.35	MVR 1 : MYR 0.27	PGK 1 : MYR 1.23	Franco 10 : MYR 0.4	SBD 1 : MYR 0.5	JPY 100: MYR 3.9
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Template GHD Register

Accepting GHD

No.	Date Received	Received By	Received From	Description of GHD	Reason for Accepting	Estimated Value	Approved by?

Offering GHD

No.	Date Received	Received By	Received From	Description of GHD	Reason for Offering	Estimated Value	Approved by?