



# **GIFT / SPONSORSHIP / DONATION POLICY AND PROCEDURE**

Ref. No.: MCG/GIG/GSD-PP/001



**GIFT / SPONSORSHIP / DONATION  
POLICY AND PROCEDURE**

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14 JUNE 2023

**DISTRIBUTION CONTROL**

This Policy can be found electronically on MARA CORP's website and is available on its Subsidiaries' website. This Policy is uncontrolled when printed and the updating of this Policy is managed by the Group Integrity & Governance.

**REVISION RECORD**

The responsibility of the holder of this Policy is to ensure that this copy is kept up to date by the inclusion of all amendments. Alterations to this Policy are not permitted without prior approval of the MARA Corp's Board of Directors ("BOD").

REV	DESCRIPTION	DATE
000	Establishment of the Gift / Sponsorship / Donation Policy and Procedure	14 June 2023

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## **1.0 INTRODUCTION OF GIFT / SPONSORSHIP / DONATION POLICY AND PROCEDURE**

In line with the Group's desire to maintain a reputation for integrity in the conduct of its business operations, all Group's employees are required to observe the highest standard of professionalism, honesty, integrity, and ethics in all business relationships and comply with all laws and regulations.

This Policy aims to protect those involved by clarifying what forms of gifting is permissible and what is not, to avoid any conflict of interest and to ensure that we treat all people and organisations with whom we come into contact or conduct business, impartially.

### **1.1 PURPOSE**

The objective of this Gift, Sponsorship and Donation Policy is to provide guidance to employees and representatives of the Group on the acceptance or solicitation of gifts, sponsorships, and donations and to ensure that such activities do not conflict with the Group's interest or reputation.

It is the Group's commitment to adhere to the laws and regulations governing the acceptance of gifts, sponsorships, and donations and to abstain from any undue influence on decision-making in relation to them. In all cases, employees and representatives of the Group should observe the highest standards of integrity and ethical practices.

This Policy should be read in conjunction with the Group's Anti-Bribery and Anti-Corruption Policy, Anti-Bribery Management System Manual and Code of Conduct.

### **1.2 SCOPE**

Any gift-giving, donation and sponsorship is subject to approval of the relevant decision makers according to the limits of authority specified in the applicable Group's Limits of Authority and shall observe the following:

- a) They are customary and lawful.
- b) They do not have or are perceived to have (by either the giver or receiver) any effect on actions or decisions.
- c) There is no expectation of any specific favor or improper advantage from the intended recipient.
- d) Independent judgement of the expected recipient is not affected.
- e) Does not involve any corrupt or criminal intent.
- f) Must be done in an open and transparent manner.

### 1.3 APPLICABILITY

This Policy is applicable to **MARA Corporation Sdn Bhd** and its Subsidiaries, its Board of Directors, the respective Board of Subsidiaries and their respective directors, officers, and Employees ("**Group**").

Joint-venture companies or co-venture and associated companies in which the Group is noncontrolling are required to adopt these or any similar principles which are reasonably adequate. External services/goods providers and Business Associates are also expected to comply with this Policy in relation to all work conducted with the Group, or on its behalf.

## 2.0 DOCUMENT CONTROL, TERMINOLOGIES, ABBREVIATIONS AND DEFINITIONS

### 2.1 DOCUMENT CONTROL

The Appointed Custodian of this Policy on behalf of the Group is the Head of Group Integrity and Governance (HGIG), who shall be responsible for incorporating any amendments and updates into this Policy, obtaining the endorsement of the BGRC and approval of the BOD for those amendments and updates and distributing the same to the relevant parties. Any inquiries related to this Policy shall be addressed to the Appointed Custodian.

The BOD and BGRC have overall responsibility for this Policy and shall oversee the implementation of this Policy. The BOD and BGRC have delegated day to day responsibility for the administration and implementation to the HGIG. The use and effectiveness of this Policy shall be regularly monitored and reviewed by the HGIG.

### 2.2 TERMINOLOGIES, ABBREVIATIONS AND DEFINITIONS

<b>Terminology / Abbreviation</b>	<b>Definition</b>
<b>ABAC Policy</b>	Group's Anti-Bribery and Anti-Corruption Policy
<b>ABMS</b>	ISO 37001:2016 Anti-Bribery Management System
<b>Appointed Custodian</b>	Shall refer to the Head of Group Integrity & Governance
<b>Authorized Person</b>	Representative by a Subsidiaries / Department who is assigned by the Head of Business Unit/Head of Department.

<b>Terminology / Abbreviation</b>	<b>Definition</b>
<b>BOD</b>	MARA Corp's Board of Directors
<b>BGRC</b>	Board Governance and Risk Committee
<b>Bribery &amp; Corruption</b>	Any action which would be considered as an offence of giving or receiving 'gratification' under the Malaysian Anti-Corruption Commission Act 2009 (MACCA). In practice, this means offering, giving, receiving, or soliciting something of value to illicitly influence the decisions or actions of a person who is in a position of trust within an organisation.
<b>Business Associates</b>	An external party with whom the Group has, or plans to establish, any form of business relationship. This may include clients, customers, joint ventures, outsourcing providers, contractors, consultants, subcontractors, suppliers, advisers, agents, distributors, representatives, intermediaries, and investors.
<b>CIGO</b>	Chief Integrity and Governance Officer who is deemed qualified by fully completing the Certified Integrity Officer programme and certified as Integrity Officer by the Malaysian Anti-Corruption Academy.
<b>Conflict of Interest</b>	An Employee's personal interests either influence, have the potential to influence or interfere with objectivity in performing his/her duties, exercising judgment or decision-making on behalf of the Group.
<b>Corporate Gift</b>	<p>Something given from one organization to another, with the appointed representatives of each organization giving and accepting the gift. It may also be promotional items given out equally to the public at events, trade shows and exhibitions as a part of building the Company/Group's brand.</p> <p>The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved. Corporate Gifts normally bear the giver's name and logo. Examples of Corporate Gifts include items such as diaries, table calendars, pens, notepads, and plaques.</p>

<b>Terminology Abbreviation</b>	<b>/</b>	<b>Definition</b>
<b>Donation Sponsorship</b>	<b>&amp;</b>	Charitable contributions and sponsorship payments made to support the community, organization, or individuals. Examples include sponsorship of educational events, supporting NGOs, and other social causes.
<b>Employee</b>		Directors and members of the board including subsidiaries and all individuals directly contracted to the Group on an employment basis, including permanent and temporary employees. The directors refer herein shall include the definition in Section 2 of the Companies Act 2016.
<b>GHCM</b>		MARA Corp's Group Human Capital Management
<b>GIGU</b>		MARA Corp's Group Integrity and Governance Unit
<b>GLOA</b>		MARA Corp's Group Limits of Authority
<b>GROUP</b>		MARA Corporation and its Subsidiaries
<b>HGIG</b>		Head of Group Integrity and Governance Unit
<b>Hospitality</b>		The considerate care of guests, which may include refreshments, accommodation and entertainment at a restaurant, hotel, club, resort, convention, concert, sporting event or other venue such as the Group's offices, with or without the personal presence of the host. Provision of travel may also be included, as may other services such as provision of guides, attendants, and escorts; use of facilities such as a spa, golf course or ski resort with equipment included.
<b>Subsidiary/ Subsidiaries</b>		<p>Shall refer to Section 4 of the Company Act 2016. Any company or other entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Party.</p> <p>"Control" means ownership of more than fifty percent (50%) of the voting stock of the controlled company or the direct or indirect right to determine its actions by contract or otherwise.</p>

### **3.0 GIFT**

#### **3.1 RECEIVING GIFT**

- a) Employees are prohibited from directly or indirectly, receiving any gifts, kickbacks or guarantees in any form that may compromise an employee's judgement and decision making.
- b) Any gift offered must be politely declined and returned without offending or disrupting the business relations with the other party, with the explanation that acceptance of the gift is not permitted under the Group's policy.
- c) If an external provider still insists on giving a gift even after explanation of the Group's Gift Policy or it is offensive or not practical to refuse the gifts, the personnel must immediately inform his or her superior and GIG. A duly completed Gift and Hospitality Declaration Form provided in **Appendix 1** shall be forwarded to GIG.
- d) Under no circumstances, any personnel accept gifts in the form of cash or cash equivalent or in any other form, including but not limited to:
  - i. Cash, commission, cheques, loans, credits cards in any currency;
  - ii. Shares/equity interest in any registered company;
  - iii. Event tickets (concerts, Formula 1);
  - iv. Coupons or gift vouchers exchangeable for cash or goods;
  - v. Awards or prizes of any monetary value;
  - vi. Trade point cards of any retailer; and
  - vii. All other gifts from external providers.
- e) Family members of personnel are strictly prohibited from receiving gifts from any external providers having financial dealings with the Group, where the provision of the gift may influence the actions of the personnel while performing their duties.
- f) If a gift cannot be refused promptly or returned to the giver before leaving the venue, the person must inform GIG to arrange the return of the gift immediately.

#### **3.2 PERMISSIBLE GIFT**

- a) Under very limited circumstances, employees may accept gifts that are not related to their duties, whether they correspond to the purpose they were given are as follows:
  - i. Acceptance of a gift is of value (in monetary form) exceeding RM500.00. In this case the acceptance of the gift must be reported to the GIG and approved by the GCEO / HOD for approval.



- ii. Acceptance of a gift is in accordance with the purpose of the gift given or there is no need to report to the GCEO / HOD for approval if the value of the gift is below RM500.00.

In addition, the acceptance of a gift is in accordance with the purpose of the gift even if the value exceeds RM500.00, if the acceptance of the gift is in the following circumstances:

- Acceptance of gifts from colleagues in conjunction with the retirement, exchange, engagement, marriage of employee;
  - Acceptance of gifts from the wife or husband, children including children-in-law or legally adopted children, parents including parents-in-law and siblings from the wife's or husband's side;
  - Acceptance of gifts from relatives and friends in conjunction with birthdays, engagements, and weddings of employee or children or any other occasion related to customs and religion;
  - Acceptance of perishable and non-durable gifts such as fruits, sweets, soft drinks, flowers and so on; or
  - Acceptance of corporate gifts of insignificant value, such as diaries, pens, calendars, and notebooks given equally to all participants during official functions, provided that the items are not concealed.
- b) It is the responsibility of the recipient of the gift to ensure that nothing is received which might create a Conflict of Interest or bring their integrity into question. If they are unsure, they should discuss the matter with GIG at the earliest opportunity. The GIG shall decide if the gift creates an actual or potential Conflict of Interest.

### **3.2 GIVING GIFT**

- a) Personnel are expected to exercise good judgment in offering gifts to external stakeholders. However, the provision of gifts is only permitted in the following situations:
  - i. Exchange of gifts at a company-to-company level (e.g. gifts exchanged between companies as part of an official company visit, signing ceremony or launch event);
  - ii. Gifts from the Group to external institutions or individuals in relation to official functions, events and celebrations or as a token of appreciation, and celebration;
  - iii. Gifts from the Group to its employees in relation to an internal or externally recognised function, event, and celebration
  - iv. Token gifts of nominal value normally bearing the Group logo (e.g. t-shirts, pens, diaries, calendars and other small promotion items) that are given out equally to public, customers, partners and key stakeholders attending events such as

conferences, exhibitions, training, trade shows, sales and marketing events, etc. and deemed as part of the Group's brand building or promotional activities;

- v. Gifts to external parties who have no business dealings with the Group such as monetary gifts or gifts in-kind to charitable organisations, sporting events, educational institutions, community organisations or any other organisations or entities that fulfil the Group's Corporate Social Responsibility and philanthropic initiatives and objectives (e.g., donations, sponsorship, fund to schools, special events, etc.).
- b) Giving of gifts should not be done frequently and/or during specific time periods, such as during tenders or contract negotiations, to ensure that no influence is exerted on the decision-making process.
- c) All gifts shall be approved according to the Limits of Authority before they are given out. The process and procedure for procuring gifts for external stakeholders must follow the Group Procurement Policy. Gifts may be procured via request by the HOD who shall prepare an approval memo to obtain written permission from the Management. The approval memo should be sent to the GIG for recording in the Gift Register.

#### **4.0 GIVING AND RECEIVING HOSPITALITY**

- a) The practice of giving and receiving reasonable and proportionate hospitality is regarded as a normal business activity. However, personnel are prohibited from receiving or giving hospitality that may have some influence or bearing on the person performing their duties, resulting in a Conflict of Interest.
- b) Hospitality can be given and received by personnel who have interactions with external parties as part of their role at the Group only when it fulfills the following:
  - i. Business-related i.e., there is a direct relationship between the business activity and the people giving and receiving the hospitality;
  - ii. Hospitality is not provided to spouses or other non-business guests; and
  - iii. Group host of the appropriate seniority is present at the occasion. 'Appropriate' in this case is defined as a person of the same job grade as the threshold, or one level below.
- c) Hospitality may take many forms, but generally it consists of meals, travel or transportation, accommodation, and recreation. Employee are expected to exercise good judgement in such matters and should discuss with their HOD any concerns they might have regarding a request or offer from an external party to engage in activities that might reasonably be considered to bring the Group into disrepute. Personnel should consult GIG if they are in doubt.

- d) Personnel are absolutely prohibited from either paying for or participating in any activities that might bring the Group into disrepute. Such activities include lavish or immoral entertainment activities such as gambling, hostess entertainment, karaoke with the presence of guest relations officers or their equivalent, massages, unregulated violent sports, illicit drugs, and intoxication by alcohol.
- e) Approval must be obtained from their HOD if the hospitality that is given or received does not fulfil the criteria in Section 9.2 above and/or if any of the following occur:
  - i. The cost of the hospitality exceeds the hospitality thresholds; and
  - ii. Any non-business guests of the invitee(s) are included.

Approval may be by email, text messaging (SMS) or other forms of electronic messaging, provided the person is able to produce the approval on request.

- f) If prior written approval is not requested, personnel must submit a notification within three (3) working days of the giving or receiving of such hospitality to their HOD. Justification of the hospitality must be included.
- g) Hospitality should not be given to the same recipient or group of recipients frequently and over an extended period. Similarly, hospitality should not be received from the same giver or group of givers on a frequent basis or over an extended period.
- h) Personnel are free to accept hospitality from friends and relatives, provided the hospitality does not influence their actions in any way while performing their duties with the Group. If hospitality is provided which might influence (or appear to influence) the actions of the person, they should discuss the matter with their HOD and if necessary, make a Conflict-of-Interest declaration.

## **5.0 CORPORATE EVENT ORGANISED BY EXTERNAL PROVIDER**

- a) Personnel are permitted to attend corporate events of ceremonial nature such as commemoration, annual dinner, open house, sporting, and cultural event, under the following conditions:
  - i. The HOD is aware of the event; and
  - ii. Hospitality is not lavish, and the personnel receive treatment which is no different from hospitality provided for other guests.

## **6.0 TRAVELLING ON BUSINESS**

- a) All expenses for personnel travelling on the Group business shall be paid for by the Group unless otherwise specified in the relevant work or service contract. Offers by external parties to pay for all or part of such travel expenses which are not covered by a contractual arrangement must be refused. In cases of doubt or uncertainty, the arrangements must be discussed with the HOD prior to travel commencing.
- b) Personnel travelling on the Group business where an assessment or decision concerning an external party is involved, such as a branch audit, site inspection or a quality assessment, must not receive gifts of any kind from the external party prior to, during or after the visit. Hospitality should be refused wherever possible. Where it is not practical to refuse, for example an invitation to the site canteen during an inspection, hospitality must be kept to the absolute minimum.
- c) Personnel attending conferences and seminars on behalf of the Group should have all expenses (including attendance fees) paid for by the Group. Any sponsorships proposed by external providers must be preapproved by the respective HOD.

## **7.0 GOVERNMENT OFFICIAL**

- a) The Group may pay for reasonable and proportionate travel expenses for government officials, where the reason for travel is directly related to the Group's business. The Group must not pay for luxury travel such as first-class tickets or penthouse suites.
- b) If personnel are hosting government officials, care must be taken to ensure that the hospitality provided is reasonable and proportionate and does not generate a sense of obligation towards the Group. Hospitality must be in proportion to the standard of living of the officials and of a nature which would not raise any concerns.
- c) Under some forms of international legislation, employees of state-owned enterprises are government officials. Personnel should bear this in mind when hosting employees of state-owned enterprises, including government-linked companies.

## **8.0 CHARITABLE DONATION AND SPONSORSHIP**

- a) The Group takes its responsibility to the wider community seriously and provides both financial and non-financial support for recognised causes. However, such donations and benefits may be misused by certain parties as a subterfuge for bribery. It is therefore essential that personnel ensure that donations and sponsorships are used for the purposes intended, that is to the benefit of the wider community, and not as a cover for bribery or prohibited political payments.

- b) Charitable contributions, sponsorships and community benefits for external parties must be made according to the Group Corporate Communications Manual to ensure consistency and uniformity across the Group.
- c) The Group shall conduct due diligence checks on all charitable donation, sponsorship and community benefits which may include:
  - i. The legitimacy of the recipients;
  - ii. Checks to ensure the donation is permitted by the laws and regulations;
  - iii. Checks to ensure donations are not made immediately before, during or after contract negotiations/significant events;
  - iv. Checks to ensure the entity is not being used as a channel for bribery
- d) Soliciting donations, sponsorship, or free goods from external parties All personnel are prohibited from directly soliciting donations, sponsorship, or provision of free goods from parties external to the Group. Any requests for donations or sponsorship from personnel to external parties must be channeled through the Group Corporate Communication Department.
- e) All donations, sponsorship or benefit in-kind shall be approved according to the Limits of Authority before they are given out. The process and procedure for procuring those for external stakeholders must follow the Group Procurement Policy.

Donations, sponsorships or benefit in-kind may be procured via request by the HOD who shall prepare an approval memo to obtain written permission from the Management. The approval memo should be sent to the GIG for recording in the Gift Register.

## **9.0 OTHER BENEFIT**

- a) Any offers of discounts or special services by external providers to personnel must only be made within an official arrangement between the Group and the external provider which has been approved by the Management.
- b) Such arrangements must be generally available to personnel and the HOD must be notified by the recipient. Examples of discounts provided by external parties may include (amongst others):
  - i. Corporate discounts
  - ii. Business / Product samples
  - iii. Provision of electronic items and equipment
  - iv. Provision of materials e.g., building materials
  - v. Catering for weddings, banquets, and other special events

## **10.0 STAKEHOLDER ENGAGEMENT EVENT**

- a) Stakeholder engagement events must not be used as a means of providing lavish entertainment or the giving of extravagant gifts to external parties, including government servants who operate in a decision-making capacity with relation to the Group's operations. The instructions set out for gifts and hospitality in this policy must be followed when conducting stakeholder engagement. This requirement applies to activities both in Malaysia and overseas.

## **11.0 POLITICAL DONATION**

- a) The Group does not make financial or in-kind contributions to political parties, political party officials or candidates for political office. Use of the Group facilities, equipment, and resources by political parties for any political campaign or political party function is not permitted.

## **12.0 VIOLATION**

- a) Personnel are required to adhere to this policy to avoid any conflict of interest or give an impression of conflict of interest in on-going or potential business dealings between the Group and any external providers, as gifts, hospitality, donations & sponsorships can be viewed as a bribe that may tarnish the Group's reputation or be in violation of anti-bribery and corruption laws.
- b) Non-compliance with this policy will be considered as major misconduct and the employee(s) involved will be subjected to disciplinary action, which may include dismissal. The offence may also be escalated to the relevant enforcement authorities for further action.
- c) Personnel who are aware of any party (internal or external to the Group) violating this policy are encouraged to report the matter to the GIG. The personnel may also raise concerns via the Group's Whistleblowing channel.
- d) If the laws of any given country include requirements not included in or met by this policy, the law of the country shall take precedence. It is therefore necessary that all personnel engaged in the practice of giving and receiving gifts and/or hospitality are aware of their local laws governing this activity and ensure compliance.

**GIFT AND HOSPITALITY DECLARATION FORM**

**APPENDIX 1**

**Controlled Document**

Reference No.: MC/GHCM/GHD/FORM-033

Revision No.: 00

10/2021



**GIFTS AND HOSPITALITY DECLARATION FORM**

This declaration form supports the MARA CORPORATION SDN BHD's Gifts and hospitality policy. Employees must declare all gifts and hospitality (**whether accepted, redistributed to MARA CORPORATION SDN BHD or declined**) as outlined in the policy and seek written approval from their Head of Department and the completed form is to be submitted to the Group Internal Audit & Integrity. Details below should be completed in the best knowledge.

<b>Individual to complete</b>	
1. Declaration date	
2. Name / Designation: Employee Number: Division / Department:	
<b><i>Details of the gift, benefit, or hospitality</i></b>	
3. Date offered	
4. Describe the gift, benefit or hospitality offered	
5. Estimated or actual value	
6. Offered by: - Name / Position: Organization: Reason for accepting the offer (sufficient detail required) and the relationship with the provider.  Is the offer a festive gift? Provide details if so.	
7. Would accepting the offer: a) create an actual potential or perceived conflict of interest exist (Y/N); or b) bring you, the Company or the Board into disrepute (Y/N)?  (If either is answered YES, then the offer must be declined in accordance with the minimum accountabilities)	<i>Details of the conflict of interest:</i>
8. Decision regarding offer: <input type="checkbox"/> Accepted <input type="checkbox"/> Declined <input type="checkbox"/> Retained <input type="checkbox"/> Transferred to MARA CORP ownership Comments:  Signature of recipient: _____ Date: _____	
<b>Approval from Head of Department: Approved / Not Approved</b> Comments:  Signature of Head of Department: _____ Date: _____	
<b>Acknowledgment from Group Internal Audit &amp; Integrity</b> Comments:  Signature of Head of Group Internal Audit & Integrity: _____ Date: _____	