



# GIFTS & HOSPITALITY POLICY

Kejuruteraan Bina Rangkaian Sdn. Bhd.

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## **1. INTRODUCTION**

Kejuruteraan Bina Rangkaian Sdn. Bhd. (“KBR”) shall at all times maintain the highest level of ethical and lawful conduct. KBR embraces and prides itself on good corporate governance, good name and reputation. Under no circumstances will KBR be involved in any unethical or unlawful conduct.

Gifts and hospitality can be considered or perceived as corruption and bribery in nature. In line with KBR’s commitment towards ensuring a high level of ethical and lawful conduct, it is important for KBR to establish a uniform policy relating to the acceptance and/or giving of gifts and hospitality.

## **2. APPLICATION**

This Policy applies to ALL Employees and Directors of KBR. KBR also expects that a person associated\* to performing work or services with, for or on behalf of KBR shall COMPLY with the relevant parts of the Policy when performing such work or services.

## **3. OBJECTIVE**

The objective of this Gifts and Hospitality Policy (“Policy”) is to serve as a guidance and point of reference with regards the acceptance and/or giving of gifts by Employees of KBR, including its Directors and persons associated with KBR, in order to prevent any corrupt acts.

In doing so, this Policy will:

- assist in avoiding conflict of interest or the appearance of conflict of interest in any on-going or potential business dealings;
- promote transparency in the disclosure of gifts received and/or given; and
- support the building of good business relationships among partners, dealers/distributors, contractors, vendors and stakeholders.

*\*Business associates, partners, agents, vendors, suppliers, contractors, consultants and any other third-party service providers or persons who perform services for or on behalf of the organisation*

#### **4. GENERAL PRINCIPLES FOR RECEIVING AND GIVING OF GIFTS AND HOSPITALITY**

KBR prohibits both the giving and receiving of gifts and hospitality to influence business decisions. Under no circumstances shall KBR' Employees accept gifts in the form of cash or cash equivalent including gift certificates, loans, commissions, coupons, discounts or any other related forms.

As a general principle, the Directors and Employees should not accept or provide gifts to a third party if it is made with the intention of influencing the third party to obtain or retain business, or in exchange for favours or benefits.

Directors and Employees should be mindful in giving or receiving gifts and hospitality as it could be perceived as a way of improperly influencing the decision making of the recipient. Hence, the intention behind the gifts or hospitality should always be considered.

Receiving and giving of gift or hospitality is subject to approval according to Limits of Authority ("LOA") and must fulfil the following conditions:

- They are not lavish, extravagant or excessive;
- They are customary and lawful under the circumstances;
- They do not have or are perceived to have (by either the giver or the receiver), any effect on actions or decisions;
- There must be no expectation of any specific favour or improper advantages from the intended recipients;
- The independent business judgment of the intended recipients must not be affected;
- There must not be any corrupt and/or criminal intent involved; and
- The giving out of the gift and hospitality must be done in an open and transparent manner.

Soliciting gifts, either by asking directly or making suggestions to third parties, contractors or potential vendors, is strictly prohibited.

If you or any of your relatives receives a gift that might be considered improper under this policy, you are required to immediately report to your superior of the facts surrounding the gift. The superior is then required to consult with the General Manager who will decide the appropriate action.

## **4.1 Corporate Gifts**

The normal form of gift giving allowed to third parties is a corporate gift. The value of a corporate gift made available for general use should not be more than Ringgit Malaysia One Hundred Only (RM100) per item per person, where cumulative value in a year is less than Ringgit Malaysia Five Hundred Only (RM500) per person. A bundle of gifts (including hampers) is considered one item.

If you are providing a corporate gift that is worth more than Ringgit Malaysia One Hundred Only (RM100) per item per person, you are required to obtain specific approval depending on the amount and declare to the Head of Department before the gift is given out.

## **4.2 Gifts to Government Officials**

Gift giving to government officials is not allowed. If there is an official request from any government agency, you must obtain prior approval from the CEO with a notification to General Manager and inform your Head of Department.

## **4.3 Gifts to Third Parties**

You are expected to exercise good judgment when offering gifts to third parties. Gifts should not be excessively extravagant and must not be given with corrupt intent. Gifts should only be given openly and transparently in compliance with this Policy and feature company branding, where possible.

The 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.

The process and procedure for procuring gifts for third parties must be in compliance with KBR's procurement process.

## **4.4 Receiving Gifts**

Employees may accept gifts from third parties. Employees may accept gifts of nominal value (value does not exceed cumulative value of Ringgit Malaysia Two Hundred Only (RM200) per instance of receiving) such as small promotional items bearing third party company's name and door gifts offered/presented/handed out to all guests attending the event.

If the value of the gift is more than Ringgit Malaysia Two Hundred Only (RM200) but does not exceed Ringgit Malaysia Five Hundred Only (RM500), a declaration form must be submitted to the Head of Department to seek approval for the employee to retain the gift.

In the event the actual or the estimated value of the gift is more than Ringgit Malaysia Five Hundred Only (RM500), the employee needs to obtain the CEO's approval. The CEO shall determine the treatment of the gift whether to:

- Donate the gift to charity; or
- Hold it for company display; or
- Distribute to other Employees in the department; especially involving perishable items like foodstuff and fruits; or
- Permit it to be retained by the said employee.

Each employee has a personal responsibility to ensure that an audit trail exists for all gifts received from third parties and should complete the Gift Declaration Form if the value of the gift is more than the nominal value. The original form must be submitted to the General Manager.

## **4.5 Hospitality**

Notwithstanding anything in the contrary, KBR recognizes that providing modest hospitality is a legitimate way of building business relationships and as such a common practice within the business environment to foster good business relationships with third parties.

As such, CEO and eligible Employees are allowed to entertain third parties, external stakeholders or business partners through a reasonable act of hospitality as part of business networking as well as a measure of goodwill towards the recipients.

Employees and Directors must not accept, engage or offer any hospitality that is indecent or immoral or in breach of KBR's Code of Conduct. Hospitality must be unsolicited and not affect, or be perceived as affecting, business judgment. Employees and Directors must not engage in any activities that might otherwise put them in a position of conflict or adversely affect KBR's reputation.

## **4.6 Golf Events**

Golf is a social occasion for networking and building relationships. It must not be used with corrupt intent to directly influence a decision-maker. Attending or hosting golf events should not therefore be done too frequently or involve lavish hospitality with the same party.

The cost of the golf game must also be of an amount easily affordable by the recipient from their own income. All golf expenses claimed from the company must be declared to the General Manager for monitoring purposes.

- Attending golf events
  - Employees can only attend golf events related to their business activities subject to the approval or nomination by their line manager or Head of Department.
- Hosting golf events: private sector
  - Employees can only host golf events subject to the approvals or nominations by their line manager or Head of Department.
- Hosting golf events: government sector
  - Employees must obtain prior permission from the General Manager before agreeing to host golf events which include government officials.

## **5. RECORDING OF GIFTS AND HOSPITALITY**

All gifts and hospitality received and given must be recorded in a gift register and approved by the Head of Department.

## **6. CODE OF CONDUCT**

This Policy is supplemental to the Code of Conduct and should be read in conjunction with the Code.

Any breach of this Policy will lead to action being taken by KBR to KBR's Directors, Employees and third parties.

The policy does not at any point of time intend to supersede or reduce the intention of the provisions of any legislation and regulations on corruption and bribery that are enforceable on KBR and KBR's Directors, Employees and Third Parties.

**RECEIVING GIFT DECLARATION FORM**

A. Details of Recipient	B. Details of Giver										
Name : _____	Name : _____										
Department : _____	Company : _____										
Email / Contact : _____	Email / Contact : _____										
C. Description	D. Treatment										
<p><b>Description of Gift:</b></p> <p>.....</p> <p><b>Value :</b> <input type="checkbox"/> RM&gt;200 &lt;RM500 <input type="checkbox"/> &gt;RM500</p> <p><b>Purpose :</b></p> <p>.....</p> <p>.....</p> <p>.....</p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 5px;">Donate the gift to charity</td> <td style="text-align: center; width: 50px;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Hold it for company display</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Distribute amongst other Employees</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Permit it to be retained by the employee</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="padding: 5px;">Return the gift</td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	Donate the gift to charity	<input type="checkbox"/>	Hold it for company display	<input type="checkbox"/>	Distribute amongst other Employees	<input type="checkbox"/>	Permit it to be retained by the employee	<input type="checkbox"/>	Return the gift	<input type="checkbox"/>
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Distribute amongst other Employees	<input type="checkbox"/>										
Permit it to be retained by the employee	<input type="checkbox"/>										
Return the gift	<input type="checkbox"/>										
E. Declaration for Receiving Gift											
<p>I hereby declare that the acceptance of the gift from the third party is in compliance with KBR's policies and procedures, rules and regulations.</p>											
<p><b>Receiver's Signature</b></p> <p>.....</p> <p>Name: Position:</p>	<p><b>*Approval (Value of gift is above RM200)</b></p> <p>.....</p> <p>Name: Position:</p>										

*Note:*

*\*Approval as per the LOA*

*Email a copy to the General Manager*

**GIFTS AND HOSPITALITY REGISTER**

<b>Date</b>	<b>Items</b>	<b>Details</b>