



PROGRESSIVE IMPACT CORPORATION BERHAD NO GIFT POLICY

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REVISION HISTORY

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1. INTRODUCTION

PROGRESSIVE IMPACT CORPORATION BERHAD (“PICORP” or “the Company”) and its group of subsidiaries (collectively, **“PICORP Group”**) embraces a ZERO TOLERANCE POLICY against all forms of bribery and corruption. PICORP Group’s No Gift Policy (“Policy”) elaborates upon those principles, providing guidance to employees concerning how to deal with situations relating to the receiving and/or providing gifts that may arise in the course of business. PICORP Group also expects that contractors, subcontractors, consultants, agents, representatives and others performing work or services for or on behalf of PICORP Group will comply with the relevant parts of this Policy when performing such work or services

2. APPLICATION

This Policy shall apply to every employee of the PICORP Group.

Directors, contractors, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of PICORP Group shall comply with it in relevant part when performing such work or services.

3. DEFINITIONS

“Employee” means any person who is in the employment of PICORP Group including but not limited to executives, non-executives, and individuals on direct hire;

“Gift” or **“Gratification”** means anything of value, including – but not limited to – meals, lodging, loans, cash, favourable terms or discounts on any product or service, services, equipment, prizes, products, transportation, use of vehicles, vacation or other facilities, stocks or other securities, home improvements, tickets, gift certificates, gift cards, discount cards, memberships and employment or consulting relationships. The above are not exhaustive but are merely examples;

“Management” means the management level of PICORP.

4. POLICY OWNER

The PICORP Group's Risk & Compliance Department is the owner of this Policy.

5. NO GIFT POLICY

- 5.1 Employees, or agents acting for or on behalf of PICORP Group and Directors are prohibited from, directly or indirectly, receiving or providing gifts.
- 5.2 It shall be mandatory for Directors, Employees, contractors and agents to abide by this Policy to avoid conflict of interest or the appearance of conflict of interest for either party in on-going or potential business dealing between PICORP Group and external parties as a gift can be seen as a bribe that may tarnish PICORP Group's reputation or be in violation of anti-bribery and corruption laws.
- 5.3 A conflict of interest arises in a situation in which an individual is in a position to take advantage of his or her role in PICORP Group for his or her personal benefit, including the benefit of his or her acquaintances and friends. This would undermine the duties of good faith, fidelity, diligence and integrity as expected by PICORP Group from its employees and directors in the performance of their duties and obligations.
- 5.4 It is the responsibility of Employees and Directors to inform external parties involved in any business dealings with PICORP Group that PICORP Group practices a "No Gift Policy" and to request the external party's understanding for and adherence with this Policy.

6. RECEIVING GIFTS

- 6.1 PICORP acknowledges that the exchange of gifts can be a very delicate matter where, in certain cultures or situations, gift giving is a central part of business etiquette. Despite acknowledging PICORP Group's "No Gift Policy", some external parties may still insist in providing gifts to Employees and/or Directors in certain situations which do not fall within the general exceptions.
- 6.2 Although the general principle is to immediately refuse or return such gifts save and except in circumstances which is customary in nature, accepting a gift on behalf of PICORP Group is allowed only in very limited circumstances, whereby refusing the gift is likely to seriously offend and may sever PICORP Group's business relationship with the Third Party. **Notwithstanding the above, in no circumstances may an Employee accept gifts in the form of cash or cash equivalent.**

6.3 In these limited circumstances, Directors and/or Employees shall surrender the gift immediately to Group Risk & Compliance Department for record purposes. Group Legal Department with the consultation with the Management will then decide whether to approve the acceptance of the gift or require it to be returned.

6.4 Even if it may appear disrespectful to refuse a gift from an external party, nevertheless, if there is a conflict of interest situation (e.g. bidding is in progress and the company that gave the gift is one of the bidders) then the Head of Department cannot approve the acceptance of said gift. In this situation, the gift must be politely returned with a note of explanation about this Policy.

7. PROVIDING GIFTS

Save and except for circumstances which are customary in nature, Employees and Directors are not allowed to provide gifts to third parties without the prior written approval from the Group Executive Director.

8. EXCEPTIONS TO THE NO GIFT POLICY

8.1 Although PICORP Group practices a “No Gift Policy”, there are certain exceptions to the general rule whereby the receiving and provision of gifts are permitted in the following situations:-

- (a) 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);
- (b) Gifts from the PICORP Group to external institutions or individuals in relation to the Company’s official functions, events and celebrations (e.g. commemorative gifts or door gifts offered to all guests attending the event);
- (c) Gifts from PICORP Group to Employees and Directors in relation to an internal or externally recognised by PICORP as an official function, event and celebration (e.g. in recognition of an employee’s/director’s service to PICORP Group);
- (d) Token gifts bearing PICORP’s logo or (e.g. t-shirts, pens, diaries, calendars and other small promotional items) 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. and deemed as part of PICORP’s brand building and or promotional activities;
- (e) Gifts to / or from external parties who have no business dealings with PICORP Group (e.g. monetary gifts or gifts in-kind to charitable organisations);
- (f) Gifts to / or from Employees and/or Directors which are customary in nature.

8.2 Even in the above exceptional circumstances, Employees and Directors are expected to exercise proper judgment in handling gift activities and behave in a manner consistent with the general principles set out below :

- (a) conscientiously maintain the highest degree of integrity;
- (b) exercising proper care and judgment;
- (c) avoiding conflicts of interest;
- (d) refrain from taking advantage of your position or exercising your authority to further your own personal interest at the expense of PICORP Group; and
- (e) comply with applicable laws, regulations and PICORP Group's existing policies and procedures.

9. CONSEQUENCES OF BREACH

Any breach of the principles set out in this Policy shall subject to the disciplinary action which may result in the suspension or termination of employment, amongst others. In addition, offenders may also face separate criminal/civil charges for such breach.

10. FURTHER CLARIFICATIONS

- 10.1 Should you require any further clarifications concerning this Policy, kindly contact Group Risk & Compliance Department.
- 10.2 PICORP reserves the right to make any amendments, modifications or variations to this Policy from time to time.

Sample of Staff Declaration Form

I,..... hereby declare that I have read and understood PICORP Group's No Gift Policy. I will abide by the requirements and provisions set out in the Policy, as required by my employment contract.

X

Name:

Title: