

PHARMANIAGA BERHAD

Name of Policy	Gifting Policy	
Companies	Pharmaniaga Berhad & Subsidiary Companies	
Scope	All employees, directors and board members, and to workers such as agency staff, casual staff or contractors who are not engaged on contract but are undertaking work on behalf of Company, inside and outside of working hours.	
Version	1.0	Effective Date: 19 November 2018

1.0 POLICY STATEMENT

- 1.1 Pharmaniaga Berhad (*hereafter referred to as the Company*) 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. This is consistent with the Company's core values of **RESPECT, INTEGRITY, TEAMWORK** and **EXCELLENCE**.
- 1.2 This Gifting Policy (*hereafter referred to as the Policy*) is established to provide guidance for providing and receiving of gifts within the Group (*hereafter referred to as Gifting and further elaborated as per Item 3.0 of this Policy*).
- 1.3 This Policy is not intended as an alternative for any other grievances or complaints procedures e.g. employment related grievances concerning terms of employment, performance assessments or other aspects of the working relationship. If the matter is a human resource issue, it shall be referred to the Group Human Capital Management Department, the relevant Human Capital Management Department or other designated parties, for the appropriate action.

2.0 OBJECTIVE OF THE POLICY

- 2.1 This Policy sets out the framework for the disclosure of any Gifting and the protection of the party making the disclosure (*hereafter referred to as the Complainant*).
- 2.2 The Policy aims to: -
 - a) Promote standards of good corporate practices.
 - b) Provide a safe and confidential avenue for employees of the Group (*hereafter referred to as the Employee or the Employees*) and members of the public to disclose any improper Gifting.
 - c) Reassure the Complainant that they will be protected from reprisals for the disclosure of any Improper Conduct made in GOOD FAITH and with SOUND JUDGEMENT to avoid baseless allegations.

3.0 GIFTING

- 3.1 **Definition**
Gifting is defined as the act of giving and receiving gifts and/or entertainment in conducting the Group's businesses.

For the purpose of this policy, "family or household" includes Employee's spouse(s), children (including step children and adopted children), parents, step-parents, siblings, step-siblings, grandparents, grandchildren, in-laws, uncles, aunts, nieces, nephews, cousins, and other persons who are a member of your household (*hereafter referred to as Family*).

If in doubt, please escalate the matter to your immediate supervisor or consult the Group's Legal Department.

3.2 **Receiving Gifts**

Exchange of gifts can be a sensitive and delicate matter. In Malaysia, for example, it is a culture to provide gifts during festival seasons, and is considered business etiquette. The general principle in the Group is to not accept gifts and in no circumstances may an Employee or Employee's Family accept gifts in the form of cash or cash equivalent from parties that it conducts business with.

In the circumstance that the Employee has received any gifts, the Employee is to notify his/her Head of Department, and record it in the Department's Gift Register (as per Appendix A). It is up to the discretion of the Head of Department to approve the acceptance of the gift or require it to be returned. The gift must be returned politely with a note explaining the company's policy.

If the gift is accepted, the Head of Department will determine whether to:

- a) Donate the gift; or
- b) Display in the Department; or
- c) Share it amongst Employees in the Department; or
- d) Permit it to be retained by the Employee.

Gifts received at events attended by Employees (less than RM250 in equivalent known market value), are allowed to be retained by Employees.

If in doubt, please escalate the matter to your immediate supervisor or consult the Group's Legal Department.

3.3 **Providing Gifts**

Generally, Employees are allowed to provide gifts to visitors to all sites within the Group as a token of appreciation. These gifts can be in the form of Group's products as a form of Branding and/or Marketing. It can also be in the form of gifts that reflect our internal projects, like the Do it Right coffee table books.

Employees are also permitted to provide gifts bearing our Group's logo (corporate gifts) that are given out equally to members of the public, delegates, customers, partners and key stakeholders attending events also as part of the Group's Branding and/or Marketing activities.

All gifts provided by the company must be less than RM250 in value. Any deviation must be reported to Head of Department and approval sought from the Head of Division.

If in doubt, please escalate the matter to your immediate supervisor or consult the Group's Legal Department.

3.4 **Receiving Entertainment**

Employees are advised to apply proper judgement in accepting entertainment from third parties. Receiving any form of entertainment can be perceived as a conflict of interest or misconstrued as acceptance of gratification. Frequency of the entertainment and the value received will and can be held against you should it be reported as a form of gratification.

If in doubt, please escalate the matter to your immediate supervisor or consult the Group's Legal Department.

3.5 **Providing Entertainment**

Employees are allowed to entertain external parties as part of business networking as long as it is of reasonable value. Eligible Employees should always consult and inform his/her Head of Department before providing entertainment.

If in doubt, please escalate the matter to your immediate supervisor or consult the Group's Legal Department.

4.0 **RELATED POLICIES, PROCEDURES AND GUIDELINES**

Reference is made to the following: -

- a) Code of Conduct and Ethics Handbook
- b) Disciplinary Procedures
- c) Other relevant rules, regulations, memos and circulars issues by the Group from time to time.

**PHARMANIAGA
GIFT REGISTER**

Department					
Company					
Location					
Date	Description of Gift	Estimated Value	Received From	Received By	Remarks

Prepared by:
Coordinator/ Secretary

Approved by:
Head of Department/ Division

.....
Name:
Date:

.....
Name:
Date:

Acknowledged by:
Human Capital Management

.....
Name:
Date: