



PERODUA

Perodua Group of Companies

No Gift Policy

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POLICY NO.	PMP002V00

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1. INTRODUCTION

Gifts can build goodwill and are a part of normal relationships with our business partners. However, gifts can also create a perception of conflict of interest that can undermine the integrity of our business relationships and could be subject to potential abuse.

This policy is outlined to assist employees in making right decision when receiving and giving gifts while conducting business on behalf of Perodua Group of Companies.

2. SCOPE

This policy is applicable to all employees, Managements, Directors or representatives in Perodua Group of Companies who are either permanent or contractual, inclusive their family members.

3. DEFINITIONS

For purposes of this policy:

Gift refers to a voluntary transfer of items or services from one party to another party. Gift is given to or received from any person or organization with which Perodua Group dealing business with.

Example type of gifts such as cash; meals; lodging; loans; gratuity; hospitality; entertainment; fee; commission; favorable terms or discounts on any product or service; services; equipment; prizes; products; transportation; use of vehicles, vacation, or other facilities; bonds; stocks or other securities; home improvements; tickets; gift certificates; gift cards; discount cards; memberships; employment or consulting relationships or services; or any other form of compensation or benefit.

The list above is not exhaustive and can be added from time to time subject to change of business scenarios.

Employee refers to all employees (staff and Management), directors and representatives of Perodua Group of Companies who are either permanent, temporary or contractual basis.

Human Resource departments (HRD) refers departments who are responsible in human resource management of respective companies within the Perodua Group of Companies.

Perodua refers to Perodua Group of Companies.

CID refers to Compliance and Integrity Department.

4. POLICY STATEMENT

- 4.1 This policy is supplemental to Code of Conduct of Human Resource Policy.
- 4.2 Employees practice and demonstrate equal treatment, unbiased professionalism, and non-discriminatory actions in relation to all vendors, suppliers, customers, employees, potential employees, potential vendors or suppliers, and any other individual or organization.
- 4.3 Employees must never ask for gift that benefit them personally.
- 4.4 General principle is to immediately refuse or return gifts.
- 4.5 Under limited circumstances, all gifts given and received must be recorded in the Gift Register.
- 4.6 Under no circumstances, gift in a form of cash or equivalent is accepted. Refer Exhibit 1 for examples of unacceptable gifts.
- 4.7 Employees should talk to their respective HRD when in doubt as to whether a gift is appropriate.

5. RECEIVING GIFT

- 5.1 Upon being offered or receiving a gift prohibited by this policy, an employee must notify the sender of this policy and graciously decline or return the gift with a note of the company's "No Gift Policy".
- 5.2 Employee may accept gift if impossible to return due to anonymous or unknown sender; or sender is from oversea; or gift is perishable item (e.g. flower, food, etc.)
- 5.3 If gift is unreturnable, declare the gift by submitting the Entertainment and Gift Form approved by Executive Director ("ED") and above or any person authorized by them; to HRD.
- 5.4 HRD shall then decide the gift distribution treatment as follows:
 - (a) share with other employees
 - If the gift is in the form of food and beverages, they belong to the entire staff even if addressed to a single employee. Under no circumstances may an employee take a food gift home; food gifts must be shared with and distributed to all staff.
 - (b) hold it for departmental display
 - If the gift in the form of plants or flowers or trophies or anything that is displayable, they will be displayed at the central location such as lobby or reception area where all employees may aware of their presence.
 - (c) donate the gift to charitable organizationsThe distribution treatment above may subject to change if deemed appropriate.

- 5.5 It is the employee's responsibility to retain an email or hard copy of every notification sent to HRD.

6. GIVING GIFT

- 6.1 Giving gift to third party is not permissible except authorized by Executive Director ("ED") and above; or any person authorized by them.
- 6.2 For authorization, use the Entertainment and Gift Form to declare the gift and obtain approval prior to giving gift to customer, business partners or any third party that meet the exceptions defined hereunder.
- 6.3 Submit a copy (softcopy or hardcopy) of approved form to HRD for notification. HRD should immediately acknowledge the received form (Giving Gift) before employee send the form for claim and payment purposes to Accounts.
- 6.4 The approved Entertainment and Gift Form should be attached to Staff Claim Form and Payment Voucher when submitting to Account department for claim and payment purposes.
- 6.5 It is the employee's responsibility to retain hard copy or softcopy of every notification sent to HRD.

7. EXCEPTIONS

- 7.1 There are certain exceptions to the general rule whereby the 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).
 - (b) Gifts from Perodua to institutions or individuals in relation to the company's official functions and celebrations.
 - (c) Token gifts must bear the company's logo (e.g. t-shirts, pens, diaries, calendars and other small promotional items) that are given out equally to all guests attending events such as conferences, exhibitions, training, trade shows, annual dinner etc. and deemed as part of the company's brand building or promotional activities.
 - (d) Gifts to charitable organizations (e.g. monetary gifts or gifts in-kind).
- 7.2 Additional guideline in handling exceptions:
- (a) Although no nominal value of giving gift is set, Executive Directors and above to exercise proper care and judgement to avoid extravagant gift or lavish entertainment.
 - (b) When dealing with government or banks, special care is necessary to comply with all relevant legal obligations and regulations.

8. GIFT REGISTER

- 8.1 Based on the Entertainment and Gift Form received, HRD shall then update the respective information into Gift Register.
- 8.2 HRD shall then submit the Gift Register to CID when requires.

9. NON-COMPLIANCE

- 9.1 If a question arises whether proper notification occurred, and the employee cannot provide a copy proving his/her compliance, the employee will be in violation of this policy.
- 9.2 Employee who are found to have committed an act which is contrary to this policy may be liable to disciplinary action as in accordance to HR policy.