

## **GIFT POLICY**

### **KINABALU INTERNATIONAL HOTEL SDN. BHD.**

#### **1. OBJECTIVE**

The objective of the Gift Policy is to avoid conflict of interest or the appearance of such conflict of interest for either party in on-going or potential business dealing between KIH and external parties as a gift can be seen as a bribe that may tarnish KIH's reputation or be in violation of anti-bribery and corruption laws.

#### **2. GIFT POLICY**

##### **2.1 Prohibition to Receive or Provide Gifts**

As a general principle, KIH's Board of Directors, personnel, family members or agents acting for or on behalf of the Board of Directors, personnel, or their family members, are **prohibited from directly or indirectly receiving or providing any gifts** of whatever nature regardless of value to/ from any party who have **official dealings** with KIH. These include KIH's existing or potential contractors, sub-contractors, vendors, suppliers, bankers, customers and related authorities.

It is the responsibility of the Board of Directors, Personnel and Business Associates to inform external parties involved in any official dealings with KIH that the Company practices a "Gift Policy" and to request the external party's understanding for and adherence with this policy.

##### **2.2 Gifts that are Discourteous/ Disrespectful to Reject/Refuse**

2.2.1 If in certain circumstances the rejection of the gift is related to public duty, will embarrass the giver of the gift or affect the professional relationship, KIH personnel may receive the gift and shall declare the receipt of gifts that are disrespectful to reject/refuse by filling a **Declaration of Gift for Approval Form (Form A)** and submit to Integrity Unit.

2.2.2 Integrity Unit shall forward the declaration to Managing Director (MD) for approval.

2.2.3 MD may approve the request to retain the gift or may not approve and give instruction for the gift to be returned to the giver or to be donated to charity. In determining the above, MD is expected to exercise proper care and judgment in each case, taking into account pertinent circumstances including the character of the gift, its purpose, the position/ seniority of the person(s) providing the gift, the business context, reciprocity, applicable laws and cultural norms.

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 clearly MD cannot approve the acceptance of the said gift (in the case of directors, the Company Secretary would advise the same). In this situation, the gift must be politely returned with a note of explanation about the Company's Gift policy.

2.2.4 However, to facilitate administrative matters, KIH personnel can report in writing to the Managing Director by filling in the **Declaration of Gift Form (Form B)** without the need for approval, if:

- a. The value of the gift given is less than RM100;
- b. The gift is in the form of badges (plaques) or pennant or handicraft items produced by the organization itself or printed materials related to the organization intended for promotion; or
- c. The gifts are perishable and do not last long, such as food, fruits, cakes, flowers.

### 2.3 Gift considered not commensurate with the purpose it is given

If the value of gifts received that are not related to official duties exceeds  $\frac{1}{4}$  monthly emolument of the employee or above RM500.00, whichever is lower, the employee shall declare the receipt of the gifts by filling the **Declaration of Gift for Approval Form (Form A)** and submit to Integrity Unit for Managing Director's approval to retain the gift.

### 2.4 Exception to the Gift Policy

However, employees are allowed to receive gifts and are not required to declare if:-

- i) Gifts from KIH or Hyatt Regency Kinabalu to KIH Board of Directors or personnel and/or their family members in relation to an internal or externally recognised Company function, event and celebration (e.g. in recognition of an employee's/director's service to the Company);
- ii) Token gifts of nominal value normally bearing the company's logo or (e.g. t-shirts, pens, diaries, calendars and other small promotional items) which is deemed as part of the company's brand building or promotional activities;
- iii) 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);
- iv) Gifts to external parties who have no business dealings with KIH (e.g. monetary gifts or gifts in-kind to charitable organisations);

- v) Gifts that are not related to official duties with value below  $\frac{1}{4}$  monthly emolument or below RM500, whichever is lower;
- vi) Gifts that are received from the office colleagues on the retirement, transfer, engagement and marriage of the employee;
- vii) Gifts that are received from spouse, children (includes son/daughter in law and adopted child under the law), parents (include parents in law) and siblings (includes brother/sister-in-law);
- viii) Gifts that are received from relatives and friends on birthday, engagement and marriage of the employee or children, or any other occasions related to culture and religion.

### 2.5 Receiving and Providing Gifts Is an Offence

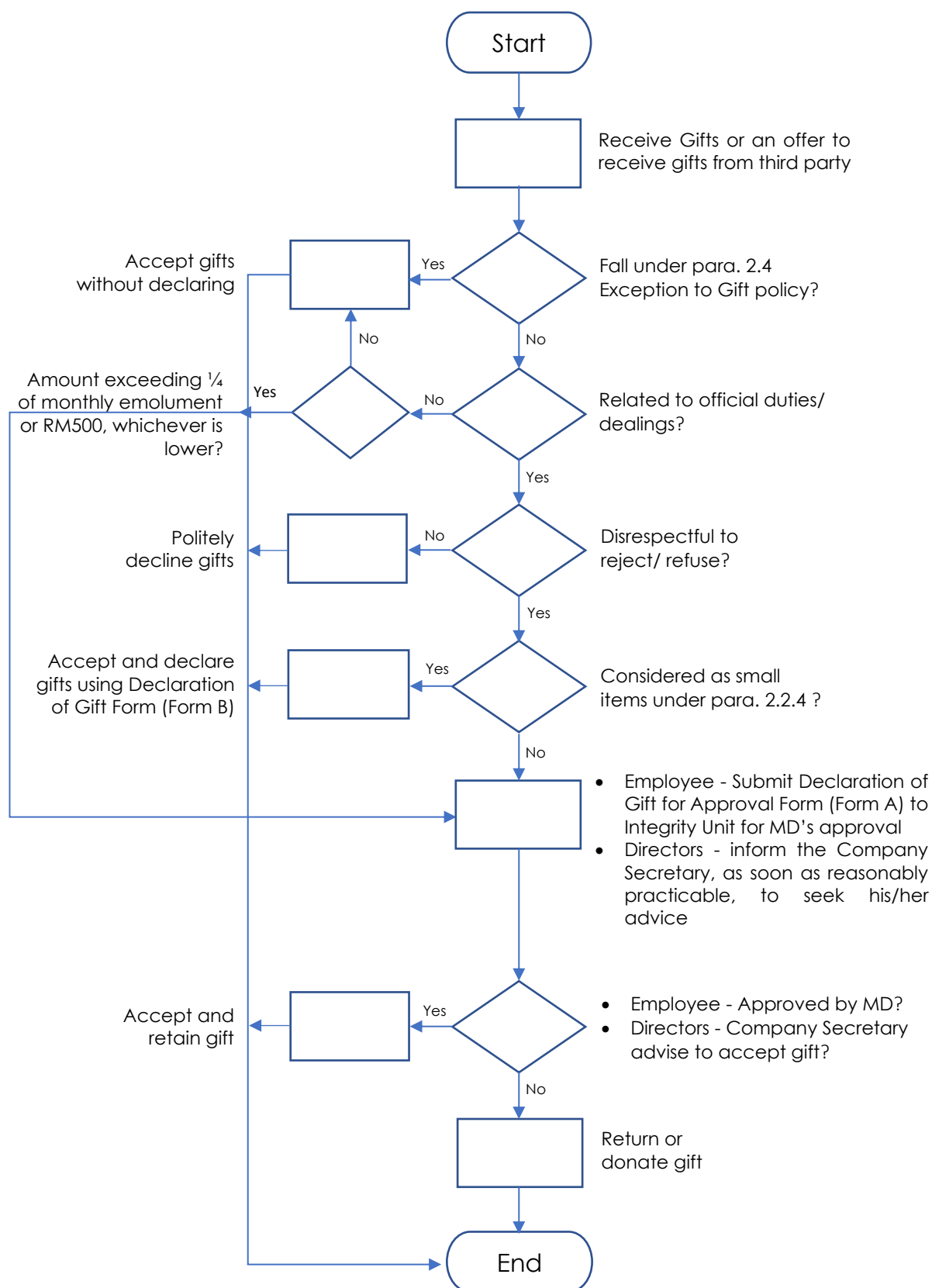
Receiving or providing gift in an amount lesser or above the amount stipulated in this policy is an offence if:-

- i) The gift is received or provided with corrupt intention i.e given as inducement or reward to do or forbear from doing any act in relation to his principal's affairs or business. It is an offence under section 10 of Anti-Corruption Act 1997);
- ii) The giver has official dealings with the Board of Directors or personnel and the giving or receipt is not in good faith; or
- iii) The gifts received with criminal intention (*mens rea*) from a person knowingly to have official dealings or future dealings with the Board of Directors or personnel.

## 3. **DUTY TO REPORT AN OFFER OF BRIBE**

It is the duty of the Board of Directors, Personnel and Business Associates to report any gratification offered, given, promised or solicited to MACC. Failure to report is an offence under section 25 MACC Act 2009.

## RECEIVING GIFTS FLOWCHART





**KINABALU INTERNATIONAL HOTEL SDN BHD  
DECLARATION OF GIFT FOR APPROVAL FORM  
(FORM A)**

1. Complete this form by typing or writing in print (Two (2) copy only)
2. A copy of the completed form shall be enclosed in gift register file.

**A. PERSONAL DETAILS**

- (i) Name of the Officer : \_\_\_\_\_
- (ii) NRIC No. : \_\_\_\_\_
- (iii) Designation and division : \_\_\_\_\_

**B. DESCRIPTION OF THE GIFTS**

- (i) Types of gifts : \_\_\_\_\_
- (ii) Name of the giver : \_\_\_\_\_  
& address \_\_\_\_\_
- (iii) The reasons for the gift : \_\_\_\_\_
- (iv) Date received : \_\_\_\_\_
- (v) Relationship with officers : \_\_\_\_\_
- (vi) Other information, if any : \_\_\_\_\_  
  
(Such as officer's opinion,  
whether the officer wanted the  
gift or so on) \_\_\_\_\_

### C. DECLARATION

I \_\_\_\_\_, hereby declare that the above gift was delivered for me/ my department but unable to refuse or return and seek for approval to retain.

Date:.....

Signature: .....  
(Name of Officer)

### D. APPROVAL ([√] whichever is applicable)

- ☐ I hereby approve that the gift be retained by the officer.
- ☐ I hereby do not approve and the gift to be returned to giver.
- ☐ I hereby do not approve and the gift to be donated.

Date: .....

Signature: .....  
Managing Director



**KINABALU INTERNATIONAL HOTEL SDN BHD  
DECLARATION OF GIFTS FORM  
(FORM B)**

1. Complete this form by typing or writing in print (One (1) copy only)
2. A copy of the completed form shall be enclosed gift register file.

**A. PERSONAL DETAILS**

- (i) Name of the Officer : \_\_\_\_\_
- (ii) NRIC No. : \_\_\_\_\_
- (iii) Designation and division : \_\_\_\_\_

**B. DESCRIPTION OF THE GIFTS**

- (i) Types of gifts : \_\_\_\_\_
- (ii) Name of the giver : \_\_\_\_\_  
& address \_\_\_\_\_
- (iii) The reasons for the gift : \_\_\_\_\_
- (iv) Date received : \_\_\_\_\_

**C. DECLARATION**

I hereby declare that I have received this gift.

Date:.....

Signature: .....  
(Name of Officer)