



Company Policies & Procedures

NO GIFT AND DONATION POLICY

POLICY STATEMENT

The Institute of Corporate Directors Malaysia (ICDM) advocates and upholds Anti-Corruption Principles in Malaysia in promoting integrity, good governance and transparency in all aspects of ICDM operations and to be in line with the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009") as well as all applicable anti-bribery and anti-corruption laws. It aims to achieve and maintain high standards with regard to behaviour in all its working practices.

ICDM adopts a zero tolerance approach against all forms of bribery and corruption, and recognises that a clear and transparent anti-bribery and anti-corruption policy is critical in creating a strong corporate culture of ethics that drives proper conduct and awareness that all forms of bribery and corruption are unacceptable. This policy is adopted to prevent corruption, bribery and avoid conflicts of interest or the appearance of such conflicts for any party involved. ICDM is committed to establishing an ethical work environment for all employees, members, directors and officers. This policy underpins the standards of conduct expected from all ICDM employees, members, directors and officers.

DEFINITION

"Associated Person" means a person who is a director, partner or an employee of a commercial organisation or a person who performs services for or on behalf of the commercial organisation.

"Gift" means something that is voluntarily transferred or given to another person including but not limited to cash, vouchers or any items (e.g. hampers, concert tickets, goody bags) having any monetary value, including food or beverages (e.g. supplier or sub-contractor sponsored meals and entertainments) as well as any items of value.

"Donation" means something that is given to a charity or organisation, especially a sum of money.

A gift is included as an item of gratification in section 3 of the MACC Act 2009.

"Facilitation Payment" means a payment made with the intention to induce, persuade, expedite or facilitate the performance of an administrative process by a public or government official of a routine government function.

"Foreign Public Official" as defined in section 3 of the MACC Act 2009.

"Officer of a Public Body" as defined in section 3 of the MACC Act 2009.

APPLIED LEGISLATION

ICDM closely observes and complies with the MACC Act 2009, amongst others.

THE SCOPE OF THIS POLICY

This policy prohibits all forms of bribery and corrupt practices and is established to avoid situations which may influence the employee/member/director/officer's judgment in a decision-making process or put employees/members/directors/officers in a position of conflict of interest.

- A. This policy applies to ICDM, including its officers, members, directors, employees. It also applies to ICDM stakeholders including its agents, service providers, consultants, business partners and vendors.
- B. This policy applies to the conduct and practices of ICDM officers, members, directors, and employees pursuant to their relationship with ICDM and in performing their duties or obligations to ICDM.

GIFTS

- 1. Gifts of cash and cash equivalents are strictly prohibited. This includes cash, bonds, negotiable securities, personal loans, guarantees, and other forms of security in which benefits are derived.
- 2. Festive gifts (e.g., Hari Raya hamper, moon cakes, mandarin oranges, cookies) are prohibited.
- 3. Corporate gifts (e.g. calendars, plaques, notepads, stationery or souvenirs for participants of a particular event) or well-wish/condolence gifts (e.g. flowers, fruits or funeral wreaths) may be accepted or offered by an ICDM employee, member, director or officer if it fulfills all of the following conditions:
 - (a) acceptance or offer for the right reason – it was clearly given as an act of appreciation or common courtesy;
 - (b) no obligation – the acceptance or offer of the gift must not put an ICDM employee, member, director or officer or any person in such a position that will cause him/her to improperly or illegally influence any business action or inaction or cause others to perceive an improper influence;
 - (c) no expectation – there must not be any expectation of any favour or improper advantages by the giver;
 - (d) reasonable value and properly documented – the type of gift and its value must be commensurate with the occasion and be subject to the approvals and procedures set out herein; and
 - (e) legal – it complies with applicable laws.

4. Any gifts received/offered in accordance with section 3 of this policy by an ICDM employee, member, director or officer with a value that exceeds the threshold limit of RM100 must be declared immediately to their immediate supervisors / Head of Departments / the Chief Executive Officer (CEO)/ICDM Board where applicable and recorded in the Gifts and Hospitality Register within 5 days of the receipt of the gift. This register will be kept and monitored by the Integrity Officer (CeIO). Any delayed declaration of the receipt of gifts may result in disciplinary action.
5. ICDM employees, members, directors or officers must not directly or indirectly solicit for gifts from any party for themselves or for or on behalf of ICDM or any other ICDM employee, member, director or officer.
6. No gifts are to be given out by any ICDM employee, member, director or officer to ANY party in the course of the discharge of their professional duties unless supported by written consent of the CEO. The gift to be given shall also fulfil the conditions set out in item 3(a) to (e) above.
7. Any invitation for meals (lunch or dinner) involving any potential new facilitators/trainers or new vendors to discuss potential engagement in a professional capacity with ICDM is permitted. ICDM employees, members, directors or officers shall declare such invitation/appointment to his or her immediate supervisor or the CEO (as the case may be) in advance. Such invitation/appointment shall also be recorded in the Gifts & Hospitality Register within 5 days of the offer or invitation of the meal.
8. Offers, invitations or receipt of any entertainment which is not expressly allowed under this policy is prohibited.
9. You are not allowed to solicit any form of entertainment. You may accept invitations to social events or entertainment within reason according to the scope of your work provided these is reasonable and not lavish (e.g. invitation to festive open houses)
10. In line with ICDM's zero-tolerance against bribery and corruption, ICDM employees, members, directors or officers are strictly prohibited from offering, promising or making any **Facilitation Payments**. In exceptional circumstances where a request for payment or actual payment has been made under duress as a direct result of violence or threats to the personal safety of ICDM employees, members, directors or officers or their family members, the payment must be reported as soon as practicable.
11. All ICDM employees, members, directors or officers are required to inform vendors, potential vendors, facilitators/trainers, clients, suppliers, and other third parties the terms of this No Gift and Donation Policy that ICDM has adopted and ensure such vendor, potential vendor, facilitator/trainer, client, supplier and other third party

comply with the said policy when entering into any transaction or agreement with ICDM.

12. If an employee, member, director or officer has any doubts or is seeking clarification of this No Gift and Donation Policy, he/she should refer to the CeIO.

DONATIONS AND SPONSORSHIPS

1. Donation/Contribution to Political Parties or Individual Politicians.
 - (a) An ICDM employee, member, director or officer must not make any donation or funding of any kind to political parties or individual politicians or towards political campaigns or initiatives for or on behalf of ICDM.
2. Other Donations and Sponsorship – ICDM will only provide donations and sponsorships if they are ethical and legal under applicable laws. Donations and sponsorships are only allowable where the following criteria have been satisfied:
 - (a) The objective of the donation is aligned with the goals of ICDM and can be linked to a charitable cause or the sponsorship is expected to bring a significant, legitimate benefit to ICDM.
 - (b) The recipient is a legitimate organization or an individual with a legitimate reason for requesting the donation or sponsorship.
 - (c) The provision of the donation or sponsorship will not act as an “inducement” or “reward” as prohibited under the MACC Act 2009; and
 - (d) All donation and sponsorship expenses must be approved by the Board of ICDM.
3. An ICDM employee, member, director or officer must never use donations or sponsorships to obtain business or advantage of any kind or unduly influence the outcome of a business decision or cause others to perceive it as such. The use of donations or sponsorships in this manner is strictly prohibited under this policy.
4. Examples of red flags to look out for are as follows:
 - (a) originates from an Associated Person who is currently negotiating or renegotiating contracts with ICDM;
 - (b) originates from or involves an Officer of a Public Body or a Foreign Public Official;
 - (c) is made on behalf of an Officer of a Public Body or a Foreign Public Official;
 - (d) can influence the government's action or decision;
 - (e) involves activities or transfer of funds to a high risk country, as listed in the Financial Action Task Force (FATF);
 - (f) involves sums of money and/or activities which could lead to actual or potential acts of bribery or corruption;
 - (g) the recipient or right holder is connected to ICDM's directors, members, employees or officers who are capable of providing ICDM with what is, or may be perceived as, unfair business advantages;
 - (h) the recipient refuses to provide adequate documentation or suggests that the donation or sponsorship may only be made anonymously;

- (i) the donation or sponsorship is directed to a bank account in a third country (other than a country where a recipient is based or carrying out activities);
- (j) the recipient provides gifts, entertainment or travel to an Officer of a Public Body or a Foreign Public Official in connection with its charitable activities;
- (k) the funds will be used, in whole or in part, to hire third parties who have connections with an Officer of a Public Body or a Foreign Public Official or who have been identified or suggested by an Officer of a Public Body or a Foreign Public Official;
- (l) requests for donations or sponsorships are made by the same recipient more than once over the span of one year;
- (m) conditions attached to a donation or sponsorship means that ICDM would be a vehicle for transferring funds from one individual or entity to another individual or entity without ICDM being able to satisfy itself that the funds have been used as intended;
- (n) there is a risk that a commercial transaction could be influenced, as a result of the provision of the donation or sponsorship; or
- (o) there is a risk that the funds can be regarded as an inducement or reward for a deal or transaction.

AMENDMENT

The Board of ICDM may amend this policy at any time and from time to time. This policy may be reviewed and updated from time to time by ICDM management to ensure that it remains relevant and in line with best practice.

PENALTIES

Any violation of the terms of this policy may result in disciplinary action, including but not limited to, termination or suspension or legal action.

*First version of the policy was approved by the ICDM Board **January 2021***

*Updated Second version of the policy was approved by the ICDM Board **May 2023***