



DIGITAL INTELLIGENCE

**GIFTS, DONATION
&
SPONSORSHIP POLICY**

GIFTS, DONATION AND SPONSORSHIP POLICY

1. Introduction

Establishing a gift policy is crucial for companies to maintain transparency, ethical standards, and trust with stakeholders.

2. Purpose

Below are the key purposes for a company to establish a gift policy:

2.1 Prevent Conflicts of Interest

- a. Ensures that gifts do not influence business decisions or create biases.
- b. Protects employees and the company from situations where personal gain could conflict with professional responsibilities.

2.2 Maintain Ethical Standards

- a. Reinforces the company's commitment to ethical behavior and integrity.
- b. Demonstrates a zero-tolerance approach to bribery, corruption, or unethical practices.

2.3 Ensure Compliance with Laws and Regulations

- a. Helps the company adhere to legal requirements, such as anti-bribery laws.
- b. Reduces the risk of legal penalties or reputational damage due to non-compliance.

2.4 Promote Fairness and Equality

- a. Ensures that all employees, clients, and partners are treated equally, without favoritism or unfair advantages.
- b. Prevents situations where gifts could create an uneven playing field.

2.5 Protect the Company's Reputation

- a. Builds trust with clients, partners, and the public by demonstrating transparency and accountability.
- b. Avoids negative perceptions or scandals that could arise from improper gift-giving.

2.6 Provide Clear Guidelines for Employees

- a. Offers employees clear rules on what is acceptable and unacceptable regarding gifts.
- b. Reduces ambiguity and helps employees make informed decisions in line with company values.

2.7 Mitigate Risks of Bribery and Corruption

- a. Establishes boundaries to prevent the exchange of gifts that could be perceived as bribes.
- b. Protects the company from being implicated in corrupt practices.

2.8 Foster a Culture of Transparency

- a. Encourages open communication and accountability within the organization.
- b. Ensures that all gift-related activities are documented and disclosed appropriately.

2.9 Strengthen Relationships with Stakeholders

- a. Builds trust with clients, vendors, and partners by demonstrating a commitment to ethical practices.
- b. Ensures that relationships are based on mutual respect and professionalism, not on material incentives.

2.10 Streamline Decision-Making

- a. Provides a framework for evaluating and approving gifts, reducing the need for ad-hoc decisions.
- b. Saves time and resources by having a clear policy in place.

2.11 Avoid Internal Disputes

- a. Reduces the potential for misunderstandings or conflicts among employees regarding gift-giving practices.
- b. Ensures consistency in how gifts are handled across the organization.

2.12 Align with Corporate Social Responsibility (CSR) Goals

- a. Reflects the company's commitment to ethical business practices and social responsibility.
- b. Enhances the company's image as a responsible and trustworthy organization.

3. Gifts, Entertainment and Hospitality

3.1 As general principle, MSDDI directors and employees are prohibited from directly or indirectly receiving personal gifts from or providing gifts to any customer(s) and any other External Parties.

3.2 However, accepting a gift on behalf of MSDDI is allowed in very limited circumstances:

- a. The gift is symbolically meant for the organisation (e.g in the form of a book or a commemorative plaque); or
- b. The value is not exceeding the amount permitted under this SOP (value less than RM300).

3.3 For Exceptional Cases (In Very Limited Circumstances And Subject To Approval)

- a. In the event that a gift of a value exceeding RM300.00 is received by any member of the Company from external parties while carrying out his/her duties or if received from any party the Company has a relationship with, that member of the Company shall make a declaration to the HR Department with his / her respective HOD's acknowledgement and seek approval from the Management.
- b. Such gifts and hospitality shall fulfil ALL the following conditions prior to approval:
 - i. They do not have or perceived to be affecting action(s) or decision(s) of the receiving party;
 - ii. There shall be no expectation of any specific favour, benefit or advantages from the intended recipients; and
 - iii. There shall not be any corrupt/ criminal intent.

4. Donation & Sponsorship

- 4.1 All sponsorships and donations shall not be used for the intention of bribery or contributing to any public or private official.
- 4.2 To uphold our values of integrity and transparency, all sponsorships and donations shall comply with the following:
 - a. Ensure such contributions are allowed by applicable laws;
 - b. Obtain prior approval from Management;
 - c. Be made to well established entities having an adequate organisational structure;
 - d. Be accurately stated in the company's accounting books and records; and
 - e. Not to be used as a means of bribery.
- 4.3 Donations and sponsorships are only permissible with prior approval by the Management. All donations and sponsorship payment shall be supported with an official letter of request/announcement/notice from the requesting external party and proof of receipt.

5. Review and Monitoring

This policy will be reviewed periodically to ensure its effectiveness and to adapt to any changes in business or regulatory environments. All employees will be reminded of the policy on an annual basis, and training may be provided to ensure understanding and compliance.

6. Conclusion

MSDDI is committed to maintaining an ethical and transparent working environment. Employees, officers, and directors are expected to act in a manner that preserves the integrity of the company's operations

GIFT ACTIVITY REPORTING AND APPROVAL PROCESS

