

# SAHARA GROUP GIFT AND HOSPITALITY POLICY

## 1. **Introduction**

Sahara Group and/or its affiliates (the “Company”) holds corporate ethical values and image in the highest esteem and therefore shall passionately conduct its business in a corrupt-free, anti-fraud and highly ethical manner that promotes free enterprise, excellence and competitiveness. In view of this, The Company is determined to maintain its reputation as a corporate entity which will not tolerate fraud, bribery, corruption or the abuse of position for personal gain, wherever it may be found in any area of corporate activities.

Our staff, clients, partners and government agencies regulating the industry we operate in, will play a key role in counter-fraud initiatives. This includes providing a corporate framework within which counter-fraud arrangements will flourish, and the promotion of an anti-fraud culture across board.

In view of the above, the Company policy on gifts and hospitality is intended to provide advice to staff, who in the course of their day to day work or as a result of their employment, either receive offers of gifts and hospitality or provide gifts and hospitality to others on behalf of the Company.

All decisions by the Company’s staff on the provision or acceptance of gifts and hospitality must be able to withstand both internal and external scrutiny. They must be defensible as being in the direct interest of the organization, as being proportionate to that interest and within limits that are acceptable to the Company’s Board of Directors.

## 2. **Purpose**

The policy has been developed to ensure compliance with the under listed principles in line with our core values of being focused, maintaining the highest level of integrity in our businesses, pursuing our objectives with determination, thereby encouraging loyalty and discipline in the way and manner in which our staff conduct themselves whilst in employment of the Company.

- Staff must not accept gifts, hospitality and/or benefits of any kind from a third party which can or will be perceived as compromising their personal judgment.
- Staff must not use their official positions to further their private interest or those of others
- Staff must declare any private interest relating to themselves and any of the public and/or private bodies of which they are part of.
- Staff must base all purchasing decisions and negotiations of contracts solely on achieving best value for money for the Company
- Staff must refer to their MD’s and/or Heads of Departments when faced with situations for which they have no adequate guidance
- If in any doubt, they should seek advice from the appropriate member of senior executive management or via [expressyourself@sahara-group.com](mailto:expressyourself@sahara-group.com)

## 3. **Guidance on the receipt of gifts, benefits and hospitality**

Under this policy, it is an offence for staff of the Company, either in their official or personal capacity to do the following with regards to the acceptance of gifts, benefits and/or hospitality:

- To corruptly accept or give any gifts or consideration as an inducement or reward for doing or refraining to do anything in line with their normal job description as a staff of the Company
- To show favor or disfavor to any person in line of their normal course of activities and job description
- To receive money, gifts and/or consideration from a person and/or organization seeking to obtain a contract of service or who already has a contract of service in order to favor them.

Staff is expressly prohibited from soliciting benefits or rewards in return for providing service and/or products, whether those services should be provided as part of their usual role or are provided because a gift or inducement has been offered.

This manner of behavior is an offence which could lead to the termination or dismissal of the staff in line with the Company's sanction grid.

#### **4. Acceptance of gifts, benefits and hospitality**

Staff may, in certain circumstances and subject to these procedures, accept offers of gifts, benefits and hospitality. However staff must at all times be, and be seen to be, acting in a way which is fair, impartial and unbiased. The receipt of gifts, benefits and hospitality can create conflicts of interest and may give rise to an adverse inference as to the integrity of either the donor or the staff member. It is important therefore that employees consider carefully the circumstances in which they accept gifts.

Some staff necessarily spends time with other organizations where it is normal business practice or social convention to offer gifts, hospitality or awards. Offers of this kind can place staff in a difficult position: to refuse may cause misunderstanding or offence; however to accept may give rise to questions of impropriety or conflict of interest. The guiding principles in such circumstances are:

- The conduct of individuals should not create suspicion of any conflict between their official duty and their private interest.
- The action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organization with whom they deal or to their colleagues) that they have been (or may have been) influenced by a benefit to show favor or disfavor to any person or organization.

Before accepting any offers of gifts, hospitality or other benefits of **\$100** or below in value, staff members should seek the approval of their MDs and/or Heads of Department. In addition, gifts, hospitality or other benefits of over **\$100** in value must be formally registered with the MD and/or Head of Department in accordance with this Policy within 14 days of the date of receipt.

Where a member of staff receives a series of gifts, hospitality or other benefits from the same organization in one year with a cumulative value of over **\$100** when taken together, these too must be formally registered.

It is expressly prohibited for a member of staff to accept any gift or benefit from an organization and/or person that is actively involved in a tender process at the Company. This prohibition commences at the point that such an organization has been registered as approved service provider within the Company's supplier database, through the period for which an invitation to tender is published and extends to a period of 6 months after the contract has been completed. Any offers of gifts or benefits during this period must be refused. Where a gift or inducement is offered to the Company corporately (rather than to an individual employee) in the course of a purchase negotiation, the Company's representative in the negotiations should refer such an offer to the MD and/or Head of Department who should immediately report such to the Board of Directors.

#### **5. Gifts**

Staff should not accept any gift or reward from any organization or individual with whom they have contact in the course of their work as an inducement either for doing something or not doing something in their official capacity. Particular care should be taken about any gift from a person or organization which has, or is hoping to have, a contract with the Company.

Although it is conventional in some organizations to exchange seasonal gifts, this is not an acceptable practice in the Company. Gifts of a trivial or inexpensive nature may be accepted, but more substantial or expensive offerings should be declined.

If unsolicited gifts of a substantial nature arrive from contractors, agents, suppliers they should be returned with a polite explanation that the Company's Policies do not allow their acceptance. If staff has any doubts about whether an offer of a gift should be refused on the grounds that refusal may cause offence, they should consult their MDs and/or Head of Department, who in turn should discuss the matter with the Directors to determine whether the gift should be accepted. The Board of Directors is the final arbiter on the advisability of accepting or refusing gifts.

Where a gift is made to an individual in their official capacity the gift will be retained by the Company and may be put on display.

Offers of cash or cash equivalents (e.g. lottery tickets, gift vouchers or gift cheques) made by suppliers, contractors, service users or their relatives to individual officers of the Trust should be declined.

Gifts of a small or inexpensive nature such as calendars or diaries or other simple or inexpensive items such as flowers and chocolates can be accepted.

It is recognized that there are exceptional cases where refusal of a gift will clearly offend a donor, cause embarrassment or appear discourteous. In these cases the donor should be advised that the permission of the Company Management will have to be sought as to whether or not the gift can be accepted. The MDs and/or Heads of Departments should be asked to decide whether to:

- Allow the recipient to accept the gift
- Return the gift to the donor with a suitably worded letter explaining why the gift cannot be accepted
- Use or dispose of it, if possible, in or by the Company.

Trade or discount, other than those negotiated by the Company on its behalf or on behalf of its staff, by which an officer might benefit from the purchase of goods or services at a reduced price are classified as gifts and should be politely declined and, if already accepted, returned to the sender.

Senior Executive Management will deal swiftly and firmly with those who defraud the Company or who are corrupt in line with the Company's sanction grid. The Company will be robust in dealing with financial malpractice and shall hold onto expertise, excellence and quality as key strength sources and shall NOT offer any sort of inducement to persons or government officials to influence decisions that affect the Company.

## **6. Hospitality**

The handling of offers of hospitality is recognized as being much more difficult to regulate but it is an area in which staff must exercise careful judgment. It is recognized that it can be as embarrassing to refuse hospitality as it can be to refuse a gift. There is also a need to distinguish between simple, low cost hospitality of a conventional type, for example, a working lunch or evening meal compared with more expensive and elaborate hospitality. There is clearly a need for a sense of balance. There is concern that acceptance of frequent, regular or annual invitations to events or functions, particularly from the same source and where a considerable degree of hospitality is involved, may severely test the principles stated earlier and should be refused.

However, there may be instances where staff receives invitations to events run by voluntary organizations such as annual conferences or dinners. Attendance at such events is considered an integral element in building and maintaining relationships with these sectors and any hospitality received is likely to be reasonable and proportionate, and therefore acceptable

The main point is that in accepting hospitality staff needs to be aware of, and guard against, the dangers of misrepresentation or perception of favoritism by a competitor of the host. It is obviously easier to justify meetings which relate directly to the work of the Company but where these happen outside working hours and on purely social occasions then they need to be justified as not being a personal gift or benefit. Where a contract is being negotiated, hospitality of any kind, including attendance of staff at seasonal events hosted by suppliers or contractors, should be avoided.

As a general rule, invitations of hospitality which are extended to the Company as a whole, can be accepted by a nominated officer and are less likely to attract criticism than personalized invitations to individual officers.

When in doubt about accepting hospitality or an invitation you should consult your MD and/or Head of Department. In all instances where anything beyond conventional hospitality is offered, the approval of the MD and/or Head of Department should be sought. It is particularly important to ensure that the Company is not over represented at an event or function and care should be taken to ensure that this does not happen, for example, by enquiring from the host as to other staff who has received similar invitations.

Staff should consult their MDs and/or Head of Department if they are offered an award or prize in connection with their official duties. They will normally be allowed to keep it provided:

- There is no risk of public criticism
- It is offered strictly in accordance with personal achievement
- It is not in the nature of a gift nor can be construed as a gift, inducement of payment for services rendered or the approval of a contract to the organization giving the award.

## **7. Register of Gifts and Hospitality**

In order to counter any possible accusations or suspicions of breach of the rules of conduct in line with this policy, a record will be kept by the Company of all offers of gifts, awards and prizes made to members of the Company Board, directors, senior managers and staff. Invitations to functions or events, where a considerable degree of hospitality is involved should also be recorded. Details should include

- Where the offer originated
- To whom it was made
- A note of the action taken, accepted/refused/returned/redistributed.

## **8. Provision of Hospitality, Gifts and Benefits**

Below is a guide to staff when considering the provision of hospitality, gifts and/or benefits.

### **Internal Hospitality**

This should only be considered in clearly defined circumstances. For example, where meetings outside of normal working hours cannot be avoided (early morning or after normal working hours) or where staff are required to travel to attend meetings in circumstances where a lunch time break is not possible or where the meeting is likely to last for more than 3 hours.

Where hospitality is to be extended for internal meetings, it should be limited to light refreshments

In relation to residential training courses/conferences it is normal practice for meals and light refreshments to be provided for delegates. The provision of lunch and dinner are acceptable to be served but with no alcoholic beverages

In relation to non-residential events, lunch may be provided where it facilitates the running of the course or where alternative provision is not available. Beverages provided with lunches should be restricted to soft drinks, tea, coffee, fruit juice and water.

#### **External Hospitality**

The provision of hospitality by the company to representatives of other organizations should be modest and appropriate to the circumstances. In all instances, the expenditure involved must constitute good value for money.

The provision of gift would be restricted to the Company's branded gift items which are given to all our business partners at the end of the year. The Company does not give out any other gift items asides the branded gifts except where specifically approved by the Board of Directors.

### **9. Responsibilities**

All our operations, activities and relationships shall be guided by this policy and no clause shall be subject to waiver.

**THIS POLICY APPLIES TO ALL MEMBERS OF THE BOARD, CEO/OTHER MEMBERS OF THE SENIOR EXECUTIVE MANAGEMENT TEAM AND ALL STAFF OF THE COMPANY**