



# STO Policy

## *Gift Acceptance Policy*

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**STO is committed to ethical business practices, ensuring that the giving and receiving of gifts adhere to anti-bribery and anti-corruption standards while promoting transparency and integrity.**

The Gift Policy at STO outlines principles for offering and accepting corporate gifts to ensure that business is conducted ethically and in compliance with anti-bribery and anti-corruption laws. The Policy covers acceptable and prohibited types of gifts, the importance of disclosure, and guidelines for maintaining a gift register. It also stresses the significance of avoiding undue influence or conflicts of interest in business decisions.



# Gift Acceptance Policy

## **Purpose**

The purpose of this Policy is to provide clear guidelines for the giving and receiving of corporate gifts during business and commercial interactions with stakeholders. It ensures that STO Group employees and stakeholders conduct business ethically while adhering to anti-bribery and anti-corruption laws and best practices.

## **Effective date**

Since October 2020.

## **Scope**

This policy applies to the Board of directors and all employees of STO and its Group of Companies, as well as any other stakeholders involved in activities on behalf of the Company.

## **Policy Statement**

The Company is committed to maintaining ethical standards in the giving and receiving of gifts, ensuring that business decisions and judgments are not influenced by undue pressure or any form of gift. To achieve this, the Company adopts standard principles to manage the offering and acceptance of corporate gifts.



# Gift Acceptance Policy

To effectively manage and regulate the offering and acceptance of corporate gifts, the Company will adopt the following principles:

## 1. Form of Gifts

This Policy covers the following types of business courtesies exchanged with external parties:

### Gifts

Includes all personal or professional gifts exchanged with officials or individuals who have, may have, or may facilitate a business relationship with the Company.

### Entertainment

Participation in social, cultural, promotional, or sporting events with officials or individuals who have, may have, or may facilitate a business relationship with the Company.

### Hospitality

Meals, beverages, lodging, and travel expenses provided to or received from officials or individuals who have, may have, or may facilitate a business relationship with the Company.

2. Employees must not solicit, offer, or accept gifts, gratuities, special allowances, favors, or unreasonable benefits, directly or indirectly, from individuals or companies with whom the Company conducts business if such benefits could improperly influence the recipient's judgment, create an undue obligation to reciprocate, or give the appearance of impropriety.
3. The Company recognizes that occasionally offering or accepting modest gifts, entertainment, or hospitality can play a role in building and maintaining strong business relationships.



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4. Employees must exercise caution when offering gifts that may contravene the recipient's own rules or violate the accepted norms of their society.
5. If a situation arises where a gift cannot be refused due to cultural reasons and declining it could offend a person, party, or business partner, such gifts should be accepted ceremonially.
6. Any gift received or offered in an acceptable circumstance, that is valued at or above US\$ 500 must be disclosed in accordance with the disclosure procedure outlined in this policy.
7. Employees are expected to exercise good judgment and follow the disclosure guidelines provided in this Policy and the Conflict-of-Interest Declaration Policy.
8. Employees are required to be familiar with the Company's policies on acceptable gifts and the applicable disclosure mechanisms.
9. Provision Related to the offering and receiving of gifts includes gifts received by employees or gifts offered by the Company itself.
  - a. Employees must not accept any form of gift if the gift:
    - Is illegal;
    - Could damage the Company's reputation if publicly disclosed, either locally or internationally;
    - Is a gift or benefit that must be kept secret from colleagues, immediate managers, or other relevant parties;
    - Consists of cash or cash equivalents (such as gift vouchers or anything redeemable for cash), including shares, regardless of the amount;
    - Involves sexual favors.



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- b. Acceptable forms of Gifts;
  - Corporate promotional gifts (e.g., pens, calendars, corporate business diaries, corporate gift packs, and similar items);
  - Gifts intended to strengthen business relationships (e.g., occasional meals with a business partner or prospective partner that comply with the Company's policies and procedures);

- Gifts that are permissible under applicable laws, regulations, and relevant Company policies / procedures;
- Gifts that do not fall under the category of restricted gifts as stated in the provisions above.

- 10. Disclosure  
The Human Resource Department must establish a guideline for disclosing gifts offered and accepted, in accordance with Section 4 (Principles) of this Policy. This guideline should include the process for maintaining

gift registers, as well as the handling and disposal of gifts that are either unacceptable, ceremonially accepted, or received under circumstances where employees were compelled to accept them. Employees must report such gifts to the designated departments. The Gift Register will be reviewed periodically to ensure compliance.

- 11. Gifts offered or received by employees should be declared to:
  - a. In case of Board Directors declare to Company Secretariat,



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- In case of Executive Team Member declare to Managing Director's Secretariat,
- In case of other Employees declare to Human Resource.
- b. Gift Registers shall be maintained as follows:
  - Board of Directors - Company Secretary
  - Executive Team Members - Managing Directors Secretariat
  - Employees – Human Resource

## 12. Non-Compliance and Reporting

- a. Employees and stakeholders who violate this Policy may face disciplinary action and penalties from the Company, and they may also expose themselves and the Company to civil and criminal charges, along with significant reputational harm.
- b. The Company encourages employees and stakeholders to report any suspected violations of the principles outlined in this Policy. The Company is committed to

providing legal protection for employees and stakeholders who report non-compliance with the Policy.



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