



Gifts and Entertainment Policy

This policy applies to all employees of Sa Sa International Holdings Limited and its subsidiaries (the “Group”).

PURPOSE

The purposes of this policy are:

- (i) to identify and manage gifts and entertainment provided by suppliers / customers / agents or other business associates having business relationship with the Group; and
- (ii) to provide a reporting mechanism for employees to disclose gifts, entertainment and travel acceptance while conducting business on behalf of the Group.

POLICY

Gifts Acceptance

It is customary for suppliers, customers, agents and business associates to provide gifts (including red packet) to those with whom they do business. It is important these gifts do not affect an employee’s business judgment or give the appearance that judgment may be affected. As a general rule, employees may accept gifts from suppliers, customers, agents or business associates, provided the gift:

- does not create the appearance (or an implied obligation) that the offeror is entitled to preferential treatment, an award of business, better prices or improved terms of purchase or sale
- would not prevent the employee from awarding the Group’s business to one of the offeror’s competitors
- could be openly discussed without reservation
- could be seen as sociable or polite after considering the gift value and nature (e.g. lucky money given during festive occasions)
- is reported to the employee’s immediate supervisor and disclosed in a completed Gifts and Entertainment Declaration Form



The followings are inappropriate:

- gifts given as a bribe, payoff or kickback (e.g. in order to obtain or retain business, or to secure an improper advantage)
- gifts the employee knows are prohibited by the offeror's organization
- gifts given in the form of services or other non-cash benefits

Employees must never ask for gifts, gratuities or other items that benefit them personally, regardless of value. If the acceptance of the gift could affect the employee's objectivity or induce him / her to act against the Company's interest, he / she should decline such offer. Employees are expected to exercise good judgment in accepting gifts from suppliers, customers, agents or business associates. Employees should seek advice from their immediate supervisor when in doubt.

Entertainment Acceptance

Employees may accept business entertainment, such as meals offered for legitimate business purposes to build goodwill and enhance relationships with suppliers, customers, agents or business associates, provided such entertainment:

- is infrequent
- is reasonably related to a legitimate business purpose (e.g. accompanying a supplier or customer to attend a business meal)
- is not given as a bribe, payoff or kickback (e.g. in order to obtain or retain business, or to secure an improper advantage)
- does not create the appearance (or an implied obligation) that the offeror is entitled to preferential treatment, an award of business, better prices or improved terms of purchase or sale
- is reasonable and appropriate in the context of the business occasion
- could be openly discussed without reservation
- would not influence, or appear to influence, the employee's ability to act in the best interest of the Group
- is disclosed in a completed Gifts and Entertainment Declaration Form



The followings are inappropriate:

- entertainment that can be viewed as excessive in the context of the business occasion
- entertainment that the employee knows are prohibited by the offeror's organization

If the acceptance of the entertainment could affect the employee's objectivity or induce him / her to act against the Company's interest, he / she should decline such offer. Employees should seek advice from their immediate supervisor when in doubt.

Travel Acceptance

It may be appropriate for employees to accept suppliers, customers, agents or business associates to pay for travel-related expenses. Offers to pay for travel and / or related expenses from third parties must be:

- in advance reviewed and approved by the employee's immediate supervisor; and
- disclosed in a completed Gifts and Entertainment Declaration Form.

In reviewing the travel request, the immediate supervisor should consider a number of factors, including whether:

- the primary purpose of the travel is business-related
- the class of travel is appropriate in the business context
- the itinerary minimizes side trips and avoids tourist or vacation destinations.

Please note that the Group will not approve the followings:

- travel expenses for an employee's spouse or children
- trips that appear to be provided in exchange for business or improper advantage.



GIFTS AND ENTERTAINMENT DECLARATION FORM SUBMISSION

- Employees who have accepted gifts, entertainment, travel-related benefits in any kind during his/her service, he/she **MUST** fill in the **Gifts and Entertainment Declaration Form (A)**.
- For each fiscal year, **ALL** Employees at Grade 4 or above **MUST** fill in the **Gifts and Entertainment Declaration Form (B)**, stating he/she has either (1) completely declared received gifts, entertainment or travel-related benefits or (2) not accepted any gifts, entertainment or travel-related benefits during the fiscal year. The Form (B) **MUST** be submitted to Human Resources Department within 7 days after the immediate past fiscal year end.

The Gifts and Entertainment Declaration Forms for employees to disclose their gifts and entertainment are attached.



Gifts and Entertainment Declaration Form A

Part I – To be completed by Employee

To: Human Resources Department

cc: Department Head of the Employee

Description of Offeror:

Name & Title of Offeror: _____

Name of Company: _____

Relationship (Business / Personal): _____

Occasion on which the Gift / Entertainment was / is to be received:

Description and estimated value of the Gift / Entertainment:

Suggested Method of Treatment:

Remark

- Retain by the Employee
- Retain for Display / as a Souvenir in the Office
- Share among the Office
- Reserve as Lucky Draw Prize at Staff Function
- Donate to a Charitable Organization
- Return to Offeror
- Others (please specify): _____

_____ (signature)

Name:

Position:

Department:

Date:



Part II – To be completed by Immediate Supervisor / Department Head

To: (Name of Employee)

The recommended method of treatment is **approved / not approved*. *The gift(s) / entertainment concerned should be treated by way of: _____

_____ (signature)

Name:

Position:

Department:

Date:

* Please delete as appropriate



Gifts and Entertainment Declaration Form (B)

To be completed by Employee at Grade 4 or above

To: Human Resources Department

I state that I have ****declared all / not*** accepted gifts, entertainment, travel-related benefits provided by suppliers / customers / agents or other business associates having business relationship with the Group during the period from 1 April 20_____ to 31 March 20_____.

_____ (signature)

Name:

Position:

Department:

Date:

* Please delete as appropriate