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| | HUMAN RESOURCE DEPARTMENT | DOC. NO. : CORP-HR-02 |
| | SPONSORSHIP & DONATION POLICY | REV. NO. : 00 |
| | | DATE : 27 May 2020 |
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SPONSORSHIP & DONATION POLICY

| DOCUMENT APPROVAL | | DATE |
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| REVIEWED BY: (DIRECTOR OF HUMAN RESOURCE) Signature: Name: | | |
| APPROVED BY: (CHIEF FINANCIAL OFFICER) Signature: Name: | | |
| APPROVED BY: (CHIEF OPERATING OFFICER) Signature: Name: | | |
| APPROVED BY: (CHIEF EXECUTIVE OFFICER) Signature: Name: | | |

No change

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|  an AyalaLand company | HUMAN RESOURCE DEPARTMENT | DOC. NO. : CORP-HR-02 |
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1. PURPOSE

- 1.1. This sponsorship and donation policy by Avaland Berhad and its group of companies (**"Avaland"**) is to provide a guide to the company and its employees in making decision pertaining to sponsorship and donation from the company to an external party. The purpose of making a sponsorship or donation is to portray a positive image and reputation, a branding initiative participation in mission-driven activities and/or corporate social responsibility (CSR) programs, which aims to create a positive outcome, goodwill and support to the beneficiary, community and/or country.

2. SCOPE

- 2.1. These policies are applicable throughout Avaland.

3. DEFINITION / ABBREVIATIONS

"CSR – Corporate Social Responsibility": CSR aims to embrace responsibility for AVL's actions and to encourage a positive impact on the environment and community through donations and philanthropic initiatives.

"CCD": The Corporate Communications Department of Avaland.

"Donation": A Donation is a voluntary contribution in the form of monetary or non-monetary gifts to a fund or cause for which no return service or payment is expected or made. Contributions to industry associations or fees for memberships in organizations that serve business interests are not necessarily considered Donations.

"Management": Collectively the acting Chief Executive Officer, Chief Operating Officer and Chief Financial Officer of Avaland.


"PO - Project Owner PO": The department that submits the sponsorship and donation requests. PO is also the budget holder for the requests.

"Sponsorship": Sponsorship is about partnering with external organizations to deliver mutual benefits through an exchange of monies, products, services, content or other intellectual property.

4. RESPONSIBILITY

4.1. Project Owner (PO)

- a) As internal requestor, PO shall initiate an internal memo to be submitted to the CCD for evaluation and submission to Management for approval in writing.
- b) CCD shall manage and monitor the process.
- c) CCD shall submit a quarterly report to Management.

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4.2. Corporate Communications Department (CCD)

- (a) CCD shall provide its evaluation, recommendation and consultation to the Management on all matters relating to sponsorships and donations, including but not limited to budget recommendations and allocations.
- (b) CCD's input and recommendation is required before request is considered for approval by Management.

5.0 POLICY

5.1 Authority limit for sponsorship and donation

- (a) Annual authority limit is determined by Management.
- (b) All approved requests made by PO must be kept by CCD for record keeping.

5.2 Sponsorship proposals shall be evaluated against five (5) general criteria. These criteria have been developed to ensure that Avaland establishes sponsorship relationships that will mutually benefit Avaland and the receiving organisations. Proposals are evaluated for:

- (a) Tangible benefits;
- (b) Opportunity to create long-term value;
- (c) Ability to reach targeted audiences and build relationships;
- (d) Potential for long-term, sustainable partnership or relationship; and
- (e) Potential risk arising from its relationship with the receiving party(ies), impact and implication to the project and/or company and its risk mitigating action plan.

5.3 Sponsorship and donation priorities


- (a) Any sponsorship with a tax exemption/relief incentive will be prioritized during the evaluation process to meet Avaland's objective in cost-saving/optimisation.
- (b) The sponsorship shall not be in conflict with Avaland's objectives and mission as well as its position as a property development company. The profile of potential recipients must not be contradictory to the values and objectives of Avaland.

(c) Sponsorship

Any request for sponsorship directly from third parties to Avaland must be in writing and evaluated by CCD before submission to Management for approval, if any.

(d) Donation

- Contributions to business related activities.
- Contribution to hard core poor / marginalized / under supported communities
 - Provision of comfortable living conditions (building / repair houses, subsidizing education for children, providing for basic necessities for a healthy living and learning environment).

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- Education – Educational fee or scholarship programme(s) for students from underprivileged backgrounds at the local university and other tertiary educational institutions or primary or secondary schools that need extra fund for the school.
- Requests for medical aid and assistance (dialysis machines, medical equipment and expenses, victims of natural disasters, lifesaving surgeries).

Any request for donation for any purpose other than the above shall be elevated to Management by CCD and evaluated on a case-to-case basis.

(e) Source of funds

The funds for the sponsorships and donations shall be derived from:

- CCD's approved annual financial budget for sponsorship and donation.
- Ad-hoc requests which are not from any approved budget for the financial year shall require prior written approval of the Management.

(f) This Policy shall be read in conjunction with the Code of Conduct and Ethics and the Anti-Bribery and Anti-Corruption Policy.

5.4 Acknowledgement

I (print name)_____ acknowledge that I have read, understood and agreed to comply with the Sponsorship and Donation Policy. I have not violated the provisions of this Policy and am not aware of any violations of the Policy as of the date hereof.

Signature:_____

Date: _____