
SUNWAY®

REIT

DONATIONS, SPONSORSHIPS AND CORPORATE RESPONSIBILITY POLICY

Version 2 (2023)

Process Owner: Sustainability Department

Intended Users: Sunway REIT

Process / Knowledge Area: Policy Statement

Last Updated: 15/08/2023

COMMITTED TO
**SUSTAINABLE
DEVELOPMENT GOALS**



(Approved on 16/06/2021)

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1. PURPOSE

- 1.1. This section encompasses the principle regarding donations and contributions within Sunway Real Estate Investment Trust (“Trust”) and Sunway REIT Management Sdn Bhd (“the Manager (CEO & CFO)”) (collectively known as “Sunway REIT”). As a responsible corporate citizen, Sunway REIT always seeks avenues in which it can contribute to the community through three areas, one of which is via its social responsibility programmes.
- 1.2. Be it through monetary contributions or in-kind, the Sunway REIT has always worked towards benefiting the community.
- 1.3. Sunway REIT Board Sustainability Committee (“BSC”) play an important role in organising these donations/contributions to various Non-Governmental and Government Organisations. Sunway REIT strongly believes that donations/contributions made to these organisations are worthwhile because Sunway REIT seeks to:
 - a) Improve the lives of the community in which it serves
 - b) Build good relationships/ rapport with members of the community
 - c) Position Sunway REIT as a good corporate citizen in the eyes of the community as well as the government

2. SCOPE

- 2.1. This covers all donations of cash, services or donations in-kind, to individuals, organisations or other bodies, but excluded scholarships under the Education division.
- 2.2. All donations, sponsorships and contributions activities referred to in this Policy must comply with the principles laid out in the Anti-Bribery and Corruption Policy and the Anti-Money Laundering Policy of Sunway REIT.

3. DEFINITIONS

- 3.1. “Non-Governmental Organisation” or NGO is defined as an organisation in Malaysia which is not operated or conducted primarily for profit and is:
 - a) A hospital;
 - b) A public or benevolent institution/organisation;
 - c) A university or other educational institution;
 - d) A public authority or society engaged solely in research or other work connected with the causes, prevention or cure of disease in human beings;
 - e) A Government - assisted institution engaged in socio - economic research;
 - f) A technical or vocational training institution; or

- g) A society registered with the Registrar of Societies.

4. RESPONSIBILITIES

4.1. Overall Responsibilities

Sunway REIT BSC, the Manager and GBMC should be jointly responsible for administering and complying with this Sunway REIT Standard Operating Procedure (SRSOP).

4.2. Interpretations

Sunway REIT BSC, the Manager and GBMC in consultation with relevant parties, if required, shall be responsible to provide clarity to this SRSOP in the event of ambiguity.

4.3. Exceptions

Any exception, waiver or deviation from the requirements of this SRSOP requires the approval of Sunway REIT BSC, the Manager and GBMC.

5. BEST PRACTICE

- 5.1. Set a strategy and specify criteria for making donations and/or contributions and/or sponsorships. Ad-hoc proposals that fall outside the strategy and do not meet the criteria should be reviewed by Sunway REIT BSC, the Manager and GBMC based on the threshold limit.
- 5.2. Notify employees and relevant third parties of Sunway REIT's conflicts of interest policy and provide guidance on avoiding and managing conflicts arising from contributions and sponsorships.
- 5.3. Conduct risk-based due diligence on all intended recipients. Check for red flags such as past integrity issues, a pre-existing or potential business relationship with Sunway REIT or an affiliation with a public official.
- 5.4. Assess the legitimacy, capability and financial viability of the recipient organisation.
- 5.5. Set approval thresholds for donations and sponsorships of different values and/or risk levels.
- 5.6. Document donations and/or contributions and/or sponsorships according to their size, nature and level of risk. This documentation will be used to determine the required approvals, monitoring and post-completion review and reporting.
- 5.7. Monitor all donations and/or contributions and/or sponsorships to ensure that they have been used for their intended purpose. Conduct checks to ensure all donations comply with this policy.

- 5.8. Record all donations and/or contributions and/or sponsorships accurately for internal audit.
- 5.9. Publish this policy for donations and/or contributions and/or sponsorships and disclose the donations and/or contributions and/or sponsorships made on a regular basis.

6. INTRODUCTION

- 6.1. Charitable donations and/or contributions and/or sponsorships are usually assessed as high-risk areas for various forms of bribery, money laundering and any other corruption related activities. There should be an adequate control in place to ensure that all such payments for donations, contributions or sponsorships are made in full compliance with applicable laws and regulations, together with Sunway REIT's anti-bribery and corruption and anti-money laundering policies.
- 6.2. Therefore, the purpose of this policy is to:
 - a) Provide guidance for the strategy of making donations and sponsorships to ensure all proposals fit within the strategy and meet the established criteria.
 - b) Provide guidance on the conduct of due diligence on all proposed recipients to check whether they are affiliated with public officials or existing or potential customers, among other anti-bribery red flags.
 - c) Establish proper controls, including approval thresholds and counter-signatures, to counter the risk of kickbacks.

7. OBJECTIVES

- 7.1. In fulfilling its corporate citizenship, Sunway REIT manages its businesses ethically in accordance with its Code of Conduct & Business Ethics, and positively contributes to social good, and to programmes, which benefit its customers, employees, shareholders and other stakeholders.
- 7.2. Donations and/or cash contributions by Sunway REIT are part of its Corporate Responsibility ("CR") efforts, which are undertaken to meet one or all of the following objectives:
 - a) Garner positive and/or favourable support of its stakeholders as well as serve their expectations and/or needs;
 - b) Contribute resources - people, money, products and services - to support the communities in which it operates;
 - c) Support the national agenda by supporting key propellers of growth to include overall capacity, skills, ICT infrastructure and capabilities, and talent development.
 - d) Ensure all donations and/or cash contributions are allowed by applicable bylaws of Malaysia

- e) Be made to established entities having an adequate organisational structure to guarantee proper administration of the funds
- f) Strictly prohibited to use as a means to cover up an undue payment or bribery

8. OVERALL POLICY

8.1. Policy on Donation and Contributions

- a) Ad-hoc donations or charity contributions in cash and kind can be considered by Sunway REIT within acceptable limits of authority and disbursement; but only to support institutions, platforms and individuals undertaking community or stakeholder initiatives in the area of Community Enrichment. All requests for donations must be channelled through the Sunway REIT BSC, the Manager and GBMC. For amount exceeding the approval limit by Sunway REIT BSC and the Manager, it shall be escalated to the BOD for their decision.

8.2. Exception of this policy can be taken within the prescribed limit on the amount of funds and subject to:

- a) special considerations due to out-of-scope requests from Government authorities, related agencies or members of the royal families.
- b) Sunway REIT does not make donations for political causes or any politically affiliated institutions. However, to meet the obligatory requirements as a corporate citizen, Sunway REIT does contribute to events organised by political parties especially those concerning industry/policy issues with key regulatory bodies, with private sector involvement. The donations will be in-kind and not in cash
- c) Donation request by politicians will not be approved unless if it is for a good cause championed by the politicians. The donations will be in-kind and not in cash; directly provided to the recipients or beneficiaries and not through the politicians.

9. PROCEDURE TO HANDLE A DONATION REQUEST

9.1. Applicant's Request for Proposed Donation/Contribution

- a) All proposals requesting for donations or contributions from Sunway REIT must be accompanied by the completed Application Form for Donations or Contributions. The duly completed Application Form for Donations or Contributions is to be reviewed and approved by Sunway REIT BSC, the Manager and GBMC based on the authorised threshold limit.
- b) Reason(s) to justify the donations or contributions is (are) required to be specified in the Application Form for Donations or Contributions. Reasons may include, amongst others, as follows:
 - i Improve the lives of the community in which it serves.
 - ii Build good relationships/rapport with relevant members of the community.
 - iii Position Sunway REIT as a good corporate citizen in the eyes of the community as well as the government.

- c) If the donation or contribution amount is above RM30,000, Sunway REIT will then consult with the Sunway REIT BSC to evaluate the benefits derived from giving the donations / contributions, as indicated in the Application Form for Donations or Contributions. If satisfactory, the proposal for donations/contributions will then be tabled to the BOD for approval.

10. DONATION VERSUS BUSINESS VALUE

- 10.1. While the primary objective of all ad-hoc donations is to meet the social obligations of the organisation, it is important to evaluate the requests for donations in terms of the value (tangible or intangible) to the overall business.
- 10.2. ALWAYS ASK - Will the donation add value in terms of providing Sunway REIT with brand visibility, social equity, exclusivity, goodwill, media exposure, new partnership opportunities, impact, and perception to the brand?
- 10.3. Any donations, which are linked to business and commercial interests or carry business and commercial weight, will be channelled through the relevant business units for their review and decision subjected to Sunway REIT's policy.
- 10.4. All requests must be submitted to Sunway REIT BSC, the Manager and GBMC at least three weeks before the event. Valid reasons need to be presented for any request lesser than three weeks.
- 10.5. Priority for donation and contributions
 - a) Registered societies, organisations or charitable and non-governmental organisations and/or institutions with tax exemption status.
 - b) Organisations that benefit the sick, elderly, underprivileged, disabled and/or disadvantaged.
 - c) Organisations that encourage higher learning and/or promote intellectual activities.
 - d) Activities that enable Sunway REIT to play its part as a responsible corporate citizen.

11. CONSIDERATION FOR DONATIONS & CONTRIBUTIONS

- 11.1. Acceptable list
 - a) Regulatory Authorities / Bodies
 - b) National organisations
 - c) Charities and non-governmental organisations
 - d) Public services organisations
 - e) Schools and institutions of higher education (Only education and charitable community- related projects)
- 11.2. Unacceptable list

- a) Privileged organisations with access to alternative sources of funding
- b) Politically-affiliated institutions or groups
- c) Well-networked organisations
- d) Organisations with independent CR flagship programmes
- e) Organisations which are not aligned to Sunway REIT CR guidelines
- f) Institutions/programmes/initiatives, which are/were supported by competitors
- g) Programmes that serve religious objectives or are averse to cultural and ethnic diversity
- h) Groups or organisations which suffer from reputational issues and/or are associated with legal proceedings or other with controversial personalities issues
- i) Corporate organisations that serve and/or act as a middle party to any charitable organisations and/or NGOs
- j) Activities which may cause physical harm (examples: motorcycle expeditions, extreme sports)
- k) Scholarship or individual sponsorship (e.g. for research study/ field trip to overseas university and etc)
- l) Participation fees for any competitive programs

12. TYPES OF SPONSORSHIP

Category	Objective
<p>Goodwill Sponsorships (Can be exceptions i.e. outside the areas defined by the guidelines. Minor impact on business)</p>	<p>To respect existing stakeholder relationships and/or build new networks while meeting various business objectives.</p>
<p>Media Sponsorships (Strictly as per the areas defined i.e. Education, Healthcare and Community Enrichment programmes, with some measurable impact on core business)</p>	<p>In support of true and fair reporting and disclosure of information or event that will increase awareness and bring positive actions that are aligned to Sunway REIT’s sustainability agenda.</p>
<p>Community-driven Sponsorships (Strictly as per the areas defined i.e. Education, Healthcare and Community Enrichment programmes, with some measurable impact on core business)</p>	<p>To support various stakeholder communities to include institutions for the disadvantaged and underprivileged groups, etc.</p>

13. CRITERIA FOR SELECTION

13.1. Checklist / considerations for evaluation of donation and contribution request

- a) Did you receive the request in writing, from an approved, legal and credible institution or source?
- b) Did the request come from an institution endorsed/approved by a Governmental body?
- c) Does the request for donation meet the objectives and the guidelines defined?
- d) Does the request allow enough time to process the application and secure necessary approvals?
- e) Does the institution fall under the broad categories as defined in this guidelines document?
- f) Is there a reason or necessity to make an exception and do you need additional time to process the request?
- g) Have you in the past six months approved a donation to or sponsorship appeal from the requesting institution? If yes, for sustainability of the cause, does it merit an exception?

Note: The evaluation and selection forms part and parcel of due diligence required on the intended recipients/beneficiaries.

14. LIMITS OF AUTHORITY (LOA)

Amount	Approving authority
Up to RM30,000	The Manager (CFO and CEO)
Above RM30,000	BSC to review and provide recommendation to BOD

14.1. Sunway REIT must exercise prudence when evaluating and approving charitable donations. The LOA, as defined in the policy document, of approving authority should be adhered to at all times.

LOA Explanatory Notes:

LOA has been kept at two tiers for simplification purposes and ease of process.

- a) As defined in the table, the approval authority can exercise his and/or her LOA according to the budget allocated for this purpose in a year.
- b) For any particular one request, the donation can be made or granted in either cash, in-kind or both provided that the amount is within the approver's limit and budget and made under one single request only.

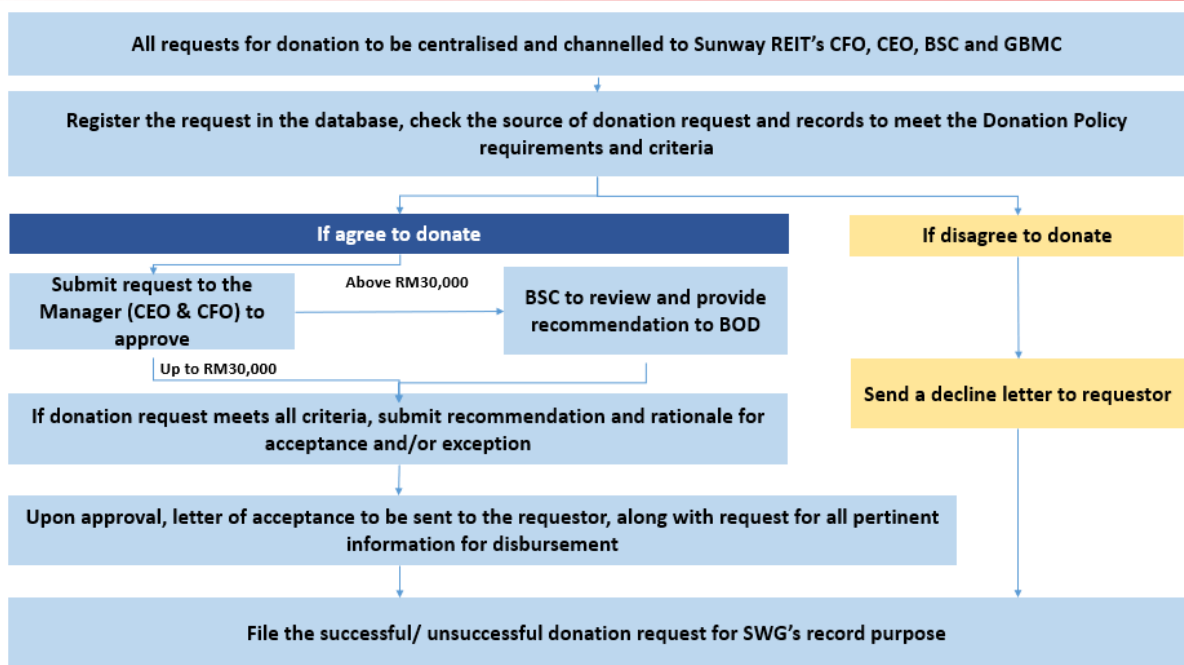
- c) The above LOA for approval is strictly for donations, contributions and/or sponsorships and not for business related activities. CR related requests should be centralised at Sunway REIT BSC, the Manager and GBMC based on the authorised threshold limit.

15. CHECKLIST FOR EVALUATION

- 15.1. Checklist of information that shall be requested and furnished in order to conduct an evaluation
- 15.2. Official name, business/NGO registration number, address and contact details of the organisation on an official letterhead
- 15.3. Names and contact details of the officials of the organisation
- 15.4. Details of the organisation's credentials/track record of projects
- 15.5. Project Details of relevant market research, if any
- 15.6. Details of other sponsoring organisations/partners, if any
- 15.7. If an event, details of media exposure and media partners, if any
- 15.8. Profile of the audience and expected viewing numbers
- 15.9. Extent/level of sponsorship sought and sponsorship amount
- 15.10. Details of benefits to the sponsoring organisations
- 15.11. Tax exemption approval number/letter of approval from the Inland Revenue Board

16. APPROVAL / DECLINING PROCESS

Proposed Approval / Declining process



17. MONITORING AND REPORTING

- 17.1. Donations must not be considered as arbitrary contributions, but as sustainable efforts to meet CR objectives.
- 17.2. Sunway REIT must represent itself through a nominee, for participation in the donated cause, to demonstrate sincerity as well as commitment beyond cash contribution.
- 17.3. The donation recipient must be asked to submit a Management Synopsis on the cause supported by Sunway REIT's donation, along with details of branding and representation as well as credit opportunities provided to Sunway REIT.
- 17.4. Sunway REIT to submit all donations and/or contributions requests to Sunway REIT for tracking purpose every six months, to ensure Sunway REIT maintains sustainable interest in the causes supported.
- 17.5. Showcase and publish the causes and/or initiatives supported by Sunway REIT through:
 - a) Sustainability Statements within the Integrated Annual Reports
 - b) Integrated Annual Reports
 - c) Media Coverage
 - d) Stakeholder dialogues, forums and conferences

18. CORPORATE RESPONSIBILITY

Community Programmes

- 18.1. Proposals for community programmes must be submitted to and approved by Sunway REIT BSC, the Manager and GBMC based on the approval limits.
- 18.2. Sunway REIT BSC, the Manager and GBMC will ensure that all programmes adhere to Sunway REIT's CR framework for purpose of Community Enrichment.
- 18.3. There is integration of messaging and no duplication of efforts among Sunway REIT.
- 18.4. All CR programmes must take into account the following key factors:
 - a) Sustainability: Sunway REIT's CR goals are long term and not subject to frequent change.
 - b) Focus: CR key deliverables should ride on Sunway REIT's existing strength, competencies and infrastructure to strengthen and enhance its position in the market and / or communities that Sunway REIT built / locations that Sunway REIT has presence.
 - c) Participation: Employee involvement is a cornerstone of Sunway REIT's CR initiatives. All community programmes should encourage employee participation,

generate teamwork and instil a sense of responsibility amongst staff towards the various communities that they serve.

- d) Support: It is important that all CR programmes and messages enhance Sunway REIT's corporate image and not deflect from its overall positioning. They should incorporate Sunway REIT brand values.
- 18.5. All community projects must use the Sunway REIT logo for their programme communications either in media statements, advertisements, brochures or flyers. The design, look and feel of the internal collateral must be reviewed by the Sunway REIT BSC, the Manager and GBMC before it is produced and distributed.
 - 18.6. Supporting CR collaterals may be obtained from Sunway REIT BSC, the Manager and GBMC to be used at the programme location. All items borrowed must be returned after use. If items are damaged, the party responsible must reimburse for replacements.
 - 18.7. Organisers of community programmes involving donations or monetary contributions to charitable organisations are required to check if donations to them will qualify for tax exemption.

19. TAX EXEMPTIONS

- 19.1. Check with the relevant organisation if it has tax exemption status.
- 19.2. Obtain an authorised receipt that clearly identifies Sunway REIT as the donor or contributor:
- 19.3. Receipts for contributions by cash should be made to: "Sunway REIT" or otherwise advised by Sunway REIT's Finance division.
- 19.4. Ensure that the obtained receipt has a serial number.
- 19.5. Forward all receipts to the Sunway REIT's Finance division.

20. INDEX REFERENCES

Short Form	Full Text
F&A Head	Finance and Administration Head
CEO	Chief Executive Office
CFO	Chief Finance Officer
BSC	Board Sustainability Committee
GBMC	Group Brands Marketing and Communications
SRSOP	Sunway REIT Standard Operating Procedure
BOD	Board of Directors
CR	Corporate Responsibility

21. APPENDICES

Donations / Sponsorship Evaluation Sheet

SUNWAY REIT MANAGEMENT SDN BHD
Application for Donation/Sponsorship Form



Date issued : xx/xx/xxxx

REF : SUNREIT/2022/00001

Details of Event			
Event Name	:		
Event Date & Time	:		
Event Venue	:		
Officiating VIP	:		
Details of Donation / Sponsorship Request (Organiser's information)			
Requestor's Name <i>(name of Organisation)</i>	:		
Contact Person	:		
Contact Number	:		
Type of Organisation :		<input type="checkbox"/> Ministry / Government	<input type="checkbox"/> Educational Institution
<input type="checkbox"/> Government Association		<input type="checkbox"/> Community Association	<input type="checkbox"/> NGO
<input type="checkbox"/> Others :			
Details of request	:		
Target Audience	:		
Target Reach	:		
Amount requested	:		
Cheque payable to	:		
Charge to	:		
Tax Exemption Approval No.(if applicable)	:		
Evaluation from Sunway's perspective			
Which of Sunway's target audience does this proposal reach?			
<input type="checkbox"/> Ministry / Government		<input type="checkbox"/> Students / Children	<input type="checkbox"/> Community
<input type="checkbox"/> Property related		<input type="checkbox"/> NGO	<input type="checkbox"/> None
<input type="checkbox"/> Others :			

SUNWAY REIT MANAGEMENT SDN BHD
Application for Donation/Sponsorship Form



Which of the following fit Sunway's Corporate Responsibility policy?				
<input type="checkbox"/> Education	<input type="checkbox"/> Healthcare	<input type="checkbox"/> Community Enrichment		
Publicity Opportunities				
<input type="checkbox"/> Media Coverage	<input type="checkbox"/> Logo Placement	<input type="checkbox"/> Advertisement Space		
<input type="checkbox"/> Others: <u>Formal acknowledgement in the Publication</u>		<input type="checkbox"/> None		
Approvals (Up to RM30,000 sponsorship/donation request)				
	Name	Designation	Signature	Date
Prepared by				
Reviewed by GBMC				
Approved by	Ng Bee Lien	Chief Financial Officer		
Approved by	Clement Chen	Chief Executive Officer Sustainability Committee		
Approved by (Above RM30,000)	Sarena Cheah	Sustainability Committee		
Approved by (Above RM30,000)	Yeo Kar Peng	Chairperson of Sustainability Committee		

Approval for Payment (For Finance Use)

21.1. Template – Letter of Acceptance

- a) The letter must indicate the following:
- i Organisation's name and the contribution amount
 - ii Description (but not value) of non-cash contributions, if any
 - iii Positive statement of acknowledgement for approaching Sunway REIT
 - iv Request for receipts or tax benefit statements for record purposes, if applicable
 - v Details of Sunway REIT Brand Guidelines etc.
 - vi A Statement of Support, acknowledging the Objectives of the Cause

<On Sunway REIT Letterhead>

<Date>

<Salutation><First Name><Last Name>

<Designation>

<Company Name>

<Full Address>

Dear <Last Name>,

Subject: Acceptance of your request for Donation to support <name of the cause / event etc.>

We would like to thank you for giving us the opportunity to support your <name of the cause or event>, which is in keeping with our corporate responsibility framework and policy. Such initiatives bring about positive change and support community development towards sustainable results.

We are happy to consider a contribution of **<RM Amount><(in words)>**, and **a cheque no. <12345>** towards this amount has been issued and enclosed with this letter. Kindly provide us with an acknowledgement receipt for our records.

Thank you once again. For any additional information or clarifications, please feel free to contact me at **<Email and Contact Number>**.

Yours sincerely,

<Full Name>and<Designation>

21.2. Template – Letter of Rejection

<On Sunway REIT Letterhead>

<Date>

<Salutation><First Name><Last Name>

<Designation>

<Company Name>

<Full Address>

Dear <Last Name>,

Subject: Your request for Donation to support <name of the cause / event etc.>

We would like to thank you for giving us the opportunity to support your <name of the cause or event>, which in our view is a commendable contribution to the <xx groups/ society / industry>

Please be informed that Sunway REIT has a Donations, Sponsorships and Corporate Responsibility Policy and in keeping with our policies, we welcome special Donation / Sponsorship requests for any worthy causes / events to support Community Enrichment.

Unfortunately, we are unable to honour /accept your request for donation in this instance. However, we welcome any other proposal/s which you may have, that complements our priority areas, as stated above. We will be happy to substantiate your efforts for a meaningful cause /event.

Thank you once again for writing to us. For any additional information or clarifications, please feel free to contact me at <Email and Contact Number>.

Yours sincerely,

EMAIL

We refer to <name> proposal on the above matter.

Thank you for reaching out to the Sunway REIT. After deliberation, we have to respectfully decline this request as it is not aligned with Sunway REIT's focus at this moment and our current commitment in a number of Corporate Responsibility projects are focused on Community Enrichment. Nevertheless, we thank you for your kind interest in our organisation and take this opportunity in wishing you all the best in your endeavours.

Thank you.

21.3. Template – Report

- a) All parties receiving the donation must be requested to submit a receipt for record purposes. For event sponsorships, the receiving organisation(s) must submit a post-event report for good governance purposes. Such information should be requested in view of specific requirements, which might be helpful when drafting an Annual Report or Sustainability Report. The Report must follow the prescribed format as below.
 - i 250 Word Description of the Project / Event / Cause [recipient of the Donation / Sponsorship]
 - ii 100 Word Profile of the Parent Organisation / Supporting Organisations / Participating Members / Organisations etc.
 - iii Statement of Undertaking – How was the Donation / Sponsorship amount put to use?
 - iv Sunway REIT Logo Placements – Images and Brief Descriptions (if applicable)
 - v Media Coverage on the Event (if applicable)
 - vi Sunway REIT Spokespersons' Presentation – with Audience Feedback, Comments, Media Request etc. (if applicable)
 - vii Way Forward – Will the event / cause / project be sustainable? If yes, will Sunway REIT be presented opportunity to support? Special requests etc.