



**ESR GROUP LIMITED**  
(Stock code: 1821)

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**ANTI-BRIBERY, ANTI-CORRUPTION AND  
HANDLING OF GIFTS,  
TRAVEL & ENTERTAINMENT**

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**OWNER: GROUP COMPLIANCE**

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**ESR Group Limited**

Suite 2905-06, Two Exchange Square, 8 Connaught Place, Central, Hong Kong  
T +852 2376 9600 | [www.esr.com](http://www.esr.com)

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## 1. INTRODUCTION

- 1.1 ESR Group Limited and its subsidiaries (collectively, “**ESR**” or the “**Group**”) conduct all business honestly and ethically, and will not tolerate any dishonest or unethical behaviour by our directors, employees (part-time or full-time, permanently or temporarily employed), secondees, interns and officers (together, “**Employees**”), or any third parties with whom the Group does or may do business with.
- 1.2 The Group takes a zero tolerance approach towards bribery and corruption in any form and we are committed to strictly abiding by all laws, regulations, rules and government policies that prohibit bribery and any other corrupt activities in countries where the Group operates. All Employees and third parties associated with the business dealings of the Group are prohibited from offering, promising, giving, authorizing, soliciting and agreeing to receive or accept bribes. A violation of any rules could have serious consequences to the Group and the individual who violates the rules.

## 2. PURPOSE AND SCOPE

- 2.1 The purpose and objective of the policy is to:
- a) delineate and explain the responsibilities of all Employees in implementing our ABAC Policy;
  - b) outline the regulatory requirements in the ABAC Policy and the Group Policies expected of all Employees in the acceptance or offering of business courtesies and hospitality, and handling of gifts, travel and entertainment in the course of their duties; and
  - c) provide guidance on the standards of behaviour to which all Employees must adhere to, and the situations when bribery and corruption must be avoided.
- 2.2 The ABAC Policy covers ESR’s Employees and the third parties including, but not limited to vendors, suppliers, contractors, agents, intermediaries, joint venture partners, representatives or consultants, and any persons with whom the Group has or may have business dealings (the “**Third Parties**”).
- 2.3 The Group’s subsidiaries and local offices shall adopt and implement anti-bribery and anti-corruption policies adapted to local requirements and in local languages, if necessary. Where

there is a conflict between this Group policy and a local policy, the more restrictive provisions shall apply. If in doubt, please contact group or local compliance for further guidance.

### **3. DEFINITIONS**

#### **3.1 What is “Bribery”**

Bribery means offering, promising, giving, authorizing, soliciting, agreeing to receive or accepting anything of value to or from another person or entity – whether directly or indirectly (e.g. through a third party) to:

- improperly obtain or retain business;
- obtain an improper personal or business advantage;
- improperly influence the performance of a function (public or private); or
- induce or reward someone to act contrary to applicable laws or rules or without honesty and integrity.

#### **3.2 What is “Corruption”**

Corruption is “trading in influence”. It means any activity that involves the abuse of position or power for an improper personal or business advantage, whether in the public or private sector, and includes bribery. Corruption may also be associated with organized crime, money-laundering and potentially financing of terrorism.

#### **3.3 Anything of Value**

Bribe can take many different forms and may include any items other than money, i.e., “anything of value”. There is no minimum cash value for “anything of value”, which includes both tangible and intangible benefits.

#### **3.4 Conflict of Interest (“COI”)**

COI arises where an individual has a personal interest that conflicts with the best interest of the Group and could affect the individual’s ability to perform responsibilities for the Group or to act objectively when performing responsibilities for the Group. A COI arises in any situation in which an individual is in a position to take advantage of his or her role for personal or organizational benefit, including the benefit of his or her immediate family members and associates.

### 3.5 Donations

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.

### 3.6 Extortion

Directly or indirectly demand or accept a bribe, facilitation payment or kickback.

### 3.7 Government Official

- any official, employee or representative of, or any other person acting in an official capacity for or on behalf of:
  - any governmental authority;
  - any entity or corporation owned or controlled by any governmental authority (including where senior management are appointed by the governmental authority);
  - any political party; or
  - any public international organization such as World Bank or the United Nations; and
- any candidate for political office or a person acting on his or her behalf.

Please note that the term “government official” should also apply to spouses and other immediate family members of government officials.

### 3.8 Foreign Public Official

Any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization.

### 3.9 Kickback

The return of a sum already paid or due to be paid as a reward for awarding or fostering business.

### 3.10 Knowledge

For purpose of this ABAC Policy, a person has “knowledge” if he or she is aware that a corrupt payment is being made or is likely to occur. Refusal to know, deliberate ignorance, conscious disregard, and wilful blindness are treated as “knowledge” for the purposes of this ABAC Policy. Actual knowledge is **not** necessary for FCPA liability.

### 3.11 Sponsorship

Any arrangement to provide financial support, products, services, or anything of value to a third party, in return for the right to associate the image, brand, or products with an activity, or to receive some other lawful benefit, such as participation in an event.

## 4. **ROLES AND RESPONSIBILITIES**

### 4.1 ESR Employees and Senior Management

All ESR Employees are responsible for:

- a) promoting this ABAC Policy and fostering a culture of integrity – which makes bribery and corruption unacceptable;
- b) implementing this ABAC Policy and adopting any necessary supplemental business and supervisory procedures and processes; and
- c) preventing, detecting and reporting bribery and other forms of corruption in connection with ESR.

Senior management is also responsible for setting the ‘tone from the top’ and ensuring Employees in their reporting lines adhere to this ABAC Policy.

### 4.2 Group Compliance

Group compliance is responsible for:

- a) monitoring and advising on compliance matters where it relates to bribery and corruption laws and regulations and international standards;
- b) the ongoing design and development of appropriate measures to mitigate bribery and corruption risks;

- c) advising on how to interpret this ABAC Policy and its underlying related policies through periodic training and certification of all Employees;
- d) establishing channels to receive whistleblowing reports, reviewing and advising on whistleblowing reports and other escalated matters and, where appropriate, providing any necessary pre-approval which may include conditions;
- e) administering controls and safeguards to mitigate bribery and corruption risk and conducting assurance of these controls and safeguards; and
- f) administering disciplinary procedures for violations of this ABAC Policy.

## 5. **REQUIREMENTS**

### 5.1 Books and Records

All books, records, accounts and financial statements shall be maintained in reasonable detail for statutory and audit trails purposes; and be in compliance with any applicable laws or regulations for disclosure, reporting and record retention purposes.

Subject to local law requirements, all records relating to inducement, gifts and benefits should be retained for 6 years (or any minimum period as stipulated by local regulations).

Failure to maintain accurate and complete books and records may violate the respective ABAC laws and lead to civil and criminal liability.

### 5.2 Training and Attestation

The Group provides periodic training on anti-bribery and anti-corruption for new and existing employees via the assigned e-learning course to ensure that all employees are aware of their personal obligations and responsibilities under this ABAC Policy as well as the relevant legislation and guidelines. For Employees who are required to deal with Government Officials, the Group will provide additional trainings on ABAC, if required.

All Employees shall also receive communications that convey the 'tone from the top' on a regular basis and also focus on the adherence to the ABAC Policy and procedures, including implications and disciplinary actions as a result of non-compliance.

All Employees are required to complete an attestation confirming their undertaking of and adherence to the procedures contained in the ABAC Policy, upon joining ESR and on an annual

basis.

Records of relevant training materials used and attendance details of the participants will be maintained in the e-learning system or kept by compliance.

### 5.3 What to do if you are a victim of Bribery or Corruption

If you are offered a bribe, are asked to provide one, suspect that this may happen in the future, or believe that you may be a victim of any form of bribery or corruption, you are required to raise your concerns at the earliest possible stage. There are several reporting options including:

- Your direct supervisor or head of department
- Other representatives of management, including representatives of:
  - Compliance;
  - Legal;
  - Human Resources; or
  - Internal Audit.

### 5.4 Breach of this ABAC Policy

A violation of this ABAC Policy and the respective underlying or related compliance policies may result in disciplinary action being taken against you including being issued a red flag or up to and including termination of your employment or contract for services. The Group may also report violations of this ABAC Policy to the appropriate supervisory, regulatory or law enforcement authorities.

## 6. **HANDLING OF GIFTS, TRAVEL AND ENTERTAINMENT**

### 6.1 Principles

The following guiding principles shall always be observed by Employees when handling of gifts, travel and entertainment (“**Benefits**”) in the course of their duties:

- a) honesty and integrity;
- b) objectivity and impartiality; and



c) avoid conflict of interest.

6.2 ESR is committed to conducting business with integrity and shall observe the following “4R Rules” at all times:

- a) Comply with **Regulations** – only offer Benefits that are compliant with the applicable laws and internal policy of the receiving organization.
- b) Be **Reasonable** – Benefits that may be viewed as extravagant or inappropriate should be avoided altogether.
- c) Be **Responsible** – when a specific or unique situation arises, Employees are expected to use their common sense, logic, experience, and professionalism in evaluating whether a Benefit should be offered or accepted.
- d) Keep **Records** – Benefits must be offered transparently and properly documented.

6.3 Soliciting Benefits

No Employee shall solicit any Benefits from clients, prospective clients, Third Parties or any person in connection with the Group’s business.

6.4 Accepting Benefits

- a) All Employees shall decline Benefits offered in connection with his/her work if the acceptance of such Benefits could affect his/her objectivity or induce him/her to act against the interests of the Group.

**The Group reserves the right to review the appropriateness and frequency of benefits to avoid the situation where different individuals from the same group or entity are trying to exert undue influences on our Employees.**

- b) The acceptance of Benefits should be **declined / minimized** under the following circumstances where:
  - it could affect the Employee’s objectivity in conducting the Group’s business;
  - it may induce the Employee to act against the Group’s interest or place him/her under improper obligation; or
  - there is a conflict of interest.

## 6.5 Offering Benefits

- a) Employees shall **NOT** offer or provide Benefits to any individual, including any third party with a business relationship with the Group, with a view of obtaining or maintaining business for the Group, unless the Benefit can be properly justified in all circumstances. A Benefit would not be justified if it is offered as a bribe, including to obtain or retain business for the Group, or direct business to the Group.
- b) Benefits in the form of cash or readily convertible into cash are **NOT** permitted and must not be offered.
- c) Expenses on Benefits must be reported in detail including information on the provider and the recipient, the value and the business purpose of the Benefit.
- d) Employees are not allowed to use his/her personal funds or assets to pay any Benefits for the purpose of circumventing this ABAC Policy.

## 6.6 Proper and Improper Gifts and Entertainment Expenses

- a) In general, any gifts, travel, entertainment, meals and charitable contributions should be reasonable for the occasion and properly recorded.
- b) Any extravagant gifts should be avoided.
- c) All expenditures in relation to travel, meals and entertainment should be reasonable, bona fide, with a clear and legitimate business purpose and properly documented.

## 6.7 Entertainment

- a) Although appropriate entertainment is an acceptable form of business and social behaviour, Employees should avoid accepting lavish, unreasonably generous or frequent entertainment, or any entertainment which is likely to give rise to any potential or real conflict of interest from persons with whom the Group has business dealing or from his/her subordinates to avoid placing himself/herself in a position of obligation. Entertainment shall not be offered to individuals if an Employee of the Group is not present at the event, otherwise the benefit should be treated as a gift rather than an entertainment (e.g. tickets to sports event or concerts).

- b) When offered an entertainment Benefit, the Employee should consider whether such Benefit could be regarded as:
- excessive – taking into account its value, frequency and nature;
  - inappropriate – taking into account the relationship between the employee and the offer; or
  - undesirable – if the host or known attendees has a reputation of engaging in improper business practices.
- c) Entertainment may involve but not limited to:
- any social event
  - a hospitality event
  - a charitable event
  - a sporting event
  - a meal
  - a leisure activity

In addition to the event itself, any transportation and lodging expenses incident to the event or activity should also be treated as entertainment.

## 7. **CHARITABLE DONATIONS AND SPONSORSHIP**

- 7.1 All charitable donations and sponsorship provided by the Group must be compatible with our business activities and reflect our commitment to operating in an ethical manner. Prior pre-approval must be obtained from Chief Corporate Officer or Co-CEOs, and concur by Group compliance.
- 7.2 Charitable donations may be allowed if:
- a) they are made in compliance with applicable laws;
  - b) they are not made to secure an improper business advantage;

- c) they are made to a properly established charity and there is a valid charitable purpose for the donations; and
- d) Appropriate due diligence and background screening on the charity had been conducted and documented.

7.3 Promotional expenditure must be reasonable and should seek to improve the image of the Group as a commercial organization or to establish cordial relations. The provision of promotional items such as T-shirts, calendars, pens and other such similar items of modest value is permissible.

7.4 Charitable donations or sponsorship must not be made or offered in conjunction with, or as part of any bid, tender, contract renewal or prospective business relationship.

7.5 The Group will not enter into any charitable donations or sponsorship agreement with an organization as a means of gaining favorable terms from that organization or its affiliates/connected parties in any other business agreements.

7.6 All political related donations and sponsorship are prohibited.

## **8. FACILITATION PAYMENTS**

8.1 Facilitation payments (also known as “facilitating”, “speed”, “back-hander” or “grease” payments) are prohibited. Employees are prohibited from directly or indirectly giving or authorizing any facilitation payments in connection with or in furtherance of any ESR business activity.

8.2 All Employees must avoid any activity that might lead to a facilitation payment. If you have any suspicions, concerns or queries regarding facilitation payment, you must raise them with both group and local compliance.

## **9. USE OF THIRD PARTIES AND OUTSOURCING**

9.1 All Employees are prohibited from directing a third party to offer, promise, give or authorize, solicit, agree to receive or accept a bribe on ESR’s behalf.

9.2 Third Parties, including suppliers are expected to comply with ESR Supplier Code of Conduct (i.e. available on our website) and that they must not engage in bribery or corrupt practices on behalf of ESR.

9.3 No oral agreements or arrangement are to be made with any service provider. All arrangements with a service provider should be in writing. Any contract with a service provider shall require adherence to this ABAC Policy and shall contain anti-corruption representations and warranties, where applicable.

## **10. JOINT VENTURES AND OTHER LEGAL ENTITIES**

10.1 Where ESR has entered into a partnership, Joint Venture (“**JV**”) or other legal entity arrangement, it should also seek to apply the standards and key principles in this policy.

10.2 ESR Employees who sponsor, oversee or are responsible for JVs or other legal entities on behalf of ESR are responsible for mitigating bribery and corruption risk associated with these relationships. The JV sponsoring business unit is responsible for ensuring that Compliance is engaged during the JV lifecycle from pre-acquisition due diligence to the winding up of such entities.

10.3 In the case of minority owned JV entities, ESR must undertake best effort to implement and maintain the appropriate ABAC controls for that JV.

Document Title	Anti-Bribery, Anti-Corruption and Handling of Gifts, Travel & Entertainment
Document Language	English
English Title	Anti-Bribery, Anti-Corruption and Handling of Gifts, Travel & Entertainment
Category	Group Policy
Policy Producing Function	Group Compliance
Document Author	Group Compliance
Document Approver	BOD
Portfolio Owner	Group Compliance
Original Issue Date	18 September 2017
Last Review Date	22 March 2023
Frequency of Review	Annually (or as required)
Version	1.2