



## Gifts and Entertainment Policy

<b>Gifts and Entertainment Policy</b>		<b>No. 2020.11.02</b>
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**INTRODUCTION:**

The exchange of business courtesies, such as gifts, meals, and entertainment, is a well-established practice which, when used appropriately, can help strengthen existing relationships, foster new opportunities, and convey respect and appreciation for business partners. However, these business courtesies if not properly managed, Puma Energy runs the risk of triggering anti-corruption laws if our marketing and entertainment expenditures cross a line into conduct that could be characterized as bribery. In particular, Puma Energy employees need to understand the potential risks when providing things of value, such as company gifts, and tickets to sporting events, to both domestic and foreign government officials, to employees of state-owned enterprises, and even to purely private, commercial customers.

**PURPOSE:**

This policy is designed to set out the requirements and provide guidance for the exchange of gifts and/or entertainment between Puma Energy employees and third parties.

The policy, in line with the Puma Energy Anti-Bribery and Corruption Policy establish standardised company-wide rules for the giving and receiving of gifts and/or entertainment as part of normal business relations, including those with government officials. The policy addresses the following:

- What is allowed;
- What are the monetary limits;
- When pre-authorisation is mandatory; and
- Procedure for obtaining pre-authorisation

**SCOPE:**

This policy is applicable to all Puma Energy employees, as well as independent contractors and persons acting on behalf of Puma Energy. It establishes the monetary limits that are adequate to our operations and above which prior approval must be obtained. However, these limits can be lowered (but not increased) by individual countries to better reflect their realities on the ground. Local laws and regulations restricting the giving or receiving of gifts and entertainment must be observed.

**THE RISK ASSOCIATED WITH GIFTS AND ENTERTAINMENT**

Under International and local anti-corruption laws, gifts and entertainment given or received to unfairly influence business can result in fines and other penalties to Puma Energy, as well as the employee.

The risk for Puma Energy is that anything of value that is exchanged between Puma Energy and a third party might be perceived as an attempt to bribe or influence that third party in the award of business to Puma Energy or to be bribed or influenced by such third party in the award of business by Puma Energy. This risk is greater where the third party is a government official. In these circumstances, anything given to the government official might be perceived as an attempt to induce the official to give Puma Energy an unfair advantage.

Improper gifts and entertainment involving Puma Energy employees are prohibited under the Puma Energy Code of Business Conduct, and Anti-Bribery and Corruption Policy.

Failure to comply with the requirements of this policy may result in disciplinary action, up to and including termination of employment.



## Gifts and Entertainment Policy

### POLICY

It is acceptable for modest gifts to be given or entertainment to take place between Puma Energy and third parties to foster business relationships or to mark special business occasions. Such gift and/ or entertainment must be given and/or received accepted in a transparent manner and must not be aimed at unfairly influencing business decisions or transactions.

### GENERAL RULES FOR GIVING GIFTS AND/ OR ENTERTAINMENT

Any gift and/or entertainment:

- a. Should be within the limits set forth in the table below:

Country tier	Gifts limit (in USD)	Entertainment (meals) limit (in USD)	Company events (in USD)
Tier 1	100	150	250 per head
All others	75	100	150 per head

- b. Must be legal (not just customary) under all applicable laws and comply with the rules of the recipient's organization;
- c. Must be given openly and without any attempt to mislead or obscure its nature, value, purpose or recipient(s);
- d. Must not be intended to influence business decisions, such as the award of business to Puma Energy;
- e. Must not be part of a pattern of repeated gift giving with the same individual or company. Ideally, this should not be more than two gifts in a calendar year;
- f. Gifts must not be in the form of cash or a cash equivalent, such as gift cards, gift certificates, vouchers that can be exchanged for cash or service;
- g. Must not be exchanged during a tender process with a third party from whom we are seeking to be awarded business;
- h. Gift given should be a promotional item with a nominal value (such as Puma Energy approved merchandise including shirts, hats, USB drives and pens) whenever possible;
- i. Entertainment should take place in a reputable venue appropriate for business entertainment;
- j. Entertainment may never include sexual services, drugs or any kind of activity that would prove embarrassing to you, Puma Energy or any of its companies if made public;
- k. All records about the gifts and/ or entertainment (including expense reports) must be complete, accurate and detailed.

### RECEIVING GIFTS:

Moderate gifts, which are offered during a holiday season or other occasions not tied to specific business decisions are acceptable. Puma Energy employees are discouraged from receiving gifts from individuals or companies where they are in position to make or influence decisions that affect them.

The following rules apply to the receiving of gifts by Puma Energy employees, from third parties:

- a. Any gift received must be done openly and without any attempt to mislead or obscure its nature, value or purpose;
- b. Any gift received must not be intended to influence business decisions, such as the award of business by Puma Energy to the third party;
- c. Any gift received must not be part of a repeated pattern from the same individual or company. Ideally, this should not be more than two gifts in a calendar year. Where an employee is given more than two gifts a in a calendar year by the same individual or company, this should be declined irrespective of value. If it is impractical to politely decline the gift, prior-approval from the line management and Regional Head of Compliance is required;



## Gifts and Entertainment Policy

- d. Gifts received must not be in the form of cash or a cash equivalent, such as gift cards, gift certificates, vouchers that can be exchanged for cash or services;
- e. Any gift received that exceeds the limits set forth in the table below should be treated as company property and be either (i) kept on display at the company's offices (ii) distributed by a lucky draw where every employee has an equal chance to win (iii) donated to a legitimate charity which is independent of our business dealings (iv) placed in break room for the benefit of all employees (if edible); or (v) handled at the discretion of Regional Head of Compliance, as may be required;

Country tier	Gifts limit (USD)
Tier 1	100
All others	75

- f. Gifts that are received which have higher perceived value than their retail price, such as autographed items should be declined or treated as company property. They should be either (i) kept on display at the company's offices, (ii) distributed by a lucky draw where every employee has an equal chance to win, (iii) donated to a legitimate charity which is independent of our business dealings, (iv) placed in break room for the benefit of all employees (if edible), or (v) handled at the discretion of Regional Head of Compliance, as may be required.

### CHARITABLE DONATIONS AS GIFTS

To ensure that no donation given as a gift is used to camouflage a bribe, and that no donation can be misconstrued as a bribe, any donation given on behalf of Puma Energy should be done through the Foundation and should comply with the guidelines found in the Anti-Bribery and Anti-Corruption Policy.

### GIFTS AND/ OR ENTERTAINMENT THAT REQUIRE PRE-AUTHORISATION

The following instances require pre-authorization from Line Management:

- a. All gifts and/ or entertainment to non-government officials with a value more than the limits set forth in this policy;

The following instances require pre-authorization from Line Management and Regional Head of Compliance:

- a. All gifts and/ or entertainment being provided to government officials, irrespective of value.
- b. All gifts and/ or entertainment exchanged with a third party from whom we are bidding for business or who is bidding for business from us
- c. All gifts and/ or entertainment to any single recipient that exceeds twice per calendar year.

### GIFTS AND ENTERTAINMENT REGISTER

The gifts and entertainment register is aimed at creating a standardised, company-wide means to transparently document, monitor and audit all the gifts and entertainment which could potentially raise red flags. The consistent, company-wide recording helps establish a culture of compliance and identify patterns of behaviour. Ultimately, it may serve as a line of defence against possible accusations of wrongdoing within our value chain.

### GIFTS AND ENTERTAINMENT THAT MUST BE RECORDED

All Puma Energy employees, as well as contractors, must record their gifts and entertainment activities that falls into any of the below categories:

- All gifts and/or entertainment valued at USD50 and above;
- All gifts and/or entertainment being provided to government officials, irrespective of value;
- All gifts and/or entertainment to non-government officials with a higher value than the limits set forth in this policy;
- All gifts and/or entertainment exchanged with a third party from whom we are bidding for business or who is bidding for business from us;

## Gifts and Entertainment Policy

- All gifts and/or entertainment to or from any single recipient that exceeds twice per calendar year.

Any Gift and Entertainment that falls into the above categories should be registered with the Code Ambassador of the country where the employee is located.

Gifts and entertainment exchanged between Puma Energy employees should not be recorded in the register.

Quick and informal meals that take place as normal breaks for lunch in the course of an ongoing meeting does not need to be recorded in the register.

## ROLES AND RESPONSIBILITIES

### Employee Role:

The employee should:

- Familiarise themselves with this policy.
- Seek pre-approval for gifts and/ or entertainment in accordance with this policy.
- Record all gifts and/ or entertainment, in line with this policy .and Puma Energy Anti-Bribery and Corruption policy, whether offered and accepted or offered and declined which are provided to government officials, or are above the monetary limits set, or are exchanged during a tender process, or exceed more than two occurrences in a calendar year.
- Report potential violation of applicable laws or this policy in accordance with the section of Puma Energy's Code of Business Conduct entitled "Speaking Up". An employee who reports a potential misconduct or who provides information or otherwise assist in any inquiry or investigation of potential misconduct will be protected against retaliation.

### Other Responsibilities:

Managers should:

- Communicate this policy and the availability of the register to their employees..
- Review and decide without delay on the requests for approval of gifts and/ or entertainment.

HR should:

- Ensure that the gifts and entertainment policy and the register are communicated to all new joiners and contractors.

Code Ambassadors should:

- At all times maintain the gifts and entertainment register in accordance with this policy.
- Compile and send all register entries to the Regional Head of Compliance on a quarterly basis.

Regional Head of Compliance should:

- Periodically review the gifts and entertainment register and analyse the participation rate for different parts of the organisation, identifying potential abuse and under reporting.
- Monitor the gifts and entertainment register for compliance with the policy, determining patterns of risk.
- Analyse the participation rate for different parts of the organisation, identifying potential abuse and under reporting;
- Work with the business to identify areas of concern and compile reports for Global and Regional Ethics and Compliance Committee.
- Identify and investigate any entries which may breach the principles, focusing on:
  - Items without pre-authorisation;
  - Repeat occurrences involving the same parties;
  - Incidents of gifts and entertainment given and or received during tendering process; and
  - Involving government officials



Gifts and Entertainment Policy

**Focal Point:**

If you have any questions concerning this document, please:

- Speak to your line manager
- Speak to your Code Ambassador
- Contact Compliance department – send an e-mail to [compliancedepartment@pumaenergy.com](mailto:compliancedepartment@pumaenergy.com)

**Definitions:**

Anything of value	This covers almost everything: example, cash, cash equivalents (checks, stock, certificates, gift cards and vouchers), offers of employment, travel, vacations, jobs, internships, and political and charitable donations.
Entertainment	Entertainment includes things like: Meals, sporting events and other functions when a Puma Energy employee accompanies the recipient; or Any activities sponsored by Puma Energy for customers, government officials, or other third parties.
Puma Energy	Puma Energy includes, its subsidiaries, and any controlled joint ventures.
Gifts	Gifts are not simply just physical things of value, like a bottle of wine. They include other things like: <ul style="list-style-type: none"><li>- Any meals or tickets to events not attended by Puma Energy representatives.</li><li>- Anything of value, such as promotional items, holidays, free travel, free upgrades, offers of work, sponsoring of visas, making of donations to charity, loans, discounts (cash or gift vouchers), services, raffle or competition prizes and gifts to close family members, friends or associates.</li><li>- Favorable terms or discounts on a product or service for the employee's benefit that are not otherwise available to all Puma Energy employees</li><li>- In other words, almost anything which confers a personal or family benefit can be considered a gift and may be perceived as having the potential to influence behaviour.</li></ul>
Government Officials	This includes any officer, employee, candidate member or agent of a (i) government; (ii) public international organization (such as world bank and IMF); (iii) political party; (iv) royal or ruling family; (v) company owned or controlled by a government ("state-owned enterprise") and (vi) any relative of any such person.



## Appendix A

### Tier 1 - High Income Countries

Andorra	Gibraltar	Palau
Antigua and Barbuda	Greece	<b>Panama</b>
Aruba	Greenland	Poland
<b>Australia</b>	Guam	Portugal
Austria	Hong Kong SAR, China	<b>Puerto Rico</b>
Bahamas, The	Hungary	Qatar
Bahrain	Iceland	San Marino
Barbados	Ireland	Saudi Arabia
Belgium	Isle of Man	Seychelles
Bermuda	Israel	<b>Singapore</b>
British Virgin Islands	Italy	Sint Maarten (Dutch part)
Brunei Darussalam	Japan	Slovak Republic
Canada	Korea, Rep.	Slovenia
Cayman Islands	Kuwait	Spain
Channel Islands	Latvia	St. Kitts and Nevis
Chile	Liechtenstein	St. Martin (French part)
Croatia	Lithuania	Sweden
Curaçao	Luxembourg	<b>Switzerland</b>
Cyprus	Macao SAR, China	Taiwan, China
Czech Republic	Malta	Trinidad and Tobago
Denmark	Monaco	Turks and Caicos Islands
Estonia	Netherlands	<b>United Arab Emirates</b>
Faroe Islands	New Caledonia	<b>United Kingdom</b>
Finland	New Zealand	United States
France	Northern Mariana Islands	Uruguay
French Polynesia	Norway	Virgin Islands (U.S.)
Germany	Oman	