
**SENHENG NEW RETAIL BERHAD
ANTI-BRIBERY AND CORRUPTION POLICY**

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Anti-Bribery and Corruption Commitment

Senheng New Retail Bhd and the organisations under its control, its employees and Directors (“Senheng Group”), have always believed in being open and transparent in conducting its business. With this also comes Senheng Group’s commitment to operating in an ethical and responsible manner, accompanied by the highest standards of integrity and compliance with laws and regulations.

Senheng Group adopts a zero tolerance policy against all forms of bribery and corruption. Refusal to engage in bribery, refusal to participate in acts of corruption, actively raising concerns, or the reporting of possible wrongdoing, will not be penalised even if such actions may result in Senheng Group losing business, not meeting its targets or suffering disadvantage.

1.0 Introduction

This Anti-Bribery and Corruption Policy (“this Policy”) has been developed as part of Senheng Group’s Anti-Bribery Management System, which has been designed to help prevent, detect and address bribery and corruption, by establishing a culture of integrity, transparency and compliance.

This Policy applies equally to Senheng Group’s business dealings with commercial (“private sector”) and Government (“public sector”) entities, and includes Senheng Group’s interactions with its directors, personnel, agents and other appointed representatives at all levels.

Scenarios covered in this Policy are only illustrative, and are not exhaustive. It is incumbent upon the reader to seek immediate guidance from Corporate Compliance & Management (“CCM”) in the event that any person subject to this Policy finds themselves in a scenario not dealt with in this Policy, or has any doubt about the scope of applicable laws, or the application of this Policy.

1.1 Objective

The objective of this Policy is to:-

- (a) set out Senheng Group’s position on bribery in all its forms, and matters of corruption that may be faced in the course of its operations; and
- (b) provide information and guidance on how to recognise and deal with potential acts of bribery and corruption.

1.2 Application

This Policy applies to any person, either individually or collectively, in discharging their duties on behalf of Senheng Group, including but not limited to:-

- (a) Employees;
- (b) Board of Directors;
- (c) Business partners or associates; and
- (d) Associated companies of Senheng Group, in which it is a non-controlling stakeholder, as well as its business partners, associates, suppliers, customers, consultants, agents, outsourced personnel and others who perform work or services for or on

behalf of Senheng (insofar as these entities do not have their own Anti-Bribery and Corruption Policies, or to the extent that this Policy is stricter than the others).

1.3 Related Documents

This Policy shall be read together with:-

- (a) Senheng Group's various other policies, procedures and guidelines for both the Group and individual entity levels; and
- (b) All applicable laws and regulations as amended from time to time including any re-enactment thereof, in particular with respect to anti-bribery and corruption laws including but not limited to Malaysian Penal Code 1936, MACC Act 2009, Malaysian Anti-Money Laundering Act 2011 and Malaysian Companies Act 2016; and
- (c) The Prime Minister's Department Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A of the MACC Act 2009 (as may be amended from time to time).

1.4 Compliance with Laws and Regulations

This Policy shall at all times comply with and be subject to the laws and regulations of Malaysia. In the event of any conflict or inconsistency between the provisions of this Policy and the laws and regulations of Malaysia, the latter shall prevail.

However, the provisions in this Policy are to be adhered to in the event of any conflict or inconsistencies with a local custom or practices.

In the event of any conflict with the local laws in the reader's jurisdiction, this Policy is not to be disregarded, without consultation with the CCM.

1.5 Validity of this Policy

This Policy shall become effective immediately upon approval by the Board of Directors.

2.0 Definition

The terms used in this Policy shall have the meanings ascribed to them as in **Appendix 1**, unless the context otherwise requires.

3.0 Payments, Gifts, Hospitality, Donations and Other Benefits

3.1 Payments

All payments made by Senheng Group must be warranted, transparent and proper. No payments may be made as a subterfuge for bribery or any acts of corruption.

Senheng Group adopts a strict policy of disallowing the use of facilitation payments, financial or any other incentives in order to secure an improper advantage, to obtain or retain business, or direct business to/from any other person or entity, including expediting the performance of duties of a non-discretionary nature.

However, Directors or employees may encounter situations whereby they have no alternative but to make a facilitation payment in order to protect themselves, or their relatives, from injury, loss of life or liberty. Any request for, or payment of, facilitation payments under such circumstances should be immediately reported to the CCM. It is also incumbent on the payer to ensure any such payment has been recorded transparently in the Register. Further details on the recommended course of action to be taken for such payments is explained under Section 8.5 of this Policy.

In addition, if a payment has been made whereby Directors or employees are unsure of the nature of such payment, their immediate superior (where applicable) and the CCM must be immediately notified and consulted.

3.2 Gifts and Hospitality

The giving and receiving of modest gifts and reasonable acts of hospitality are **allowed** by Senheng Group **only** as a legitimate means of building goodwill in business relationships.

Any gift-giving and/or receiving or event of hospitality must be in accordance to the policy and procedures as highlighted in the Gift and Hospitality Policy.

All gifts and any event of hospitality offered and received that breaches the limits as prescribed in respective Limits of Authority and relevant policies, including the conditions as stipulated above, must be declared in the Register.

In these circumstances, all declarations must be properly recorded in the Register within 30 days of the giving and/or receiving of the gifts and hospitality. Failure to do so will be considered a violation of this Policy.

Approvals or directions must also be sought from the CCM on the next course of action with regards to such receipts of gifts and hospitality. These approval request and approval received must be properly documented together with the Register, for purposes of tabling to the Board of Directors.

3.3 Donations and Sponsorships

Donations and sponsorships may be allowed, subject to the conditions as highlighted in the Gift and Hospitality Policy. Any donations and sponsorships extended must be properly documented and retained in the Register, and supporting documentation available for audit and/or monitoring purposes.

Donations to foreign-based charities or beneficiaries must be handled with special caution to ensure that they are not disguised illegal payments to foreign public officials, and to ensure that the donations do not act as a conduit to fund illegal activities in violation of international anti-money laundering, anti-terrorism and other applicable laws.

When in doubt, the CCM must be consulted before any such transaction is entered into.

3.4 Political Contributions

Senheng Group's funds or resources must not be used to make any direct or indirect political contributions without prior written approval from the Board of Directors establishing that it is in the best interest of Senheng Group to do so, and after having satisfying itself that Senheng Group is acting responsibly in accordance with all applicable local laws and requirements. No such political contributions may be used as a subterfuge for bribery.

Any approval request and approval received for the making of political contributions must be properly documented and retained in the Register, and available for audit and/or monitoring purposes.

4.0 Recruitment of Employees

Senheng Group recognises the importance of integrity in its Employees and Directors.

Senheng Group's recruitment, training, performance evaluation, remuneration, recognition and promotion for employees and management shall be objective and show no favour, and shall include assessments of individuals' commitment to integrity.

Senheng Group will not offer employment to prospective employees in return for previous favour or in exchange for improper favour, such as awarding of contracts. Senheng Group shall award contracts and employee positions based on merit. Support/referral letters in all forms shall not be recognised as part of the business decision making process.

5.0 Managing Relationships

5.1 Relationship with Business Associates and Third Parties

Senheng Group will not engage in any form of bribery or provide improper incentive to induce any person to transact with Senheng Group. This prohibition specifically includes kickbacks in any form, offers to split or share any commission, or any other improper or hidden compensation.

Senheng Group will not enter into any contracts or business arrangements, directly or indirectly, without conducting the appropriate due diligence to ensure that the entity is not likely to commit an act of bribery or corruption in the course of its work with Senheng Group.

The extent of the required due diligence shall be based on the circumstances of the proposed transaction. Such due diligence may include searches through relevant databases, checking for relationships with public officials, and documenting the reasons for choosing one particular Business Associate over another.

Accordingly, standard clauses will be included in all legal documents and/or contracts with Business Associates and third parties, requiring them to comply with Senheng Group's Business Code of Ethics, this Policy and other applicable laws besides granting

Senheng Group the right to terminate any contract or business relationship in which bribery or an act of corruption has been observed or proven to have occurred.

5.2 Conflict of Interest

Any person discharging their duties on behalf of Senheng Group, must avoid situations that create or appear to create conflicts of interest. The use of their position, Senheng Group's assets and resources, or information available to them for personal gain, or gain to relatives and associates, or undue disadvantage to Senheng Group, is strictly prohibited.

In situations where a conflict occurs, the person is required to declare the matter to the Managing Director and the CCM immediately.

6.0 Risk Assessment

Risk assessment must be conducted every three (3) years, or as and when deemed necessary by the Audit Committee, to identify current bribery and corruption risks potentially affecting the Group's operations, and to determine the level of Anti-bribery controls necessary for any particular aspect of Senheng Group's operation.

The following shall be taken into consideration when performing risk assessments:-

- (a) Inherent risk, which includes an assessment of the overall risks of bribery and corruption associated with the governance structure and internal control systems/ procedures of Senheng Group;
- (b) Reputational risk, which includes an assessment of the risk that Senheng Group's reputation would face due to bribery and corruption;
- (c) Transactional risk, which includes an assessment of the risks associated with a business transaction undertaken by Senheng Group or any person discharging their duties on behalf of Senheng Group;
- (d) Business opportunity risk, which includes the risk that pursuing or obtaining certain business opportunities may result in acts of bribery or corruption; and
- (e) Business partnership risk, which includes risks derived from relationships with or partnership with any person discharging their duties on behalf of Senheng Group.

The results of the risk assessment shall be incorporated into the Bribery Risk Register of Senheng Group, categorised by Group and/or entity level and location, and shall be presented to the Board of Directors.

7.0 Staff Declaration

All Senheng Group personnel shall declare in writing that they have read, understood and will abide by this Policy. A copy of this declaration shall be documented and retained by the Group Human Resource Department for the duration of the personnel's employment. A sample declaration is appended in the **Appendix 2** of this Policy.

The CCM reserves the right to request any information, including on employees' assets, in the event that the person is implicated in any bribery and corruption-related accusation or incident.

8.0 Operation, Support and Improvement of this Policy

8.1 Responsibility for this Policy

Senheng Group's Management, including Board of Directors, have overall responsibility for ensuring this Policy complies with Senheng Group's legal and ethical obligations, and that all persons discharging their duties on behalf of Senheng Group complies with it.

A Corporate Compliance & Management ("CCM") shall be established under the supervision of the Audit Committee as the anti-bribery and corruption compliance arm of Senheng Group. The CCM has primary and day-to-day responsibility for implementing this Policy, and for monitoring its application and effectiveness.

The CCM also acts as the first point of reference for any person who wishes to consult on any matters pertaining to bribery and corruption, including scenarios and areas as discussed in this Policy. In turn, the CCM shall report to the Audit Committee on all matters pertaining to bribery and corruption periodically or immediately depending on the severity of issue.

Such reporting by the CCM shall form the basis of the Board of Directors deliberation on the next course of action to be taken in pursuit of Senheng Group's efforts against bribery and corruption.

Management at all levels is responsible for ensuring those reporting to them are made aware of and understand this Policy.

8.2 Review and Changes to this Policy

This Policy shall be reviewed every three (3) years, or as and when deemed necessary by the Audit Committee, to ensure the Policy is updated with the relevant developments in the legislation as well as evolving industry and international standards.

Any changes to this Policy shall be approved by the Board of Directors.

8.3 Communication of this Policy

To ensure all employees, directors, business associates and any person discharging duties on behalf of Senheng Group are aware of this Policy, they must be advised that this Policy is available on the [CCM portal in SH Management App](#) for their review. All these persons must be informed whenever significant changes are made to this Policy.

8.4 Training and Awareness

Senheng Group shall conduct annual awareness programmes for all its employees and directors, on Senheng Group's position and commitment in relation to anti-bribery and corruption.

Training on this Policy shall form part of the induction process for all new employees and directors.

Business associates and any persons acting on behalf of Senheng Group shall also undergo appropriate training, where risk assessment identifies them as posing a more than minor bribery and corruption risk to the Company.

Senheng Group's zero-tolerance on, and compliance with, anti-bribery and corruption practices must also be communicated to all business associates at the onset of relationship with them and repeated or reinforced as appropriate thereafter.

Group Human Resources, in collaboration with the CCM, shall maintain records of all training and awareness programmes, including details and attendance of participants.

8.5 Infringement of this Policy

Any infringement of this Policy, including any acts of bribery and misconduct, shall constitute serious misconduct or offences warranting disciplinary action against the offenders, including summary dismissal. Senheng Group reserves the right to terminate its contractual relationship with other persons if they breach this Policy.

Non-compliance/infringement issues identified by audits, and any risk identified through this and other means, shall be reported to the top management including the Board of Directors on a timely manner in accordance with the level of risk identified.

Senheng Group recognises that demands for bribes to be paid may be accompanied by threats to personal safety. These should be rare, but if any person discharging duties on behalf of Senheng Group is subjected to an immediate threat to their safety, the person may put personal well-being first, even if this means that the person makes a payment that would contravene this Policy.

However, the person must immediately report all of the circumstances of the threat and the payment to the CCM. If a threat is made but the person is able to notify the CCM before making such payment, then the person should do so. Otherwise, notification must be made and approvals must be sought as soon as possible retrospectively. Such payments must be accurately described and recorded in the Register.

Any deviation or waiver from this Policy must be approved by the Board of Directors.

8.6 Raising Concerns

Any person who learns of an actual or suspected violation of applicable laws or this Policy is required to report the concern promptly using the reporting channels and guidelines stated in Senheng Group's Whistleblowing Policy.

Reports made in good faith, either anonymously or otherwise, shall be addressed in a timely manner and without incurring fear of reprisal regardless of the outcome of any investigation, as provided by the Code.

8.7 Compliance Function

Appropriate resources, including manpower with appropriate competencies, authority and independence shall be provided for effective operation of the compliance function and overall anti-bribery and corruption management system.

Internal control systems and procedures will be subject to annual audits to provide assurance that they are effective in countering bribery and corruption. Any deficiencies identified must be rectified as soon as possible.

Such audits may be conducted internally by the Group Internal Audit function of Senheng Group or by an independent external party. Audit documentation should include performance improvement action plans.

8.8 Continuous Improvement

Senheng Group is committed to continuously improving its policies and procedures relating to anti-bribery and corruption.

Senheng Group shall monitor the legal and regulatory requirements wherever it operates, and any changes to its business environment and risks, to identify opportunities or requirements to improve or enhance this Policy and the overall management of bribery and corruption within Senheng Group. A report shall be submitted to the top management including the Board of Directors on a regular basis for the appropriate action to be taken.

Appendix 1

Definition

Agent	Any person employed by or acting for another, and includes an officer of a public body or an officer serving in or under any public body, a trustee, an administrator or executor of the estate of a deceased person, a subcontractor, and any person employed by or acting for such trustee, administrator or executor, or subcontractor.
Bribe or Bribery	<p>Any act considered to be the offence of giving or receiving “gratification” under the MACC Act 2009.</p> <p>This includes offering, promising, giving, accepting or soliciting something of value, directly or indirectly, and irrespective of location(s), to illicitly influence the decisions or actions of a person of position of trust within an organisation, or a function that is expected to be performed impartially or in good faith, or to obtain or retain commercial advantage.</p>
Business Associate	<p>An external party with whom Senheng Group has, or plans to establish, some form of business relationship.</p> <p>This may include clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendors, advisers, agents, distributors, representatives, intermediaries and investors.</p>
Corporate Compliance & Management (“CCM”) of Senheng Group	A compliance unit appointed by the Audit Committee to oversee day-to-day responsibilities for implementing this Policy.
Conflict of Interest	A situation in which a person is in a position to derive personal benefit from actions or decisions made in their official or professional capacity.
Controlled organisation	An entity on which Senheng Group has power over, including rights to appoint and remove management.
Corporate Gift	<p>Something given from one organisation to another, with the appointed representatives of each organisation giving and/or accepting the gift.</p> <p>Corporate gifts, usually bearing the entity’s name and logo, may also be promotional items given out equally to the general public at events, trade shows and exhibitions as a part of building Senheng Group’s brand. The gifts are given transparently and openly, with the implicit or explicit approval of all parties involved.</p> <p>Examples include items such as diaries, table calendars, pens, notepads T-shirts bearing the logo of Senheng Group’s or the entities within the group and plaques.</p>
Corruption	Transparency International defines corruption as “the abuse of entrusted power for personal gain”.

	<p>For the purpose of this policy, corruption, is defined primarily as any action considered as an offence of giving or receiving “gratification” by the MACC Act 2009.</p> <p>This includes, but is not limited to, acts of extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud or money laundering. A comprehensive list of these acts may be found within the MACC Act 2009.</p>
Employees	All individuals directly contracted to the Group on an employment and/or contract basis, including permanent and temporary employees and Directors.
Facilitation Payment	A payment or other provision made personally to an individual in control of a process or decision to secure or expedite the performance of a routine or administrative duty or function.
Foreign public official	<p>Defined by the MACC Act 2009 as:-</p> <ul style="list-style-type: none"> (a) Any person who holds a legislative, executive, administrative or judicial office of a foreign country whether appointed or elected; (b) Any person who exercises a public function for a foreign country, including a person employed by a board, commission, corporation, or other body or authority that is established to perform a duty or function on behalf of the foreign country; and (c) Any person who is authorised by a public international organisation to act on behalf of that organisation.
Gratification	<p>Defined by the MACC Act 2009 as:-</p> <ul style="list-style-type: none"> (a) Money, donation, gift, loan, fee, reward, valuable security, property or interest in property of any description whether movable or immovable, financial benefit, or any other similar advantage; (b) Any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity; (c) Any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part; (d) Any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage; (e) Any forbearance to demand any money or money’s worth or valuable thing; (f) Any other service or favour of any description, including protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not already instituted, and including the exercise or the forbearance from the exercise of any right or any official power or duty; and (g) Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (a) to (f).
Hospitality	Includes, but is not limited to, considerate care of guests, business associates, etc., which may include refreshments, accommodation and entertainment, at a restaurant, hotel, club, resort, convention, concert, sporting event or any other venue such as Company offices, with or without

	<p>the personal presence of the host. Provision of travel and sponsorship of events may also be included, as may other services such as provision of guides, attendants and escorts, use of facilities such as a spa, golf course or ski resort with equipment included.</p>
Improper favour	<p>Includes the definition of bribe and gratification under the MACC Act 2009 as well as the following as defined by Transparency International:-</p> <p>(a) Patronage - A form of favouritism in which a person is selected, regardless of qualifications or entitlement, for a job or government benefit because of affiliations or connections;</p> <p>(b) Clientelism - An unequal system of exchanging resources and favours based on an exploitative relationship between a wealthier and/or more powerful “patron” and a less wealthy and weaker “client”;</p> <p>(c) Nepotism - A form of favouritism based on acquaintances and familiar relationships whereby someone in an official position exploits his or her power and authority to provide a job or favour to a family member or friend, even though he or she may not be qualified or deserving.</p>
Officer of a public body (“Public Official”)	<p>Defined by the MACC Act 2009 as:-</p> <p>Any person who is a member, an officer, an employee or a servant of a public body, and includes a member of the administration, a member of Parliament, a member of a State Legislative Assembly, a judge of the High Court, Court of Appeal or Federal Court, and any person receiving any remuneration from public funds, and, where the public body is a corporation sole, including the person who is incorporated as such.</p>
Personal Gift	<p>Something given from one individual to another, with the intention of creating or enhancing a personal relationship. The gifts are given in a private setting, without the knowledge or approval of the company management of one or both parties.</p> <p>This includes, but is not limited to, cash, cash equivalents such as credit cards, bitcoin or savings accounts, electronic items, watches, luxury pens, chocolates, liquor, property, vehicles, free fares, shares, interest, free loans, lottery tickets, travel facilities, entertainment, services, club memberships, any form of discount or commission, jewellery, decorations, souvenirs, vouchers or any other items of value.</p>
Public body	<p>Defined by the MACC Act 2009 as:-</p> <p>(a) The Government of Malaysia;</p> <p>(b) The Government of a State;</p> <p>(c) Any local authority and any other statutory authority;</p> <p>(d) Any department, service or undertaking of the Government of Malaysia, the Government of a State, or a local authority;</p> <p>(e) Any society registered under subsection 7(1) of the Societies Act 1966;</p> <p>(f) Any branch of a registered society established under section 12 of the Societies Act 1966;</p> <p>(g) Any sport body registered under section 17 of the Sports Development Act 1997;</p> <p>(h) Any co-operative society registered under section 7 of the Co-operative Societies Act 1993;</p> <p>(i) Any trade union registered under section 12 of the Trade Unions Act 1959;</p>

	<p>(j) Any youth society registered under section 9 of the Youth Societies and Youth Development Act 2007;</p> <p>(k) Any company or subsidiary company over which or in which any public body as is referred to in paragraph (a) - (j) has controlling power or interest; or</p> <p>(l) Any society, union, organization or body as the Minister may prescribe from time to time by order published in the Gazette.</p>
Register	Register recording any receipts/offering of gifts, hospitality, donation, sponsorships and other benefits to third parties, maintained by each business unit, by both Group and entity level as well as by location, which is to be submitted every quarter to the Audit Committee.
Relative	<p>Defined by the MACC Act 2009 as:-</p> <p>(a) A spouse of the person;</p> <p>(b) A brother or a sister of the person;</p> <p>(c) A brother or a sister of the spouse of the person;</p> <p>(d) A lineal ascendant or descendant of a person;</p> <p>(e) A lineal ascendant or descendant of the spouse of the person;</p> <p>(f) A lineal ascendant or descendant of the person referred to in paragraph (b);</p> <p>(g) The uncle, aunt or cousin of the person; or</p> <p>(h) The son-in-law or daughter-in-law of the person.</p>
Senheng Group	Includes all subsidiary and related parties of Senheng New Retail Bhd., i.e. controlled organisations which operate within Malaysia.
Top Management of Senheng Group	Refer to a specific group of persons in Senheng Group, i.e. President, Vice Presidents and Chief Financial Officer.

Appendix 2

Sample of Staff Declaration Form

I, _____, hereby declare that I have read and understood Senheng Group’s Anti-Bribery and Corruption Policy. I will abide by the requirements and provisions set out in the Policy, as required by my employment contract.

X
