

ANTI-CORRUPTION & BRIBERY POLICY

1. OVERVIEW

SWS Capital Berhad ("SWS" or the "Company") and its subsidiaries (the "Group" or "SWS Group") are committed to conducting its businesses in a lawful and ethical manner. SWS commit to maintain and preserve the highest ethical standard and integrity, transparency, and accountability in SWS business operation.

SWS has established this Anti-Corruption & Bribery Policy ("ACBP") to set out the Group's expectations and responsibilities for internal and external parties working with, for, and on behalf of the Group in upholding the Group's commitment and stance against corruption and bribery. This Policy is made publicly available on the Group's corporate website.

ACBP shall form the keystone for the Group's Anti-Corruption & Bribery Framework and the relevant policies that constitutes the Anti-Corruption & Bribery Framework.

2. SCOPE

This policy shall apply to all the companies within the SWS Group. This Policy is generally applicable to the Board of Director ("Board"), Management, employees, suppliers, customers and Business Associates, unless otherwise stated in the specific policies referred to in this Policy.

This Policy shall be applicable in all countries in which the Group has business activities.

3. OUR ANTI-CORRUPTION & BRIBERY STANCE

- a) SWS Group is committed to complying with the anti-bribery legislation applicable to its operations and will not pay bribes to anyone for any purpose.
- b) The Group takes the upholding of its anti-bribery stance across the Group's businesses seriously and expects the same from stakeholders internal and external to the Group's businesses, across all the Group's business dealings and transactions in all countries in which it operates.
- c) Directors, Employees, suppliers, and Business Associates of the Group shall adhere to and observe the Group's anti-bribery stance and relevant anti-bribery-related policies of the Group.
- d) The Group treats any violation of this Policy seriously and will undertake necessary actions, including, but not limited to, review of employment or appointment, disciplinary actions, dismissal, and/or reporting to the authorities, consistent with applicable laws and regulations.

ANTI-CORRUPTION & BRIBERY POLICY

4. DEFINATION

The following definitions and interpretations shall apply in this Policy:

- a) "Bribery" is defined as any action which would be considered as an offence of giving or receiving "gratification" under the Malaysian Anti-Corruption Commission Act 2009 and its 2018 amendment ("MACCA").
- b) "Corruption" is defined as abuse of position for personal gain or misuse of position to help other to improperly enrich themselves.
- c) "Gratification" is defined in the MACCA to mean the following:
 - i. money, donation, gift, loan, fee, reward, valuable security, property, or interest in property being property of any description whether movable or immovable, financial benefit, or any other similar advantage;
 - ii. any office, dignity, employment, contract of employment or services, and agreement to give employment or render services in any capacity;
 - iii. any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part;
 - iv. any valuable consideration of any kind, any discount, commission, rebate, bonus, deduction or percentage;
 - v. any forbearance to demand any money or money's worth or valuable thing;
 - vi. 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
 - vii. any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of the preceding paragraphs (i) to (vi).
- d) "person associated" refers to a director, partner, or an employee of the commercial organisation (which includes SWS) or a person (including companies) who performs services for or on behalf of the commercial organisation;

ANTI-CORRUPTION & BRIBERY POLICY

- e) where this Policy refers to the act of "giving" or "paying" a bribe it also refers to actions amounting to the act of agreeing to give, promising, or offering a bribe;
- f) where this Policy refers to the act of "receiving" a bribe it also refers to actions amounting to the act of soliciting or agreeing to receive a bribe;
- g) "facilitation payments" shall have the definition consistent with that provided by Transparency International, which is: a small bribe, also called a 'facilitating', 'speed', or 'grease' payment, made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement;
- h) "Directors" include Executive Directors and Independent Directors of SWS and its subsidiaries;
- i) "Employees" include full-time, part-time, probationary, contract and temporary employees;
- j) "Service Providers" include the Group's contractors, sub-contractors, consultants, distributors, agent representatives, or any parties performing work or services for or on behalf of the Group;
- k) "Business Associates" include the Group's joint venture entities, joint venture partners, business partners, associate companies, as well as Service Providers;

Note: An associate company refers to a company:

- of which SWS Group is in charge or in control of its business or affairs; or
- in which SWS Group has controlling interest or shares of more than 30% of the total issued capital.

- l) "Officer of a Public Body" shall have the definition as provided in the MACC Act 2009; and
- m) "Foreign Public Official" shall have the definition as provided in the MACC Act 2009.

5. COMPLIANCE TO THE LAW

SWS comply with all applicable law including the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018 or any amendments thereto.

SWS also comply with new act under Section 17A(5) to ensure compliance in accordance with amendments to Bursa Malaysia Securities Berhad main Market Listing Requirement ("Main LR") in relation to Anti-Corruption Act 2009 pursuant to section 9 of the Capital Markets and Services Act 2007.

ANTI-CORRUPTION & BRIBERY POLICY

6. BRIBING OF AN OFFICER OF A PUBLIC BODY OR A FOREIGN PUBLIC OFFICIAL

The bribing of an Officer of a Public Body or a Foreign Public Official is an offence under the MACC Act 2009 and is likely to be an offence under the local laws of the Group's countries of operations. Direct or indirect contributions to political organisations or individual as a way of obtaining illegal or undue advantage are prohibited. Political contributions may be made legitimately when they are made in accordance with local legislation and free of any obligation.

Directors, Employees, suppliers, and Business Associates of the Group who have dealings with any Officer of a Public Body or Foreign Public Official shall exercise extra care to not engage, directly or through a third party, in any activity or transaction that may constitute, or be perceived to constitute, an attempt to bribe an Officer of a Public Body or Foreign Public Official. Any payment relating to the above-said subject matters must be properly accounted and recorded with, supporting documentation.

7. GIFTS, ENTERTAINMENT, AND HOSPITALITY

SWS adopted a No-Gift Practice where the policy prohibits employees and directors (executive and non-executive), family members or agents acting for or on behalf of SWS employees, directors or their family members, directly or indirectly, receiving gifts or asking for (soliciting) gifts from external parties including customers, business partners, suppliers, regulators, and government officers.

Gifts may be in the form of cash or cash equivalent, including gift certificates, loans, commissions, discounts services, advantage, or any other benefit, which is not extended to all employees of SWS.

However, corporate gift and souvenirs which are given out of hospitality are exempted if the following criteria are met:

- a. The items are attached with company logo.
- b. The items are given at the following types of event:
 - i. Open to public (e.g. job fair, trade events, conference, etc); or
 - ii. By invitation where the invitation is not exclusive to one organisation or person and participation is transparent (e.g. industry meeting, event, Annual General Meeting, etc.)
- c. The items are not concealed.
- d. The items are given equally to all participants attending the event without discrimination.

All employees of the SWS should not give any gratification, gifts, hospitality, or entertainment to persons for improper purposes related with SWS Group's business in their personal capacity.

Where any gifts, hospitality or entertainment is not improper and received before prior approval can be obtained, an employee must disclose such gifts to immediate supervisor and/or head of department, regardless of its value who will assess the relevant circumstances and take the necessary steps including returning the gifts on the employee's behalf, where appropriate or required to do so.

ANTI-CORRUPTION & BRIBERY POLICY

Any gifts, hospitality or entertainment provided by SWS must always be of moderate and reasonable value and should never be given:-

- a. With an intention to exert improper influence or create a perception of expectation outcomes beneficial to SWS; or
- b. Where it causes a conflict of interest.

8. THIRD-PARTY TRAVEL

Third-Party Travel refers to travelling-related expenditures, such as travel tickets, meals, or accommodations, incurred for a legitimate business activity, such as an audit or factory visit, which are incurred by a business counterparty and paid for or reimbursed by the Group, or vice versa. Inappropriate, excessive, or unnecessary Third-Party Travel poses a bribery risk, especially when the business activity in question involves a material interest of a specific party, e.g. an audit, and it shall not be provided or received.

The Group does not provide non-business-related outstation or overseas travel to its business counterparties and, similarly, the Group's Directors and Employees are not allowed to receive non-business-related outstation or overseas travel from the Group's business counterparties.

9. FACILITATION PAYMENTS

SWS Group, its Directors, Employees, suppliers, and Business Associates are prohibited from giving or receiving facilitation payments, either directly or through a third party. Directors, Employees, suppliers, and Business Associates of the Group shall comply with the Group's Policy on Facilitation Payments.

Facilitation payments (also known as grease payments) are unofficial and improper payments or benefits, including gifts or entertainment, provided to secure or expedite a routine or necessary action to which the Group is legally entitled. Facilitation payments are bribes and they could be small in value and solicited by both the public and private sectors.

10. DONATIONS, SPONSORSHIPS AND CHARITABLE CONTRIBUTIONS

Charitable contributions and donations made by the Group are generous in nature and must never be made with the intention to, or under the perception of being able to, influence any business-related decisions or outcomes. Any donations, sponsorships and charitable contribution by SWS must be done in a transparent manner.

Generally, to avoid a situation of actual or perceived conflict of interest, the Group shall not make contributions or donations to, or sponsor any events of, any Authorities, or entities directly related to them if:

- the Group is expecting, in the near future, to be audited by, or to apply, obtain, or renew a Clearance from, the said Authority; or

ANTI-CORRUPTION & BRIBERY POLICY

- the Group has recently applied, obtained, or renewed a Clearance from the said Authority;

unless:

- the contribution or donation is ringfenced specifically for a clear environmental or social cause; or
- the sponsorship event has a clear environmental or social cause.

SWS Group has no political affiliations and it shall not make any political contribution or donation to, or sponsor any events of, political parties. Whilst Directors and Employees are not prohibited to make personal political contributions or donations to political parties, the said contributions or donations shall never be associated with the Group and must always be made under the Director's or Employee's personal capacity, as the case may be.

11. BUSINESS REWARDS, REBATES, COMMISSIONS, OR OTHER INCENTIVES

Various promotional and marketing tools such as business rewards, rebates, discounts, or other incentives may be used for the purpose of promoting and encouraging business or for establishing new business opportunities.

However, improper business incentives may constitute a bribe formulated with the intention to obtain or retain business or an undue business advantage.

- a) SWS Group does not provide business rewards, rebates, commissions, or other incentives which are questionable in nature or are contradictory with anti-bribery laws and regulations.
- b) Business-related incentives of the Group must fulfil the following conditions:
 - is formally documented as part of the provider's (of the business incentive) incentive program (e.g. rewards program), contract, policies (e.g. credit policy), or minutes of meeting or discussion; and
 - is applicable to all or its applicability is based on business-related parameters (e.g. applicable to all customers or applicable to customers exceeding certain order amount).

12. ANTI-MONEY LAUNDERING

Money laundering is the concealment of the origins or nature of money or assets obtained through unlawful or illegal means or activity in legitimate dealings or utilisation of legitimate funds to fund or support criminal activities, including financing terrorism.

ANTI-CORRUPTION & BRIBERY POLICY

Money laundering is a profoundly serious crime and the laws governing this type of crime can have extra territorial effect. The penalties for breaching anti-money laundering legislation are severe, including hefty fines and imprisonment in Malaysia, and can include extradition and incarceration in foreign jurisdictions.

SWS strictly prohibits any practices or dealings relating to money laundering.

To avoid violating anti-money laundering laws, all SWS's directors and employees are expected to always conduct counterparty due diligence with any party which SWS has a business relationship or collaborate in future, either on a regular or one-off basis. Employees are expected to collect and review documentation about current or prospective customers, business partners, contractors, suppliers, consultants, agents, associates or any other business partners to understand their business background and also ensure that these parties are involved in lawful business activities and their funds are of lawful origin. Reasonable steps must be taken to detect unacceptable and suspicious forms of payment and prevent such payments from being transacted. All employees must immediately report to the Head of Department or Managements where such forms of payment are detected.

13. BUSINESS DEALINGS WITH INTEGRITY

SWS Group believes in conducting business with business counterparties and partners (including Directors, Employees, suppliers, customers, and Business Associates) who uphold the same values and standards of business ethics and integrity as the Group.

SWS Group has established internal procedures which require due diligence checks to be performed on business counterparties and partners before appointment or engagement. Any parties, including Directors, Employees, suppliers, and Business Associates intending to conduct business with the Group are expected to adhere to the Group's due diligence internal procedures.

The recruitment of directors and employees should be based on approved selection criteria to ensure that only the most qualified and suitable individuals are employed. This is crucial to ensure that no element of corruption is involved in the hiring of directors and employees.

A proper background checks should be conducted to ensure that the potential director and employee has not been convicted in any bribery or corruption cases nationally or internationally. More detailed background checks should be taken when hiring directors and employees that would be responsible in management positions, as they would be tasked with decision-making obligations.

Suppliers and Business Associates of the Group are highly encouraged to have in place adequate procedures to prevent the conduct of bribery activities in doing business, especially when performing work or service for or on behalf of the Group.

ANTI-CORRUPTION & BRIBERY POLICY

14. REPORTING AND RECORDING

It is important that proper and complete records and documentation of all transactions made by the Group and in relation to the businesses of the Group are maintained as these would serve as evidence that the transactions made were bona fide and were not made with a corrupt or unethical intent.

All accounts, invoices, documents, and records shall be prepared and maintained with accuracy and completeness.

15. TRAINING AND AWARENESS

All employees of SWS Group are responsible to complete all training modules of the ACBP and keep themselves up to date with SWS Group's latest policies and processes and ensure that the highest standards of compliance are followed.

The Board has oversight of this policy and senior management are responsible for ensuring the compliance with this Policy. Every employee is required to be familiar with and comply with this policy.

16. COMPLIANCE AND SUPPORT

Compliance with this Policy by the Group, its Directors, Employees, suppliers, and Business Associates is mandatory. Any violation of this Policy will be dealt with seriously by the Group and may lead to, but not limited to, review of contracts, employment, or appointment, disciplinary actions, dismissal, cessation of business relationship, and/or reporting to the authorities, consistent with applicable laws and regulations.

Directors, Employees, suppliers, and Business Associates of the Group are expected to refuse to give or receive a bribe when solicited or offered one. SWS Group is committed to ensuring that no one suffers any detrimental treatment by the Group or its personnel for refusing to give or accept a bribe.

Directors, Employees, suppliers, or Business Associates with any concerns or queries or requiring support and advice pertaining to compliance with this Policy shall consult with their respective internal reporting lines or liaisons within the Group.

17. REPORTING OF VIOLATIONS OF THIS POLICY

Any person, including the general public, who knows of, or suspects of, a violation or potential violation of this Policy is encouraged to report the concerns through the whistleblowing mechanism set out under the Group's Whistle blower Policy, which is available on SWS 's corporate website.

ANTI-CORRUPTION & BRIBERY POLICY

No individual will be discriminated against or suffer any sort of retaliation by the Group or its personnel for raising genuine concerns or reporting in good faith on violations, potential violations, or suspected violations of this Policy. All reports will be treated confidentially.

16. REVIEW OF THIS POLICY

This Policy is approved by the Board of Directors of SWS on 27/02/2020.

The Board will review this policy when it is necessary to assess their effectiveness and ensure that it continues to remain relevant and appropriate. The Board reserves the total rights to all amendments, deletions or augment any terms and conditions or any part of this policy when necessary including the use of an additional form, should there be a need to develop one to ensure continued compliance with the prevailing law.

Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering corruption and bribery. Compliance with this policy will be reviewed by Internal and External Audit periodically and at least once in three years.

-----*****-----