

Anti-Corruption Policy
Effective Date: 1 July 2024

1. Introduction

This Anti-Corruption Policy (“Policy”) reflects our commitment to ethical business practices.

Corruption is against our values and against the law and can lead to fines and other penalties, including imprisonment for those individuals involved. This Policy is designed to prevent corruption in all our activities.

1.1 Applicability

This Policy applies to:

- DFI Retail Group Holdings Limited and its affiliates (“DFI”).
- All DFI employees including full-time, part-time, contract and temporary employees of all levels and any person who acts on DFI’s instructions.
- All DFI partners, including but not limited to: distributors, resellers, suppliers of products and services, landlords, joint-venture partners, agents, intermediaries and consultants, subcontractors, manufacturer’s representatives, law firms, audit firms, tax advisors, banks and recruitment firms.

1.2 Penalties for non-compliance

Beyond the legal and financial penalties that DFI and its employees could suffer as a result of non-compliance with this Policy and any other applicable anti-corruption laws, failure to comply also result in disciplinary action, up to and including termination of employment.

Managers who fail to supervise employees’ compliance with this Policy may also be the subject of discipline. Managers should lead by example and be a resource for employees who have questions or need advice.

1.3 Compliance with all applicable laws and regulations

We follow the most stringent laws, regulations or policies applicable to our businesses. If the laws or regulations applicable to your business are less stringent than this Policy, then you must follow this Policy. We have endeavored to ensure that this Policy is at least as strict as the laws and regulations in which we do business, but if it turns out that an applicable law or regulation is stricter than this Policy, then you must follow that law or regulation. If you have any doubt about what is expected of you under the law or this Policy, you must seek guidance from the Legal Department.

2. Anti-Corruption Laws and Regulations

DFI does not tolerate corruption. Perhaps the most common or most discussed form of corruption is bribery. Bribes are offers or payments of anything of value to gain an improper business advantage or to otherwise influence a decision or action, such as, and not limited to gifts of money or items above a nominal value, lavish and overly expensive entertainment, plane tickets or stays at resorts outside of DFI business, or donations to a charity important to the person at whom the bribe is aimed.

Global anti-corruption laws provide that bribes and other forms of corruption cannot be used to gain an improper business advantage. These laws include:

- The Prevention of Bribery Ordinance of Hong Kong
- The Criminal Law and Anti-Unfair Competition Law of the People’s Republic of China
- The Prevention of Corruption Act (PCA) of Singapore
- The Anti-Graft and Corrupt Practices Act of Philippines
- The Malaysia Anti-Corruption Commission Act 2009 of Malaysia
- The Bribery Law, Anti-Corruption Law and Criminal Code of Indonesia
- The Foreign Corrupt Practices Act (FCPA) of the United States
- The Bribery Act of the United Kingdom
- The Criminal Law Convention on Corruption of the Council of Europe
- The Organization for Economic Co-operation and Development (OECD) Anti-Bribery Convention
- Various domestic anti-corruption laws from many other countries where we or our business partners operate.

These laws may impose specific requirements in certain situations, meaning we should never hesitate to reach out to our Line Managers and the Legal Department for guidance on how to proceed with a transaction.

Apart from anti-corruption laws, this Policy prohibits those to whom it applies from offering, providing or accepting bribes or otherwise participating in any illegal or corrupt activities. Anyone observing or learning of such activities must report the information through the avenues set forth at the end of this Policy.

To assist your understanding, reproduced below are the basic planks of the anti-corruption prohibitions embodied in this Policy and the referenced anti-corruption laws:

Basic Concept	Explanation
1. Never offer, make or accept a payment	Cash or cash equivalents.
2. Or any Gifts	<p>Gifts include, and not limited to, cash or cash equivalents of any kind, discounts, services, jewelry, plane tickets, vacations, stock or promotional expenditure of any value. Examples of gifts include food (e.g. hampers) and bottles of alcohol.</p> <p>Items excluded from Gifts, please refer to the “No Gift and Entertainment Policy”.</p> <p>No Gift and Entertainment Policy - July 2024.pdf</p>
3. Directly or indirectly	<p>Directly: The offer or payment is made directly to the person whose actions it is intended to influence.</p> <p>Indirectly: a. The offer or payment is funneled</p>

	<p>through an intermediary, such as an agent, subcontractor, or consultant.</p> <p>b. The offer or payment is embedded in a business transaction (“a kickback”), such as, for example, a potential contractor offering you personally a portion of the profit they make from DFI’s store renovation works if you choose them over other potential contractors.</p>
<p>4. To or from a commercial entity or government official</p>	<p>A commercial entity is any business and any of its employees, agents and representatives, including subcontractors, consultants, and others acting on the business’ behalf.</p> <p>For a further explanation, see the section on “Who are government officials?” below.</p>
<p>5. To obtain or retain business or gain an improper business advantage</p>	<p>Remember that even an attempt to obtain or secure an improper business advantage, regardless of whether it is successful, is prohibited.</p> <p>For the avoidance of doubt, an improper business advantage can be defined as an undue strengthening of our business position, which we would not have without offering, paying or accepting a bribe. This is different from recognizing the loyalty or business contribution of a business partner.</p>

When in doubt about any offer, payment or other aspect of a transaction or business relationship, ask yourself the following questions:

- Does this feel right?
- Would my friends, family and colleagues approve?
- Would I be comfortable if this were discussed in a newspaper?

If the answer to one or more of these questions is **NO**, step away from the situation and seek guidance from your Line Manager or the Legal Department on how best to proceed.

2.1 Who are government officials?

For the purposes of anti-corruption laws and our Policy, the term “government officials” is not limited to persons holding elected or appointed government offices, ministers of government departments, political representatives, or other positions that one might typically think of as government positions. The following individuals can also qualify as government officials:

- Employees of government departments and agencies, regardless of rank - including but not limited to tax or customs officials.
- Employees of state-owned or -controlled entities, including state-owned or -controlled commercial enterprises, such as national airlines, rail operators and employees of public institutions such as universities.
- Employees of public international organizations, such as the World Bank, the International Monetary Fund and the United Nations.
- Any political party official or candidate, any judge or legislator and members of royal families who may lack “official” authority but who maintain ownership or managerial interests in government enterprises.
- Anyone “acting in an official capacity” (that is, under a delegation of authority from the government to carry out government responsibilities), including uncompensated officials if they have actual influence in awarding government business.
- Technical or marketing consultants who also hold a government position.

Providing anything of value to a close family member of a government official can also be considered a violation of anti-bribery laws and of this Policy.

2.2 What are Facilitation Payments?

Facilitation payments, also known as “grease payments,” are typically small, unofficial payments made to government officials to expedite or facilitate routine, non-discretionary government actions or services. While these payments may seem harmless, they are considered a form of bribery and should not be accepted.

We highlight interactions with government officials because global anti-corruption laws emphasize dealing with government officials transparently, and corrupt acts carry severe penalties for companies and individuals. As a multi-national company, we may need to interact with government officials occasionally and must do so in accordance with applicable laws. As a member of DFI, you are required to evaluate the transactions you are involved in to determine whether government officials are participating in any way. Since the list of possible government officials is expansive, you are encouraged to seek out the Legal Department for assistance and guidance.

2.3 Accounting and record-keeping

One of the methods that DFI uses to ensure that all dealings we engage in are free of corruption is to properly record all aspects of every transaction. Keeping accurate books and records is required by the various anti-corruption laws applicable to our businesses. Therefore, we must comply with all accounting regulations and standards, as well as our internal work policies and processes for submitting to DFI all expense reimbursement requests. Furthermore, when making expenditures on behalf of DFI, we must properly record the details of all transactions, accounting for all funds and benefits received as part of those transactions.

Special care must be taken to ensure that the treatment of any exclusions to gifts, meals, entertainment, or other benefits provided to private parties and government officials complies with DFI’s accounting and record-keeping requirements.

The following rules are the guidelines for accurate accounting and record-keeping:

- False or artificial entries are prohibited.
- Undisclosed or unrecorded funds, accounts or assets are prohibited.
- No entry may conceal or disguise the true nature of a transaction.

- No payment is permitted for a purpose other than the purpose described in the supporting documents.
- All employees have a duty to report any false or suspicious entries or when they have reason to believe that an employee may be falsifying records.

To implement the above rules on proper record-keeping, you should:

- Only issue and accept invoices that accurately reflect the transaction to which they relate.
- Never agree to requests for under-invoicing or over-invoicing.
- Never make or approve any payment with the intention, understanding or knowledge that any part of such payment is to be used for any purpose other than what is described in the supporting documents, or when reasons exist to believe that the payment could be used as a bribe.
- Never make or approve cash payments to any party.
- Never make or approve payments to a person other than the authorized payee.
- Never make or approve payments to an account unrelated to the payee's business or nationality, such as offshore bank accounts or accounts under a different name.

Proper record-keeping is essential to our compliance with anti-corruption laws and for us to maintain and uphold the spirit of this Policy.

If you have any questions about these requirements, please contact the Legal or the Finance Departments.

3. Guidelines

This section provides guidance on specific transactions, with reference to DFI's requirements and expectations.

You should refer to this section often to confirm that the transactions and business relationships you are a part of meet DFI's requirements, and to ensure that our business remains free of corruption.

We understand that doing business often involves giving and receiving some common courtesies, such as discussing a sales agreement over lunch, meeting with clients for dinner or accepting promotional items at a trade show. This Policy is not meant to hinder your ability to build relationships with external parties and compete in the market. Rather, it should help you identify acceptable and legal business courtesies. Our stance on bribery and corruption means that regardless of local custom, we never give or accept gifts, entertainment, or any other benefit to gain an inappropriate business advantage.

If you are ever faced with a situation where someone is personally seeking a payment or other item of value in exchange for or in connection with making a business decision or performing their duties and you are unsure of what to do, you should consult the Legal Department. You should always consult the Legal Department if that person is a government official.

For exceptions, please refer to DFI's "[No Gift and Entertainment Policy - July 2024.pdf](#)".

3.1 Engaging business partners

Engaging business partners, such as agents, distributors, and suppliers, is a necessary part of our business. Essentially, these business partners are an extension of DFI, and any corrupt acts they carry out while conducting business for us can create liability for our company.

Therefore, we must only choose business partners that we would feel comfortable representing

our brand and values. To accomplish this goal, we have adopted a robust due diligence process to review potential business partners and monitor existing partners. The due diligence process involves the following actions:

- Gathering background information
- Identifying red flags
- Continual monitoring

3.1.1 Gathering background information

The due diligence process starts with collecting background information on the potential business partner. The following information should be gathered before entering into any agreement:

- Company registration information
- Names, nationalities and resumes of all principal officers, directors and shareholders
- List of all related entities
- Revenue history of the business partner over the last 3 – 5 years
- Civil and criminal history of all principal officers, directors and shareholders
- Government positions (current or former) of all principal officers, directors and shareholders and their relatives and business associates
- Civil, criminal and regulatory history of the business partner
- Reputation of the business partner

3.1.2 Identifying red flags

While collecting background information on a potential business partner, you may notice certain “red flags,” or warning signs about the party that suggest they may be more likely to pay a bribe, engage in corruption or be otherwise unsuited to carry out their responsibilities. The following is a list of common red flags:

- Questionable background or reputation, such as allegations of improper business practices (like paying bribes or allegations of fraud)
- Lack of reputable business/personal references
- Unknown to industry competitors
- Referred to us by a government official
- Seems unqualified to provide the services we need
- Unwilling to reveal identities of its owners, principals, directors or employees
- Not open to agreeing with our Code of Conduct and our related policies such as this Policy and the No Gift and Entertainment Policy.
- Requests unique or unusual payment arrangements, such as payment in cash, payment in another country’s currency, payment to seemingly unrelated parties or payment to a bank account in a different country
- Has members who are DFI employees or are related to DFI employees

Discovery of any red flags should promptly be referred to members of the Legal Department for further review before continuing with the potential business partner.

3.1.3 Monitoring performance

Collecting background information is not enough to determine whether a potential business partner is suited to work with DFI. We need to continually monitor business partners even after

engagement to see if any new red flags arise. Contact the Legal Department if the business partner takes any of the following actions:

- Does not pay DFI invoices in a timely manner
- Offers to buy our products at a higher-than-normal cost or requests an unusually large discount
- Submits invoices for unusual or excessive expenses or other requests
- Requests payments to a different recipient or offshore account
- Frequently invites DFI members to meetings, gatherings or other events involving government officials
- Receives negative remarks from or fails any DFI or third-party audit
- Becomes involved in bankruptcy proceedings
- Receives fines or penalties or becomes the subject of a complaint from non-compliance with the law, especially anti-corruption laws

This list of red flags is **NOT** exhaustive. If other red flags become apparent, additional due diligence or other remediation may be required. Contact the Legal Department for further guidance.

3.1.4 Compensation

One of the simplest ways to prevent corruption by business partners is to compensate them in accordance with a strict set of rules, including the following:

- We do not pay more than market price for the goods or services business partners are providing.
- Success fees and premiums to business partners must be approved by Legal, closely monitored and properly documented.

3.2 Solicitation of bribes

Solicitation of bribes occurs when someone requests or asks DFI (directly or indirectly) for a payment in exchange for an improper business advantage. Solicitation of bribes is against the law and our Policy.

If someone tries to solicit a bribe from you, you should:

- Firmly, but politely refuse to make the payment.
- Report the incident to your Line Manager and the Legal Department promptly.

3.2.1 Exception for extenuating circumstances

There are certain situations where you are permitted to make a payment that is otherwise not allowed under the law or our Policy. These situations are very rare and the payment is allowed only if extenuating circumstances exist. Extenuating circumstances exist when 1) you are requested to make a payment and 2) refusal could lead to bodily harm.

The threat of bodily harm could be to yourself, your co-workers or the family members of you or your co-workers.

Any potential or actual extenuating circumstances encountered, and any payments made in such situations, must be promptly reported to the Legal Department once it is safe to do so.

4. Reporting Violations

We all have a responsibility to report any potential breach of the Policy. In case you are aware of any potential breach, you can raise it with your immediate supervisor or line manager, People & Culture Head or the Legal Head of your business unit/department or of the Group. You can also raise the matter through any one of the Speak Up channels as set out in the Speak Up Policy.

The hotline, portal and email account are operated by an independent and reputable external provider that is committed to protecting the confidentiality of all matters reported and the anonymity of the reporter involved.

5. Conclusion

Thank you for reading our Anti-Corruption Policy. This Policy supplements our Code of Conduct and the No Gift and Entertainment Policy. It serves as a manual to help you confidently navigate potential corruption situations and provides the tools needed to make appropriate decisions.

Most importantly, this Policy demonstrates our commitment to supporting you as a DFI employee, and our genuine interest in helping you make decisions in accordance with our values.

If a situation does not feel right, you have our full support to walk away from it and seek further guidance from various resources within DFI.

In case of any discrepancy, the English version shall prevail.