

## 7. Code of Conduct

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## 7.1 Anti-Bribery & Anti-Corruption...1

Hop Lun believes in honesty and fair trade so that gifts, given or received, are considered unnecessary. We expect you to exercise caution and discretion when dealing with our business partners, including suppliers and sub-contractors.

- ❖ You are prohibited to engage in other business and non-business dealings such as money lending, business joint-venture and gambling etc. with our business partners.
- ❖ Any potential activities or pre-existing business relationships which might jeopardize this regulation is subject to immediate disclosure to the People & Culture Department.
- ❖ You are prohibited to solicit or accept any gifts or entertainment of a monetary value or in the form of a personal benefit, including but not limited to cash, gift certificates, tickets, discounts, rewards, loans, employment, favorable terms on products or services, use of others' vehicles or vacation facilities, stocks or other securities, participation in stock offerings, etc.
- ❖ You should follow the below guidelines in declining such offers:
  1. Inform line manager of the offer and where it comes from
  2. Politely decline the offer and return the items to the sender as soon as practicable.

Any questions should be directed to your immediate supervisor or the People & Culture Department for further advice.

## 7.1 Anti-Bribery & Anti-Corruption...2

If, under special circumstances, that the entertainment extended by the business partner is unavoidable (e.g. meals and travel, etc.):

- ❖ You have to obtain prior approval from your line manager and on the understanding that you are allowed to pay or reciprocate to the business partner.
- ❖ When approving the entertainment, line manager will consider the following:

Would the offer likely influence your objectivity in making decision in your role?

Is there a business purpose in the entertainment (i.e. would business be discussed?)

Is there any precedent set for other colleagues which could be referred to?

How would the approval be seen from the others? (i.e. including colleagues and parties outside the company?)

- ❖ All gifts/entertainment received from our business partners/contractors/suppliers etc. must be registered in a log book.
- ❖ You should not receive “Lai See” from our business partners under all circumstances.

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## 7.2 Entertainment Policy

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If entertainment has to be hosted by you for our business partners,

1. The activity must be entirely business related;
2. Prior approval from your Department Head or Director must be received;
3. The entertainment expenses must be reasonable in relation to the business as it is supposed to be.

Claim Procedure:

- ❖ Entertainment expenses shall be claimed by completing the “Entertainment Expenses Report”.
- ❖ Original bills / invoices or official receipts must be provided, and credit card payment have to be supported with valid invoices or official receipts with your Department Head and Director’s approval.
- ❖ Your names, positions and companies have to be recorded on the supporting documents.
- ❖ All expenses in foreign currency shall be claimed in original currency. Currency exchange vouchers or a copy of credit card statement must be provided to show the exchange rate at the specific transaction time. Otherwise, internal exchange rates will be used. Please contact the Finance Department for the specific exchange rates.

## 7.3 Conflicts of Interests, & Other Employment...1

### Conflicts of Interests

- ❖ Conflicts of interests arise when your personal, social, financial or political activities have the actual or potential interference with your loyalty to and interests of the company.
- ❖ You should avoid these conflicts when dealing with our business partners.

The following situations are some examples of potential conflicts of interests arising from business dealings:

Participate in decisions to do business with organizations in which you, a close family member or close friend has an interest or from which personal benefit may accrue.

Initiate business with third parties on behalf of the company only through friendship, family ties, giving or receiving gifts/rewards or having a personal benefit from the business dealings.

You must obtain written approval from the People & Culture Department before knowingly engage in any business with third parties which is the subject of potential conflicts of interests.

## 7.3 Conflicts of Interests, & Other Employment...2

The following situations are some examples of other potential conflicts of interests:

1. Misuse the company's name, facilities, and relationship for any personal benefit.
2. Involve in or give pressure in hiring decision to employ family and friend to work in the company.

### Personal Relationship

- ❖ Where personal relationships overlap working relationship and may give rise to potential conflicts of interests, you are required to disclose it to the People & Culture Department as soon as possible to avoid any possible allegations of breach of this Code of Conduct.

### Other Employment

- ❖ During your employment with us, you should not be engaged in other employment except for voluntary work, unless given prior written approval.

### Declare a Potential Conflict of Interest

- ❖ Any potential conflicts of interests should be declared in writing as soon as they are identified. You should complete the **Declaration - Conflict of Interest form** (see Appendix G) and submit to your Department Head and People & Culture Department for approval as soon as possible.

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## 7.4 Work Environment...1

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To foster a safe, harmonious and respectful workplace for all of our colleagues, the following rules and regulations have to be observed.

### Equal Opportunity

- ❖ Everyone at Hop Lun is of equal value and will be treated with the same level of respect during their employment with us
- ❖ Discrimination of any kind will not be tolerated; we offer equal treatment and opportunities to all of you regardless of your age, sex, race, nationality, marital status, sexual orientation, disability and religious belief.

### Illegal Drugs

- ❖ Illegal drugs are strictly prohibited in the work environment or at any company's events.
- ❖ You should not consume, sell, possess, purchase or transfer illegal drugs or to be under the influence of illegal drugs while performing your job duties at work or when participating at any company events.

## 7.4 Work Environment...2

### Harassment-Free Work Environment

- ❖ Hop Lun seeks to provide a harassment-free work environment for our colleagues
- ❖ Sexual or any other kind of harassment is prohibited
- ❖ You should interact with others in a professional and respectful manner

Harassment could be physical, verbal or written, and could happen:

- ❖ In the office or locations where job duties are performed
- ❖ Between colleagues outside of work
- ❖ At work related events
- ❖ Between colleagues and between people sharing the work environment (e.g. contractors)

**If you believe that you have been the subject of harassment, or have witnessed it happen, you should immediately report such actions to the People & Culture Department.**

**All information will be dealt with independently, thoroughly and treated in strictest confidence.**



## 7.5 Confidential Business Information...1

- ❖ Hop Lun expects you to perform your job duties faithfully.
- ❖ All business information should be kept confidential during and after their employment and not to be shared among colleagues and outside of the company.
- ❖ Business information includes any invention, product design, development and specification, process, program or all work developed by colleagues and they are owned by us.

**CONFIDENTIAL**

Business information also includes, but is not limited to, the following:

- ❖ Business plans and trade secrets
- ❖ Lists of customers and vendors
- ❖ Financial data e.g. pricing and costs
- ❖ Tariff rates and software codes
- ❖ Personnel record (e.g. salary and bonus information)
- ❖ Contracts, samples and drawings
- ❖ “Know-how” precedents and formulas
- ❖ Intellectual property rights (e.g. computer programs)
- ❖ All other company’s documents marked “Private” or “Confidential”

## 7.5 Confidential Business Information...2

- ❖ To protect the business information from unauthorized disclosure, you are expected to handle the information with extra care when it is prepared and disposed.
- ❖ No confidential information should be printed on recycled paper and discarded in any public area.
- ❖ You are not allowed to remove or disseminate any company's business information by whatsoever means without the prior written approval from your line manager.



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## 7.6 Company's Assets and Products

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### Company's Assets

- ❖ All assets, including but not limited to, furniture, fixtures and other office supplies, etc. are owned by us and are for office consumption only.
- ❖ They should not be removed from the company for personal use during your employment and should be returned to the company when you leave Hop Lun.

### Company's Products

- ❖ Existing and departed colleagues are not allowed to sell any company's products in any market through whatsoever means, including but not limited to personal contacts, without the company's prior written approval
- ❖ Sample products given to our colleagues are for personal use only.

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## Code of Conduct

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We are **open** and **positive** to address any complaints/problems you may have during your employment here!



We expect you to follow the above rules and regulations so to preserve the company's core values in fostering a **safe**, **harmonious** and **respectful** work environment for everyone at Hop Lun and an **ethical** business practice in the community.

Any staff who have breached the Code of Conduct will be subject to dismissal or other disciplinary actions.

