

**Styland Holdings Limited**

**大凌集團有限公司\***

*(Incorporated in Bermuda with limited liability)*  
*(Stock code: 211)*

**Anti-Fraud and  
Counter-Corruption Policy**

*\* For identification purpose only*

## 1. INTRODUCTION

Styland Holdings Limited (the “**Company**”) is committed to protecting its reputation, revenues, assets and information from any attempt of fraud, corruption, deceit or related improper conduct by employees or third parties.

The Anti-Fraud and Counter-Corruption Policy (the “**AFCC Policy**”) is to outline the Company’s expectations and requirements relating to the prevention, detection, reporting and investigation of any suspected fraud, corruption and other similar irregularities.

The AFCC Policy applies to the Company and its subsidiaries (the “**Group**”). All of our employees and business partners are encouraged to abide by the requirements of the AFCC Policy.

The AFCC Policy supplements the Whistleblowing Policy of the Group.

## 2. DEFINITION

The term “Fraud” generally refers to unfair or unlawful conduct with the intention of making some form of personal gain, or making another person suffer a loss including but not limited to, conspiracy, misappropriation, theft, money laundering, collusion, extortion and corruption.

Where the term “Corruption” as referred to the definition from Hong Kong Independent Commission Against Corruption (“**ICAC**”): “Corruption occurs when an individual abuses his authority for personal gain at the expense of other people. Corruption erodes fairness and the rule of law, and in some cases, puts lives and property at risk.”

Examples of general types of fraudulent or corrupt activities that may compromise the Company’s interest including, but not limited to:

- (i) Misrepresentation in the Group’s publicly released financial statements or other public disclosures;
- (ii) Misappropriation or theft of the Group’s assets such as cash, inventory, equipment, supplies, etc.;

- (iii) Unlawfully obtained revenue and assets, or unlawful avoidance of costs and expenses;
- (iv) Commercial bribery or bribery of a government official or other violation of anti-corruption laws;
- (v) Seeking or accepting from, paying or offering to, the employees, suppliers or business partners of the Group, payments, kickbacks or gifts intended to or which may appear to influence business judgment; or
- (vi) Fraudulent disbursement or reimbursement such as payment for fictitious or inflated invoice, expenses, etc.

### **3. RESPONSIBILITY**

- (i) The Audit Committee of the Company has the overall responsibility for the AFCC Policy;
- (ii) The Audit Committee is responsible for monitoring and reviewing the effectiveness of the AFCC Policy; and
- (iii) All employees are responsible for resisting fraud and helping the Group defend against corrupt practices.

### **4. REPORTING**

- (i) The Company shall maintain effective reporting channels for the employees and business partners to report any suspicions of Fraud; and
- (ii) All employees and stakeholders are expected and encouraged to report immediately any suspected cases of Fraud and related misconduct via the reporting channels as set out in the Whistleblowing Policy of the Group.

## 5. INVESTIGATION

- (i) All reported Fraud to the Audit Committee will be treated seriously. Other than the investigations as specified below, the investigations will be performed with the approach as stipulated in the Whistleblowing Policy;
- (ii) The Company will make every effort to treat all disclosures in a confidential and sensitive manner after an employee or a relevant party reports concern about any of the above matters. The identity of the individual employee or relevant party making genuine and appropriate allegation under this AFCC Policy is assured of fair treatment. In addition, employees are also assured of protection against unfair dismissal, victimization or unwarranted disciplinary action;
- (iii) If there is sufficient evidence to suggest that a case of possible criminal offence or corruption exists, legal professional advice may be sought and the matter may be reported by the Group to the relevant local authorities. In such case, the investigation will be taken over by the local authorities; and
- (iv) Records shall be kept for all reported misconducts, malpractices, and irregularities by the relevant parties in the Group. If a reported irregularity leads to an investigation, the party responsible for leading the investigation shall ensure that all relevant information relating to the case is retained.

Date: 5 January 2023