

# NISSIN FOODS COMPANY LIMITED

日清食品有限公司

*(incorporated in Hong Kong with limited liability)*

(Stock Code: 1475)

## ANTI-CORRUPTION POLICY

This policy aims to set out the Company's anti-bribery and anti-corruption requirements that are applicable to directors, officers and employees.

### 1. Introduction

- 1.1 Nissin Foods Company Limited (the "Company") takes a zero-tolerance approach towards all forms of bribery and corruption within the Company in order to maintain good corporate governance.
- 1.2 The Company is committed to preventing, detecting and reporting any, or suspected, fraud, irregularity, misconduct or malpractice including fraudulent financial reporting, promoting ethical anti-corruption business practices, and upholding high standards of integrity, honesty, fairness, impartiality and transparency in its business dealings at all times.
- 1.3 This policy applies to the directors, officers and employees (including part time/full time/temporary/contract agency) at all levels of the Company, its subsidiaries, and joint ventures or companies in which the Company holds a controlling interest (collectively the "Group"). The Company encourages all of its business partners, including distributors, agents, contractors, consultants and suppliers to abide by the principles of this Policy.
- 1.4 In this Policy, fraud is defined as acts such as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. For practical purposes, fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. Examples of conduct that would be considered fraudulent include but are not limited to:
  - (a) theft, unauthorised use and/or disposal of company assets or resources;
  - (b) false invoicing or settlement of contracts;
  - (c) false work expenses;
  - (d) false accounting or misleading disclosures;
  - (e) improper use of inside information;
  - (f) collusive activity with trading counterparties or competitors;
  - (g) unauthorised trading activities;
  - (h) soliciting or accepting any form of advantages from persons having business dealings with the Company, except in case where the offering of the advantages has been reported in accordance with paragraph 2.7 and approval of such acceptance having been obtained from the management;
  - (i) offering any form of advantages to any persons having business dealings with the Company for the purpose of influencing such persons or company in any business dealings;

- (j) offering any form of advantages to any government officials with an intent of gaining business or requesting advantage for the Group;
- (k) making use of confidential or insider information of the Group to secure advantage personally or for another party; or
- (l) failing to promptly avoid and/or declare conflicts of interest in carrying out the Company's business, upon the discovery or realisation of such.

## **2. General**

- 2.1 The Company will maintain a control environment that promotes its values, including the requirement for all levels of employees to adhere to its employee's code of conduct (the "Code of Conduct") and carry out business in a honest, fair, impartial and ethical manner with integrity. All employees should familiarise themselves with this policy, the Code of Conduct and all other risk management and internal policies and guidelines.
- 2.2 The Company will conduct periodic and systematic fraud risk assessments to mitigate fraud risks identified internally and by the external auditors or internal control advisors.
- 2.3 This policy and the anti-fraud procedures will be effectively communicated to directors, officers and all levels of employees of the Group and other stakeholders. The procedures for reporting allegations of fraud by employees and stakeholders who deal with the Group will be clearly communicated through the Whistleblowing Policy.
- 2.4 Proper training and briefing for the management and employees of the Company likely to be exposed to risks of bribery, corruption, conflicts of interest, money laundering and financing of terrorism, non-compliance with the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) (the "POBO"), including training on integrity and how to recognise and deal with such acts of fraud, will be provided.
- 2.5 The Company will strive to ensure its compliance with the POBO, amongst other relevant laws of other countries or regions as appropriate, to prevent the imposition of any criminal and civil penalties as provided under the POBO and such other relevant anti-corruption laws of other countries or regions, and prevent any reputational damage that may arise from its involvement in any form of bribery or corruption, money laundering and financing of terrorism, whether in Hong Kong or elsewhere.
- 2.6 The Company is committed to keeping proper records and following sound accounting policies. All company books, records, accounts, invoices and other documents must be created and maintained so as to reflect fairly and accurately and in reasonable detail the underlying transactions and the disposition of company business. All relevant expenses should be properly approved and recorded in the financial records.
- 2.7 Employees should report to the Company and the Company will maintain records in relation to the offering or acceptance of any form of advantages to and from persons having business dealings with the Company by using the designated form, including but not limited to gifts, entertainment, sponsorships, travel and accommodation, or the involvement of its personnel in any charitable donations, political expenditure or recruitment.

- 2.8 All directors, officers and employees of the Company, its subsidiaries, and joint ventures or companies in which the Company holds a controlling interest, must mitigate against and promptly avoid and/or declare to their immediate superiors any actual or perceived conflict of interest when carrying out the Company's business upon the discovery or realisation of such. All conflicts of interest should be avoided except when authorised by those in positions designated by the board of directors of the Company (the "Board"). Examples of situations where a conflict of interest may arise include:
- failing to abstain from a vote on a matter of the Company where an actual or perceived conflict of interest exists;
  - engaging in an activity that gives rise to a perception of a conflict of interest, despite a lack of potential for any actual or possible gain; and
  - where employees' financial or personal interests, or that of their relatives, conflict with the interests of the Company.
- 2.9 It is forbidden for employees to make political contributions using the Company's funds or assets, or on its behalf, or even appearing to be so, unless such contribution is lawful and authorised in writing by the Company. A *contribution* is any direct or indirect payment, distribution, loan, advance, deposit, or gift of any value in connection with an election or organisation or group formed to support or defend political issues, or anything that can be sought as an attempt of political lobbying or attempting to influence government officials.

### **3. Reporting and Response**

- 3.1 Suspected cases of fraud should be reported promptly, regardless of whether the responsible parties or process of the fraud is identified. Any person should report to one's direct supervisor, team leader, unit manager or directly to the compliance officer if one suspected that a fraud has been committed or discovered suspicious acts or events.
- 3.2 As the Company takes the reports of suspected cases of fraud seriously and wants to fully investigate all potential cases, it is strongly recommended that these reports should not be made anonymously. However, if an employee feels uncomfortable to report potential fraud cases directly to his or her supervisor, team leader, unit manager or the senior management with any underlying reasons, he or she may submit the report to the compliance committee of the Group via the whistleblowing channel confidentially if one feels appropriate. These reports can be made verbally (by telephone) or in writing (by letters or email). Reasonable measures will be taken by the management to protect and support employees who submit these reports in good faith.
- 3.3 All potential frauds will be investigated by Internal Audit Department ("IAD"). Relevant advice from in-house or external legal counsel will be obtained where appropriate. These investigations will be handled confidentially. The management will take corrective actions immediately to resolve substantiated frauds.
- 3.4 IAD will report material breaches of this policy to the Board at least annually. The details to be reported include all material fraud and any fraud committed by employees which could impact the integrity and effectiveness of the Company's internal controls system, the number of fraud cases reported, the nature of important investigations and the results of these investigations. The Board will be responsible for monitoring the fraud ultimately.

3.5 Any director, officer or employee of the Company, any of its subsidiaries, joint ventures or companies in which it holds a controlling interest, who has committed a breach of this policy, will be subject to disciplinary action (which may include summary dismissal) or referred to relevant law enforcement agencies in the case of serious breaches, as determined by the management.

#### **4. Review**

4.1 This policy will be reviewed and, if necessary, updated from time to time to ensure its continued effectiveness. Any proposed changes to this policy will be submitted to the Board for approval.

4.2 This policy is disclosed on the Company's website.

#### **5. Language**

5.1 This policy is prepared in both English and Chinese languages. In case of any discrepancies, the English version shall prevail.

Hong Kong, 1 September 2022