

Merdeka Financial Group Limited
(the “Company”)

Anti-corruption Policy (Summary)

(approved and adopted by the board of directors of the Company (the “**Board**”) and is effective on 1 January 2022)

1. PURPOSE AND SCOPE

- 1.1 Merdeka Financial Group Limited (the “**Company**”) (stock code: 8163) and its subsidiaries, (collectively the “**Group**”) is committed to upholding high standards of business integrity, honesty, fairness, impartiality and ethical business practices in all its business dealings. The Group takes corruption issues very seriously and has zero tolerance for bribery and corruption. This Anti-Corruption Policy (the “**Policy**”) applies to the Group, and to the Board (the “**Board**”) of directors of the Company (the “**Directors**”) and all employees at all levels of the Group (collectively, “**Employees**”), without exception.
- 1.2 Corruption and bribery damage a company’s reputation and undermines its relationship with regulators, customers and business partners. It may lead to criminal and prosecution of or regulatory action against a company and/or its Employees, resulting in the imposition of criminal or civil penalties, including fines and imprisonment, and could damage a company’s business.
- 1.3 Employees are required to follow the Policy and any additional requirements related to anti-bribery and corruption set out by the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) (the “**POBO**”) and any other relevant laws, rules and regulations applicable to the Company, the breach of which may lead to disciplinary action that might ultimately result in termination of employment and/or personal civil or criminal sanctions.
- 1.4 The Policy sets out the minimum standards of conduct to which Employees are required to adhere. The Policy is to be read together with the Code of Conduct of the Company (the “**Code**”) which sets out the basic standard of conduct expected of Employees, and the Company’s policy on acceptance of advantage and handling of conflict of interest when dealing with the Company’s business. All of the terms in the Policy have the same meaning as those defined in the Code.

2. CONFLICTS OF INTEREST

Employees are required to observe the duties and obligations set out in the Policy and the Code. Employees should avoid any conflict of interest situation (i.e. situation where their private interest conflicts with the interest of the Company). When actual or potential conflict of interest arises, each Employee should make a declaration to the approving authority through the reporting channels as set out in the Policy and the Code.

3. ACCEPTANCE OF ADVANTAGES

3.1 The Group prohibits the acceptance of bribes or any improper advantage (as defined under the POBO) by an employee from any person, company or organization having business dealings with the Company or any subordinate, whether in Hong Kong or elsewhere, except that they may accept (but not solicit) the following when offered on a voluntary basis and is not given to influence any business decision or the performance of his or her duties:

- (a). advertising or promotional gifts or souvenirs of a nominal value; or
- (b). gifts or hampers given on festive or special occasions, subject to a maximum limit of \$500 in value; or
- (c). discounts or other special offers given by any person or company to them as customers, on terms and conditions equally applicable to other customers in general.

3.2 Gifts or souvenirs described in paragraph 3(a) that are presented to Employee(s) in official functions are deemed as offers to the Company. The Employee(s) concerned should report the acceptance to the Company and seek direction as to how to handle the gifts or souvenirs from the head of the Department. If a director or staff member wishes to accept any advantage not covered in paragraph 4.1, he/she should also seek permission from the head of the Department.

3.3 However, Employee(s) should decline an offer of advantage if acceptance could affect his/her objectivity in conducting the Company's business or induce him/her to act against the interest of the Company, or acceptance will likely lead to perception or allegation of impropriety.

3.4 If an Employee has to act on behalf of a client in the course of carrying out the Company's business, he/she should also comply with any additional restrictions on acceptance of advantage that may be set by the client. (e.g. Employee(s) performing any duties under a government or public body contract will normally be prohibited from accepting advantages in relation to that contract).

4. OFFER OF ADVANTAGES

Employees are prohibited from offering advantages to any director, staff member or agent of another company or organization, for the purpose of influencing such person in any dealing, or any public official, whether directly or indirectly through a third party, when conducting the Company's business. Even when an offer of advantage carries no intention of improper influence, it should be ascertained that the intended recipient is permitted by his employer/principal to accept it under the relevant circumstance before the advantage is offered.

5. REPORTING CHANNELS

The Group has put in place the Whistleblowing Policy, to ensure that there is an appropriate channel for reporting illegal, unethical practices or irregularities related to the Group. If an Employee becomes aware of any suspected breach of the Policy or bribery and corruption activities related to Group, Employee should refer to the mechanism as set out in the Whistleblowing Policy to raising concerns through confidential reporting channels.

6. COMPLIANCE WITH THE POLICY

- 6.1 Failure to adhere to the Policy and rules in relation to anti-bribery and corruption will subject the concerned party to supervisory and disciplinary actions. Violations of the relevant laws also subject the concerned party to imprisonment and/or fines as stipulated in the relevant legislation in Hong Kong and other jurisdictions where the Group Member has presence.
- 6.2 It is the responsibility of each Employee to understand and comply with the Policy, whether performing his duties of the Company in or outside Hong Kong. Any Employees in breach of the Policy will be subject to disciplinary action, including termination of appointment. In cases of suspected corruption or other criminal offences, a report should be made to the appropriate authority.
- 6.3 All agents, contractors, suppliers, associated persons, etc. are also expected to act in compliance with all applicable policies, laws, rules and regulations related to anti-bribery and corruption in the performance of their services for or on behalf of the Group. The Group reserves the right to terminate any business relationship, employment or appointment that violates the Group's zero-tolerance policy against bribery and corruption.

7. **COMMUNICATION AND TRAINING**

The Group should ensure that Employees are informed about and understand the Policy, including applicable local procedures and requirements, and that there is a clear procedure for reporting actual or suspected breaches of the Policy and suspicious activity. The Group has to make the Policy available to Employees and to provide briefings to new Employees thereon. Regular updates/trainings relating to the fraud and bribery risks faced by the Group, as well as compliance with laws, and regulations be provided to Employees.

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