



Policy on Anti-Bribery and Corruption

H V A FOODS PLC



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H V A FOODS PLC

No. 118, Braybrooke Place, Colombo 02.

H V A FOODS PLC: Policy on Anti-Bribery and Corruption

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1 Introduction

This Anti-Corruption Compliance Policy (“Policy”) sets out the principles for countering bribery and corruption by H V A FOODS PLC (hereinafter referred to as the Company). Bribery and other corruption of any kind will not be tolerated. Any conduct violating this Policy can be caused for investigation which may result in disciplinary action or even dismissal.

2 Types of Corruption

- A. **Bribery** is promising, offering, giving, receiving or authorizing anything of value (financial or non-financial) to a government official or any other person, directly, indirectly or through a third party, to improperly influence that person in the performance of a duty or to obtain or retain business or any undue business advantage.
- B. **Corruption** is the abuse of entrusted power for personal gain. Bribery and fraud are considered corrupt practices. All Directors, key management personnel and employees are prohibited from engaging in any acts of bribery or corruption, either directly, indirectly or through a third party.

Anything of value, as mentioned in the above definition, encompasses any financial or non-financial offering that is promised, offered, given, or authorized, as well as those that are solicited, received, or accepted, with the intent to improperly influence business decisions or gain undue business advantage, whether directly or indirectly.

This excludes customary offerings of reasonable value that are typically exchanged as 'corporate gifts' between various organizational stakeholders—such as employees, clients, prospects, partners, suppliers, government officials, and other parties.

The Company will assess, based on the circumstances, value, intent, and anticipated outcomes, whether any offering constitutes bribery or corruption.

3 Acts of Bribery and Corruption

All Directors, key management personnel and employees are expected to refrain from committing any acts of bribery and corruption.

- A. Acts of bribery and corruption can be in varying forms, some of which have been non-exhaustively listed below:
 - a. Promising, offering, giving or authorizing a payment, of anything of value, to obtain or retain business, to secure any other improper advantage, to improperly influence government officials or any other party;
 - b. Making financial or non-financial contributions, improperly influencing a government official or any other party, in exchange for any improper favour or benefit;

- c. Influencing of third parties to secure improper advantages.
 - d. Requesting third parties to secure improper advantages on behalf of the Company, self, family or a close personal friend;
 - e. Promising, offering, giving or authorizing, entertainment, hospitality, and gifts that are intended to improperly influence a decision or gain an improper advantage; and
 - f. Soliciting, receiving or accepting anything of value (financial or non-financial) from any party, directly, indirectly or through a third party, that will improperly influence your business decisions or to receive any undue business advantage directly or indirectly from you or any person within the Company. Examples include, but are not limited to cash, entertainment, hospitality, travel benefits and any gifts.
- B. If in doubt of any relevant aspect of the policy as it pertains to the work assigned to any director, key management personnel or employee, it is the duty of such director, key management personnel or employee to seek guidance from a senior officer or Human Resources.

4 Administration & Implementation

Responsibility for compliance with this Policy is the duty of individuals at every level of the organization. We expect all employees to be responsible for compliance with the Policy, including the duty to seek guidance from a Responsible Officer whenever any aspect of the Policy is in doubt, and to report to a Responsible Officer any facts or circumstances that suggest a past or ongoing violation of this Policy by any officer, director, employee, consultant, agent, or other business partner acting on behalf of the Company.

Area of Responsibility	Responsible Officer
<ul style="list-style-type: none"> • Providing guidance regarding the Policy for any inquiries. 	HR
<ul style="list-style-type: none"> • As a role/department that liaises with many third parties, it is critical to ensure the right understanding of this policy and compliance 	Procurement
<ul style="list-style-type: none"> • Reviewing and updating this Policy and any related compliance procedures in light of changes in the company business activities or the applicable legal standards 	Company Secretary/Accountant
<ul style="list-style-type: none"> • Induction and other employee training programs addressing expected behavior in terms of the company's ethics, codes, policies and procedures. 	HR
<ul style="list-style-type: none"> • Conducting Anti Bribery and Corruption risk assessment for all departments to assess roles at risk and additional training needs, safeguards or other risk mitigation strategy 	Accountant

<ul style="list-style-type: none"> Compliance with the policy 	Directors Key management personnel All employees
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5 Reporting & Protection

- A. Directors, key management personnel and employees are encouraged to discuss or report any actual or potential corruption red flags that may arise as set out below:

Reportable conduct committed by	Reporting Authority
Chairman	Audit Committee Chair
CEO or other Director	Chairman/ Audit Committee Chair
Senior Management	CEO/Audit Committee Chair
Other officer or employee	Senior Officer/HR/CEO / Audit Committee Chair

- B. If there is any doubt, employees are advised to seek clarification from the Head of HR and such queries will remain confidential.
- C. If employees are uncomfortable reporting to a senior officer, they may instead report directly to HR / Chief Executive Officer/Audit Committee Chair
- D. The Company shall prohibit retaliation of any type or kind against any person who raises in good faith any questions or concerns, reports an actual or potential violation, or assists in an investigation under this Policy.
- E. Employees will not suffer demotion, penalty, or other adverse employment action as a result of refusing to pay bribes, even if the Company may lose business opportunities as a result of that decision.
- F. No officer, director, key management personnel, manager, or supervisor may ask, pressure, require, or encourage any employee to violate this, Policy. Obeying a superior's orders to engage in conduct that violates this Policy will not excuse any such violation.
- G. It should be noted that the final level for reporting and resolution is with the CEO and Audit Committee Chair. Training and Awareness
- H. Training on Anti Bribery and Corruption Policy will be included in the induction process for all new employees.
- I. All existing employees will be notified in writing of the new policy through a memo and will be reinforced by Department Heads.
- J. New directors will be provided with a copy of this policy.

- K. Additional training will be provided to employees based on a risk assessment of needs relative to job function. A separate annual risk assessment for Anti-Bribery and Corruption will be carried out annually by the Finance Team.

6 Penalties and Disciplinary Action

Any Director, key management personnel or employee who violates the applicable anti-corruption laws, this Policy, or any related policies or procedures will be subject to appropriate disciplinary action, up to and including termination.

7 Approval, Revision & Dissemination of the Policy

- A. The policy should be revised as deemed necessary, particularly in the event of changes in law and authoritative sources of best practice in corporate governance.
- B. The Audit Committee is responsible for the initial review and recommendations to the Board and may obtain the services of the Company Secretary and Management in this regard.
- C. The policy shall be approved by the Board of Directors and signed by the Chairman.
- D. Upon revision of the policy, the Company Secretary will ensure that:
 - a) all directors are informed of the revisions.
 - b) the policy is updated on the website of the Company in accordance with CSE Listing Rules