

HKR INTERNATIONAL LIMITED
香港興業國際集團有限公司*
(the “Company”)

COMPANY CULTURE POLICY

1. Purpose

The Board of Directors of HKR International Limited (the “Company”) (the “Board”) is conscious of doing its jobs diligently, challenge management to pursue benchmark performance, give frank advice, heed red flags and demand accountability. The Board being aware of its responsibilities and duties, discharges its functions with deep sense of commitment to its stakeholders. Therefore, it is pertinent that the Board expects a culture of accountability with high standards from the Company and executives. An accountable board and company would take its responsibility seriously, as accountability is the cornerstone upon which all the rest of governance is built. For the Company, the role model is the Board.

Company culture is rooted in an organisation’s goals, strategies, vision, mission, values and approaches to customers, investors, stakeholders and the community at large. A strong company culture attracts better talent and, more importantly, retains that talent. When people feel like they belong to an organisation, they are more likely to stick around for a long term with better performance and productivity. Therefore, the Board hereby puts in place the Company culture which the Company is expected to adhere to with highest level of dedication. Company culture plays a big role in how a company behaves and interacts with the world around.

2. Policy

The Board believes that a culture of accountability for the Company would be characterised by the following observable, mutually reinforcing behaviours such as commitment, connected and belonging, caring, trusting, respectful, diligence and honest and ethical conduct.

2.1 Commitment

Accountability and commitment go hand in hand. Every employee, no matter what their roles are must be fully committed to the Company and to its mission, vision and values; and work as a cohesive team helping the Company to stay true to its commitment of making a difference to its customers which in turn would lead to win-win situation for the Board, the Company, employees, customers and stakeholders.

2.2 Connected and Belonging

The Company is engaged to make every employee feel accepted, valued, and have a sense of belonging. Employees at connected companies are able to share ideas quickly and work together easily. Companies with a connected culture have engaged employees that share common goals.

Employees of the Company should have a sense of belongingness, and feel proud of working with the Company and should never forget that the Company belongs not to the Board or management but to the owners i.e. its shareholders. The Company should act in ways that embody independence and accountability.

2.3 *Caring*

If employees believe the Company care about them, they care more about their jobs. This affects everything from recruiting new employees to retaining them — and that saves money in the end. In addition, the more the employees feel appreciated and valued, usually the harder they work, and in return help the Company succeed. If they are passionate about the Company’s mission, vision, values and products, they are more invested in the Company and committed to helping it improve and achieve its goals.

2.4 *Trusting*

The importance of trust within a company is truly immeasurable. A culture of trust not only promotes a positive work environment, but also impacts the organisation in more concrete ways. For example, a trusting work environment tends to breed more motivated employees, which as every good employer is aware, usually results in increased productivity and creativity. Trusting employees are much more likely to harbour a sense of loyalty for the Company. Trust is the glue that unifies the many voices into a cohesive team. The Board and management need to trust that everyone in the Company is working in good faith towards a common goal. One thing management can do to merit the Board’s trust is to support the Board with information that is accurate, timely and complete. In the same vein, to earn the trust of the management, the Board with its competent members, should appreciate the complex issues the Company faces, understand the difference between governance and management, and know-how to offer constructive criticism.

2.5 *Respectful*

With a respectful workplace, employees are encouraged to express opinions and ideas without interruption—and their coworkers are expected to be courteous when they do just that to create an environment which benefit to development of innovative idea.

2.6 *Diligence*

Employees of the Company are expected to do their work meticulously, take advantage of training opportunities and use them to upgrade and update their knowledge. They should also articulate views/suggestions in the interest of the organisation.

2.7 *Honest and Ethical Conduct*

The Board expects that the employees act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company’s premises and at locations where the Company’s business is being conducted, at Company sponsored business and events, or at any other place where employees are representing the Company. Honest conduct means behaviour that is free from fraud or deception. Similarly, ethical conduct refer to actions in conformance with accepted professional standards and compliance with all applicable laws. Ethical conduct includes

the ethical handling of actual or apparent conflict of interest between personal and professional relationships. This is, decisions and actions in the course of one's employment with the Company should be based on the best interests of the Company, and not based on personal relationships or benefits.

3. Measurement

The Corporate Governance Committee and/or Audit Committee will discuss and review company culture on a regular basis with focus on the key quantitative and qualitative indicators used to measure the Company culture.

Examples of quantitative and qualitative indicators that can be used to assess and monitor culture include:

- Whistleblowing disclosures from employees and other stakeholders (e.g. customers and suppliers, etc);
- Material code of conduct and regulatory breaches identified;
- Fraud-related / high-risk complaints breaches identified; and
- Employee turnover ratio.

These indicators should be reviewed regularly by the Corporate Governance Committee and/or Audit Committee to ensure the continued applicability and relevance.

4. Review

The Corporate Governance Committee has been delegated by the Board to review this Policy at least on an annual basis and make appropriate recommendations, as and when required, for the approval of the Board to ensure the Company's culture continuously align with its purpose, values, mission and strategy.

Adopted on 16 March 2022

** Registered under the predecessor ordinance of the Companies Ordinance, Chapter 622 of the laws of Hong Kong*