

Crocodile Garments Limited

Anti-Bribery and Corruption Policy

Objective

Regards honesty, integrity and fair play as our core values and are committed to achieving and maintaining the highest standards of openness, probity and accountability, Crocodile Garments Limited (“Company”) adopts this Anti-Bribery and Corruption Policy (“Policy”) for the Company and its subsidiaries (collectively, “Group”).

The Board of Directors (“Board” or “Director(s)”) shall supervise the implementation and enforcement of the Policy and the procedures herein.

Definition of Corruption and Bribery

- (a) Corruption is the misuse of public power for private profit, or the misuse of entrusted power for private gain.
- (b) Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person’s views or conduct or to obtain an improper advantage.
- (c) Bribery and corruption may take many forms, including but not limit to the provision or acceptance of:
 - 1. gifts, excessive entertainment and hospitality, or travel and accommodation;
 - 2. rebates, cash, various forms of cash equivalents or financial assets;
 - 3. information that could lead to improper benefits in the commercial or capital markets;
 - 4. other benefits such as engaging or being engaged by a company owned by a government official or a family member of the client;
 - 5. free use of a company's services, facilities or property;
 - 6. loans, loan guarantees or other extensions of credit on preferential terms, or other intangible preferential treatment (whether in whole or in part); and
 - 7. political contributions, charitable donations or social benefits.

Anti-Corruption and Bribery Guidelines

- (a) All personnel of the Group, including all Directors (whether acting in their own capacity or on the Group’s behalf), are strictly prohibited from:
 - 1. offering, promising, giving or authorising, directly or indirectly, any bribe, kickback, facilitation payment or advantage to or for the benefit of any person, for the purpose of obtaining business or other benefit for the Group, for themselves, or for anyone else;
 - 2. soliciting, accepting or receiving, directly or indirectly, any bribe, kickback, facilitation payment or advantage from any person in return for providing any business or benefit;

3. otherwise using illegal or improper means (including bribes, favours, blackmail, financial payments, inducements, secret commissions, loans, and other advantages) to influence the actions of others; and
 4. acting as an intermediary for a third party in the solicitation, acceptance, payment or offer of a bribe or kickback.
- (b) Directors and staff in charge of or having access to any Group assets, including funds, property, information, and intellectual property, should use them solely for the purpose of conducting the Group's business. Any unauthorized use, such as misuse for personal interest, is strictly prohibited.
- (c) All personnel of the Group should report any suspected misconduct or malpractice via various reporting channels, including via whistleblowing channel, confidentially if one considers appropriate. (Please refer to the Whistleblowing Policy of the Company for more details).
- (d) All personnel of the Group are required to follow all applicable laws and regulations related to anti-bribery and corruption in jurisdictions in which the Group operates, in particular the Prevention of Bribery Ordinance (Chapter 201 of the laws of Hong Kong).

Discipline

- (a) Failure to comply with applicable anti-corruption laws, or internal requirements related to anti-corruption may result in disciplinary action (which may include immediate termination of employment) and where applicable, civil action, criminal prosecution and/or regulatory penalties against the parties concerned.
- (b) Any employee who misleads or hinders investigators inquiring into potential violations of this Policy will be subject to disciplinary action. In all cases, disciplinary action may include termination of employment.

Scope

This Policy applies to all employees of the Group as well as independent third parties who deal with the Group.

Whilst it is impossible to provide an exhaustive list of the activities that constitute impropriety, misconduct or malpractice, this Policy is intended to cover serious concerns that could have an impact on the Group, which include but not limited to:

- (a) criminal offences;
- (b) breach of legal or regulatory requirements;
- (c) miscarriage of justice;
- (d) malpractice, impropriety or fraud in financial reporting, internal control or other financial matters of the Group;
- (e) corruption and bribery, for which definitions and anti-corruption and bribery guidelines are detailed in the Policy;
- (f) failure to disclose conflicts of interest;

- (g) unauthorized use or disclosure of business information subject to confidentiality;
- (h) breach of rules, policies or internal controls of the Group;
- (i) endangerment of the health and safety of an individual;
- (j) discrimination or harassment;
- (k) damage caused to the environment;
- (l) professional, ethical or other malpractices or wrongdoings;
- (m) improper conduct or unethical behaviour likely to prejudice the standing of the Group; and
- (n) deliberate concealment of any of the above.

Protection

In making a report, the reporter should exercise due care to ensure the accuracy of the information but is not required to have complete proof of the reported impropriety.

The reporter making appropriate reports under this Policy is assured of protection against dismissal, victimization or any form of reprisal for any genuine and good faith reports under this Policy, even if the reports are subsequently proved to be incorrect or unsubstantiated. Harassment or victimisation of a genuine Reporter is treated as gross misconduct, which if proven, may result in dismissal.

Confidentiality

Each report will be treated as confidential. To ensure that the investigation is not hindered, the Reporter is required to keep confidential the facts reported, the nature of the matter reported and the identity of the person(s) involved. The identity of the reporter will not be divulged save with such reporter's consent or where:

- (a) in the opinion of the Board, it is material to the investigation or in the interest of the Group to disclose the identity;
- (b) the report is frivolous or is lodged in bad faith with malicious or mischievous intent or in abuse of this Policy;
- (c) it is required to be disclosed in compliance with any applicable law or regulation, by any relevant governmental or regulatory authority including the The Stock Exchange of Hong Kong Limited ("Stock Exchange"), or by the order or directive of any court having jurisdiction over the Group; or
- (d) the report and the identity of the reporter are already public knowledge.

Procedures

Please refer to the Whistle-blowing Policy of the Company for making a report and investigation procedures.

Possible outcomes of the investigation

- (a) The report could not be substantiated; and

(b) The report is substantiated, and it is possible to:

1. take remedial action to ensure the problem does not recur;
2. take disciplinary or appropriate action against the wrongdoer; and/or
3. refer the report to the relevant governmental bodies.

Consistency with Laws and Regulations

This Policy shall be read in conjunction with and subject to any relevant laws, regulations, rules, directives or guidelines that the Stock Exchange or any relevant governmental or regulatory bodies may from time to time prescribe or issue on the matters governed by this Policy. In the event that any matters and procedures herein are inconsistent or in conflict with any relevant laws, regulations, rules, directives or guidelines as prescribed by the Stock Exchange or any relevant governmental or regulatory bodies, the latter shall prevail to the extent of such inconsistency or conflict.

Maintaining the Policy

The Board is responsible for the interpretation, review and amendment of all the rules and procedures set out herein from time to time, and undertakes to review this Policy regularly.

Bribery Policy and procedures aim to provide reporting channels and guidance on reporting possible improprieties in matters relating to the Group, and reassurance to the reporting person or entity Reporter of the protection that the Group will extend to them against dismissal, victimisation or any form of reprisal for any genuine and good faith reports made under the Policy.