



**ORIENTAL FOOD INDUSTRIES HOLDINGS BERHAD**  
(Company No. 389769-M)

## **FRAUD POLICY**

### **Background**

The corporate fraud policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against the Group. It is the intent of the Group to promote consistent organizational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

### **Scope of Policy**

This policy applies to any irregularity, or suspected irregularity, involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with the Group (also called the Company).

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Company.

### **Policy**

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury.

Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be reported immediately to the Group Chief Executive Officer ("Group CEO") Datuk Son Tong Leong, who coordinates all investigations with the Legal Department and other affected areas, both internal and external.

### **Actions Constituting Fraud**

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of company activities;
- Disclosing confidential and proprietary information to outside parties;
- Disclosing to other persons securities activities engaged in or contemplated by the company;
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the Company;
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related irregularity.

If there is any question as to whether an action constitutes fraud, contact the Group CEO for guidance.



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**Fraud Investigation Responsibility**

In the event of any suspected fraudulent act, the Group CEO will establish a Fraud Investigation Unit consisting of the Group CEO, Legal Department and Senior Top Management. The Fraud Investigation Unit has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy.

If the investigation substantiates that fraudulent activities have occurred, the Fraud Investigation Unit will issue reports to appropriate designated personnel and, if appropriate, to the Board of Directors through the Risk Management and Audit Committee.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made by the Group CEO, as will final decisions on disposition of the case.

**Confidentiality**

The Fraud Investigation Unit treats all information received as confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Fraud Investigation Unit immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the Company from potential civil liability.

**Authorization for Investigating Suspected Fraud**

Members of the Fraud Investigation Unit will have:

- Free and unrestricted access to all Company records; and
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

**Termination**

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the Top Management.

**Administration**

The Group CEO assisted by the Group Company Secretary are responsible for the administration, revision, interpretation, and application of this policy.

The policy will be reviewed annually and revised as needed.