



## **GLOBAL EMPLOYEE POLICIES**

## INTRODUCTION

Welcome to HALYCON AGRI CORPORATION LIMITED!

We are excited to have you as part of our team. You were recruited because we believe you can contribute to the success of our business and share our commitment to achieving our goals as stated in our mission statement.

Halcyon Agri Corporation Limited (the “Company”) has prepared this guide to provide you with an overview of Company’s global policies and practices, and rules. It is intended to familiarize you with important information about the Company, as well as provide guidelines for your employment experience with us in an effort to foster a safe and healthy work environment.

This handbook is intended to provide general information about the policies and regulations governing the employees of the Company, and is not intended to be an express or implied contract. The guidelines presented herein are expected to be followed and complied with, together with sound management, judgment, and discretion.

It is obviously not possible to anticipate every situation that may arise in the workplace or to provide information that answers every possible question. In addition, circumstances will undoubtedly require that policies and practices described in this guide to change from time to time. Accordingly, the Company reserves the right to modify, supplement, rescind, or revise any provision of this guide from time to time as it deems necessary or appropriate in its sole discretion with or without notice to you.

No business is free from day-to-day problems, but we believe our policies and practices will help resolve such problems. All of us must work together to make the Company a viable, healthy, and profitable organization.

You should use this guide as a ready reference as you pursue your career with the Company. Additionally, the guide assures good management and equal opportunity for all staff. At the Company, we want to recognize the contributions of all employees.

Welcome aboard! We look forward to working with you.

Sincerely,

Li Xuetao, David  
Group Chief Executive Officer

## HALCYON AGRI MISSION STATEMENT

- To develop a world-class group of companies serving the rubber sector.
- To operate with integrity and clear business conscience, and to achieve perfect health, safety and environmental records.
- To support our customers by providing superior products of exceptional value, which help them gain a competitive advantage in their markets.
- To sustain our vision and mission by constantly seeking renewal via continuous education and learning, and the application of new technologies and skills.
- To provide a pleasant, nurturing and growth oriented environment, which encourages our employees to be highly productive and to grow personally and professionally.
- To develop diversified markets, which provide stability and adequate financial returns allowing us to achieve our vision and to provide full opportunities for all employees.

## OUR VALUES

Our values direct how we behave and our approach to achieving our goals. Our values are:

- Performance
- Quality
- Integrity
- Responsibility

## OUR BUSINESS PRINCIPLES

Our Business Principles affect how we do business. It confirms our commitment to the highest standards of ethics and business conduct. Our Business Principles assist in maintaining a corporate culture that respects free expression consistent with legitimate business concerns and encourages good corporate citizenship and makes a positive contribution to the communities in which the Company operates.

- **Uphold corporate governance and compliance**

We are committed to strict compliance with the laws and regulations, which apply to our business activities. We uphold these and our own standards and policies through regular audit and reporting. All books and records are kept in accordance with applicable laws and according to proper accounting standards. This is in order to ensure that the financial information is accurate and reliable. High standards of corporate governance are integral to the way we manage our business.

- **Promote ethical business practices**

We act with integrity, fairness and transparency and **do not tolerate corruption in any form**, whether direct or indirect. Our investment criteria takes account of economic returns, environmental impacts, social consequences and human rights. **We will not tolerate fraud.**

Our policy helps recognize fraud and employs best practices to prevent it. We are committed to free and open competition while complying with all anti-trust laws wherever we carry out our business.

NOTE: Refer to separate Halcyon Agri Anti-Corruption & Bribery policy for more details.

- **Maintain a safe working environment and nurture and reward colleagues**

We provide a healthy, safe and secure work environment and believe that all injuries are preventable. We treat our colleagues with fairness, respect and decency and help them to develop their potential. We follow fair employment practices, including avoidance of child and forced labor and avoidance of discrimination based on race, gender, national origin, or religious beliefs. We value diversity and believe that colleagues from varied backgrounds enrich our Company's culture and support our business success.

- **Engage responsibly with our customers, suppliers and partner with integrity**

We will carry out our business honestly and with respect for the rights and interests of people with whom we do business. We expect relations with joint venture partners, suppliers and customers to be mutually beneficial. We always encourage our partners to uphold our principles and standards.

- **Contribute to society and sustainable environment**

We work to ensure that neighbouring communities benefit from our presence on an enduring basis. We support human rights within our areas of influence and make a positive contribution to the protection of the environment. We go beyond compliance with local environmental regulation to meet internationally accepted best practice. We reduce to the minimum practicable any adverse effects of our operations on the environment.

### **Applying Our Business Principles:**

Our Business Principles apply to all employees as well as our agents, consultants and other representatives. It confirms our dedication to the high standards of business conduct. We expect every employee to uphold these principles. Each manager is responsible for the behaviour of those under his or her control or direction. Failure to comply with Our Business Principles will result in disciplinary action which may include termination of employment.

Every effort should be made to ensure that we promote these principles and values in our dealings with partners and stakeholders. We must ensure that they satisfy our requirements for quality, health, safety and other practices.

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## **POLICIES**

### **EQUAL EMPLOYMENT OPPORTUNITY AND DIVERSITY POLICY**

#### **Policy Statement:**

Our employees and others acting on our behalf are entitled to respectful treatment in the Company workplace. Being respected means being treated honestly and professionally, with unique talents and perspectives valued. A respectful workplace is about more than compliance with the law. It is a working environment that is free of inappropriate behavior of all kinds and discrimination because of age, disability, marital status, race or color, national origin, religion, sex, sexual orientation or gender identity.

#### **What it means:**

It is the policy of the Company to provide equal employment opportunity to all employees and applicants for employment and not to discriminate on any basis prohibited by law, including race, color, sex, age, religion, national origin, disability or marital status. It is our intent and desire that equal employment opportunities will be provided in employment, recruitment, selection, compensation, benefits, promotion, demotion, layoff, termination and all other terms and conditions of employment. The Company and all managerial personnel are committed to this policy and its enforcement.

Employees are directed to bring any violation of this policy to the immediate attention of their supervisor or the Company director. Any employee who violates this policy or knowingly retaliates against an employee reporting or complaining of a violation of this policy shall be subject to immediate disciplinary action, up to and including termination. Complaints brought under this policy will be promptly investigated and handled with due regard for the privacy and respect of all involved.

### **HEALTH, SAFETY AND ENVIRONMENT**

#### **Policy Statement:**

The Company is committed to meeting our health, safety and environmental (HSE) goals and to maintaining a safe and healthy workplace. Our goals are to provide products and services that are safe and environmentally sound throughout their lifecycles, conduct our operations in an environmentally responsible manner, and create health and safety practices and work environments that enable employees to work injury-free.

#### **What it means:**

To accomplish our goals we will:-

- Conduct our business in compliance with environmental, health and safety laws and regularly assess the compliance of our operations against these requirements.
- Maintain and continually improve systems to manage our HSE responsibilities, establishing and ensuring employee accountability for our HSE performance at all levels of the organisation.
- Strive to prevent pollution and to minimise the environmental costs and impacts of our operations.
- Provide a safe and healthy environment for our employees, contractors and other visitors to our sites
- Assess and eliminate or control the HSE risks of new and existing operations, and continually assess the environmental performance of our products, seeking ways to contribute positively to their performance.

- Train and motivate our employees to understand their HSE responsibilities and to participate actively in our HSE programmes.
- Communicate with our shareowners, employees, customers and other interested parties by regularly reporting on our HSE performance and maintaining an open dialogue.

Each employee has an individual responsibility to understand and support our environmental, health and safety policies and to actively participate in programs to ensure our goals are achieved.

## **COMPETITION AND ANTITRUST**

### **Policy Statement:**

The Company will engage in free and fair competition, in compliance with local antitrust and competition laws.

### **What it means:**

We will not engage in unfair market practices, such as:

- Reaching an understanding or agreement with a competitor to restrain trade, for example, by fixing prices, allocating customers or coordinating bidding activities.
- Reaching an understanding or agreement with other companies that requires us not to do business with another company, for example, an agreement with major suppliers not to do business with a discounting supplier.
- Abusing a large market-share position by engaging in below-cost pricing in order to harm competitors.

Most antitrust and competition laws restrict certain activities with customers and competitors. Consult with your legal counsel before pursuing any business arrangements that could raise antitrust or competition law issues. Failure to comply with these laws could lead to criminal and civil penalties, significant business disruptions and harm the Company's reputation.

## **HUMAN RIGHTS AND ETHICAL BUSINESS PRACTICE POLICY**

### **Policy Statement:**

The Company aims to act in a socially responsible manner at all times by respecting the economic, social, cultural, political and civil rights of those involved in our operations and complying with all local human rights legislations. Employees must practice fair dealing, honesty and integrity in every aspect of dealing with other employees, the public, the business community, shareholders, customers, suppliers, competitors and government authorities. When acting on behalf of the Company, employees shall not take unfair advantage through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or other unfair-dealing practices.

### **What it means:**

The Company will ensure labor rights and dignity at work. We will

- preclude the use of forced labor;

- respect the rights of employees to join legally recognized labor unions;
- preclude the use of child labor;
- not tolerate any form of harassment in the workplace and create a healthy and safe work environment for each employee;
- ensure that working hours and remuneration are reasonable and comparable to those offered by similar companies.

**Company prohibits commercial bribes, kickbacks and other similar payoffs and benefits paid to any suppliers or customers.** Employees and agents are also prohibited from receiving, directly or indirectly, anything of a significant value (other than salary, wages or other ordinary compensation from the Company) in connection with a transaction entered into by the Company.

Bribery of suppliers or customers includes any payment for the benefit of any representative of the supplier or customer. It includes:

- Gifts of other than nominal value, including but not limited to all gifts with a cost of more than US\$250/-;
- Cash payments employees or third persons, such as agents or consultants, who are reimbursed by the Company; and
- The uncompensated use of Company facilities or property, except as may be authorized by the Company.

This policy does not prohibit expenditures of reasonable amounts for meals and entertainment of suppliers and customers which are an ordinary and customary business expense, if they are otherwise lawful.

If you are faced with and are unsure how to handle a situation that you believe has the potential to violate this policy, notify your supervisor. Violations of this policy may lead to disciplinary action, up to and including termination or criminal prosecution.

## **NETWORK AND ELECTRONIC RESOURCES POLICY**

### **Policy Statement:**

Network and Electronic Resources, such as computers, hardware, software, e-mail, landline and cellular telephones, fax machines and internet access, are tools that the Company provides its employees to assist them in their work. Employees are responsible for the proper and efficient use of Company's resources.

### **What it means:**

These Network and Electronic Resources are proprietary Company property and subject to review or access by the Company at any time. All employees who use the Company's Network and Electronic Resources must follow the guidelines below:

- Use Network and Electronic Resources for Company business purposes only.
- Messages and communications sent via the Company's Network and Electronic Resources may be used in legal proceedings. Please consider this before sending any confidential messages or material via the Network and Electronic Resources.

- E-Mail is not a substitute for face-to-face communication. If you have a conflict with someone or need to discuss an important issue, it should be handled in person or over the telephone if a meeting is not possible.
- Remember that all of the Company's policies, including but not limited to policies on Equal Employment Opportunity, Harassment, Confidentiality, Ethical Business practices, apply to the use of the Company's Network and Electronic Resources. Employees must not review or forward unprofessional or unlawful material through the Company's Network and Electronic Resources.
- Do not install any software or program on any Company computer or other hardware without the express consent of your supervisor or the IT Manager.
- The Company expressly prohibits the unauthorized use, installation, copying or distribution of copyrighted, trademarked or patented material.
- Employees must not attempt to override or evade any program or measure installed by the Company to protect the security or limit the use of its Network and Electronic Resources.

The Company retains the right to review all communications conducted and data saved, reviewed or accessed via the Company's Network and Electronic Resources, including Company computers, e-mail and internet access. Inappropriate use of Network and Electronic Resources may result in discipline, up to and including termination. Employees should be careful to safeguard their passwords, log off their terminals when not in use and not permit others to access Company systems.

#### **SPOKESPERSON AND MEDIA POLICY**

##### **Policy Statement:**

We communicate openly, directly and accurately with the public. We will not give any special treatment to any individual or institution. Material information about our performance and prospects is communicated to the relevant community in an appropriate manner.

##### **What it means:**

Matters relating to the company must not be discussed with representatives of the media or the general public unless specially authorised as part of your role. Any statements, announcements or responses to questions will be coordinated by the Chief Executive Officer or the Corporate Communications Department. All questions from the media must be directed accordingly within the company.

#### **HARASSMENT POLICY**

##### **Policy Statement:**

The Company will not tolerate harassment or intimidation of our employees on any basis prohibited by law, including race, color, sex, age, religion, national origin, handicap, disability, or marital status. Moreover, any suggestions made to any employee that sexual favors will affect any term or condition of employment with the Company will not be tolerated.

##### **What it means;**

It is the policy of the Company that any harassment, including acts creating a hostile work environment or any other discriminatory acts directed against our employees, will result in discipline, up to and including discharge. The Company also will not tolerate any such harassment of our employees by our clients or vendors.

For purposes of this policy, sexual harassment is defined as any type of sexually-oriented conduct, whether intentional or not, that is unwelcome and has the purpose or effect of creating a work environment that is hostile, offensive or coercive.

The following are examples of conduct that, depending upon the circumstances, may constitute sexual harassment:

- Unwelcome sexual jokes, language, epithets, advances or propositions;
- Written or oral abuse of a sexual nature, sexually degrading or vulgar words to describe an individual;
- The display of sexually suggestive objects, pictures, posters or cartoons;
- Unwelcome comments about an individual's body;
- Asking questions about sexual conduct;
- Unwelcome touching, leering, whistling, brushing against the body, or suggestive, insulting or obscene comments or gestures;
- Demanding sexual favors in exchange for favorable reviews, assignments, promotions, or continued employment, or promises of the same.

Employees must bring any violation of this policy to the immediate attention of the HR. The Company will thoroughly investigate all such claims with due regard for the privacy of the individuals involved. Any employee who knowingly retaliates against an employee who has reported workplace harassment or discrimination shall be subject to immediate disciplinary action, up to and including discharge.

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## **ENSURING COMPLIANCE**

Our statement of business principles and the supporting policies set out the general principles that govern our business conduct. These are the minimum standards, which should apply everywhere that we do business.

### **COMPLAINTS, WHISTLE BLOWING AND SUGGESTIONS:**

Employees can expect that the Company will give due consideration to their constructive suggestions and will provide an objective review of genuine concerns and complaints. Such concerns include fraud, misrepresentation, theft, harassment, discrimination and non-compliance with regulations, legislation, policies and procedures.

Concerns will be investigated impartially so that the employee's rights are protected. Employees who have concerns about potential unethical behavior should advise their immediate supervisor. If the concern involves his/her immediate supervisor, manager or head of department, or for any reason he/she would prefer them not to be told, he/she may report directly to the Director or the Audit Committee at [ac@halcyonagri.com](mailto:ac@halcyonagri.com).

Employees may do this anonymously if they so wish. To ensure that confidentiality is maintained, employees should not discuss such concerns with colleagues or other third parties, unless specifically authorized or unless it is a legal requirement.

If the employee is dissatisfied with the response to the concern which he or she has raised, or if the concern relates to a matter of exceptional gravity or sensitivity, he or she can contact the Chief Executive Officer directly.

NOTE: Refer to separate Halcyon Agri Whistleblowing Policy for more details.

### **OPEN DOOR POLICY:**

In keeping with the Company's philosophy of open communication, all employees have the right and are encouraged to speak freely with management about their job-related concerns.

We urge you to go directly to your supervisor to discuss your job-related ideas, recommendations, concerns and other issues which are important to you. If, after talking with your supervisor, you feel the need for additional discussion, you are encouraged to speak with the Company directors.

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## **STANDARDS AND EXPECTATIONS FOR THE WORKPLACE**

### **1. SAFETY**

The Company believes in maintaining a safe and healthy working condition for our employees. However, to achieve our goal of providing a safe workplace, each employee must be safety conscious. We expect each employee to follow the Company Health, Safety and Environment Policy and these policies and procedures.

#### **Reporting Unsafe Conditions or Practices**

Employees are expected to continually be on the lookout for unsafe working conditions or practices. If you observe an unsafe condition, you should warn others, if possible, and report to your supervisor immediately. If you have a question regarding the safety of your workplace and practices, ask your supervisor for clarification.

If you observe a co-worker using an unsafe practice, you are expected to mention this to the co-worker and to your supervisor. Likewise, if a co-worker brings to your attention an unsafe practice you may be using, please thank the co-worker and make any necessary adjustments to what you are doing. Safety at work is a team effort.

#### **Reporting an Injury**

Employees are required to report any injury, accident, or safety hazard immediately to their supervisor(s). Minor cuts or abrasions must be treated on the spot. More serious injuries or accidents will be treated accordingly.

### **2. CARE OF EQUIPMENT AND SUPPLIES**

All employees are expected to take care of all equipment and supplies provided to them. You are responsible for maintaining the materials in proper working condition and for promptly reporting any unsafe or improper functioning of the materials to your supervisor.

Neglect, theft, and/or destruction of the Company's materials are grounds for disciplinary action.

You must notify your supervisor immediately for any loss of equipment and supplies.

### **3. SMOKING AT THE WORKPLACE**

The Company's policy is to provide smoke-free environments for our employees, customers, and the general public. Smoking of any kind is prohibited inside our office and on worksites. Employees may smoke on scheduled breaks or during meal times, as long as they do so in the designated smoking areas. Employees who take excessive smoke breaks may be required to work longer hours to make up for time lost smoking.

**4. DRUG-FREE WORKPLACE**

The Company does not tolerate the presence of illegal drugs or the illegal use of legal drugs in the workplace. The use, possession, distribution, or sale of controlled substances such as drugs or alcohol, or being under the influence of such controlled substances is strictly prohibited while on duty, while on the Company's premises or worksites, or while operating the Company's equipment or vehicles. The use of illegal drugs as well as the illegal use of legal drugs is a threat to us all because it promotes problems with safety, customer service, productivity, and our ability to survive and prosper as a business. If you need to take a prescription drug that affects your ability to perform your job duties, you are required to discuss possible accommodations with your supervisor. Violation of this policy will result in disciplinary action.

Any employee who is convicted of violating criminal drug statutes must notify an appropriate officer or senior official of the Company of that conviction within three days of the conviction.

**6. CONFLICTS OF INTEREST**

Employees are required to avoid external business, financial, or employment interests that conflict with or might be perceived to conflict with the Company's business interests. This prohibition applies to: (i) possible relationships with any other employer, consultant, contractor, customer, or supplier; (ii) engaging in any investing or speculative transactions in a personal capacity (including transactions by family members directed by the employee) involving rubber including but not limited to trading in rubber futures, Contracts for Difference (CFDS) or other rubber-related financial instruments.

Violations of this rule may lead to disciplinary action, up to and including termination.

**7. PERSONAL CALLS, VISITS, AND BUSINESS**

The Company expects the full attention of its employees while they are working. Although employees may occasionally have to take care of personal matters during the workday, employees should try to conduct such personal business either before or after the workday or during breaks or meal periods. Regardless of when any personal call is made, it should be kept short.

Employees should also limit incoming personal calls, visits, or personal transactions. The Company's phones should be available to serve the Company's customers, as non-business use of the phones can hurt the Company's business. A pattern of excessive personal phone calls, personal visits, and/or private business dealings is not acceptable and may lead to disciplinary action.

**8. INSPECTION OF PERSONAL AND COMPANY PROPERTY**

The Company's employees use the property and equipment the Company owns and provides, and may also use the Company's materials, information, and other supplies. The Company reserves the right to search any Company property (e.g., personal computers, desks, lockers, or other storage areas) at any time. The Company also reserves the right to inspect personal property (e.g., tool boxes, purses, briefcases) during the workday or as employees leave their worksites. Refusal to allow inspection may lead to disciplinary action.

**9. CONFIDENTIAL AND PROPRIETARY INFORMATION**

The Company considers its confidential and proprietary information, including the confidential and proprietary information of our customers, to be one of its most valuable assets. As a result, employees must carefully protect and must not disclose to any third party all confidential and proprietary information belonging to the Company or its customers. Such protected information includes, but is not limited to, the following: matters of a technical nature, such as software, product research and designs; and matters of a business nature, such as customer lists, customer contact information, associate support materials, placement information, pricing lists, training programs, contracts, sales reports, sales, financial and marketing data, systems, forms, methods, procedures, and analyses, and any other proprietary information, whether communicated orally or in documentary, computerized or other tangible form, concerning the Company's or its customers' operations and business.

Employees should ensure that any materials containing confidential or proprietary information are filed and/or locked up before leaving their work areas each day. During the workday, employees should not leave any sensitive information lying about or unguarded.

**10. GRIEVANCE PROCEDURE**

It is desirable that an employee's grievance should be dealt with as expeditiously as possible. Every reasonable effort shall be made to handle all employees' grievances satisfactorily without escalating the matter to next level of management.

Step 1 – Employee should approach immediate supervisor for discussion on grievance.

Immediate supervisor will escalate to Head of Department, where appropriate.

Step 2 – If the employee is still not satisfied with the decision, the grievance will be referred to the Director.

**11. RULES OF CONDUCT AND PROGRESSIVE DISCIPLINARY PROCEDURE**

There are reasonable rules of conduct which must be followed in any organization to help a group of people work together effectively. If an employee is not considerate of others and does not observe reasonable work rules, disciplinary action will be taken.

The following is illustrative of those offenses that may result in immediate discipline, up to and including dismissal or criminal prosecution, for a single offense:

- Excessive absenteeism or tardiness.
- Dishonesty, including falsification of Company-related documents, or misrepresentation of any fact.
- Fighting, disorderly conduct, horseplay, or any other behavior which is dangerous or disruptive.
- Possession of, consumption of, or being under the influence of alcoholic beverages while on Company or customer premises or on Company business.
- Illegal manufacture, distribution, dispensation, sale, possession, or use of illegal drugs or unprescribed controlled substances.
- Reporting for work with illegal drugs or unprescribed controlled substances in your body.
- Possession of weapons, firearms, ammunition, explosives, or fireworks on Company or customer premises.
- Failure to promptly report a workplace injury or accident involving any of the Company's employees, clients, equipment, or property.
- Willful neglect of safety practices, rules, and policies.
- Commission of a crime, or other conduct which may damage the reputation of Company.
- Use of profane language while on Company business.
- Stealing, misappropriating, or intentionally damaging property belonging to the Company or its customers or employees.
- Unauthorized use of the Company's or its clients' name, logo, funds, equipment, vehicles, or property.
- Insubordination, including failure to comply with any work assignments or instructions given by any Company supervisor with the authority to do so.
- Interference with the work performance of other employees.
- Failure to cooperate with an internal investigation, including, but not limited to, investigations of violations of these work rules.
- Failure to maintain the confidentiality of trade secrets or other confidential information belonging to the Company or its customers.
- Failure to comply with the personnel policies and rules of the Company.
- Any others which the Company management deems as misconducts.

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