

THYE HUA KWAN MORAL CHARITIES LIMITED



太和觀 THK

# Whistle Blowing

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Policy and Procedures

**11 March 2019**

## 1. Purpose

This Policy addresses the commitment of Thye Hua Kwan Moral Charities Limited (“THK”) and its service units (“Managed Service Unit”) to integrity and ethical behavior by helping to foster and maintain an environment where all the employees can act appropriately, without fear of retaliation. To maintain these standards, THK encourages its employees who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact THK, to come forward and express these concerns without fear of punishment or unfair treatment.

## 2. Scope

This policy shall apply to all employees in the THK, including full-time, part-time and contract employees.

This policy governs the reporting and investigation of possible improprieties and obstructive action of the THK and all its service units, as well as the protection offered to the “Whistle blowers”. This Policy DOES NOT apply to or change the THK’s policies and procedures for individual employee grievances or complaints relating to job performance, terms and conditions of employment, which will continue to be administered and reviewed by the Group’s Human Resources Department.

The Audit Committee shall conduct periodic review of the Whistle Blowing policy and arrangements to ensure any changes in legal and regulatory requirements are updated.

## 3. Principles

It is the desire and aim of the Company to develop, promote and maintain high standards of corporate governance within THK. This policy aims to provide an avenue for employees to raise concerns about **Possible Improprieties** and **Obstructive Action** within THK, which they become aware of, and to provide reassurance that they will be protected from reprisals or victimization for whistle-blowing in good faith and without malice.

This policy is intended to cover serious concerns that could have an impact on THK such as actions that: -

- May lead to incorrect financial reporting;
- Are unlawful;
- Are not in line with a legal obligation or a policy of **the Group**;
- May pose dangers to the health and safety of an individual;
- Amount to professional or ethical malpractices;
- Deliberately conceal serious wrongdoings or malpractices;
- May pose serious breach of fundamental internal controls;
- Otherwise amount to serious improper conduct; or
- Deliberately conceal information tending to show any of the above.

The above list is not exhaustive.

THK believes that it is in the best interest to promote an environment conducive for employees, in confidence, to raise or report genuine concerns about Possible Improprieties in matters of financial reporting or other matters they may encounter, without fear of Retaliatory Action.

All Complaints shall be reported to the Audit Committee (“AC”) of THK in writing.

Every employee shall have unfettered right to file a Complaint and shall not be restricted in the exercise of such right.

THK objects to and does not tolerate nor condone any Obstructive Action being taken against any other employee who wishes or intends to, or who is in the process of filing a Complaint, and may institute disciplinary action or assist the said employee in taking a legal action, as it deems appropriate, against any employee or person found to have taken such Obstructive Action.

THK objects to and does not tolerate nor condone any Retaliatory Action taken against any employee who has filed a complaint alleging Possible Improprieties and may institute disciplinary action or assist the said employee, against any employee or person found to have taken such Retaliatory Action.

Any Complaint alleging Retaliatory Action shall be received, reviewed and investigated by THK in the same manner as any complaint alleging Possible Improprieties. The above shall not preclude any administrative, disciplinary and/or other action being taken against any person who has committed or abetted the commission of the possible impropriety which is the subject matter of the Complaint notwithstanding that the person is the complainant or a witness in the investigation though the AC would take into account the fact that he/she has cooperated by filing the Complaint or provided information or documents as a witness.

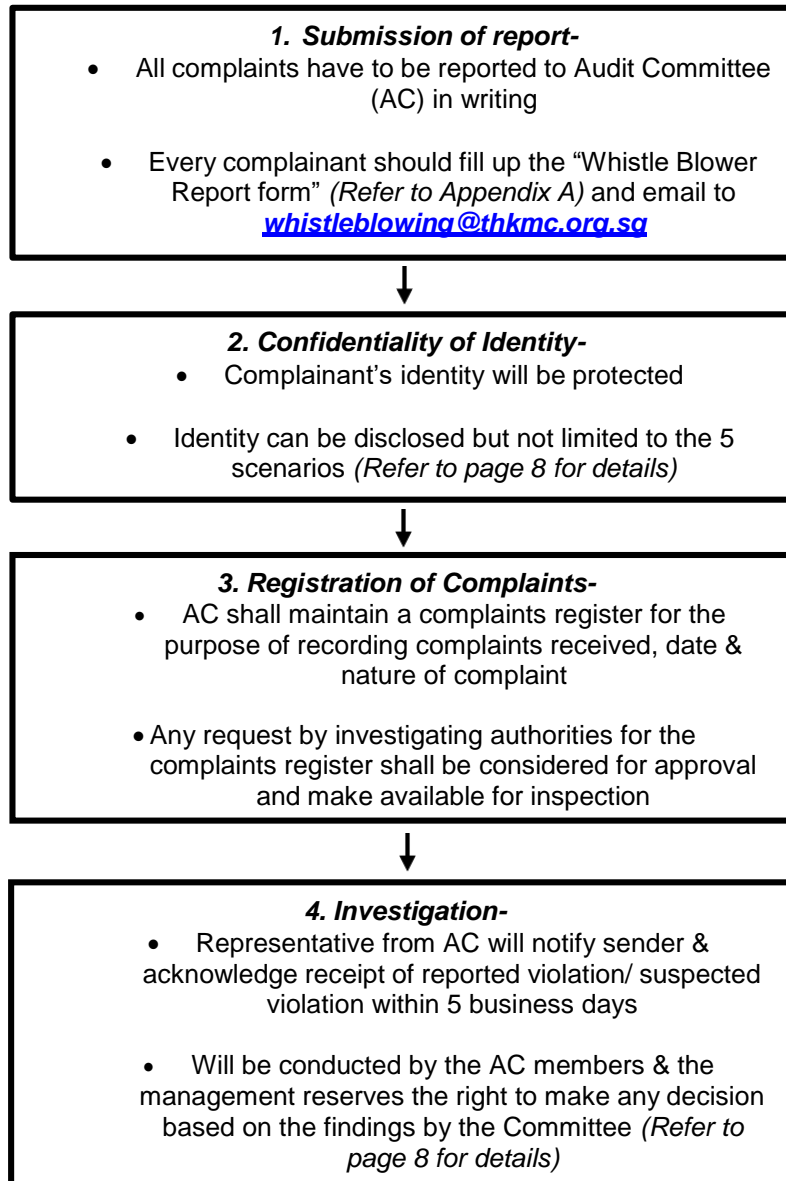
The audit committee shall oversee implementation of a whistleblower program as a means for individuals to communicate problems, issues, or suggestions upstream (anonymously if desired) by means other than through a direct supervisor.

Management should make employees and others aware of the option of confidential disclosure. Communications channels can include the following:

- The code of ethics
- Notice boards
- The employee handbook
- Human resources orientation
- Ethics training

The audit committee may authorize appropriate personnel to investigate and address questions and concerns and to maintain the appropriate levels of confidentiality and anonymity. The audit committee can assess whether reported problems are investigated in a timely manner and that disciplinary actions are taken when necessary. The audit committee should monitor the whistleblower program for effectiveness and compliance.

## 4. Whistle Blowing Flow Chart



**Important Points:** Any person who files a complaint which is frivolous, in bad faith, in abuse of these policies and procedures, with malicious or mischievous intent will not be protected by this document and may be subject to administrative and/or disciplinary action including but not limited to the termination of employment or other contract, as the case may be.