

THYE HUA KWAN MORAL CHARITIES LIMITED



THYE HUA KWAN MORAL CHARITIES

Whistleblowing

Policy and Procedures

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Document History

Revision No.	Date	Prepared By	Vetted By	Approved By	Remarks
1	25-Feb-16	Accounts Dept.		Audit Committee	Inclusion of AC contact persons
2	25-Feb-16	HR Dept.		Audit Committee	Inclusion of Flow Chart & Email
3	11-Mar-19	External Consultant		Audit & Risk Committee	Amendment in Point 2, 4 and 5.1-5.5
4	May 23	Yvonne Chin, Manager (HR)	Chua Mui Lee, Divisional Director (HR)	Jason Lee, CEO	Reviewed format and with no changes to the intent of the policy
5	Aug 23	Gerard Tan, Senior Manager (ARMS Department)	Jason Lee, Chief Executive Officer	Audit & Risk Committee	Amendments (enhancements) to Points 1.3, 3.2, 4.2 and 4.5

1. PURPOSE & INTENT

- 1.1 This Policy sets out the terms and conditions on Whistleblowing which applies to all employees including part-time and contract employees employed by Thye Hua Kwan Moral Charities (hereinafter known as “Organisation”).
- 1.2 To foster and maintain an environment where employees can act appropriately, without fear of retaliation, this policy encourages employees who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact THKMC, to come forward and express these concerns without fear of punishment or unfair treatment.
- 1.3 This policy governs the reporting and investigation of possible improprieties and obstructive action of the THKMC as well as the protection offered to the “Whistleblowers”. This policy is designed to provide a confidential and transparent process for dealing with concerns.
- 1.4 This policy does not apply to or change the THKMC's policy and procedures for grievance handling or complaints relating to job performance, terms and conditions of employment, which will continue to be administered and reviewed by the Human Resources Division.
- 1.5 The Audit and Risk Committee (“ARC”) shall conduct periodic review of the Whistleblowing policy and ensure any changes in legal and regulatory requirements are updated.

2. DEFINITION

- 2.1 **Possible Improprieties** means any activity, breach of business conduct and ethics or omission by an employee of THKMC or any concerns regarding accounting or auditing matters, internal controls or internal accounting controls and other operational matters that are questionable or not in accordance with generally accepted accounting practices or operations practices prescribed by THKMC.
- 2.2 **Obstructive Action** means the use or attempted use of force, authority, intimidation, threats, undue pressure or any other action or behavior by any employee who tends to or does obstruct, influence or otherwise interferes with another employee’s exercise of his right to report any possible improprieties or which may discourage other employees from so doing in the future.
- 2.3 **Complaint** means any complaint alleging either possible improprieties or retaliatory action.
- 2.4 **Retaliatory Action** means the use or attempted use of force, authority, intimidation, threats, undue pressure of any sort or any other negative or other inappropriate action, by any employee against any person who has filed a Complaint.
- 2.5 **Complaints Register** means a register to record details of all Complaints lodged.
- 2.6 **Good Faith** is evident when the report is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe that the report is true; provided, however, a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false.

2.7 **Whistleblower** means a person or entity making a protected disclosure about improper or illegal activities is commonly referred to as a whistleblower. Whistleblowers may be THKMC employees, applicants for employment, vendors, contractors, customers or general public. The whistleblower's role is as a reporting party. They are not, investigators or finders of fact, nor do they determine the appropriate corrective or remedial action that may be warranted.

3. PRINCIPLES

3.1 It is the desire and aim of the Organisation to develop, promote and maintain a high standard of corporate governance within THKMC. This policy aims to provide an avenue for employees to raise concerns about possible improprieties and obstructive action within THKMC, which they become aware of, and to provide reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith and without malice.

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

- May lead to incorrect financial reporting;
- Breach or failure to implement or comply with THKMC's policies or Code of Conduct;
- Are Improper, corrupted, or fraudulent acts such as theft and/or misuse of the company's assets, properties or resources;
- Are a serious conflict of interest;
- 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;
- May pose serious breach of fundamental internal controls; or
- Deliberately conceal information tending to show any of the above.

The above list is not exhaustive.

3.3 THKMC believes that it is in the best interest to promote an environment conducive for employees, 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.

3.4 All Complaints shall be reported to the ARC of THKMC in writing.

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

3.6 THKMC 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.

3.7 THKMC 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.

- 3.8 Any Complaint alleging retaliatory action shall be received, reviewed and investigated by THKMC 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 ARC would take into account the fact that he/she has cooperated by filing the Complaint or provided information or documents as a witness.
- 3.9 The ARC 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 Reporting Officer.
- 3.10 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
- 3.11 The ARC may authorize appropriate personnel to investigate and address questions and concerns and to maintain the appropriate levels of confidentiality and anonymity. The ARC can assess whether reported problems are investigated in a timely manner and that disciplinary actions are taken when necessary. The ARC should monitor the whistleblower program for effectiveness and compliance.

4. PROCEDURES

- 4.1 Every complaint shall be in writing and shall be lodged with any member of the ARC. The Complainant should fill up the “Whistleblower Report” form and email to **whistleblowing@thkmc.org.sg**

Employees should put their names to allegations because appropriate follow up questions and investigation may not be possible unless the source of the information is identified.

However, in cases of anonymous complaints where information provided is comprehensive and deemed sufficient by the ARC to warrant an investigation, the ARC may decide to proceed with an investigation.

- 4.2 Concerns expressed anonymously are less persuasive and may hinder investigations. Accordingly, the company will consider anonymous reports, but concerns expressed or information provided anonymously will be investigated on the basis of their own merits.
- 4.3 Every effort will be made to protect the complainant’s identity. The identity of the complainant shall be disclosed where:
- The identity of the complainant, in the opinion of the ARC, is material to any investigation.
 - It is required by law, or by the order or directive of a court of law, regulatory body

or such other body that has the jurisdiction and authority of the law to require such identity to be revealed.

- ARC with the concurrence of the Board of Directors opined that it would be in the best interest of the THKMC to disclose the identity.
- It is determined that the Complaint was frivolous, in bad faith, or in abuse of these policies and procedures and lodged with malicious or mischievous intent.
- The identity of such employee is already public knowledge.
- In the event that THKMC is faced with a circumstance not listed above, where the revelation of the whistleblower's identity is deemed necessary, the ARC will endeavour to discuss this with the whistleblower first.
- No action of any kind will be taken by THKMC against a whistleblower nor will his / her designation in THKMC be adversely affected by his / her merely raising the concerns / issues or making an allegation against a company official; provided always that he raises the concerns / issues or allegations in good faith and without malice and has reasonable grounds believing them to be true.

- 4.4 The ARC shall maintain or caused to be maintained a Complaints Register for the purposes of recording all Complaints received, the date of such Complaint, the date of resolution of Complaint and nature of such complaint. A template of the Complaints Register should also be included as an Appendix to ensure consistency during staff turnover.

The ARC shall approve making the Complaints Register available for inspection upon any request by investigating authorities. Access to the complaints register should be limited to authorized staff, and access should be closely monitored.

- 4.5 The ARC member who receives a report will notify the whistleblower and acknowledge receipt of the reported violation or suspected violation within five business days. The ARC member shall update the whistleblower on the outcome of the investigation, where feasible.

The Committee Members shall meet to discuss about the action / investigation on the reports received from the whistleblower. The Committee may also exclude from its meetings any person it deems appropriate, depending on the nature of the complaint.

The Committee Members have the responsibility to conduct investigations. In addition, ARC may engage such third parties as the ARC may determine, to take remedial, to commence or conduct further investigations or review, as deem appropriate.

The Committee Members shall ensure investigations are carried out using appropriate channels, conduct, resource and expertise. *In discharging their oversight role of the whistleblower program, the ARC has the authority to appropriately decide whether to engage internal or external auditors, forensic professionals, independent counsel and other advisors it determines necessary to carry out its role.*

Some concerns may be resolved by agreed action without the need for an investigation. Concerns about allegations which fall within the scope of specific procedures of THKMC will be referred for consideration under those procedures.


The Committee Members will report to the Committee Chairman on a periodic basis about the reports received and action taken.

The Management reserves the right to make any decision based on the findings by the Committee.

4.6 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 policy and may be subject to administrative and/or disciplinary action including but not limited to the termination of employment. The main roles and responsibilities are:

- a) **Investigation Participants** – Employees who are interviewed or asked to provide information have a duty to fully cooperate with the investigators. Participants should refrain from discussing or disclosing matters concerning the investigations.
- b) **Investigators** – All investigators derive the authority to handle all matters seriously, confidentially and promptly. All investigators shall be independent and unbiased both in fact and appearance.
- c) **Suspects** – Suspects have a duty to cooperate with investigators. The identity of the suspect shall remain confidential.
- d) **Whistleblowers** – Whistleblowers should act in good faith and should not make false accusations when reporting any misconduct by the employees.

5. FORMS

Item	Template
Whistleblower Report Form	 Whistle Blowing Report Form 2023.do [Refer to attachment in intranet]

Whistleblowing Flowchart

1. Submission of report-

- All complaints have to be reported to Audit Risk Committee (“ARC”) in writing
- Every complainant should fill up the “Whistleblower Report Form” and email to whistleblowing@thkmc.org.sg



2. Confidentiality of Identity-

- Complainant’s identity will be protected
- Identity can be disclosed but not limited to the 7 scenarios on page 5 and 6 (See **Para 4.3**)



3. Registration of Complaints-

- ARC shall maintain a complaint register for the purpose of recording complaints received, date & nature of complaint
- Any request by investigating authorities for the complaint register shall be made available for inspection.



4. Investigation-

- Representation from the ARC will notify the whistleblower & acknowledge receipt of reported violation/ suspected violation within 5 business days
- Will be conducted by the ARC members & the management reserves the right to make any decision based on the findings by the committee

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 policy 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 maybe.