

# WINNING TOWER GROUP

## Whistleblowing Policy

### 1. EFFECTIVE DATE

1.1 This policy is effective on 30/06/2017.

### 2. PURPOSE

2.1 This policy applies to Winning Tower Group Holdings Limited (the “Company”) (stock code: 8362) and its subsidiaries (collectively the “Group”).

2.2 The Group is committed to maintaining good corporate governance, emphasizing accountability and high degree of transparency which enable our stakeholders to have trust and faith in the Group to take care of their needs and to fulfill its social responsibility. In line with this commitment, the Group expects and encourages its employees and other parties who deal with the Group (e.g. customers, contractors, suppliers, creditors and debtors, etc.) (“Other Stakeholders”) to report any misconduct, malpractice or irregularity within the Group.

2.3 This policy aims to provide reporting channels and guidance on reporting possible improprieties in matters of financial reporting or other matters, and reassurance to persons reporting his or her concerns under this policy (“Whistleblowers”) of the protection that the Group will extend to them against unfair disciplinary action or victimization for any genuine reports made.

### 3. GENERAL POLICY

3.1 “Whistleblowing” refers to a situation in which an employee or Other Stakeholder decides to report serious concerns about any suspected misconduct, malpractice or irregularity within the Group. See Section 4 of this policy for examples of misconducts, malpractices or irregularities. This policy is intended to encourage and assist the Whistleblowers to disclose information relevant to suspected misconduct, malpractice or irregularity through a confidential reporting channel (to the extent possible). The Group will handle the reports with care and will treat the Whistleblowers’ concerns fairly and properly.

### 4. MISCONDUCT, MALPRACTICE AND IRREGULARITY

4.1 It is impossible to give an exhaustive list of the activities that constitute misconduct, malpractice or irregularity covered by this policy. The Group expects all employees and Other Stakeholders to observe and apply principles of ethics in the conduct of the Group’s business or in dealing with the Group respectively. Behavior that is not in line with the principles of ethics could constitute a misconduct, malpractice or irregularity that should be reported.

4.2 The principles of ethics include but are not confined to:

- No fraudulent or corrupt conduct;
- Compliance with the Group's policies and procedures (e.g. Employees’ Code of Conduct);
- Compliance with laws, rules and regulations;
- Compliance with financial controls and reporting requirements;
- Protection of information, records and assets;
- Prompt response to incidence and obligation to notify;
- Compliance with the health, safety and environment requirements;

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- No harmful, discriminatory or retaliatory action taken against a Whistleblower for having made a report under this policy; and
- No deliberate concealment of information concerning any of the matters listed above.

4.3 Please note that complaints related to customer services or products, as well as loss of properties on the Group premises or under the Group's custody, are normally not reported under this policy, unless they involve misconduct, malpractice or irregularity as listed above. Otherwise, they are handled by the relevant functions (e.g. customer service or security).

## 5. PROTECTION FOR WHISTLEBLOWERS

5.1 Whistleblowers making genuine and appropriate reports are assured of fair treatment. In addition, employees of the Group are also assured of protection against unfair dismissal, victimization or unwarranted disciplinary action.

5.2 The Group reserves the right to take appropriate actions against anyone (employees or Other Stakeholders) who initiates or threatens to initiate retaliation against the Whistleblowers. In particular, employees who initiate or threaten retaliation will be subject to disciplinary actions, which may include summary dismissal.

## 6. CONFIDENTIALITY

6.1 The Group will make every effort to keep the Whistleblower's identity confidential. In order not to jeopardize the investigation, the Whistleblower is also required to keep confidential the fact that he or she has filed a report, the nature of concerns and the identities of those involved.

6.2 There may be circumstances in which, because of the nature of the investigation, it will be necessary to disclose the Whistleblower's identity. If such circumstances exist, the Group will endeavor to inform the Whistleblower that his or her identity is likely to be disclosed.

6.3 Should an investigation lead to a criminal prosecution, it may become necessary for the Whistleblower to provide evidence or be interviewed by relevant authorities.

6.4 In some circumstances, the Group may have to refer the matter to relevant authorities without prior notice or consultation with the Whistleblower.

## 7. REPORTING CHANNELS

7.1 In general, the Whistleblowers should make their reports to the Internal Audit Officer of the Group in writing by post in a sealed envelope clearly marked "To be opened by addressee only" at: -

"Internal Audit Officer of the [Winning Tower Group] – Unit 803, Riley House, 88 Lei Muk Road, Kwai Chung, N.T. Hong Kong"

7.2 While the Group does not expect the Whistleblower to have absolute proof of the misconduct, malpractice or irregularity reported, the report made under this policy should show the reasons for the concerns.

7.3 Any business units or functions in receipt of a report alleging any of the misconduct, malpractice or irregularity as stated in Section 4 of this policy shall redirect the report to the Group's Internal Audit Officer. The Group will handle such report in the same manner as stipulated in this policy.

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### 8. ANONYMOUS REPORT

8.1 As the Group takes reporting of misconducts, malpractices and irregularities seriously and wants to conduct warranted investigations of both potential and actual violations, anonymous reports in general will not be acted upon. Therefore, it is strongly recommended that the report should not be made anonymously.

### 9. INVESTIGATION

9.1 Upon receipt of a report through the channels described in Section 7 of this policy, the Internal Audit Officer will evaluate the validity and relevance of the concerns raised, and to decide if a full investigation is necessary. If an investigation is warranted, an Investigation Team will be appointed by the Internal Audit Officer to look into the reported matter.

9.2 The format and length of an investigation will vary depending upon the nature and particular circumstances of each report made. The matters raised may:

- be investigated internally;
- be referred to the external auditors;
- be referred to the relevant public bodies or regulatory/law enforcement authorities; and/or
- form the subject of any other actions as the Board Audit and Risk Committee (“BARC”) may determine in the best interest of the Group.

9.3 If there is sufficient evidence to suggest that a case of possible criminal offence or corruption exists, the matter will be reported by the Internal Audit Officer to relevant local authorities (for instance, the Independent Commission Against Corruption in Hong Kong, the Public Security Bureau in China, etc).

9.4 In some situations (e.g. in case of possible criminal offence), the Internal Audit Officer may have to refer the matter together with the relevant information to relevant authorities. Please note that once the matter is referred to relevant authorities, the Group will not be able to take further action on the matter.

9.5 Upon completion of the investigation, a report, including its impact and action plan, as applicable, will be prepared without revealing the identity of the Whistleblower. For confirmed violations of principles of ethics, the normal process is for the responsible line management (with the assistance of e.g. Human Resources representatives) to determine what disciplinary and other appropriate actions are needed. After review by the Internal Audit Officer, a recommendation will be made to the Board for final decision on the actions required.

9.6 The Whistleblower will be informed of the final results of the investigation, wherever reasonably practicable.

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### **10. UNTRUE REPORT**

10.1 If a Whistleblower makes an untrue report maliciously, with an ulterior motive, or for personal gain, the Group reserves the right to take appropriate actions against any relevant person (including the Whistleblower) to recover any loss or damage as a result of the untrue report. In particular, employees may face disciplinary action, including dismissal where appropriate.

### **11. RECORD RETENTION**

11.1 Records shall be kept for all reported misconducts, malpractices and irregularities in the Group under Section 7 of this policy. In the event a reported case leads to an investigation, the party responsible for leading/conducting the investigation shall ensure that all relevant information relating to the case is retained, including details of corrective action taken for a period not exceeding six years (or whatever other period may be specified by any relevant legislation).

### **12. RESPONSIBILITY FOR IMPLEMENTATION AND MONITORING**

12.1 This policy has been approved and adopted by the Board. The Board has overall responsibility for implementation, monitoring and periodic review of this policy. In addition, the Board has delegated the day-to-day responsibility for administration of the policy to the Internal Audit Officer of the Group.

### **13. REVISIONS OF POLICY AND PROCEDURES**

13.1 The Board shall be vested with the full power to review, update and revise this policy and to delegate such power to any person if it thinks fit.