



亞洲金融
ASIA FINANCIAL

WHISTLEBLOWING POLICY

OF

ASIA FINANCIAL HOLDINGS LIMITED

Document Control

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Head of Group Internal Audit

Approved by

Reviewed and approved by EXCO, Audit Committee and Board annually

Whistleblowing Policy

1. Introduction

Asia Financial Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) are committed to achieving and maintaining the highest standards of openness, probity and accountability. Employees of the Company/Group are expected to conduct themselves with integrity, impartiality and honesty.

This Whistleblowing Policy (the Policy) applies to the Group. Where a subsidiary has a business or regulatory needs to establish its own whistleblowing policy, it may do so with the approval of the Board of the Company. The policy so developed by the subsidiary should follow the Policy as far as possible while having regard to its peculiar business and regulatory needs. Any subsequent amendments to the subsidiary’s policy will be submitted to the Audit Committee of the Company for review in addition to the subsidiary’s Board and relevant committees.

In line with this commitment, employees or third parties (e.g. customers, suppliers etc.) are encouraged to raise concerns about any suspected misconduct or malpractice within the Group, without fear of victimization or harassment, in a responsible and effective manner.

This Policy aims to provide well-defined reporting channels and guidance on reporting impropriety, if any, in all business operations of the Group and its employees, especially matters relating to financial reporting, and reassurance to the reporting persons (“whistleblowers”) the protections that the Group will extend to them against unfair disciplinary action or victimization for any genuine reports made.

2. Scope

The term “whistleblowing” refers to a situation where an employee decides to report serious concerns about any malpractice which he/she has become aware of or genuinely suspects that the Group, and/or its employee has been or may become involved in.

Whistleblowing matters may include but not confined to:

- a criminal offence;
- a failure to comply with any legal obligations;
- a miscarriage of justice;
- a financial and other forms of impropriety;
- an action which endangers the health and safety of an individual/or group;
- bribery or corruption;
- an action which causes damages to the environment;

- the deliberate concealment of information concerning any of the matters listed above.

The Policy is not designed to resolve any personal disputes, question financial or business decision taken by the Company nor should it be used to pursue any staff grievance matters which are dealt with under other established procedures.

3. Responsibility for Implementation

- (a) The Audit Committee of the Company has the overall responsibility for overseeing, monitoring and reviewing the operation of the policy and to make any recommendations for actions resulting from investigations.
- (b) The Audit Committee can delegate the day-to-day responsibility to the President of the Company.
- (c) Any employee who has questions about the contents or application of this policy should contact the Company Secretary for clarification.

4. Protection and Confidentiality

- (a) Whistleblowers making bona fide reports are assured of fair treatment. Employees reporting a concern about any of the matters defined in Section 2 above, are assured of protection against unfair dismissal, victimization or unfounded disciplinary action, even if the concerns turn out to be not fully substantiated.
- (b) Persons who victimize or retaliate against the whistleblower will be subject to disciplinary actions.
- (c) The identity of the whistleblower will not be divulged without his/her consent. However, if the investigation leads to legal proceedings, the Company may be required or legally obliged to reveal his/her identity. If this is the case, the Group will take all reasonable steps to ensure that the whistleblower suffers no detriment.
- (d) The whistleblower is required to keep confidential that a report has been filed, the nature of the concerns and the identity of those involved.

5. Untrue Allegations (Malicious Reporting)

- (a) If the whistleblower has reported a concern which is subsequently found to be not fully substantiated, he/she will not be at risk of losing his/her job or suffering

any form of retribution, as a consequence, provided that he/she is acting in good faith and has exercised due care to ensure that the information given are genuine.

- (b) On the other hand, disciplinary action, including verbal or written warning or termination of employment, may be taken against any employee who deliberately raised false and malicious allegations.

6. **Reporting Channel and Format**

- (a) Whistleblowers should report their concerns on the subject matters set out in Section 2 of this Policy* to the Head of Group Internal Audit or the Chairman of the Audit Committee via the following channels:

Mailing address: 16th Floor, Worldwide House, 19 Des Voeux Road Central, Hong Kong*

Email: Chairman of the Audit Committee:
AC.Chairman@AFH.HK

Head of Group Internal Audit:
Head.GIA@AFH.HK

*whistleblower is recommended to fill in the “Whistleblowing Report Form” in Appendix 1

- (b) Whistleblowers are required to put their name in their report as the Group takes reporting of misconduct, malpractices, and irregularities seriously and wants to conduct warranted investigation of both potential and actual violations. Anonymous allegations in general would not be acted upon. Therefore, it is strongly recommended that the report should not be made anonymously.
- (c) The Company will hold it a serious disciplinary offence for any employee/officer of the Group seeking to prevent/obstruct a communication of malpractice concern from reaching the Group COO, the President or the Chairman of the Audit Committee, or to impede the process of any investigation to reveal the truth of the reported case.

7. **Investigation Procedure**

- (a) Depending on the nature of allegation, the Group COO and the President or the Chairman of Audit Committee will be informed immediately upon receipt of the report. An initial assessment will be made on each reported case. The format and the length of an investigation will vary depending upon the nature and particular circumstances of the reported case. The investigations to be taken,

if any, shall be decided by the Audit Committee or a Panel, consisting of the Group COO, Executive Director/s and the President, excluding those having a direct conflict of interest. The matters raised may be

- investigated internally by the Head of GIA or other persons designated by the Audit Committee or the Panel;
- referred to the Law Enforcement Authorities, e.g. Police, ICAC, upon which consideration should be made as to whether detailed internal investigation should be conducted;
- be drawn to the attention of the External Auditor; and/or
- the subject of an independent inquiry.

(b) The President, the Chairman of the Audit Committee or the person designated to investigate the reported case will write to the whistleblowers within 5 working days:

- acknowledging that the concern has been received;
- advising whether or not the matter is to be investigated further and if so what nature of the investigation will be;
- giving an estimate of how long the investigation will take to provide a final response; telling the whistleblower whether any initial enquiries have been made, and whether further investigations will take place, and if not, why not.

(c) The Audit Committee will receive updates on the progress/outcome of the reported cases and the result of the investigations conducted, if any. The Audit Committee may also recommend follow-up actions to be taken, where appropriate.

8. Review and Update

This Whistleblowing Policy will be reviewed annually. The management, the Audit Committee and Board members of the Company can recommend changes to the Policy. Amendments of the Policy will be reviewed by the Executive Committee, the Audit Committee and approved by the Board. After the approval is granted, the Policy shall be circulated to all directors and staff and made easily accessible to all parties concerned.

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Appendix 1: Whistleblowing Report Form