

HI SUN TECHNOLOGY (CHINA) LIMITED WHISTLEBLOWING POLICY

1. BACKGROUND

- 1.1 Hi Sun Technology (China) Limited (the “**Company**”) is committed to high standard of openness, probity and ethical business practices. This Whistleblowing Policy (the “**Policy**”) forms an important part of effective risk management and internal control systems. This Policy applies to the Company and all of its subsidiaries (collectively, the “**Group**”).
- 1.2 “Whistleblowing” refers to a situation where an employee or a third party (a “**Whistleblower**”) decides to report concerns on actual or suspected misconduct or malpractice in any matter related to the Company in good faith (the “**Concern**”).

2. PURPOSE

- 2.1 To encourage and assist any employee(s) of the Group (the “**Employee(s)**”) or third parties (e.g., customers, suppliers etc.) to raise the Concern and disclose related information in confidence and anonymity.
- 2.2 To provide reporting channels and guidance on whistleblowing to Employees or third parties to raise the concern rather than neglecting it.
- 2.3 To detect and deter suspected fraud, malpractice or misconduct before these activities cause disruption or loss to the Group.

3. RESPONSIBILITY

- 3.1 The Audit Committee of the Company (the “**Audit Committee**”) has the overall responsibility for this Policy, but has delegated the day-to-day responsibility for overseeing and implementing this Policy to the Internal Control Department and the Company’s Risk Management Committee (the “**Risk Management Committee**”).
- 3.2 The Audit Committee is responsible for monitoring and reviewing the effectiveness of this Policy and the actions resulting from the investigation.
- 3.3 This Policy has been approved by the Audit Committee. Any amendments or updates to this Policy will be subject to the Audit Committee’s approval.

4. REPORTABLE CONCERN

- 4.1 Reportable Concerns that constitute malpractice or misconduct may include, but not limited to the following:
- a) Criminal offense
 - b) Non-compliance with laws and regulations
 - c) Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters

- d) Misuse or misappropriation of the Group's assets or resources
- e) Any action which endangers the health and safety of Employees or other stakeholders
- f) Violation of the policies or guidelines of the Group
- g) Improper use or leakage of confidential or commercially sensitive information
- h) Deliberate concealment of any of the above

4.2 Whistleblower is not required to make absolute proof of the Concern reported. Report would be appreciated if it is made in good faith; even it is not confirmed by an investigation

5. PROTECTION FOR WHISTLEBLOWER

5.1 Persons reporting the Concern in good faith are assured of fair treatment. The Group will make every effort to protect Whistleblowers against unfair dismissal, victimization or unwarranted disciplinary action, even if the Concern turns out to be unsubstantiated. "Good faith" means that the reporting person has held a reasonable belief that the Concern reported is true and made with honesty but not made for personal interest or any ulterior motive.

5.2 Management must ensure that Whistleblowers feel easeful to raise the Concern without fear of reprisals. Any kinds of retaliation against a Whistleblower will be considered as misdemeanors and subject to disciplinary actions.

5.3 However, if a Whistleblower makes a false report intentionally or maliciously, with an ulterior motive, or for personal advantage, the Group reserves the right to take appropriate actions against anyone (Employees or third parties) to recover any loss or damage as a result of the false report.

6. CONFIDENTIALITY

6.1 The Group will make every effort to keep Whistleblower's identity and the reported Concern strictly confidential.

6.2 Likewise, the Whistleblower should keep strictly confidential about the details of the reported Concern, such as its nature, related persons, etc.

6.3 Under certain circumstances where the Whistleblower's identity has to be revealed according to laws and regulations, the Group will endeavour to take reasonable steps to protect the Whistleblower from detriment.

6.4 This Policy encourages Whistleblowers to put their names to any disclosures they make. Comparatively, Concerns expressed anonymously are much less credible and create difficulties for an effective investigation, but they may be considered at the discretion of the Audit Committee. In exercising this discretion, the factors to be taken into account will include the seriousness of the issues raised and the potential risks indicated, the credibility of the Concern and the likelihood of confirming the allegation from attributable sources.

6.5 Whistleblowers are encouraged to come forward and report as much specific information as possible for assessment and investigation.

7. REPORTING CHANNELS

7.1 Every report (the “**Report**”) shall be made in person or in writing either by email to report@hisun.com.hk (accessed by personnel of the Group’s Internal Control Department) or by post to Hi Sun Technology (China) Limited – “Internal Control Department”, at Room 2515, 25/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

7.2 The Internal Control Department will centrally record all the Reports and the corresponding follow up actions in the Whistleblowing Register and timely report to the Chairman of the Risk Management Committee.

7.3 If any personnel of the Internal Control Department is being complained against, the Report should be made by post addressed to the Chairman of the Risk Management Committee at the same address.

7.4 If any member of the Risk Management Committee is being complained against, the Report should be made by post addressed to the Chairman of the Audit Committee at the same address.

7.5 Access to the Whistleblowing Register shall be strictly restricted to members of the Risk Management Committee or the Audit Committee or personnel designated by the Chairmen of such Committees, unless otherwise required by applicable laws, rules and regulations.

7.6 The Report should contain details of misconduct, including the relevant incident(s), behaviour, activity(ies), name(s), date(s), place(s) and any other relevant information.

7.7 To ensure confidentiality in the mailing process, the Report should be sent in a sealed envelope marked “Strictly Private and Confidential – To be Opened by Addressee Only”.

8. INVESTIGATION PROCESS

8.1 After the Risk Management Committee receives the Report from the Internal Control Department (or from Whistleblower making complain against the Internal Control Department in accordance with paragraph 7.3), it shall follow up the Report in a timely manner. Regardless of whether the Report is true or not, the Risk Management Committee shall regularly notify the Audit Committee about the Report and the results of the investigation thereof. However, if the Risk Management Committee discovers any material misconduct involving the Group upon its preliminary investigation, it should promptly report to the Audit Committee.

8.2 Upon receipt of any report from the Risk Management Committee on material misconduct (or from Whistleblower making complaint against the Risk Management Committee in accordance with paragraph 7.4), the Audit Committee shall handle the Report and determine the delegation of power in accordance with paragraph 8.3.

8.3 The format and length used in handling the Report will vary depending upon the nature and particular circumstances of each Report made. Where appropriate, the Audit Committee may:

- a) investigate internally or delegate the investigation's responsibilities to other department(s) or person(s);
- b) refer the Report to the external auditor;
- c) refer the Report to the relevant public/regulatory bodies or report to law enforcement agency (if there is reasonable suspicion of criminal activity); and/or
- d) form the subject of any other actions in the best interest of the Group.

8.4 Any internal inquiry should not jeopardise any investigation by a law enforcement agency and all potential evidence shall be preserved.

8.5 The Audit Committee shall bring to the attention of the Board of the Company any material incidents which may cause significant impact to the Group.

9. REVIEW

9.1 The Company shall review this Policy and the whistleblowing mechanism periodically to ensure its continuous effectiveness.