

NANYANG HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 212)

WHISTLEBLOWING POLICY

(Adopted by the Board on 5 December 2012 and revised on 22 March 2023)

1. Overview

The Company is committed to the highest standards of openness, probity and accountability. In line with this commitment, the Company welcomes employees and third parties who have concerns about any suspected misconduct or malpractice to come forward and raise their concern in confidence and anonymity and without fear of reprisal or victimisation.

To this end, the Company has devised a Whistleblowing Policy (the “Policy”) so that employees of the Company as well as relevant third parties who deal with the Company (“Third Parties”) can raise concerns, in confidence and anonymity, about suspected misconduct or malpractice by any staff and/or external parties in any matter related to the Company. The Company also ensures that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action.

2. Reporting Matters

Reporting matters may include but are not confined to the following :

1. Criminal offences;
2. Breach of legal or regulatory requirements;
3. Miscarriage of justice;
4. Financial impropriety or fraud relating to internal controls, accounting, auditing and other financial matters;
5. Endangerment of the health and safety of any individual;
6. Any adverse impact on the environment above and beyond the impact generated by normal business activities;
7. Deliberate concealment of information concerning any of the matters listed above.

3. Reporting Channel

All informers can raise their concerns to the Chairman of the Audit Committee, without fear of unfair dismissal or unwarranted disciplinary action, and the contact details are listed below :

Nanyang Holdings Limited
Room 1808 St. George's Building
2 Ice House Street
Central, Hong Kong
Email: nycotton@netvigator.com
Tel: (852) 2522 4147
Fax: (852) 2810 6403

Disclosures can be made in person or in writing. If the disclosure is made in writing, the informer is required to put his or her name to any disclosure in a sealed envelope clearly marked "Strictly Private and Confidential - To be Opened by Addressee" to ensure confidentiality.

4. False Reports

If, however, a whistleblower makes false allegations with malicious intent, he will face disciplinary action, including dismissal.

5. Anonymous Report

As the Company takes reporting of misconducts, malpractices, and irregularities seriously and wants to conduct warranted investigations of both potential and actual violations, it is preferred that these reports are not made anonymously. However, it is recognised that for any number of reasons, employees or Third Parties may not feel comfortable reporting potential violations directly. In these cases, anonymous reports may be submitted.

6. Investigation Procedures

1. The format and the length of an investigation will depend upon the nature and particular circumstances of each complaint made. The concerns raised will initially be investigated internally. If there is a possible criminal offence, the audit committee, in consultation with our legal advisers, will decide if the matter should be referred to the authorities for further action.
2. The Chairman of the Audit Committee will write to the informer as soon as reasonably practicable after receipt of the complaint :
 - (a) acknowledging that the report has been received;
 - (b) advising whether or not the matter will be investigated; and

(c) the outcome of the investigation in due course.

3. Possible outcomes of the investigation :

(a) The allegation could not be substantiated;

(b) However, if the allegation is substantiated then :

(i) Corrective action will be taken to ensure that the problem will not occur again;

(ii) Disciplinary or appropriate action against the wrongdoer.

7. Confidentiality

Every effort will be made to keep all concerns confidential, although in some cases the Company may be legally required to disclose the informant. However, in some circumstances, the Company may have to refer the matter to the authorities without prior notice or consultation with the informant.

8. Protection

The Company reserves the right to take appropriate actions against the relevant person who initiates or threatens to initiate retaliation against the whistleblower with dismissal.

9. Consistency with Laws and Regulations

In the event that any procedure herein is inconsistent or in conflict with any relevant laws, regulations, rules, directives or guidelines as prescribed by the The Stock Exchange of Hong Kong Limited or any other regulatory bodies or any part thereof, the latter shall prevail to the extent of such inconsistency or conflict. A report should be made to the appropriate law enforcement agency once there is reasonable suspicion of a criminal offence.

10. Record Retention

Records shall be kept for all reported misconducts, malpractices, and irregularities by the relevant parties in the Group. In the event a reported irregularity leads to an investigation, the party responsible for leading and/or conducting the investigation shall ensure that all relevant information relating to the case is retained, including details of corrective action taken for at least 7 years (or whatever other period may be specified by any relevant legislation).

11. Implementation and Review of this Policy

The Audit Committee has responsibility for implementation and maintenance of this Policy. Including managing any investigations and reviewing this policy from time to time.

12. Disclosure and Publication

This Policy is available on the Company's website for public information.

A summary of the policy will be disclosed in the Corporate Governance Report of the Company annually.