



SANBASE CORPORATION LIMITED

莊皇集團公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8501)

(the “Company”)

WHISTLEBLOWING POLICY

(Adopted by the Company pursuant to the Board resolution passed on 24 June 2022)

1. INTRODUCTION

- 1.1 The Company and all of its subsidiaries (collectively, the “**Group**”) are committed to achieving and maintaining the highest standards of openness, probity and accountability.
- 1.2 The Group’s employees at all levels should conduct themselves with integrity, impartiality and honesty.
- 1.3 The Group encourages reporting of concerns and actual or suspected misconduct or malpractice or unethical acts (e.g. corruption) by any staff and/or external parties in any matter related to the Group.

2. PURPOSE

- 2.1 This Whistleblowing Policy (the “**Policy**”) aims to enable the Group’s employees and those who deal with the Group to raise concerns, in confidence and anonymity, with the audit committee of the Company (the “**Audit Committee**”) about possible improprieties in matters related to the Group, in order to help detect and deter misconduct or malpractice or unethical acts in the Group.

3. SCOPE

- 3.1 This Policy applies to:
 - (a) employees at all levels and divisions of the Group, and any other stakeholders who might be victims of staff misconduct, including business counterparts (e.g. customers, contractors and suppliers); and
 - (b) concerns about possible improprieties in financial reporting, internal control or other matters including, but not limited to, the following:
 - Violation of rules of conduct applicable within the Group
 - Failure to comply with / breach of legal or regulatory requirements
 - Criminal offences, breach of civil law and miscarriage of justice
 - Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters

- Endangerment of the health and safety of an individual
- Damage to the environment
- Improper conduct or unethical behaviour likely to prejudice the standing of the Group
- Bribery or corruption
- Deliberate concealment of any of the above

4. REPORTING PROCEDURES

- 4.1 Anyone who has a legitimate malpractice concern about financial reporting, internal control or other matters as described in 3.1(b) above, can raise it either verbally (in person) or in writing (marked “Private & Confidential via a sealed envelope) with the personnel mentioned hereinbelow.
- 4.2 Persons raising such concerns are encouraged to disclose their identity and contact details so that they can be contacted for further information, if necessary. The Group will not divulge the identity of the person lodging the concern / complaint unless it is absolutely necessary to do so to facilitate the investigation or if required by the relevant regulatory authorities.
- 4.3 The Group accepts anonymous reporting, provided that the reporting contains sufficient information to allow an effective investigation.
- 4.4 The Chief Executive Officer or the Audit Committee (as the case may be) will review the concern and complaint, make the appropriate investigation arrangement and discuss / report the findings to the Chairman of the Board.
- 4.5 The Group reserves the right to take appropriate action against anyone who initiates or threatens to initiate retaliation against those who have made such complaints.

Reporting Procedures for Employees

- 4.6 Any concern should be initially reported to the respective Head of Division / Department of the employee. The Head of Division / Department will, after gathering sufficient details, submit the report to the Chief Executive Officer.
- 4.7 If the concern involves the Head of Division / Department, or for any reason the employee would prefer the Head of Division / Department not to be told, the employee may raise the concern and submit his / her report to the Chief Executive Officer.
- 4.8 If for any reason the employee would prefer the Chief Executive Officer not to be told, the employee may raise the concern and submit his / her report directly to the Chairman of the Board.
- 4.9 If the concern involves the Chairman of the Board, the employee may raise the concern and submit his / her report directly to the Audit Committee.

Reporting Procedures for External Party

- 4.10 Any concern should be reported to the Chairman of the Board via mail to the Company’s principal place of business in Hong Kong or email to whistleblower@sanbase.com.hk
- 4.11 If the concern involves the Chairman of the Board, the external party may raise the concern and submit his / her report directly to the Audit Committee via mail to the Company’s principal place of business in Hong Kong or email to ac_whistleblower@sanbase.com.hk.

5. INVESTIGATION PROCEDURES

- 5.1 The Company will acknowledge receipt of each report within 7 working days.
- 5.2 The Company will evaluate every case received to decide if a full investigation is necessary. Depending upon the circumstances, an appropriate investigating officer with suitable seniority at the Company will be appointed or a special committee will be set up by the Company to investigate the matter.
- 5.3 The format and the length of an investigation will vary depending upon the nature, complexity and particular circumstances of each complaint made.
- 5.4 The employee / external party who reports the concern may be asked to provide more information during the course of the investigation.
- 5.5 A final report, with recommendations for change or improvement (if applicable), will be produced to the Audit Committee. The Audit Committee will then review the final report and if appropriate, make recommendations to the Board.
- 5.6 The employee / external party who reports the concern will receive in writing the outcome of the investigation.
- 5.7 If the employee is not satisfied with the outcome, he / she could raise the matter again with the Audit Committee or Chairman of the Board or the Chief Executive Officer (as the case may be).
- 5.8 If there is a good reason, the Company will investigate the concern again.
- 5.9 Where the report discloses a possible criminal offence, the Company, after consulting its legal advisers, will decide if the matter should be referred to the relevant authorities such as the Hong Kong Police Force, Independent Commission Against Corruption and Securities and Futures Commission, as appropriate for further action. Once the matter is referred to the authorities, the Company will not be able to take further action on the matter, including advising the employee / external party of the referral.

6. CONFIDENTIALITY

- 6.1 The Company will make every effort to treat all reporting under this Policy in strictly confidential and fair manners. The identity of the employee / external party making the report and complaint will not be disclosed without such employee's / external party's consent, unless the Company is legally obliged to reveal the employee's / external party's identity and other information.

7. UNTRUE ALLEGATIONS AND FALSE REPORT

- 7.1 In raising a concern pursuant to this Policy, the employee / external party should exercise due care to ensure the accuracy of the information.
- 7.2 If the employee is mistaken about the concern raised, he / she will not be at risk of losing his / her job or suffering any form of retribution as a result provided that he / she is acting in good faith.
- 7.3 If the employee deliberately raises false and malicious allegations, disciplinary action including the

possibility of dismissal will be taken against him / her. In an extreme case, it could give rise to legal action against such an employee.

7.4 If a report from an external party is found to be fraudulent or malicious, the Company may take action to recover any cost, loss or damage resulting from such report.

8. REVIEW OF THE POLICY

8.1 The Audit Committee of the Company shall review regularly this Policy to improve its effectiveness and employee confidence in the process and to encourage a “speak up” culture across the Company.

8.2 The Company shall be responsible for centrally recording all reports and the corresponding follow up actions.

8.3 This Policy should be available to all employees of the Company.

8.4 A summary of this Policy should be available on the Company’s website.

Note: *If there is any inconsistency between the English and Chinese versions of this document, the English version shall prevail.*