



China Boton Group Company Limited

中國波頓集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3318)

WHISTLEBLOWING POLICY

(Adopted by the Company on 16 June 2022)

1. Objective and Scope

- 1.1 This Policy applies to China Boton Group Company Limited (the “**Company**”) and all of its subsidiaries (collectively, the “**Group**”).
- 1.2 Whistleblowing refers to a situation where an employee of the Group (the “**Employee**”) or a third party (collectively, a “**Whistleblower**”) decides to make a good faith report on a serious concern about any suspected fraud, malpractice, misconduct or irregularity (the “**Concern**”).
- 1.3 Whistleblowing serves as a useful way to uncover fraud, malpractice, misconduct or significant risk within an organization. It is encouraged to share this Policy with the Employees and related parties according to actual business operations.
- 1.4 The purpose of this Policy is:
 - (a) to encourage and assist any Employee(s) or third parties (e.g. customers, suppliers etc.) to raise the Concern and disclose related information confidentially;
 - (b) to provide reporting channels and guidance on whistleblowing to Employees or third parties to raise the Concern rather than neglecting it;
 - (c) to reveal suspected fraud, malpractice or misconduct before these activities cause disruption or loss to the Group; and
 - (d) to promote ethical standards, management of the associated companies, jointly owned/controlled entities.

2. Responsibility

- 2.1 This Policy has been approved by the audit committee of the Company (“**Audit Committee**”). Any amendments or updates to this Policy will be subject to the Audit Committee’s approval.
- 2.2 The Audit Committee is responsible for monitoring and reviewing the effectiveness of this Policy and the actions resulting from the investigation.

2.3 In the event any provision in this Policy is inconsistent or in conflict with any relevant laws, rules, regulations, codes, guidelines of any relevant authorities, the latter shall prevail to the extent of such inconsistency or conflict.

3. Examples of Concern

3.1 Concerns that may be reported include, but not limited to the following:

- (a) Non-compliance with laws and regulations;
- (b) Non-compliance with or contrary to the policies or guidelines of the Group;
- (c) Fraud or impropriety relating to accounting, financial reporting, internal controls and auditing matters;
- (d) Misuse or misappropriation of the Group's assets or resources;
- (e) Improper use or leakage of confidential or commercially sensitive information;
- (f) Endanger the health and safety of employees or other stakeholders; and
- (g) Anything that brings disrepute to or materially adversely affects the interest of the Group.

3.2 Whistleblower is not required to make absolute proof of the Concern reported. The Concern would be appreciated if it is reported in good faith with sufficient reason(s), even it is not confirmed by an investigation.

4. Protection for Whistleblowers

4.1 Persons reporting the Concern in good faith are assured of fair treatment. Good faith means that the Whistleblower has held a reasonable belief that the Concern made is true and honest but not made for personal interest or any ulterior motive. The Group will make every effort to protect the Whistleblower against unfair dismissal, unwarranted disciplinary action or retaliation, if the reporting was made in good faith.

4.2 If a Whistleblower makes a false report 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.

4.3 The Group will make every effort to keep Whistleblower's identity and the reported Concern strictly confidential. The Whistleblower should also keep strictly confidential about the details of a reported Concern.

- 4.4 It is understood that a Whistleblower may wish to report anonymously. However, it is not encouraged as an anonymous allegation will hinder investigation and follow-up actions due to limited information.
- 4.5 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.

5. Reporting and Investigation Procedures

- 5.1 Any Employee or third party who wishes to report a Concern should write to the Chairman of the Audit Committee to provide details of the improprieties (including the incidents, activities, names, dates, venues and other relevant information). To ensure confidentiality in the mailing process, the letter should be sent in a sealed envelope marked "Strictly Private and Confidential – To be Opened by Addressee Only".
- 5.2 All reported cases will be followed up. The Audit Committee will evaluate the validity and relevance of the cases received.
- 5.3 Where appropriate, the reported case may be investigated internally by the Audit Committee or its delegates (include but not limited to Company Secretary, head of human resources department or other department) as the Audit Committee deems appropriate.
- 5.4 The Audit Committee may appoint external professional parties to assist in the investigation or seek independent advice.
- 5.5 The format and length of an investigation will vary depending upon the nature and particular circumstances of each report made.
- 5.6 The Chairman of the Audit Committee will respond to the Whistleblower, if contactable, in respect of the following:
 - (a) acknowledging receipt of the report;
 - (b) advising the Whistleblower as to whether or not the matter will be investigated further and, as appropriate, the actions taken/to be taken or the reasons for no investigation being made;
 - (c) where practicable, giving an estimate of the timeline for the investigation and final response; and
 - (d) indicating if any remedial or legal action is/to be taken.

- 5.7 Should the Audit Committee Chairman consider appropriate, the case may be referred to relevant regulatory authority(ies), such as the Hong Kong Police Force, the Independent Commission Against Corruption, the Stock Exchange of Hong Kong Limited and the Securities and Futures Commission, etc.