

**WHISTLE-BLOWING POLICY ON COMPLAINTS RELATING TO ACCOUNTING, FINANCIAL REPORTING, INTERNAL CONTROLS, AUDITING MATTERS OR OTHER MALPRACTICES AND MISCONDUCT**

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**1. Policy and its Purpose**

1.1 The Board of Directors of the Company (the “**Board**”) encourages and expects the highest standards of compliance with accounting, financial reporting, internal controls and auditing requirements, and any legislation relating thereto. The Board has thus adopted this Policy entitled “Whistle-Blowing Policy on Complaints Relating to Accounting, Financial Reporting, Internal Controls, Auditing Matters or Other Malpractices and Misconduct” (hereinafter called the “**Policy**”) to ensure that in the event that employees of the Company, its subsidiaries and associated companies (collectively, the “**Group**”)\*, suppliers or any other persons, have any legitimate *bona fide* concerns about these matters, the same may be raised without fear of reprisals in any form.

\* Please refer to Paragraph 3.1 on the scope of cover.

1.2 This Policy deals with the receipt, retention and treatment of complaints received regarding the Group’s accounting, financial reporting, internal controls, auditing matters or other malpractices and misconduct, and the protection of the confidential or anonymous reporting by employees, suppliers or any other persons of legitimate concerns regarding these matters.

**2. Policy Oversight**

The Audit and Risk Committee of the Company has the responsibility of overseeing this Policy. As the internal audit function is currently outsourced, the Chairman of the Audit and Risk Committee (the “**ARC Chairman**”) is assuming the task of administering this Policy until such time when an in-house internal audit department is established. The Audit and Risk Committee may from time to time appoint such other persons determine to be appropriate to administer or assist in the administration of this Policy, who shall report directly to the Audit and Risk Committee on all such matters.

**3. Directors, Officers, Employees, Suppliers’ Responsibility**

3.1 All directors, officers and employees of the Group, suppliers or any other persons, have the right and responsibility to report any complaints which fall under the scope of this Policy.

3.2 Complaints which should be reported pursuant to this Policy, include without limitation, the following (the “**Complaints**”):

3.2.1 fraud or deliberate error in the recording and maintaining of the Group’s financial records or in the preparation, review or audit of the Group’s financial statements;

- 3.2.2 significant deficiencies in or deliberate non-compliance with the Group's internal accounting controls;
- 3.2.3 use of the Group's funds, assets or property for any illegal, improper or unethical purpose, for example, fraud, theft of corporate property, embezzlement or misappropriation of corporate funds, assets or confidential information, and any acts of corruption or bribery;
- 3.2.4 fraud against investors, or the making of fraudulent statements to Singapore Exchange Securities Trading Limited, members of the investing public and government or state authorities;
- 3.2.5 violation of existing legislation, rules and regulations applicable to the Group relating to its accounting, financial reporting, internal controls and auditing matters;
- 3.2.6 distinct effort to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statements or records of the Group; and
- 3.2.7 improper actions or omissions which are likely to endanger colleagues, customers and suppliers of the Group and/or members of the public.

3.3 Questions, concerns and complaints relating to the enforcement or application of human resources policies and regulations of the Group, aspects of the workplace environment of the Company and the behavioural aspects of employees (including matters relating to discrimination and harassment of any nature), which should be reported directly to the employee's supervisors or to the Human Resource Manager.

#### **4. Confidentiality and Anonymity**

The Company is committed to maintaining procedures for the confidential and anonymous reporting of Complaints by employees of the Group, suppliers or any other persons, and all reports of Complaints will be treated on a confidential basis and if so requested by the employee of the Group, supplier or any other person reporting the Complaint, will also be treated on an anonymous basis to the fullest extent possible, and the report of a Complaint will only be disclosed to such persons who have a need to know in order to properly carry out the investigations of such Complaint in accordance with the Procedures set out in this Policy.

#### **5. Procedure for Reporting of Complaint**

Employees of the Group, suppliers or any other persons may report Complaints using the following procedures:

- 5.1 Until such time the Company sets up an in-house internal audit department, an employee of the Group, supplier or any other person may refer a Complaint directly to the ARC Chairman via email: [enquiries@hlge.com.sg](mailto:enquiries@hlge.com.sg) or submit in writing to be delivered in a sealed envelope marked "Confidential – Only to be Opened by the Chairman of the Audit and Risk Committee of HL Global Enterprises Limited" to the following address:

Chairman of the Audit and Risk Committee  
c/o HL Global Enterprises Limited  
10 Anson Road, #19-08  
International Plaza  
Singapore 079903

5.2 If an employee of the Group, supplier or any other person wishes to remain anonymous, he or she may submit an anonymous Complaint in writing (without providing his or her name or other personal information) to the ARC Chairman by leaving a sealed envelope marked "Confidential – Only to be Opened by the Chairman of the Audit and Risk Committee of HL Global Enterprises Limited" to be delivered to the same said address as indicated in Paragraph 5.1.

Any Complaints submitted on an anonymous basis should specify the full details of the facts surrounding the Complaint to reasonably enable an effective investigation to be conducted by the ARC Chairman.

## 6. Investigation of Complaints

6.1 The ARC Chairman will first determine based on the disclosures made under the Complaint whether the Complaint is within the scope of the Policy before proceeding promptly to review and assess the seriousness of the Complaint and determine, in consultation with others, if necessary, the manner in which the Complaint should be investigated, using internal and/or external resources. The ARC Chairman may investigate the Complaint himself or herself or may direct such other persons (including another employee or an external third party) who need to be involved in order to investigate or assist in the investigation of the Complaint. Such other persons shall report directly to the ARC Chairman.

6.2 If upon initial assessment, the ARC Chairman is of the view that the substance of the Complaint could materially and adversely affect the financial statements of the Group or the integrity of the Company's system of internal controls, the ARC Chairman shall notify the Executive Committee and Chief Financial Officer (except to the extent that any such persons are allegedly implicated in the Complaint) of the Complaint and the status of investigations. The ARC Chairman will also notify the Chairman of the Board on the same.

6.3 Investigations of the Complaints shall be treated on a confidential basis, maintaining the anonymity of the employee or supplier concerned (if so desired by the employee or supplier making the Complaint), involve only persons who need to be involved in order to properly carry out the investigation and will, on a best efforts basis, be carried out in a timely manner.

6.4 The ARC Chairman shall update the members of the Audit and Risk Committee on a quarterly basis specifying, *inter alia*, the following:

- the number of Complaints received during that quarter;
- the details of each Complaint;
- the status of the investigation of each Complaint; and
- the findings and recommendations of the ARC Chairman.

## **7. Record Retention Policy**

- 7.1 Each Complaint (including the record of the investigation, reports, communications and resolution, if any, of the Complaint) will be fully documented in writing by the person(s) assigned to assist in the investigation of the Complaint.
- 7.2 The records and reports of the Complaints shall be marked as "Privileged and Confidential", and access to the same will be restricted only to the members of the Audit and Risk Committee and such other persons who have a need to know and are specifically designated and authorised to investigate or assist in the investigation of the Complaints. Disclosure of these records and reports to any other persons will require the prior approval of the Audit and Risk Committee.
- 7.3 The records and reports of the Complaints shall be retained for a period of at least seven (7) years from the date of the respective Complaint, unless the information therein is relevant to any pending or potential litigation, inquiry or investigation in which case, the said records and reports shall not be destroyed until the conclusion of the litigation, inquiry or investigation and for such period thereafter as may be necessary.

## **8. Legitimate Complaints Made In Good Faith**

- 8.1 The Company will not take any disciplinary actions against an employee who in good faith reports a Complaint, nor demote or terminate the employment of such an employee or threaten to do so with the deliberate intent to discourage an employee from reporting a Complaint or with the deliberate intent to engage in retaliatory conduct against the employee for reporting a Complaint.
- 8.2 Any false or malicious allegations could however lead to disciplinary action if, following investigation, it is determined that such allegations constitute misconduct warranting disciplinary action.

## **9. Policy Review and Publication**

- 9.1 The Audit and Risk Committee will review this Policy and its effectiveness from time to time, with recommendations regarding any amendments thereto to be made to the Board for approval.
- 9.2 This Policy, including any amendments thereto, shall be posted on the Company's website and incorporated into the Company's Staff Handbook, where applicable, and made known to all employees of the Company.

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Previous Version:

1.0 – 15 February 2007