

Whistleblowing Policy

1. Introduction

1.1 In line with the corporate governance practice, Khong Guan Limited and its subsidiaries ('the Group') establishes the Whistleblowing Policy ('Policy') which aims to provide an avenue for employees to raise concerns and offer them our reassurance that they will be protected from reprisals or victimization for whistleblowing in good faith.

2. Who is covered by this Policy

2.1 This Policy applies to all employees of the Group.

3. Objectives of this Policy

3.1 Deter wrongdoings and to promote standards of good corporate practices.

3.2 Provision of proper avenues for employees to raise concerns about actual or suspected improprieties in matters of financial reporting or other matters and receive feedback on any action taken.

3.3 Give employees the assurance that they will be protected from reprisals or victimization for whistleblowing in good faith.

4. Reportable incidents

4.1 Some examples of concerns covered by this Policy include (this list is not exhaustive):

- Concerns about the Group's accounting, internal controls or auditing matters
- Breach of or failure to implement or comply with the Group's policies or code of conduct
- Impropriety, corruption, acts of fraud, theft and/misuse of the Group's properties, assets or resources
- Conduct which is an offence or breach of law
- Serious conflict of interest without disclosure
- Any other serious improper matters which may cause financial or non-financial loss to the Group, or damage to the Group's reputation

5. **Protection against reprisals**

- 5.1 If an employee raises a genuine concern under this Policy, he or she will not be at risk of losing his or her job or suffering from retribution or harassment as a result. Provided that the employee is acting in good faith, it does not matter if he or she is mistaken.
- 5.2 However, the Group does not condone frivolous, mischievous or malicious allegations. Employee(s) making such allegations will face disciplinary action by the management of the respective companies.

6. **Confidentiality**

- 6.1 The Group encourages the whistleblower to identify himself/herself when raising a concern or providing information. All concerns will be treated with strict confidentiality.

7. **Concerns and information provided anonymously**

- 7.1 Concerns expressed anonymously are much less persuasive and may hinder investigation work as it is more difficult to look into the matter or to protect the whistleblower's position. Accordingly, the Group will consider anonymous reports, but concerns expressed or information provided anonymously will be investigated on the basis of their merits.

8. **How to raise a concern or provide information**

Who to Report To

- 8.1 If the concern involves his/her immediate supervisor, head of department, or for any reason he/she would prefer them not to be told, he/she may report to the General Manager.
- 8.2 The whistleblower can also address his/her concerns to Audit Committee Chairman at :

acchairman@kg.com.sg
- 8.3 Concerns or information are preferably raised or provided in writing (letter or e-mail). Ideally, the Group recommends the whistleblower to be detailed in setting out the background and history or events and the reasons for the concern.
- 8.4 If the whistleblower is not comfortable about writing in, he or she can telephone or meet the appropriate officer in confidence at a time and location to be determined together.

9. Important points to note when raising a concern or providing information

9.1 The earlier the concern is raised the easier it is for Group to take action.

9.2 The Group expects the whistleblower to provide his/her concern in good faith and to show to the appropriate officer that there are sufficient grounds for his/her concern.

10. How the Group will respond

10.1 Depending on the nature of the concern raised or information provided, the investigation may be conducted involving one or more of these persons:-

- The Audit Committee
- The External or Internal Auditor.