

Le Saunda Holdings Limited
(incorporated in Bermuda with limited liability)
(Stock Code: 00738)

WHISTLEBLOWING POLICY

WHISTLEBLOWING POLICY

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WHISTLEBLOWING POLICY

1. **EFFECTIVE DATE**

1.1 The Whistleblowing Policy (the “Policy”) is effective on 19 September 2022.

2. **PURPOSE**

2.1 The Policy applies to Le Saunda Holding Limited (the “Company”) and its subsidiaries (collectively as the “Group”).

2.2 The Group is committed to maintaining good corporate governance, emphasizing accountability and a high degree of openness, probity and transparency which enables our stakeholders to have trust and faith in the Group to take care of their needs and to fulfill its social responsibility. In line with this commitment, the Group expects its employees at all levels to conduct themselves with integrity, fairness and honesty and encourages its employees and other parties who deal with the Group (e.g. customers, contractors, suppliers, franchisees, creditors and debtors, etc.) (“Other Stakeholders”) to report any misconduct, malpractice or irregularity within the Group.

2.3 The Policy aims to provide reporting channels and guidance on reporting possible improprieties in matters of financial reporting or other matters, and reassurance to persons (“Whistleblowers”) reporting their concerns under the Policy of the protection that the Group will extend to them against unfair disciplinary action or victimization due to any genuine reports made.

3. **GENERAL POLICY**

3.1 “Whistleblowing” refers to a situation in which employees or Other Stakeholders decide to report serious concerns about any suspected misconduct, malpractice or irregularity within the Group. Please see Section 4 of the Policy for examples of misconducts, malpractices or irregularities. The Policy is intended to encourage and assist Whistleblowers to disclose information relevant to suspected misconduct, malpractice or irregularity through a confidential reporting channel (to the largest extent possible). The Group will handle the reports with care and will treat Whistleblowers’ concerns fairly and properly.

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4. MISCONDUCT, MALPRACTICE AND IRREGULARITY

4.1 It is impossible to give an exhaustive list of the activities that constitute misconduct, malpractice or irregularity covered by the Policy. Nonetheless, the Group expects all employees and Other Stakeholders to observe and apply principles of ethics in the conduct of the Group's business or in dealing with the Group respectively. Behaviour that is not in line with the principles of ethics could constitute a misconduct, malpractice or irregularity that should be reported.

4.2 The principles of ethics include but are not limited to:

- No fraudulent or corrupt conduct;
- Compliance with the Group's policies and procedures (e.g. Employees Code of Practice);
- Compliance with laws, rules and regulations;
- Compliance with financial controls and reporting requirements;
- Protection of information, records and assets;
- Prompt response to incidence and obligation to notify;
- Compliance with the health, safety and environment requirements;
- No harmful, discriminatory or retaliatory action taken against Whistleblowers for having made a report under the Policy; and
- No deliberate concealment of information concerning any of the matters listed above.

4.3 Please note that complaints related to customer services or products, as well as loss of properties on the Group premises or under the Group's custody, are normally not reported under the Policy, unless they involve misconduct, malpractice or irregularity as listed above. Otherwise, they are handled by the relevant functions (e.g. customer service or security).

5. PROTECTION FOR WHISTLEBLOWERS

5.1 Whistleblowers making genuine and appropriate reports are assured of fair treatment. In addition, employees of the Group are also assured of protection against unfair dismissal, victimization or unwarranted disciplinary action.

5.2 The Group reserves the right to take appropriate actions against anyone (including employees or Other Stakeholders) who victimize, initiates or threatens to initiate retaliation against Whistleblowers. In particular, employees who initiate or threaten retaliation will be subject to disciplinary actions, which may include summary dismissal.

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6. CONFIDENTIALITY

- 6.1 The Group will make every effort to keep Whistleblowers' identity confidential. In order not to jeopardize the investigation, Whistleblowers are also required to keep confidential the fact that Whistleblowers have filed a report, the nature of concerns and the identities of those involved.
- 6.2 There may be circumstances in which, because of the nature of the investigation, it will be necessary to disclose the Whistleblowers' identity. If such circumstances exist, the Group will endeavor to inform Whistleblowers whose identity is likely to be disclosed.
- 6.3 If an investigation leads a possibility of criminal prosecution, Whistleblowers may necessarily provide evidence or be interviewed by relevant law enforcement authorities. The Group will take all reasonable steps to ensure proper preservation of all potential evidence in any suspected criminal offences reported and avoid actions which may alert the alleged perpetrator during investigation.
- 6.4 The Group has the sole discretion that in some circumstances, the Group may have to refer the matter to relevant law enforcement authorities without prior notice or consultation with Whistleblowers.

7. REPORTING CHANNELS

- 7.1 In general, Whistleblowers should make their reports to the audit committee (the "Audit Committee") of the board of director (the "Board") for the Company in writing by post in a sealed envelope clearly marked "To be opened by addressee only" at:

*To: Audit Committee
Le Saunda Holding Limited
Suites 1104-06, 11/F,
1063 King's Road,
Quarry Bay, Hong Kong*

- 7.2 A report may also be submitted to the Audit Committee of the Group via the following email addresses at whistleblower@lesaunda.com.hk
- 7.3 To facilitate the handling of the reports, a standard form (Whistleblowing Report Form) is attached in Appendix 1 of the Policy for reference.
- 7.4 While the Group does not expect Whistleblowers to have absolute proof of the misconduct, malpractice or irregularity reported, the report made under the Policy should show the reasons for the concerns.
- 7.5 Any business units or functions in receipt of a report alleging any of the misconduct, malpractice or irregularity as stated in Section 4 of the Policy shall redirect the report to the Audit Committee. The Audit Committee will handle such report in the same manner as stipulated in the Policy.

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8. ANONYMOUS REPORT

- 8.1 As the Group seriously takes reporting of misconducts, malpractices and irregularities and wants to conduct warranted investigations of both potential and actual violations, anonymous reports in general will not be acted upon. Therefore, it is strongly recommended that the report should not be made anonymously.

9. INVESTIGATION

- 9.1 Upon receipt of a report through the channels as described in Section 7 of the Policy, the Audit Committee will acknowledge receipt of such report within 5 working days, evaluate the validity and relevance of the concerns raised, and decide if a full investigation is necessary. If an investigation is warranted, the Audit Committee will look into the reported matter in detail.
- 9.2 The format and length of an investigation will vary depending upon the nature and particular circumstances of each report made. The matters raised may:
- be investigated internally;
 - be referred to the external auditors;
 - be referred to the relevant public bodies or regulatory/law enforcement authorities; and/or
 - form the subject of any other actions as the Audit Committee may determine to be in the best interest of the Group.
- 9.3 If there is sufficient evidence to reasonably suggest that a case involving a possible criminal offence or element of corruption exists, after consulting the legal advisers of the Company, the matter will be reported by the Audit Committee to the relevant local authorities as soon as reasonably practicable (for instance, the Independent Commission Against Corruption in Hong Kong, the Public Security Bureau in China, etc.). An internal inquiry shall not jeopardise any future investigation by the relevant local authorities.
- 9.4 In some situations (e.g. in the case of a possible criminal offence), the Audit Committee may have to refer the matter together with the relevant information to the relevant authorities. Please note that once the matter is referred to the relevant authorities, the Group will not be able to take further action on the matter.
- 9.5 Upon completion of the investigation, a report, including the impact of the matter reported by Whistleblowers and an action plan (as applicable), will be prepared without revealing the identity of Whistleblowers. For confirmed violations of relevant principles of ethics, the normal process is for the responsible line management to determine what disciplinary and other appropriate actions are needed. After a review by the Audit Committee, a recommendation will be made to the Board for a final decision on the actions required.

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9. INVESTIGATION (CONTINUED)

- 9.6 Whistleblowers will be informed of the final results of the investigation in writing, whenever and wherever reasonably practicable. If Whistleblowers are not satisfied with such results, he/she could raise the matter with the Audit Committee again. If there is adequate reason, the Audit Committee will investigate into the concern again.

10. UNTRUE REPORT

- 10.1 If Whistleblowers make an untrue report maliciously, with an ulterior motive or for personal gain, the Group reserves the right to take appropriate actions against any relevant person (including Whistleblowers) to recover any loss or damage as a result of the untrue report. In particular, employees may face disciplinary action, including dismissal where appropriate.

11. RECORD RETENTION

- 11.1 Records shall be kept for all reported misconducts, malpractices and irregularities within the Group under Section 7 of the Policy. In the event that a reported case leads an investigation, the Audit Committee shall ensure that all relevant information relating to the case is retained, including details of corrective actions taken for a period not exceeding seven years (or whatever other period as may be specified by any relevant legislation).

12. RESPONSIBILITY FOR IMPLEMENTATION AND MONITORING

- 12.1 The Policy has been approved and adopted by the Board. The Board has an overall responsibility for the implementation, monitoring and periodic review of the Policy. In addition, the Board has delegated the day to day responsibility for administration of the Policy to the Audit Committee.

13. REVISIONS OF WHISTLEBLOWING POLICY

- 13.1 The Board shall be vested with the full power to review, update and revise the Policy and to delegate such power to any person as it thinks fit.

14. LANGUAGE

- 14.1 The Policy is prepared in both Chinese and English. In case of any discrepancies between the Chinese and English versions, the English version shall prevail.

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APPENDIX 1

TO BE OPENED BY ADDRESSEE ONLY

WHISTLEBLOWING REPORT FORM

The Group is committed to maintaining good corporate governance, emphasizing accountability and high degree of transparency which enable our stakeholders to have trust and faith in the Group to take care of their needs and to fulfill its social responsibility.

The Whistleblowing Policy has been established to encourage and assist Whistleblowers to disclose information relevant to misconducts, malpractices or irregularities through a confidential reporting channel (to the largest extent possible). The Group will handle this report with care and will treat the Whistleblower's concerns fairly and properly.

If you wish to make a report, please use this report form. Once completed, this report becomes confidential. You may send the report, in a sealed envelope clearly marked "To be opened by addressee only" and addressed to the Audit Committee of the Group, by post to the relevant addresses below or by email to "whistleblower@lesaunda.com.hk".

Please read the Whistleblowing Policy carefully before you fill in this form. You are deemed to have read and agreed to the terms of the Whistleblowing Policy upon sending the report to the audit committee.

To: Audit Committee	
Le Saunda Holding Limited Suites 1104-06, 11/F, 1063 King's Road, Quarry Bay, Hong Kong	
Your Name/Contact Telephone Number and Email	Name: _____
Anonymous reports in general will not be acted upon. Therefore, it is strongly recommended that the report is not made anonymously.	Employee <input type="checkbox"/>
	Other Stakeholder <input type="checkbox"/> (please specify: _____)
	Address: _____

	Tel No: _____
	Email: _____
	Date: _____
Details of concerns:	
Please provide full details, such as names, dates and places and the reasons for the concerns (continue on separate sheet if necessary) together with any supporting evidence.	
Personal Information Collection Statement <i>All personal data collected will only be used for purposes which are directly related to the whistleblowing case you reported. Any anonymous reports not supplying such personal data in general may not be acted upon. Therefore, it is strongly recommended that the report should not be made anonymously. The personal data submitted will be held and kept confidential by the Group, but with the consent of the Whistleblower or where the Group is legally obliged to do so, may be transferred to parties with whom we will contact during our handling of this case, including the party being complained against or other relevant parties concerned. The information provided may also be disclosed to law enforcement authorities or other concerned units. Where relevant, under the Personal Data (Privacy) Ordinance (Chapter 481 of the Laws of Hong Kong), you shall have the right to request access to and correction of your personal data. If you wish to exercise these rights, requests should be made in writing to the audit committee at the Hong Kong address shown in this form.</i>	