



**WHISTLE BLOWING POLICY &
PROCEDURES**

1 OCTOBER 2018

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1 POLICY STATEMENT

The Whistle-blowing Policy supports the commitment of YCH Group Pte Ltd and its subsidiaries (YCH) to observe the highest standard of integrity and ethical behaviour. It is intended to help foster and maintain an environment where employees and outside parties, such as suppliers, customers, contractors and other stakeholders can report unethical and corrupt practices, in good faith, without the fear of retaliation. YCH conducts business based on the principles of R.I.S.E values of Reliability, Integrity, Sincerity and Enterprise. YCH does not tolerate any malpractice, impropriety, statutory non-compliance or wrongdoing by staff or suppliers in the course of their work.

This policy document is intended to provide a framework to promote responsible and secure Whistle-blowing without fear of adverse consequences and reprisal.

YCH's internal control and operating procedures are intended to detect and to prevent or deter improper activities. However, even the best systems of controls cannot provide absolute safeguards against irregularities. YCH has the responsibility to investigate and report to appropriate parties, allegations of suspected improper activities and to take appropriate actions. Employees and stakeholders are encouraged to use guidance provided by this policy for reporting all allegations or suspected misconduct or improper activities.

2 OBJECTIVES OF THE POLICY

The Whistle-blowing Policy has the following objectives:

1. To provide avenues for employees, suppliers, customers and contractors to raise concerns and suggest ways to handle these concerns.
2. To enable the Audit & Risk Committee (ARC) and management of YCH to be informed at an early stage about acts of misconduct.
3. To reassure whistleblowers that they will be protected from punishment or unfair treatment for disclosing concerns in good faith in accordance with this procedure.
4. To help foster a culture of openness, accountability and integrity.

3 SCOPE OF THIS POLICY

This policy applies to all employees, suppliers, customers, contractors and other stakeholders. It governs the reporting and investigation of improper or illegal activities at YCH, as well as the protection offered to the "Whistleblowers". This Policy **DOES NOT** apply to or change the Company's policies and procedures for individual employee grievances or complaints relating to job performance, terms and conditions of employment, which will continue to be administered and reviewed by YCH Human Resources (HR) Department.

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4 DEFINITIONS

The following words as used in this document shall have the meaning ascribed here:

- 4.1 **“this Document”** means this Policy and Procedures.
- 4.2 **“YCH” or “the Company”** means **YCH Group Pte Ltd and its Subsidiaries.**
- 4.3 **“Whistleblower”** means a person or entity making a protected disclosure about improper or illegal activity(ies) is referred to as a whistleblower. Whistleblowers may be YCH employees, applicants for employment, vendors, contractors, customers or general public. The whistleblower’s role is as a reporting party. They are not, investigators or finders of fact, nor do they determine the appropriate corrective or remedial action that may be warranted.
- 4.4 **“Good Faith”** is evident when the report is made without malice or consideration of personal benefit and the whistleblower truly believes that the report is genuine and free of personal biases. The burden of proof does not lie on the whistleblower and to keep the investigation unbiased and impartial the whistleblower is not the investigator or fact finder. Good faith is lacking when the disclosure is known to be malicious or made for personal gain.
- 4.5 **“Possible Improprieties”** means any activity, breach of business conduct and ethics or omission by an employee of **YCH** or any concerns regarding accounting or auditing matters, internal controls or internal accounting controls and other operational matters that are questionable or not in accordance with generally accepted accounting practices or trade practices prescribed by **YCH.**

This policy is intended to cover serious concerns that could have an impact on the Company such as actions that:

- i) May lead to incorrect financial reporting;
- ii) Are unlawful;
- iii) Are not in line with a legal obligation or a policy of **YCH**;
- iv) May pose dangers to the health and safety of any individual;
- v) May damage or cause potential damage to the environment;
- vi) Amount to professional or ethical malpractices;
- vii) Deliberately conceal serious wrongdoings or malpractices;
- viii) May pose serious breach of fundamental internal controls;
- ix) Otherwise amount to serious improper conduct; or
- x) Deliberately conceal information tending to show any of the above.

The above list is not exhaustive.

- 4.6 **“Obstructive Action”** means the use or attempted use of force, authority, intimidation, threats, undue pressure or any other action or behavior by any employee which tends to or in fact does obstruct, influence or otherwise interferes with another employee’s exercise of his right to report any **Possible**

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Improprieties or which may discourage other employees from so doing in the future.

4.7 **“Complaint or Report”** means any complaint alleging either **Possible Improprieties or Retaliatory Action**.

4.8 **“Retaliatory Action”** means the use or attempted use of force, authority, intimidation, threats, undue pressure of any sort or any other negative or other inappropriate action, by any employee or officer of **YCH**, against any person who has filed a **Complaint or Report**.

4.9 **“Complaints Register”** means a register to record details of all **Complaints or Reports** lodged.

5 ROLES AND RESPONSIBILITIES

5.1 Whistle-blowers:

Whistleblowers should act in good faith and should not make false and deliberate accusations when reporting on non-compliance or misconduct or unethical or corrupt practices by YCH's employees.

5.2 Suspects:

Suspects have a duty to co-operate with investigators. Recipients of complaints and investigators should make every effort to ensure that the identity of the suspect(s) remain confidential.

5.3 Investigators:

All investigators have the responsibility to handle all matters seriously, confidentially and promptly. Investigators shall be independent and unbiased both in fact and appearance.

5.4 Investigation Participants:

Employees who are interviewed or asked to provide information have a duty to fully co-operate with the investigators. Participants should respect the confidentiality of the process and not spread rumours or gossip regarding an ongoing investigation. Disciplinary action may be taken against them should they do otherwise.

6 PROCEDURES

6.1 General guidance

This policy presumes that employees will act in good faith and will not make false accusation(s) when reporting of misconduct by the Company's employees. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to disciplinary

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procedures, which may include termination. Employees who report acts of misconduct pursuant to this policy can and will continue to be held to the Company's general job performance standards and adherence to the Company's policies and procedures.

6.2 Reporting Allegations of Misconduct or Improper Activities

- 6.2.1 Any person may report allegations of suspected serious misconduct or any breach of Company policies and procedures or suspected breach of law or regulation that may adversely impact the Company, the Company's customers, shareholders, employees, investors or the public at large.
- 6.2.2 Acts of misconduct must be disclosed in writing so as to assure a clear understanding of the issues raised.
- 6.2.3 Individuals are recommended to self-identify.
- 6.2.4 All Complaints of possible improprieties shall be reported to YCH Chairman or any members of the Whistleblower Committee (see Appendix 1). The contact information of YCH Chairman and the Whistleblower Committee members are as follows:

YCH Chairman

Dr. Robert Yap
Executive Chairman, YCH
Email: robert@ych.com

Whistleblower Committee
Chairman

Ms. Margaret Toh
Chief Operating Officer, YCH
Email: margaret@ych.com

Members

Ms. Catherine Yap
Executive Director, YCH
Email: catherine@ych.com

Ms. Annie Lam
Head, Corporate Human Resources
Email: annie.lam@ych.com

Ms. Noormah Bte Othman
Head (Internal Audit & Risk Mgmt)
Email: noormah.othman@ych.com

Whistleblower general email: whistleblowing@ych.com

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The common contact address for the members is as follows:

8 Bulim Avenue, #08-01
Singapore 648166

6.2.5 In case of reports sent through e-mail, it is recommended to mark the subject as '**YCH Whistleblower**' for ease of identification.

6.2.6 Although the whistleblower is not expected to prove the truth of an allegation, he / she needs to demonstrate to the person contacted that there are sufficient grounds for concern.

6.3 Investigating Alleged Misconduct or Improper Activities (Appendix 2)

6.3.1 The Whistleblower Committee member who receives a report will notify the sender and acknowledge receipt of the reported violation or suspected violation within 3 business days.

6.3.2 The Whistleblower Committee shall meet to discuss about the action / investigation on the report(s) received from whistleblower(s). The Committee may also exclude from its meetings any person(s) it deems inappropriate, depending on the nature of the complaint.

6.3.3 The Committee Members have the responsibility to conduct investigations. In addition, other parties may also be involved in the investigations.

6.3.4 The Committee Members will ensure investigations are carried out using appropriate channels, resources and expertise. The format provided in **Appendix 3** shall be used by the investigation officer.

6.3.5 Some concerns may be resolved by agreed action without the need for an investigation. Concerns about allegations which fall within the scope of specific procedures of YCH will be referred for consideration under those procedures.

6.3.6 The Committee Members will report to the Committee Chairman on a periodic basis about the reports received and actions taken.

6.3.7 The management reserves the right to make any decision based on the findings by the Committee.

6.4 Prohibition of Obstructive Action

The Company objects to and does not tolerate nor condone any Obstructive Action being taken against any other employee who wishes or intends to, or who is in the process of filing a Complaint, and may institute disciplinary action or assist the said employee in taking a legal action, as it deems appropriate, against any employee or person found to have taken such Obstructive Action.

6.5 Prohibition of Retaliatory Action

The Company objects to and does not tolerate nor condone any Retaliatory Action taken against any reporting party who has filed a Complaint alleging Possible Improprieties and may institute disciplinary action or assist the said reporting party, against any employee or person found to have taken such Retaliatory Action.

Any Complaint alleging Retaliatory Action shall be received, reviewed and investigated by the Company in the same manner as any complaint alleging Possible Improprieties.

The above shall not preclude any administrative, disciplinary and/or other action being taken against any person who has committed or abetted the commission of the possible impropriety which is the subject matter of the Complaint notwithstanding that the person is the complainant or a witness in the investigation would take into account the fact that he/she has cooperated by filing the Complaint or provided information or documents as a witness.

6.6 Confidentiality of Identity

Every effort will be made to protect the reporting party's identity. The identity of the reporting party shall only be disclosed to the extent that such disclosure(s) are necessary in the following circumstances:

- 6.6.1 The identity of the reporting party, in the opinion of the Committee, is material to any investigation.
- 6.6.2 It is required by law, or by the order or directive of a court of law, regulatory body or such other body that has the jurisdiction and authority of the law to require such identity to be revealed.
- 6.6.3 The Committee with the concurrence of the ARC opined that it would be in the best interests of YCH to disclose the identity.

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6.7 Registration of Complaints

The Committee shall maintain a Complaints Register for the purposes of recording all Complaints received, the date of such Complaint and nature of such complaint.

The ARC shall approve making the Complaints Register available for inspection upon any request by investigating authorities.

6.8 Dissemination of Documents

The Committee shall make available to all employees a copy of this Document including the latest update of the contact details.

7 FRIVOLOUS OR MALICIOUS COMPLAINTS

Any person who files a Complaint which is frivolous, in bad faith, in abuse of these policies and procedures, with malicious or mischievous intent will not be protected by this Document and may be subject to administrative and/or disciplinary action including but not limited to the termination of employment or other contract, as the case may be.

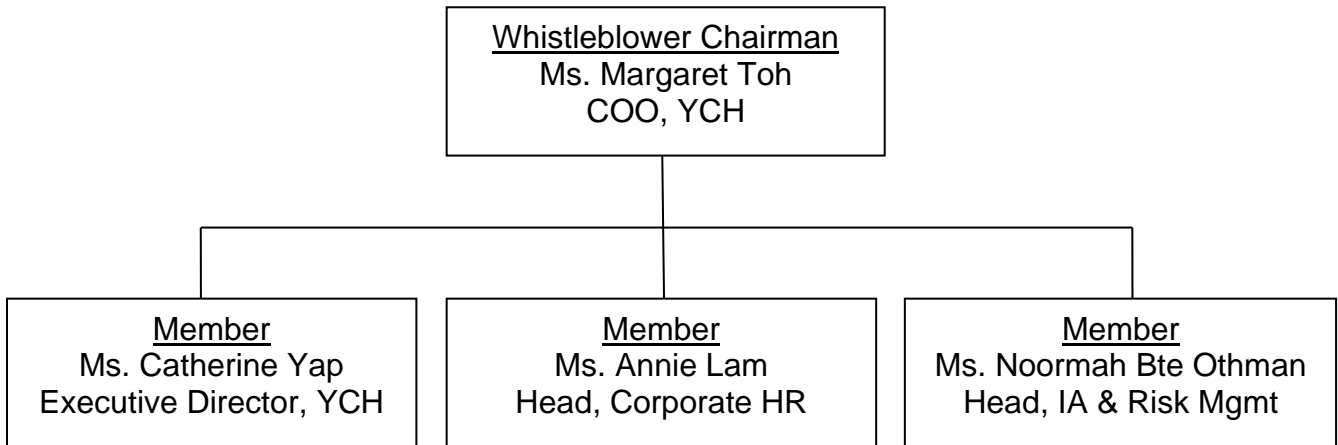
8 MAINTAINING THIS POLICY

The Committee has the responsibility for ensuring the maintenance, regular review and updating of this policy. Revisions, amendments and alterations to this policy can only be implemented via approval by the ARC. Changes will be notified to the employees when they occur.

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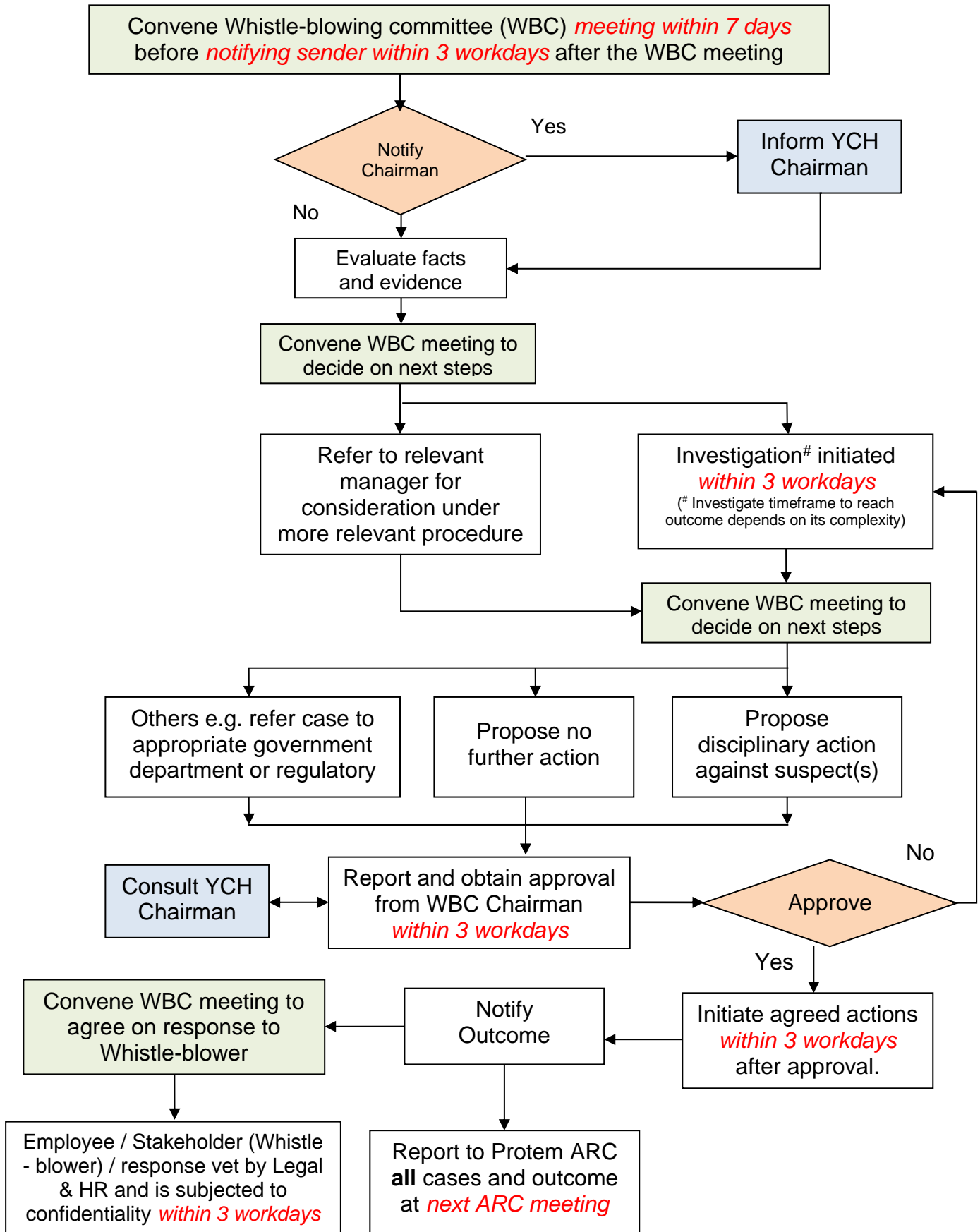
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APPENDIX 1: WHISTLEBLOWER COMMITTEE MEMBERS



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APPENDIX 2: WHISTLEBLOWER INVESTIGATION PROCESS FLOWCHART



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APPENDIX 3: WHISTLE-BLOWER INVESTIGATION FORM

Please provide the following details for your investigation into the suspected serious misconduct or breach or suspected breach of law or regulation that may adversely impact the Company. Please remind the whistle-blower that he/she may be called upon to assist in the investigation, if required.

Note: Please follow the guidelines as laid out in the Whistle-blowing Policy and Procedures

REPORTER'S CONTACT INFORMATION (This section may be left blank if the reporter wants to be anonymous)			
NAME			
DESIGNATION (if from the organisation)			
DEPARTMENT (if from the organisation)			
CONTACT NUMBERS			
E-MAIL ADDRESS			
SUSPECT'S CONTACT INFORMATION (This section is mandatory)			
NAME			
DESIGNATION (if from the organisation)			
DEPARTMENT (if from the organisation)			
CONTACT NUMBERS			
E-MAIL ADDRESS			
WITNESS(ES) INFORMATION (If any)			
NAME		NAME	
DESIGNATION (if from the organisation)		DESIGNATION (if from the organisation)	
DEPARTMENT (if from the organisation)		DEPARTMENT (if from the organisation)	
CONTACT NUMBERS		CONTACT NUMBERS	
E-MAIL ADDRESS		E-MAIL ADDRESS	

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COMPLAINT: <i>Briefly describe the misconduct / improper activity and how you know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation and use as many pages as necessary.</i>	
1. What misconduct / improper activity occurred?	
2. Who committed the misconduct / improper activity?	
3. When did it happen and when was it noticed?	
4. Where did it happen?	
5. Is there any evidence?*	
6. Are there any other parties involved other than the suspect stated above?	
7. Do you have any other details or information which would assist in the investigation?	
8. Any other comments?	
Date:	Signature (Optional):

Note: * - You **SHOULD NOT** attempt to obtain evidence for which you do not have a right of access since whistleblowers are 'reporting parties' and NOT 'investigators'.

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For Whistleblower Committee Use	Report No.
Received by:	Received On:
	Acknowledgement Sent On:
Investigation Required (Yes / No)? <i>(If no, please state the reason)</i>	
Investigation Done By:	
Investigation Results:	
Action Taken / Conclusion:	
Reported to ARC on:	
Signed-off by:	