



Power Assets Holdings Ltd.
電能實業有限公司

Whistleblowing Procedure

September 2021



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1. Objective

Power Assets Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) is committed to achieving and maintaining high standards of openness, probity and accountability. In line with this commitment, the Company expects and encourages employees of the Group and those who deal with the Group, e.g. customers, suppliers, creditors and debtors, to report to the Company any suspected impropriety, misconduct or malpractice within the Group.

This Procedure aims to provide reporting channels and guidance on reporting possible improprieties in matters of financial reporting, internal control or other matters, and reassurance to whistleblowers of the protection that the Group will extend to them against unfair dismissal or victimisation for any genuine reports made under this Procedure.

2. Scope

This Procedure applies to all employees of the Group as well as independent third parties who deal with the Group.

Whilst it is impossible to provide an exhaustive list of the activities that constitute impropriety, misconduct or malpractice, this Procedure is intended to cover serious concerns that could have an impact on the Group, which include but are not limited to:

- a) criminal offences;
- b) breach of legal or regulatory requirements;
- c) miscarriage of justice;
- d) malpractice, impropriety or fraud in financial reporting, internal control or other financial matters of the Group;
- e) breach of rules, policies or internal controls of the Group;
- f) endangerment of the health and safety of an individual;
- g) discrimination or harassment;
- h) professional, ethical or other malpractices or wrongdoings;
- i) improper conduct or unethical behaviour likely to prejudice the standing of the Group; and



- j) deliberate concealment of any of the above.

3. Protection

In making a report, the reporting person or entity (the “Informant”) should exercise due care to ensure the accuracy of the information.

The Informant making appropriate reports under this Procedure is assured of protection against unfair dismissal, victimisation or unwarranted disciplinary action, even if the reports are subsequently proved to be incorrect or unsubstantiated. Harassment or victimisation of a genuine Informant is treated as gross misconduct, which if proven, may result in dismissal.

4. Confidentiality

Each report will be treated as confidential. The identity of the Informant will not be divulged without the consent of the Informant unless:

- a) in the opinion of the Audit Committee of the Company (the “Audit Committee”), it is material to the investigation or in the interest of the Company to disclose the identity;
- b) the report is frivolous or is lodged in bad faith with malicious or mischievous intent or in abuse of this Procedure;
- c) it is required to be disclosed in compliance with any applicable law or regulation, by any relevant regulatory authority including The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), or by the order or directive of any court having jurisdiction over the Company; and
- d) the report and the identity of the Informant are already public knowledge.

5. Procedure

Making a report

- a) Every report shall be made in person or in writing either by phone: (852) 28433266 to the Head of Internal Audit Function of the Company; by email to whistleblower@powerassets.com (accessed by Head of Internal Audit Function); or by post to “Head of Internal Audit Function, Power Assets Holdings Limited” at G.P.O. Box 338, Hong Kong, who shall report to the Chief Executive Officer or the Audit Committee Chairman. The Chief Executive Officer or the Audit Committee Chairman shall then determine the course of action to pursue, with power to delegate, with respect to the report;
- b) All written reports by post shall be sent in a sealed envelope clearly marked



“Strictly Private and Confidential - To be Opened by Addressee” to ensure confidentiality;

- c) If the Chief Executive Officer or head of internal audit function is being complained against, the report should be made in person or by post addressed to the Chairman of the Audit Committee at the same address;
- d) The Informant is required to provide the name(s), behaviour, activity or activities of the complained subjects, details of the improprieties including the pertinent incident(s), date(s), place(s) and any other relevant information on the report; and
- e) Details of the Informant including name, department/business unit, company, contact number, address or email address, are not required but are encouraged to be provided so as to facilitate the investigation and such details will be kept in the strictest confidence.

Investigation procedures

The format and length of an investigation will vary depending on the nature and particular circumstances of each report made. Where appropriate, the reports raised may:

- a) be investigated internally by the head of internal audit function if fraud or illegal acts are involved. Where necessary, support will be obtained from the human resources function and/or other divisions/ departments. For reports related to human resources matters, the head of human resources function will carry out the investigation, with support from the head of internal audit function and/or respective divisions/departments where necessary;
- b) be investigated by the Audit Committee if the report(s) concerns the Chief Executive Officer or the head of internal audit function;
- c) be referred to the external auditor;
- d) be referred to the relevant public or regulatory bodies;
- e) be referred to an external investigator; and/or
- f) form the subject of any other actions as the Audit Committee or the Chief Executive Officer may determine in the best interest of the Group.

The head of internal audit function or the Chairman of the Audit Committee where warranted will respond to the Informant, if the identity and relevant contact



information of the Informant have been provided, as soon as practicable upon receipt of the report:

- a) acknowledging receipt of the report;
- b) advising the Informant as to whether or not the matter will be investigated further and, where appropriate, the actions taken or being 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 or is to be taken.

Closure of investigation

Upon completion of the investigation, the Audit Committee Chairman or delegate, or the Chief Executive Officer, shall determine if any follow-up is required or the investigation is to be closed.

6. Consistency with Laws and Regulations

This Procedure shall be read in conjunction with and subject to any relevant laws, regulations, rules, directives or guidelines that the Stock Exchange or any other regulatory bodies may from time to time prescribe or issue on the matters governed by this Procedure.

In the event that any procedures herein are inconsistent or in conflict with any relevant laws, regulations, rules, directives or guidelines as prescribed by the Stock Exchange or any other regulatory bodies or any part thereof, the latter shall prevail to the extent of such inconsistency or conflict.

7. Maintaining This Procedure

The Audit Committee shall oversee the enforcement of this Procedure and is responsible for the interpretation and review of all the policies and procedures set out herein.

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