



WHISTLE BLOWING POLICY

Title : POLICY AND PROCEDURES FOR REPORTING POSSIBLE IMPROPRIETIES IN MATTERS OF FINANCIAL REPORTING OR OTHER MATTERS		Policy Guideline #01042020
Effective Date : 1 April 2020	Revision Date :	Approved by : Board

1. Definitions

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

- 1.1 “this **Document**” means this Policy and Procedures
- 1.2 “**Raffles Financial**” or “the **Company**” means Raffles Financial Group Limited and all its subsidiaries
- 1.3 “the **Group**” means Raffles Financial and its subsidiaries
- 1.4 “**Possible Improprieties**” means any activity, breach of business conduct and ethics or omission by an employee of the Group 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 the Group.
- 1.5 “**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 the rights of another employee or a third party to report **Possible Improprieties** or which may discourage other employees or third parties from so doing in the future.
- 1.6 “**Compliant**” means any compliant alleging either **Possible Improprieties** or **Retaliatory Action**.



- 1.7** “**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 the Group, against any person who has filed a Complaint.
- 1.8** “**Complaints Register**” means a register to record details of all Complaints lodged.
- 1.9** For purpose of good corporate governance, it is the policy of the Company that any employee of the Company shall be free, without fear of retaliation, to make known or raise concerns about actual or possible improprieties.

2. Scope

- 2.1** This policy applies to any wrongdoings, involving employees as well as consultants, vendors, contractors, and/or any other parties with a business relationship with the Company.

3. Policy

3.1 General

It is the desire and aim of the Company to develop, promote and maintain high standards of corporate governance within the Group. This policy aims to provide an avenue for employees and third parties to raise concerns about **Possible Improprieties** and **Obstructive Action** within the Group, which they become aware of and to provide reassurance that they will be protected from reprisals or victimization for whistle-blowing in good faith and without malice.

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

- May lead to incorrect financial reporting;
- Are unlawful;
- Are not in line with a legal obligation or a policy of the Group;
- May pose dangers to the health and safety of any individual;
- May damage or cause potential damage to the environment;
- Amount to professional or ethical malpractices;
- May pose serious breach of fundamental internal controls;
- Otherwise amount to serious improper conduct; or
- Deliberately conceal information tending to show any of the above.



The above list is not exhaustive.

In pursuit of this objective, the Company adopts as its best practices the Code of Corporate Governance 2018 issued by the Council on Corporate Disclosure and Governance ("CCDG"), as may from time to time be amended.

3.2 Reporting of Possible improprieties

Raffles Financial believes that it is in the best interest of the Group to promote an environment conducive for employees and third parties, in confidence, to raise or report genuine concerns about **Possible Improprieties** in matters of financial reporting or other matters (please refer to item 1.4) they may encounter, without fear of **Retaliatory Action**.

3.3 Authority to receive Complaints

It is hereby determined for the purposes of the Group, all Complaints shall be reported to the internal auditors ("Internal Auditors") and the Audit Committee ("AC") of the Company either in person or in writing.

The contact details of the IA and AC will be given by the Corporate Affairs Head.

3.4 Right to file Compliant

Every employee and third party shall have unfettered right to file a Complaint and shall not be restricted in the exercise of such right.

3.5 Prohibition of Obstructive Action

The Company objects to and does not tolerate nor condone any Obstructive Action being taken against any other employee or person 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 or person in taking a legal action, as it deems appropriate, against any employee or person found to have taken such Obstructive Action.

3.6 Prohibition of Retaliatory Action

The Company objects to and does not tolerate nor condone any Retaliatory Action taken against any employees or person who has filed a complaint alleging Possible Improprieties and may institute disciplinary action or assist the said employee or person, 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 possible impropriety which is the subject matter of the Complaint notwithstanding that the person is the complainant or a witness in



the investigation though the AC would take into account the fact that he/she has cooperated by filing the Complaint or provided information or documents as a witness.

4. Procedures

4.1 Procedures for handling Complaints

The procedures for the receipt, retention and treatment of a Complaint are set out below and shall be fully complied with.

4.2 Submission of Complaint

Every Complaint shall be in person or in writing and shall be lodged directly to the IA and/or and the Secretary of the AC. The Secretary of the AC would then forward the complaint to the AC Chairman who shall convene a special AC meeting to decide if an investigation should be carried out. The IA and AC shall provide the other party with a copy of the Complaint if the other party does not receive the same. The Complainant must provide his particulars as follows:

- (a) Name
- (b) Department / Company
- (c) Contact Number and Email address, if available.

The Complaint would not be attended to if the above-mentioned particulars are not stated. This policy requires employees or third parties to put their names to allegations because appropriate follow-up questions are investigations may not be possible unless the source of the information is identified.

4.3 Confidentiality of Identity

Every effort will be made to protect the complainant's identity. The identity of the complainant shall be confidential save where:

- 4.3.1 the identity of the complainant, in the opinion of the Audit Committee, is material to any investigation.
- 4.3.2 it is required by law, or by the order or directive of a court of law, regulatory body or by the stock exchange or such other body that has the jurisdiction and authority of the law to require such identity to be revealed.
- 4.3.3 the AC with the concurrence of the Board of Directors opined that it would be in the best interests of the Group to disclose the identity.
- 4.3.4 it is determined that the Complaint was frivolous, in bad faith, or in abuse of these policies and procedures and lodged with malicious or mischievous intent.



4.3.5 the identity of such employee is already public knowledge

4.4 Registration of Complaints

The AC shall maintain or caused to be maintained a Complaints Register for the purposes of recording all Complaints received, the date of such Complaint and nature of such complaint.

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

4.5 Dissemination of Documents

The Corporate Affairs Head shall make available to all employees and third parties a copy of this Document including the latest update of the contact details of the AC or email address.

4.6 Determination by Audit Committee

Upon receipt of any Complaint, the AC may:

- 4.6.1** conduct its own investigation or review;
- 4.6.2** instruct the Internal Audit to conduct further investigations or review;
- 4.6.3** instruct the relevant management to take such remedial action as it deems appropriate;
- 4.6.4** engage such third parties as the AC may determine, to take remedial to commence or conduct further investigations or review, as deem appropriate;
- 4.6.5** report the matter to the authorities if there is reason to believe that a crime has been committed; and/or
- 4.6.6** take any other action as AC may determine in the best interest of the Group.

4.7 Review and Investigation of Complaint

Upon receipt of any Complaint, the AC shall:

- 4.7.1** review and investigate the Complaint;
- 4.7.2** inform complainant of the likely timeline for a final response;
- 4.7.3** recommend any remedial or legal action to be taken, where necessary; and
- 4.7.4** notify complainant of actions taken or reason(s) should it be decided that no action is to be taken.



4.8 Channel of submission

- 4.8.1 All complaints will be attention to the AC Chairman by mail to the Company's registered address or by email to the Corporate Affairs Head for collation. The AC Chairman shall review and forward them promptly to the Audit Committee.
- 4.8.2 A summary report shall be submitted to the AC for their review on a quarterly basis.
- 4.8.3 Channel of submission shall be published on the Company's website (as annexed)

5. 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.

6. Consistency with Laws and Regulations

This Document shall be read in conjunction with any laws, regulations, rules, directives or guidelines that the stock exchanges, the Companies Act and/or Securities and Future Act ("SFA") may from time to time prescribe or issue on the receipt, retention and/or treatment of complaints regarding accounting, international accounting controls or auditing matters or any matters governed by this policy.

In the event that any policy or procedure herein is inconsistent or in conflict with the laws, regulations, rules, directives or guidelines, the Companies Act and/or SFA or any part thereof, the laws, regulations, rules, directives or guidelines as prescribed by the stock exchanges, companies Act and/or SFA shall prevail to the extent of such inconsistency or conflict.

7. Maintaining this Policy

The AC 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 AC and the Board of Directors. Changes will be notified in writing to the employees when they occur.



Endorsed by Audit Committee on the 1 April 2020

Approved by the Board of Directors on the 1 April 2020

ANNEX:

Whistle-blowing Policy

Whistle Blowing: [monica@rafflesfinancial.com]

Raffles Financial is committed to a high standard of corporate governance. The Company believes in conducting business in an ethical and transparent way. All employees and representatives of the Group are expected to exercise honesty and integrity in fulfilling their responsibilities and comply fully with all applicable laws and regulations.

In this regard, the Company has put in place a whistle-blowing framework which provides the guidelines and procedures for the employees of the Group or any other persons it has dealings with to raise their concerns regarding matters of suspected fraud, corruption, dishonest practices or other similar breaches regarding accounting, financial and audit matters, as well as alleged irregularities and violation of a general, operational and financial nature against the Company or against any applicable law.

Reports of such nature should be submitted to monica@rafflesfinancial.com which is independently managed by our Company Secretary. All such reports will then be channeled to the Audit Committee for investigation and the identity of the persons submitting the reports will be treated with the highest level of confidentiality.