



PROPERTIES  
資本策略  
**CSI PROPERTIES LIMITED**  
**資本策略地產有限公司\***  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 497)

## WHISTLE BLOWING POLICY

### 1 Introduction

Our Company is committed to the highest possible standards of integrity, transparency and accountability, to safeguard shareholders' interests, and the Group's assets and reputation. This Whistle-blowing Policy is formulated in line with this commitment ("The Policy"). The Policy serves to encourage and provide a channel to employees to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting or other matters.

The Policy has the total commitment and support of senior management and has been endorsed by the Audit Committee and approved by the Board of Directors. The Policy is designed to:

- a) support values of the Company and the Group;
- b) enable employees to raise concerns in good faith, and receive feedback from the Company on actions, if any, taken in respect of such concerns;
- c) assure employees that they will be treated fairly, and to the extent possible, be protected from reprisals or victimization for whistle-blowing in good faith; and

\* For identification purpose only

- d) provide a set of transparent and confidential procedures for dealing with such concerns.

The scope of the Policy include the following matters, actual or suspected:-

- a) financial or professional misconduct;
- b) fraud, corruption, bribery, blackmail or criminal offences;
- c) the unauthorised use of public funds;
- d) improper conduct, dishonest or unethical behaviour, violence in the workplace; or any conduct which is an offence or a breach of law, rules and regulations;
- e) any irregularity, non-compliance with the law, regulations and/or internal controls;
- f) miscarriage of justice;
- g) conflict of interest;
- h) health and safety of any individual;
- i) any other improprieties or matters that may adversely affect shareholders' interests in, and assets of, the Company and/or the Group, and its reputation; and
- j) concealment of any or a combination of the above.

The Policy also does not replace other corporate complaints procedures which are for public use.

## **2 Principles**

Subject to Clauses 4 and 5 below, the principles underpinning the Policy are as follows:

- a) all concerns raised will be treated fairly and properly;
- b) the Company will not tolerate harassment or victimisation of anyone raising a genuine concern;
- c) any individual making a disclosure will retain anonymity unless the individual agrees otherwise;

- d) the Company will ensure that any individual raising a concern is aware of who is handling the matter; and
- e) the Company will ensure no one will be at risk of suffering some form of reprisal as a result of raising a concern even if the individual is mistaken. The Company, however, does not extend this assurance to someone who maliciously raise a matter he/she knows is untrue.

### **3 Disclosure**

The term “Whistle-blowing” refers to disclosures made in good faith by employees, on any real or perceived misconduct within the Group. Such reporting must:

- a) be made in good faith;
- b) be substantially true;
- c) not be made recklessly, maliciously or false; and
- d) not seek any personal gain.

### **4 Confidentiality**

Subject to paragraph 5 below, the Company will protect the identity of the employee who made the report in good faith. Such information, will be held, to the extent possible, in the strictest confidence, both by the Company and the employee who made the report in good faith.

It must be appreciated that the investigation process, including any report that may have to be made to the police, may reveal the source of information and a statement by the whistle-blower may be required as part of the evidence. If such situation arises then if feasible, we would discuss with the employee in advance. However, such consultation will not take place in the event the disclosure of identity is required by law.

## 5 Safeguards

The Company recognizes that the decision by the employee to report any one or more of the matters may be a difficult one to make, including concerns of reprisals by those responsible for such matters.

The Company will not tolerate harassment or victimization of any employee, and will ensure that any employee who makes a disclosure in good faith:-

- a) will not be penalized or suffered any adverse treatment for doing so; and
- b) will be protected to ensure that the employee is not personally disadvantaged by having made the good faith report, including, if necessary, filing an appeal to the Audit Committee

However, any employee who does not act in good faith and makes an allegation without having reasonable grounds for believing it to be substantially true, or makes it for purpose of personal gain, or maliciously, may be subject to appropriate action by the Company.

Whistle-blowing is encouraged by the Company, so long as such disclosures are made in good faith, and for the benefit of the Company. A whistle-blower must understand the seriousness of his action and be ready to assume responsibility for them.

## 6 Reporting Procedures

If any employee believes reasonably and in good faith that there is serious misconduct and/or malpractice, actual or suspected, in respect of any of matters within the scope of the Policy, the employee should report this immediately to his/her supervisor or Department Head.

However, if for any reason the employee is reluctant to do so, then the employee should report the concerns to the Company through the Compliance Officer (“the Compliance Officer”) at telephone no: (852) 2878 2825 or email at [wb\\_private@csigroup.hk](mailto:wb_private@csigroup.hk).

Concerns are better raised in writing, in the form set out in the “**Attachment 1**” to the Compliance Officer. If it is not convenient to place the concern in writing, an employee may telephone or email the Compliance Officer at the telephone number and e-mail address above. The channel of Communication chart is set out in “**Attachment 2**”.

The action that may be taken by the Company will depend on the nature of the disclosure made in good faith by the employee. The concern raised, depending on the gravity of the matter, may be:-

- a) investigated internally;
- b) referred to the police;
- c) referred to the external auditor; and/or
- d) form the subject of an independent enquiry.

Some concerns raised may be resolved by agreed action without the need for investigation.

Within twenty-one (21) working days of a concern being received, the Company will write to the employee reporting the matter in good faith:-

- a) acknowledging that the concern has been received;
- b) requesting for further information from the employee; and/or
- c) informing the employee whether further investigations will take place, and if not, the reason for not proceeding further.

Subject to legal and confidentiality constraints, the employee who made the report in good faith, will receive information about the outcome of any investigation. In the event of such release, the employee shall observe the strictest confidence in relation to such information.

The Compliance Officer shall notify any concerns raised to the Audit Committee immediately, if the concerns are serious enough to warrant urgent attention or disclosure, but in any event not later than the date of the next meeting of the Audit Committee.

Employees' identities will not be disclosed without prior consent, unless disclosure is required by law. Where concerns cannot be resolved without revealing the identity of the employee raising the concern (i.e. if the evidence is required in court), a dialogue will be carried out with the employee concerned as to whether and how the matter can be pursued.

## **7 Reporting**

All matters reported must be tabled to the Audit Committee, which is given the authority to decide on the next appropriate course of action in consequence of the investigation. The Audit Committee shall then report to the Board of Directors on reports and findings that require their attention and approval.

## **8. Duties and Functions of Audit Committee**

All matters reported must be tabled to the Audit Committee, which is given the authority to:

- a) ensure that appropriate infrastructure, resources and systems are in place for effective implementation of the whistle blowing practices;
- b) establish procedures for reporting and handling complaints received from employees, including to:
  - appoint person in charge to handle complaints received and to maintain a record of complaints;
  - establish a mechanism to verify the complaints received are pertaining to matters covered by the procedures;
  - recommend appropriate mechanism and approach for investigation of the complaint received;
  - establish procedures prohibiting retaliation by the Company to discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee with respect to good faith reporting of a matter covered by this policy;
  - ensure confidentiality of information in relation to the complaint is maintained to the fullest extent possible. Information shall be provided in such manner as to safeguard as much as possible the

- confidentiality of the identity of the reporting person; and
- recommend to the Board of Directors for a prompt and appropriate corrective action to be taken in consequence of the investigation.
- c) report to the Board of Directors on reports and findings that requires their attention and approval.

**“ATTACHMENT 1”**  
**WHISTLE-BLOWING REPORT FORM**  
**CONFIDENTIAL**

The Company are committed to the highest possible standards of openness, probity and accountability. In line with that commitment we expect employees who have concern about the suspected misconduct or malpractice with the Company to come forward and voice those concerns.

It is recognized that in most cases the person raising concerns will wish to be dealt with on a confidential basis. All reasonable efforts will therefore be made to avoid revealing the person’s identity.

If you wish to make a written report, please use this report form. Once completed, this report becomes confidential.

Date:

Your name, department, contact telephone number and email  <i>We encourage you to provide your name with this report. Concerns expressed anonymously are much less powerful but they will be considered as far as practicable.</i>	<b>Name:</b>  <b>Department:</b>  <b>Contact telephone number:</b>  <b>Email:</b>
<b>The names of those involved (if known):</b>  <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	
<b>Details of concerns:</b> [please provide full details of your concerns: names, dates and places and the reasons for the concerns (continue or separate sheet if necessary) together with supporting evidence]  <div style="border: 1px solid black; height: 150px; width: 100%;"></div>	

**“ATTACHMENT 2”  
 CHANNEL OF COMMUNICATION**

