



SH GROUP (HOLDINGS) LIMITED

順興集團(控股)有限公司

(the “Company”)

(incorporated in Cayman Islands with limited liability)

(Stock code : 01637)

WHISTLEBLOWING POLICY

1. Purpose

The Company is committed to achieving and maintaining the highest standards of openness, probity and accountability. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. It is every employee's responsibility and in all interest of the Company to ensure that any inappropriate behaviour or organizational malpractice that compromises the interest of the shareholders, investors, customers and the wider public does not occur.

The Company establishes a whistleblowing policy and system for employees and those who deal with the Company and its subsidiaries (the "**Group**") (e.g. customers, suppliers and subcontractors) to raise concerns, in confidence, about possible improprieties in any matter related to the Group and delegates such responsibilities to the Audit Committee (the "**Committee**") of the Company.

The term 'whistleblowing' refers to a situation where an employee or any of those who deal with the Group decides to report serious concerns about any malpractice which he/she has become aware or genuinely suspects that the Group has been or may become involved in. This Whistleblowing Policy (the "**Policy**") is intended to encourage employees or third parties who deal with the Group (e.g. customers, suppliers and subcontractors) to raise serious concerns, without fear of reprisal or victimization, about any malpractice which he/she has become aware or genuinely suspects that the Group has been or may become involved in.

2. Policy

The Committee is primarily responsible for the Policy by overseeing the implementation and ensuring independent investigation and appropriate follow-up action are in place for any concern raised by the employee or third party about possible improper matters. In addition, the Committee will review the relevant arrangements from time to time as it may think fit and monitor the effectiveness of the Policy. Meanwhile, it will receive, consider and deal with any concerns raised by an employee or any of those who deal with the Group about possible improper matters which may include but are not confined to the following:

- Fraud, corruption, misappropriation or dishonesty
- Non-compliance with legal or regulatory requirements
- Criminal offences, breach of civil law and miscarriage of justice
- Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters
- Endangerment of the health and safety of an individual
- Damage caused to the environment
- Direct violations of the Company Code of Conduct, and other implementing rules and regulations
- Improper conduct or unethical behaviour likely to prejudice the standing of the Company
- Deliberate concealment of any of the above

3. Reporting Channel

If an employee or a third party of the Group has a legitimate malpractice concern, he/she may lodge a written complaint to disclose the full details of the matter, including relevant names, dates, places and the reasons of the concerns. Any available supporting documents should be attached as evidence.

The written complaint together with the supporting documents should be sent directly to the Company Secretary of the Company by post or by email. direct to the Company Secretary of the Company. The Company Secretary shall then notify the Chairman of the Committee as soon as practicable to consider if further action would be required. The Committee, depending upon the circumstances, may consider to nominate an appropriate investigation officer* or set up a special committee* to investigate the matter independently. Complaints can be made by post or by email.

If the complaint is made by post, it should be sent to the Company Secretary of the Company at the following address in a sealed envelope clearly marked “Strictly Private and Confidential – To be Opened by Addressee”:-

603-606, 6/F, Tower 1, Cheung Sha Wan Plaza,
833, Cheung Sha Wan Road,
Kowloon, Hong Kong

If the complaint is made by email, it should be sent to whistleblowing@shunhingeng.com.

Whistleblowers are required to put their full names, capacity (e.g. relationship with the Company), contact information and correspondence address. Anonymous complaints would usually not be considered.

(The complaint and the supporting documents should be in a sealed envelope clearly marked “Strictly Private and Confidential – To be Opened by Addressee”)

4. Investigation Procedure

Upon receiving the complaints, the Company Secretary shall then notify the Chairman of the Committee as soon as practicable to determine if further actions would be required. The Committee, depending upon the circumstances, may appoint an appropriate investigation officer or set up a special committee to investigate the matter independently.

The format and the length of an investigation will vary depending upon the nature and particular circumstances of each complaint made. The matters raised may:

- be investigated internally;
- be referred to the Police, the Independent Commission Against Corruption (the “**ICAC**”), the Securities and Futures Commission (the “**SFC**”), the Stock Exchange of Hong Kong Limited (the “**HKEX**”), and/or other relevant regulatory bodies;
- be referred to the External Auditor; and/or
- form the subject of an independent inquiry.

If there is evidence of criminal activity, activity on solicitation and acceptance of advantages or breach of legal and regulatory requirements, the Committee may legally be obliged to inform the relevant public or regulatory bodies such as the Police, the ICAC, the SFC or the HKEX, etc., as appropriate.

All complaints will be dealt with expeditiously and replies will be given within 7 business days after receipt of the complaint. For complicated cases which require detailed investigation, an interim reply will be given.

The Chairman of the Committee or the person designated to investigate the complaint shall write to the whistleblower whenever reasonably practicable of the concern being received:

- acknowledging that the concern has been received;
- advising whether or not the matter is to be investigated further and if so what the nature of the investigation will be; and
- giving an estimate of how long the investigation will take to provide a final response.

The Chairman of the Committee or the designated person shall have the right to require any related employee to provide additional information on any matter relating to the legitimate malpractice concern reported.

The Committee should present an interim report (if the investigation has not been completed) or a final report (if the investigation has been completed) on the investigation to the Board of Directors for review and further action.

Upon the receipt of a report from the Audit Committee, the Chairman of the Board may, where necessary, convene a meeting of the Board to consider any further action that should be taken by the Group.

5. Record Retention

All complaints and the related documents will be retained securely by the Company Secretary in accordance with the Company’s data protection policy and the Personal Data (Privacy) Ordinance (Cap.486). Disclosure of such documentation to any other person will require the prior approval of the Company to ensure that privilege of such documentation is properly maintained.

6. Protection and Confidentiality

The whistleblower should not suffer any form of intimidation, reprisal, retaliation or adverse reaction organizationally as a consequence of reporting a concern about any of the above matters in good faith. The Company will make every effort to treat all disclosures in a confidential and sensitive manner. The identity of the whistleblower will not be divulged without his/her consent. However, there may be circumstances in which the Company may be required or legally obliged to reveal the identity, for example, where an investigation leads to legal proceedings being initiated. If this is the case, the Company will take all reasonable steps to ensure that the whistleblower suffers no detriment. Harassment or victimization of a genuine whistleblower will be treated as gross misconduct, which if proven, may result in dismissal. The Company will hold it a serious disciplinary offence for any person to seek to prevent a communication of malpractice concern reaching to the Chairman of the Committee, or to impede any investigation which the Committee may make.

7. Untrue Allegations

In making a disclosure, individual employee or third party should exercise due care to ensure the accuracy of the information. He/she will not be at risk of losing his/her job or suffering any form of retribution as a result provided that he/she is acting in good faith. On the other hand, disciplinary action will be taken against the person who deliberately raising false and malicious allegations. In an extreme case vexatious or wild allegations could give rise to legal action on the part of the persons complained about.

8. Acknowledgement and Recognition

The Company places great value upon creating an environment where employees would maintain the highest standard of ethics, honesty, openness and accountability. The Company recognizes that it requires courage and personal quality such as righteousness, loyalty and impeccable integrity for an employee to step out and blow the whistle. These personal qualities and positive behaviours demonstrated by the whistleblowers are well acknowledged by the Company and will be taken into consideration, among others, for the employee's career opportunities and advancement.

Adopted on 26 June 2019