



BDO HONG KONG

**WHISTLEBLOWING POLICY
AND PROCEDURES**

Approved by RMC
in December 2021

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APPENDIX 1 - WHISTLEBLOWING FORM

1. PURPOSE OF THESE WHISTLEBLOWING POLICY AND PROCEDURES

- 1.1 In line with the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour contained within the HKICPA Code of Ethics (**Code**) and all relevant BDO Hong Kong's policies and procedures which regulate the conduct of BDO staff members (**Internal Policies and Procedures**), BDO Hong Kong ('**BDO**', '**we**' or '**our**') is committed to the highest standards of conduct and ethical behaviour.
- 1.2 BDO's global vision is to be the leader for exceptional client service. To achieve our vision, it is important that all associated with BDO adhere to our corporate values where we strive to deliver the best possible outcome for our clients by providing quality services where we act with integrity.
- 1.3 In line with our values, we encourage **Eligible Persons** (or '**you**') to speak up when they see actions or behaviour within BDO or in which BDO are involved in that do not comply with the principles of the Code, the Internal Policies and Procedures or applicable legal and regulatory requirements (**Reportable Conduct** as defined in 2.1 below). For the purpose of these whistleblowing policy and procedures, any disclosures made by an Eligible Person to BDO of Reportable Conduct are referred to as '**Disclosures**' or '**Disclosure**'.
- 1.4 These whistleblowing policy and procedures (which applies to BDO Limited and its associated companies in Hong Kong) are a practical tool to assist BDO in dealing with Reportable Conduct and aim to ensure that:
 - (a) Eligible Persons are comfortable with voicing genuine concerns when they have reasonable suspicion that any **BDO Staff Member, BDO Client and/or BDO Supplier** (as defined in 2.1 below) is/was engaged in Reportable Conduct.
 - (b) Eligible Persons will not suffer any act of retaliation for raising genuine concerns in relation to suspected Reportable Conduct.
 - (c) Every Disclosure by Eligible Persons will be assessed appropriately and on a timely basis.
 - (d) Eligible Persons can make Disclosure anonymously or choose only to disclose their identity to the **Protected Disclosure Officer** (see 4.2.1 below).
 - (e) To the extent permitted by law and where appropriate to do so, BDO will investigate the Disclosure (see 4.3 below).
- 1.5 Any questions relating to these whistleblowing policy and procedures and how a Disclosure might be handled can be directed to the Head of Risk of BDO (please refer to section 5 below for his contact information). If the Head of Risk of BDO is implicated, such questions may be directed to one of the Managing Directors of BDO.
- 1.6 You will not be subject to any act of retaliation by BDO if you make a Disclosure. This is the case even if it turns out you made a mistake and no Reportable Conduct is/was in fact committed, so long as at the time you made the Disclosure, you had reasonable grounds to suspect that any BDO Staff Member, BDO Client and/or BDO Supplier had engaged in Reportable Conduct (as defined in 2.1 below).
- 1.7 These whistleblowing policy and procedures shall apply solely to the Eligible Persons for making a Disclosure as illustrated in section 3 below.
- 1.8 BDO owns the copyright of this document and all users are prohibited from reproducing this document (or any part of it) for any other purpose without prior written permission of BDO. These whistleblowing policy and procedures shall be revised by BDO as and when necessary.

2. DEFINITIONS

2.1 Terms commonly used in these whistleblowing policy and procedures:

Term	Definition
BDO Staff Members	Any <u>current or former</u> BDO's staff members, directors, temporary or full-time employees, secondees, consultants and contractors
BDO Clients and/or BDO Suppliers	Any <u>current or former</u> clients and/or suppliers of BDO
Disclosure	Any report of Reportable Conduct made by an Eligible Person to BDO
Eligible Persons	BDO Staff Members, BDO Clients and/or BDO Suppliers
Reportable Conduct	Activities or behaviours that constitute misconduct, malpractice or irregularity in the performance of work by a BDO Staff Member, BDO Client or BDO Supplier (for examples please refer to 3.2.1 below)

Unless otherwise specifically stated or unless the context otherwise requires, words denoting the singular include the plural and vice versa.

3. APPLICATION AND SCOPE OF THESE WHISTLEBLOWING POLICY AND PROCEDURES

3.1 Who can make a Disclosure under these whistleblowing policy and procedures?

3.1.1 These whistleblowing policy and procedures apply to Eligible Persons. Eligible Persons can access these whistleblowing policy and procedures through the BDO website at <https://www.bdo.com.hk>. (Eligible Persons who are existing BDO staff members can also access these whistleblowing policy and procedures on our Intranet under the Risk Management Department (RMD) section).

3.2 What can be disclosed?

3.2.1 Eligible Persons can make a Disclosure under these whistleblowing policy and procedures if they have reasonable grounds to suspect that any **BDO Staff Member, BDO Client and/or BDO Supplier** is/was engaged in **Reportable Conduct** (as defined in 2.1 above). Examples of Reportable Conduct include conduct which:

- (a) Is illegal;
- (b) Is fraudulent;
- (c) Involves money laundering, financial malpractice, financial irregularities, improprieties or misappropriation of funds;
- (d) Amounts to theft, deception, or forgery;
- (e) Is corrupt;
- (f) Is dishonest;
- (g) Is unethical;
- (h) Violates the law or any legal regulation (this includes a failure to comply with the law or any regulatory requirement);
- (i) Breaches any of the Internal Policies and Procedures;
- (j) Is detrimental to BDO's reputation and could cause financial or non-financial loss;
- (k) Is retaliatory or detrimental to a person who has raised a genuine concern in relation to suspected Reportable Conduct; and/or
- (l) Constitutes an attempt to conceal or delay the Disclosure to BDO of any of the Reportable Conduct involving BDO Client or BDO Supplier.

3.2.2 BDO will generally be unable to process a Disclosure made and received **more than six years after the date of occurrence of the Reportable Conduct**. However, BDO may, in its absolute discretion, decide to process such a Disclosure, if it deems that there are good reasons to do so.

3.2.3 Existing BDO staff members are encouraged to report any personal work-related grievances which fall outside the scope of these whistleblowing policy and procedures separately and in accordance with the procedures in the BDO Hong Kong Staff Handbook - Handling of Grievances.

Examples of personal work-related grievances include:

- (a) An interpersonal conflict between you and another BDO Staff Member; or
- (b) Decisions that relate to your hiring, transferring, promotion, performance or termination.

Examples of personal work-related grievances which can be disclosed under these whistleblowing policy and procedures include:

- (a) A personal work-related grievance which involves or provides information in relation to Reportable Conduct; or
- (b) Any retaliation suffered by you as a result of Disclosures you made under these whistleblowing policy and procedures.

- 3.2.4 All Disclosures received will be reviewed by us and enquiries may be made of you to determine whether such Disclosures fall within the ambit of these whistleblowing policy and procedures, **in respect of which BDO's decision will be regarded as final**. A Disclosure that falls within the ambit of these whistleblowing policy and procedures will be processed in accordance with the procedures set out in section 4 below.
- 3.2.5 **In the event you deliberately submit false Disclosures or submit Disclosures in bad faith, you will not enjoy protections set out in these whistleblowing policy and procedures and may also be subject to disciplinary action and/or other possible actions to be taken by BDO and/or other relevant parties to recover any cost, loss or damage resulting from such Disclosures.** We encourage you to consider the consequences of false reporting on BDO's reputation and the reputation of the individuals involved. This does not however include situations where you reasonably and honestly suspect Reportable Conduct but your suspicions are later determined to be unfounded.
- 3.2.6 Other reminders to Eligible Persons
- (a) Where the Disclosure or findings of an investigation on the Disclosure indicate a matter that may constitute a breach of law or regulation or may cause substantial harm to any person, BDO will determine whether an immediate notification to the appropriate law enforcement authority (e.g. the Police, the ICAC, etc.) is required.
 - (b) These whistleblowing policy and procedures do not in any way restrict the right of any individual to submit Disclosure directly to any regulatory authority or law enforcement authority. **If the Disclosure relates to an emergency matter, you are advised to contact the relevant regulatory authority or law enforcement authority (as appropriate).** 'Emergency matter' may include any matter which may cause or result in an immediate threat, harm or damage to the life or property of an individual.
 - (c) In case you have already reported a matter to a regulatory authority or law enforcement authority and you intend to further report the same matter to BDO, **please seek prior consent from the relevant authority before doing so.**

4 WHISTLEBLOWING PROCEDURES

4.1 How do I make a Disclosure?

4.1.1 To ensure appropriate escalation and timely investigation, you should promptly make a Disclosure by submitting a completed Whistleblowing Form (Appendix 1) to any of the following **Protected Disclosure Officers**, provided that he/she is not implicated in that Disclosure:

- (a) Managing Director (Assurance);
- (b) Managing Director (Non-Assurance);
- (c) Head of Risk; or
- (d) Head of Operations and Finance.

4.1.2 **The completed Whistleblowing Form should be put in a sealed envelope and marked ‘strictly confidential’ and submitted to a Protected Disclosure Officer.** Once we have received your completed Whistleblowing Form, we will acknowledge receipt of your Disclosure if you have indicated your contact details in the Whistleblowing Form. We will contact you if we need to ask you further questions or seek clarification from you.

4.1.3 To qualify for protection under these whistleblowing policy and procedures, a Disclosure must be made to a Protected Disclosure Officer (set out in 4.1.1 above).

4.1.4 When completing the Whistleblowing Form (Appendix 1), you should provide as much information as possible. Otherwise, it may limit our ability to properly investigate your Disclosure.

4.1.5 In order not to jeopardise our investigation and to the extent permitted by law, you should also keep confidential all information related to your Disclosure. In addition, you should not:

- (a) Approach the individual who is the subject of a Reportable Conduct or is otherwise implicated to discuss your Disclosure;
- (b) Undertake investigations yourself;
- (c) Convey your suspicions to others, except to those in charge of assessing and/or investigating your Disclosure as outlined in these whistleblowing policy and procedures.

4.2 Protection of Eligible Persons who make Disclosures under these whistleblowing policy and procedures

4.2.1 We are committed to ensuring that Eligible Persons who make Disclosures under these whistleblowing policy and procedures are fairly treated. BDO respects and protects the choices of an Eligible Person when making a Disclosure. You can choose to:

- (a) Remain anonymous while making a Disclosure; or
- (b) Disclose your identity to the Protected Disclosure Officers only (subject to 4.2.2 below).

4.2.2 Subject to compliance with legal and regulatory requirements and upon receiving a Disclosure under these whistleblowing policy and procedures, BDO will only share your identity, information which is likely to reveal your identity, and/or any other information provided by you if:

- (a) You consent to this;
- (b) BDO considers that it is obligated to do so by law or regulation;
- (c) The sharing of such information is required for the purposes of obtaining legal advice or representation;
- (d) BDO considers it appropriate to report the Disclosure to the law enforcement authority or a regulatory authority in accordance with applicable law and regulation; and/or
- (e) It is reasonably necessary to do so in order to investigate the allegations made in the Disclosure and/or to take appropriate follow up actions, e.g., to prevent a serious threat to a

person's safety.

Even if we may need to disclose the information you provided (including your identity information, if any) under the above circumstances, we will only disclose the minimum necessary amount of information on a need-to-share basis.

- 4.2.3 BDO is committed to protecting you from retaliatory treatment as a result of your Disclosure including:
- (a) Termination of employment or termination or non-renewal of the service agreements (for reasons not related to any commercial consideration);
 - (b) Warnings or other disciplinary actions; and/or
 - (c) Any other action perceived as retaliation for making a Disclosure.
- 4.2.4 BDO will not tolerate any attempts to retaliate against an Eligible Person who has made a Disclosure under these whistleblowing policy and procedures. Any BDO staff found guilty of retaliating or threatening to retaliate will face disciplinary action.
- 4.2.5 Where you believe you have suffered retaliation or retaliation is imminent, you should contact the Protected Disclosure Officer, who will take appropriate actions and give recommendations to resolve the situation.
- 4.2.6 If you believe that your concerns in relation to retaliation have not been adequately resolved, you should express those concerns in writing to another Protected Disclosure Officer.
- 4.2.7 All BDO Staff Members involved in an investigation under these whistleblowing policy and procedures will be instructed to maintain confidentiality in relation to the matter as reported, and will not be permitted to disclose details of such investigation to any BDO Staff Member, BDO Client and/or BDO Supplier via any means, except as permitted under these whistleblowing policy and procedures. Failure to do so will result in disciplinary action.
- 4.2.8 All Disclosures made under these whistleblowing policy and procedures will be treated as confidential, to the extent appropriate, having regard to procedural fairness and BDO's obligations under the law, or any professional standards, obligations or requirements. BDO will make every reasonable effort to keep all files and records relating to the Disclosure confidential.
- 4.2.9 You will need to understand that due to our confidentiality obligation or other applicable legal requirements, what we can share with you about any of our follow up action is limited.
- 4.3 Investigating Disclosures**
- 4.3.1 Any Disclosures made under 4.1.1 above will also be reported to the Head of Risk, unless the Head of Risk is implicated in the Disclosure, in which case the matter will be reported to one of the Managing Directors of BDO.
- 4.3.2 BDO will assess the Disclosure and determine whether it falls within the ambit of these whistleblowing policy and procedures. If a new issue is discovered during our assessment (which does not relate to the original Disclosure), we will consider whether to open a separate investigation for the new issue. BDO has the sole discretion to determine whether or not and how to proceed with the investigation into the original Disclosure and/or new issue. BDO may seek external legal advice where appropriate.
- 4.3.3 If the Disclosure is made on an anonymous basis, BDO will determine if the investigation can proceed notwithstanding that the Disclosure is made anonymously.
- 4.3.4 If BDO has determined that the Disclosure falls within the ambit of these whistleblowing policy and procedures, BDO may proceed with investigating the Disclosure if it is permitted by law.
- 4.3.5 Where the Disclosure has not been made anonymously, BDO may, where appropriate, meet with the Eligible Person and/or other relevant parties for conducting inquiries of them. Those persons will be

given the opportunity to explain the situation in detail and provide any additional documentary evidence.

4.3.6 If at any point during the investigation the Eligible Person believes he/she is the subject of retaliation as a result of having made a Disclosure:

- (a) The Eligible Person should report this to the Protected Disclosure Officer; and
- (b) The Protected Disclosure Officer will add this to the remit of the investigation.

4.3.7 The actual process and period of investigation will vary according to the nature and complexity of each Disclosure.

4.4 Action following investigation

4.4.1 BDO may seek external legal advice during or after the investigation process where appropriate.

4.4.2 In general, the possible outcomes of investigation may include:

- (a) Insufficient evidence in which no further action can be taken by BDO;
- (b) BDO is unable to take further action (for instance if directed by law enforcement authority not to take any action); or
- (c) BDO takes follow up action.

4.4.3 Depending on the nature and circumstances of each Disclosure and to the extent permitted by law, our follow up actions may include, for example:

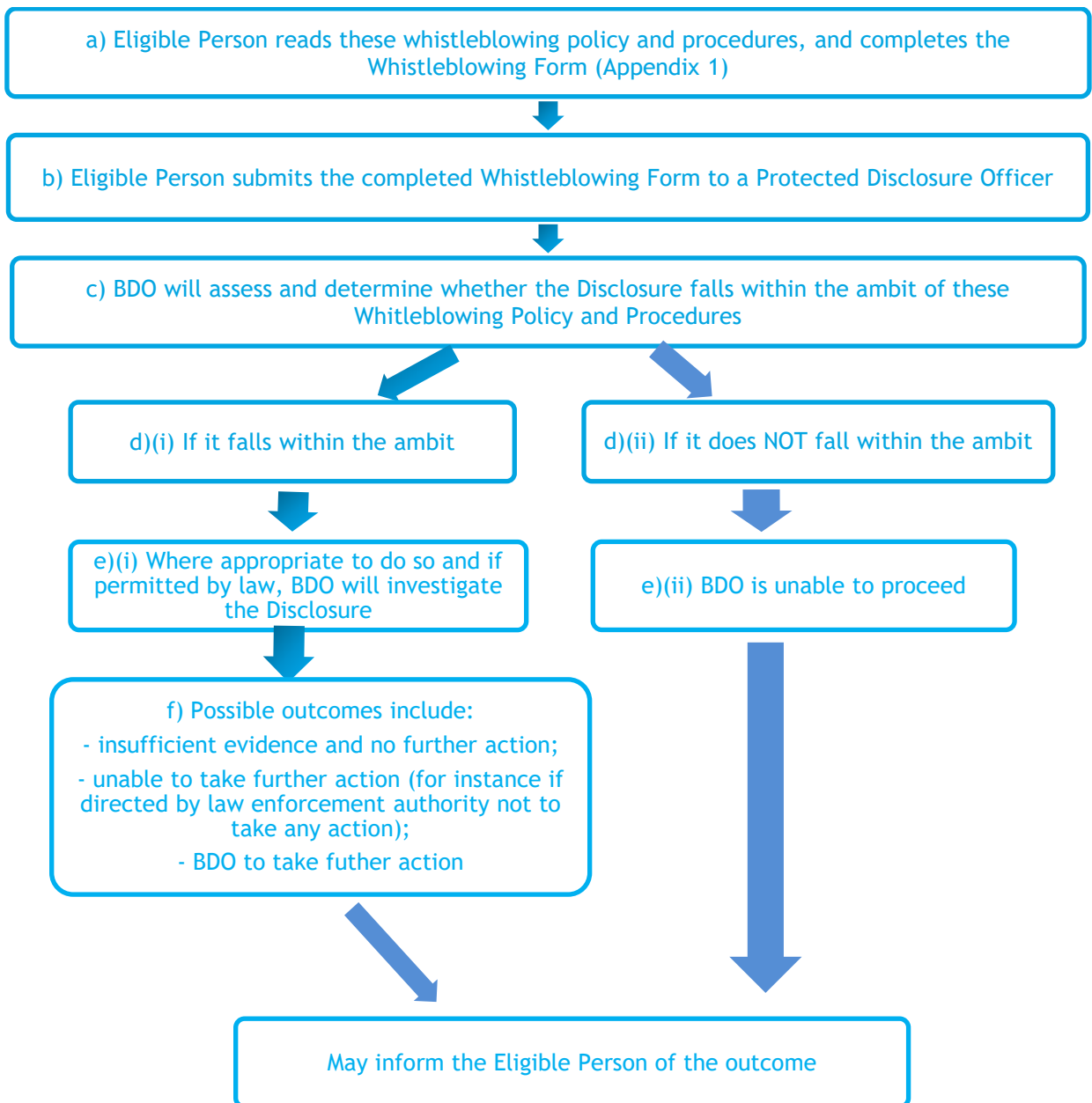
- (a) Taking disciplinary action against the BDO Staff Members involved;
- (b) Requesting the responsible Engagement Director (ED) or Department Head to liaise with the relevant BDO Client and/or BDO Supplier in order to raise the issue concerned, and assessing the investigation results of the relevant BDO Client and/or BDO Supplier and reporting his/her recommendation to the Head of Risk for consideration of further action by BDO;
- (c) Reporting the findings to the law enforcement authority and/or the regulatory authority in case it is legally required or BDO finds it necessary to do so under the circumstances.

4.4.4 **If the responsible ED or Department Head is required to liaise with the relevant BDO Client and/or BDO Supplier regarding the issue concerned, the ED or Department Head should NOT approach the implicated person who committed or suspected to have committed the Reportable Conduct. He/she should raise the relevant issue with the Audit Committee or Board of Directors of that BDO Client and/or BDO Supplier.**

4.4.5 The outcome of the investigation will be communicated to the Eligible Person who originally made the Disclosure, where reasonably practicable and subject to any data privacy, confidentiality and other applicable legal requirements.

4.4.6 **BDO's decision with regard to the investigation is final.**

4.5 The following chart is a high-level overview of how the whistleblowing procedures operate:



5. FURTHER INFORMATION

5.1 For further information please contact:

Name and Title: Stephen Chan, Head of Risk

Address: BDO, 25/F, Wing On Centre, 111 Connaught Road Central, Hong Kong

APPENDIX 1 WHISTLEBLOWING FORM

This Whistleblowing Form (the “Form”) can be used by all Eligible Persons.

Please read the BDO Hong Kong whistleblowing policy and procedures (which can be viewed on BDO’s website and its Intranet) before completing and submitting this Form to a Protected Disclosure Officer as specified under 4.1.1 of the whistleblowing policy and procedures (address: BDO, 25/F, Wing On Centre, 111 Connaught Road Central, Hong Kong). Do NOT use this Form to report events presenting an immediate threat to life or property. Reports submitted through this Form may not receive an immediate response. If you require emergency assistance, please contact the relevant regulatory authority or the law enforcement authority (as appropriate).

The information collected (including this Form) shall be treated as strictly confidential and will be used according to the whistleblowing policy and procedures and our personal information collection statement (which can be viewed at our website). Under no circumstances should any of the content contained in this Form be shared or disclosed to any third party except as permitted under the whistleblowing policy and procedures and our personal information collection statement.

STRICTLY CONFIDENTIAL	
<p>1. What is your relationship with BDO?</p>	<p><input type="checkbox"/> current BDO staff member, director, temporary or full-time employee, secondee, consultant or contractor</p> <p><input type="checkbox"/> former BDO staff member, director, temporary or full-time employee, secondee, consultant or contractor</p> <p><input type="checkbox"/> current client of BDO</p> <p><input type="checkbox"/> former client of BDO</p> <p><input type="checkbox"/> current supplier of BDO</p> <p><input type="checkbox"/> former supplier of BDO</p>
<p>2. Please provide your contact information <i>(Note: You may submit your Disclosure anonymously, but providing your identity will help us to investigate the Disclosure more effectively.)</i></p>	<p>Your full name:</p> <p>Your phone number:</p> <p>Your e-mail address:</p> <p>Department & BDO company name (if applicable):</p> <p>Your BDO staff number (if applicable):</p>
<p>3. If you want to remain ANONYMOUS for this Disclosure, are you willing to disclose your identity to the Protected Disclosure Officers (refer to 4.1.1 of the whistleblowing policy and procedures)? <i>(Note: If you choose ‘Yes’, please also indicate your contact information in your answer to Q.2 above.)</i></p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>

<p>4. Please identify the person(s) which this Disclosure relates to</p>	<table border="1"> <thead> <tr> <th data-bbox="641 241 898 427">Name</th> <th data-bbox="898 241 1177 427">Department, BDO Entity's Name & Entity Name of BDO Client/ BDO Supplier/ (if applicable)</th> <th data-bbox="1177 241 1442 427">Title</th> </tr> </thead> <tbody> <tr> <td data-bbox="641 427 898 499"></td> <td data-bbox="898 427 1177 499"></td> <td data-bbox="1177 427 1442 499"></td> </tr> <tr> <td data-bbox="641 499 898 571"></td> <td data-bbox="898 499 1177 571"></td> <td data-bbox="1177 499 1442 571"></td> </tr> </tbody> </table>	Name	Department, BDO Entity's Name & Entity Name of BDO Client/ BDO Supplier/ (if applicable)	Title						
Name	Department, BDO Entity's Name & Entity Name of BDO Client/ BDO Supplier/ (if applicable)	Title								
<p>5. What has happened and why do you think the person(s) as indicated in your answer to Q.4 above is/was engaged in Reportable Conduct? <i>(Please be as specific as possible. For example: What is the nature of the Reportable Conduct (e.g. corruption, theft, threat of retaliation, violating HKICPA Code of Ethics, etc)? When, where and how did the Reportable Conduct occur? Any potential witnesses? Any potential victims (including yourself, if applicable)?)</i></p>										
<p>6. Do you have any supporting evidence/documents? <i>(Note: If there are any specific documents which you do not wish us to share with the person(s) you alleged against, please mark this clearly on such documents)</i></p>	<p>[<input type="checkbox"/>] Yes (please attach the relevant documents to this Form) [<input type="checkbox"/>] No</p>									
<p>7. How did you become aware of the Reportable Conduct, and who else is aware of the Reportable Conduct? <i>(eg: you saw or heard it directly, you were told by another person, or you accidentally discovered it from a document, etc.)</i></p>										
<p>8. Has the Reportable Conduct been reported to anywhere else? <i>(Note: If you choose 'Yes', please provide more information eg which entity/person you have reported to.)</i></p>	<p>[<input type="checkbox"/>] Yes [<input type="checkbox"/>] No</p>									
<p>[<input type="checkbox"/>] Please tick this box to confirm that you have read and understood the BDO Hong Kong whistleblowing policy and procedures</p>										

Eligible Person (whistleblower)'s signature:

[Please leave this blank if you indicated in Q.2 above that you wish to remain anonymous and in Q.3 above that you do not wish to disclose your identity to the Protected Disclosure Officers]

Date:

Acknowledge receipt of this Form by (full name of the Protected Disclosure Officer):

Signature:

Date: