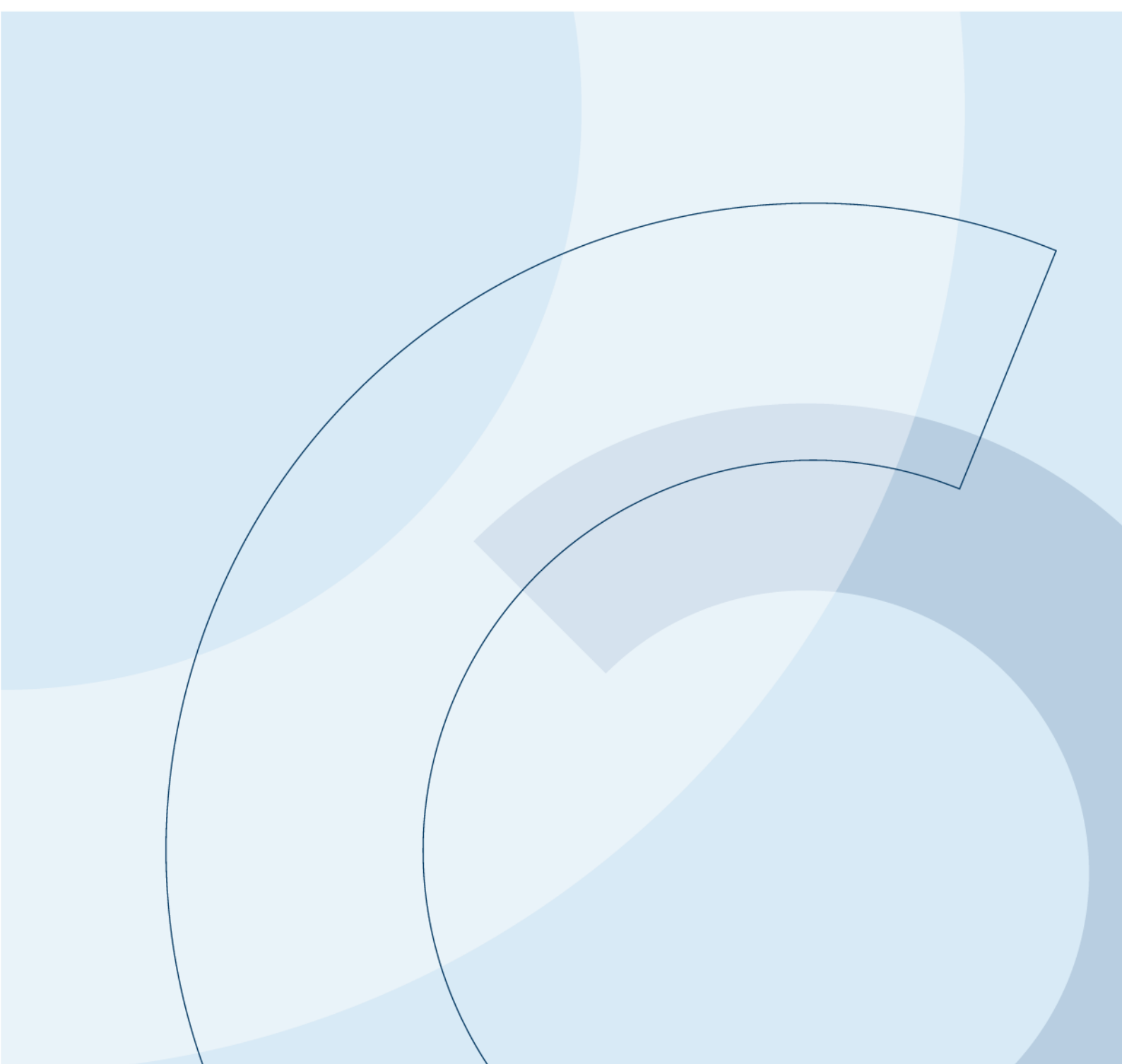


# HKEX External Whistleblowing Policy



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# 1 Statement of Intent

- 1.1 HKEX is committed to achieving and maintaining the highest standards of openness, probity and accountability. In line with this commitment, HKEX encourages External Parties (e.g. vendors, suppliers and contractors) to report any concerns in relation to the subject matters set out in section 4.1 of this policy.
- 1.2 This policy aims to provide guidance to:
- a. External Parties on how to report matters under this policy; and
  - b. How HKEX will deal with such disclosures from External Parties.
- 1.3 HKEX commits to take each disclosure seriously and to investigate genuine complaints about matters that are covered under this policy.

# 2 Scope

- 2.1 This policy applies to HKEX and External Parties.

# 3 Definitions

Term	Definition
Electronic Whistleblowing Channel	A web-based portal administered independently by a third-party and monitored by the HKEX Regulatory Compliance Department. This channel allows External Parties to report concerns, communicate with the investigating party and check the status of the investigation securely, anonymously and confidentially
External Party	Any individual who is not Staff and deals with HKEX
HKEX	Hong Kong Exchanges and Clearing Limited and its Hong Kong, Singapore and PRC-based subsidiaries
Staff	All employees (including temporary, contract, seconded and dispatched staff of HKEX and consultants and contractors of HKEX) and Directors of HKEX

# 4 Policy Statements

## 4.1 Matters that are accepted under this policy

- 4.1.1 Disclosures will be dealt with under this policy where the subject matter of the disclosure relates to the occurrence (or likely occurrence) of any of the following events within HKEX or which HKEX or its Staff are a party to:

- a. a failure to comply with any legal obligations or regulatory requirements;
- b. criminal offences, breach of civil law and miscarriage of justice;
- c. malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters;
- d. danger to the health and safety of any individual;
- e. damage to the environment;
- f. violation of rules of conduct applicable within HKEX;
- g. improper conduct or unethical behaviour likely to prejudice the reputation or standing of HKEX;
- h. bribery or corruption; and/or
- i. deliberate concealment of any of the above.

4.1.2 While HKEX does not expect an External Party to have absolute proof of the misconduct, malpractice or irregularity etc. described above, the disclosure must state clearly the reasons for the concerns and the External Party must reasonably believe that their report:

- a. evidences one or more of the events listed in section 4.1.1 happening in the past, happening now or likely to happen in the future; and
- b. that such event compromises the reputation and standing of HKEX and/or the interest of the HKEX's shareholders, investors, customers and the investing public.

## 4.2 How and to whom to make a disclosure

4.2.1 An External Party should report their concerns on the subject matters set out in section 4.1 of this Policy to HKEX via the following channels:

**Electronic Whistleblowing Channel:** <https://report.whistleb.com/en/txexekh>

**Mailing address:** Attn: HKEX Head of Regulatory Compliance  
8/F, Two Exchange Square  
8 Connaught Place  
Central, Hong Kong\*

**Email:** [whistleblowing@hkex.com.hk](mailto:whistleblowing@hkex.com.hk)

\*Note: Mail should be sent in a sealed envelope marked "Strictly Private and Confidential - To be Opened by Addressee Only"

4.2.2 In case the HKEX Head of Regulatory Compliance is the person of interest of the disclosure or is conflicted, the disclosure should be sent to the Chairman of the HKEX Audit Committee using the channels set out on the HKEX website: [https://www.hkex.com.hk/Global/Exchange/Contact/Whistleblowing?sc\\_lang=en](https://www.hkex.com.hk/Global/Exchange/Contact/Whistleblowing?sc_lang=en). The

disclosure will be dealt with in accordance with section 4.2.3 below and HKEX Audit Committee will be notified.

- 4.2.3 In addition, HKEX has a number of complaint and feedback channels managed by relevant HKEX functions that are available to External Parties via the HKEX website<sup>1</sup>. If a complaint or feedback is received through those other channels and involves one of the events set out in section 4.1 above, then the complaint or feedback will be forwarded to the HKEX Head of Regulatory Compliance and will be handled with in accordance with this policy.

### **4.3 Matters that are not covered under this policy**

- 4.3.1 Please note that disclosures related to the matters listed below are not normally dealt with under this policy unless they involve one of the events set out in section 4.1 above. Otherwise they are handled by relevant functions of HKEX and will be forwarded to such relevant functions if received.

- a. General feedback and enquiries
- b. Exchange and Clearing House participation, general enquiries and technical enquiries
- c. Enquiries from listed issuers, potential listed issuers and their professionals
- d. Rule interpretations
- e. Media enquiries
- f. Enquiries about HKEX data products
- g. Matters about shareholding, such as share transfer and registration, change of name or address etc.

- 4.3.2 External Parties that make disclosures about matters related to the London Metal Exchange or LME Clear will be referred to the responsible department at those entities.

### **4.4 Disclosures will be dealt with in accordance with this policy**

- 4.4.1 All disclosures received will be reviewed by the HKEX Head of Regulatory Compliance and enquiries may be made to determine whether such disclosures fall within the ambit of this policy. Disclosures that fall within the ambit of this policy will be investigated in accordance with the guidelines set out in section 5 below and HKEX internal procedures.

### **4.5 Anonymous disclosure**

- 4.5.1 HKEX encourage External Parties to identify themselves when making disclosures. Proper investigation may be more difficult, delayed or impossible if HKEX cannot obtain further information from the person making the disclosure.
- 4.5.2 However, HKEX does accept anonymous disclosures, provided that these disclosures contain sufficient information to allow the investigating party to conduct an effective investigation.

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<sup>1</sup> HKEX website: [https://www.hkex.com.hk/Global/Exchange/Contact?sc\\_lang=en](https://www.hkex.com.hk/Global/Exchange/Contact?sc_lang=en)

Disclosures without sufficient information and/or a method of contact may delay or prevent further investigation into the matter. HKEX may discontinue investigations into such disclosures and HKEX's decision will be regarded as final. HKEX retains the discretion to reopen investigations subject to the circumstances, e.g. in light of new relevant material information and the availability of records.

- 4.5.3 External Parties that wish to make anonymous disclosures should use the Electronic Whistleblowing Channel as it allows them to communicate with the investigating party anonymously, securely, and confidentially.
- 4.5.4 Where an individual makes a disclosure using either the channels described in section 4.2.1 of this policy or other channels as referenced in section 4.2.3 and does not identify themselves as Staff of HKEX when doing so, they will be treated as an External Party for the purposes of applying this policy. If, however, HKEX subsequently becomes aware that the individual is in fact Staff of HKEX (whether as a result of information provided by that individual or another third party, or through HKEX's own enquiries), the individual's disclosure will, from that point in time, be handled in accordance with the terms of the HKEX Group Whistleblowing Policy (and not this policy).

## **4.6 Confidentiality**

- 4.6.1 HKEX will make every effort to keep all disclosures and identities of External Parties who have made disclosures confidential. There may be circumstances, because of the nature of the investigation or the nature of the concerns raised, in which it will be necessary to disclose the identity of the External Party who has made the disclosure. In such circumstances, HKEX will endeavour to inform the External Party that his/her identity is likely to be disclosed.
- 4.6.2 Where required by law or regulatory obligations, HKEX may have to refer the disclosure to the relevant authorities without prior notice to or consultation with an External Party (e.g. in cases involving possible criminal offences).
- 4.6.3 In order not to jeopardise the investigation and any follow-up actions, External Parties who have made disclosures are also required to keep confidential all information about and related to the disclosure, including the fact that s/he has filed a disclosure, the nature of the concerns, the identities of those involved and any other information that HKEX has shared with the External Party in the course of handling the disclosure.

## **4.7 Disclosures which are unfounded, fraudulent or malicious**

- 4.7.1 External Parties should exercise due care to ensure, as far as they are able, the accuracy of the information being disclosed. If an External Party makes an unfounded disclosure maliciously, fraudulently, with an ulterior motive or for personal gain, HKEX reserves the right to decline to investigate or discontinue an investigation, and take appropriate actions against the External Party to recover any cost, loss or damage as a result of the disclosure.

## **5 Guidelines**

### **5.1 Providing adequate details in the disclosure**

- 5.1.1 To ensure disclosures can be properly handled and investigated, External Parties are required to enclose:

- a. clear and adequate information regarding the specific concern, including which event set out in section 4.1 the disclosure relates to, the identity of any Staff involved, when the event occurred, the location of the event and material facts relating to the event; and
- b. a method of contact (e.g. a telephone number or an email address) so that the investigating party can communicate with the External Party regarding their disclosure, unless the Electronic Whistleblowing Channel is used.

5.1.2 Where an External Party does not provide the information set out in section 5.1.1 of this policy, HKEX may discontinue investigations into such disclosures and HKEX's decision will be regarded as final. HKEX retains the discretion to reopen investigations subject to the circumstances, e.g. in light of new relevant material information and the availability of records.

## 5.2 Investigations

5.2.1 Once it is determined that a disclosure falls within the ambit of this policy, it will be investigated in accordance with HKEX internal procedures.<sup>2</sup> The purpose of the investigation is to determine whether concerns are substantiated, with a view to HKEX then rectifying any wrongdoing uncovered to the extent that this is practicable in all the circumstances.

5.2.2 The HKEX Head of Regulatory Compliance will be responsible for investigations and may delegate investigatory responsibility to any party. The investigating party will not be the subject of the disclosure, nor have been involved in the subject matter of the disclosure.

5.2.3 In case the HKEX Head of Regulatory Compliance or a member of the Regulatory Compliance Department is the person of interest of the disclosure received or is conflicted, the disclosure will be dealt with by the HKEX Audit Committee Chairman and the HKEX Audit Committee will be notified. The HKEX Audit Committee Chairman will determine the appropriate replacement party. The HKEX Audit Committee Chairman may choose to direct the investigation, including appointing HKEX Group staff with appropriate experience, or external parties who will perform the role of the implicated/conflicted person.

5.2.4 The format and the length of an investigation will vary depending upon the nature and particular circumstances of each disclosure made. The disclosures made may be:

- a. Investigated internally;
- b. Investigated by an external third party e.g. auditors, counsel or other experts; and/or
- c. Be referred to the relevant public bodies or regulatory/law enforcement authorities.

5.2.5 As part of the investigation, the investigating party may need to disclose the nature and particular circumstances of the disclosure. Efforts shall be made to anonymise the information where possible.

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<sup>2</sup> If the whistleblowing disclosure contains allegations of bribery or corruption, the HKEX Head of Regulatory Compliance shall consult with the HKEX Audit Committee Chairman as to the appropriate course of action to take, including escalation to the HKEX Audit Committee. Such action may, where appropriate, include reporting the matter to the relevant law enforcement agencies and/or conducting an internal investigation of the matter. If it is deemed appropriate and necessary to conduct internal enquiry/investigation into the relevant matter, every effort will be made to ensure it will not jeopardise any possible enquiry/investigation on the same matter by other relevant law enforcement agencies.

- 5.2.6 During investigations, the investigating party may need to contact the External Party for further information. External Parties are requested to cooperate with the investigation, including by making themselves available for interviews as required. External Parties are required to preserve the strict confidentiality of the fact of the investigation and the content of any interviews/communications in relation to the investigation (except as required by law or regulatory authority).
- 5.2.7 In respect of each disclosure, if the External Party has provided a method of contact, or uses the Electronic Whistleblowing Channel, the investigating party will contact the External Party at various stages after a disclosure has been received, as soon as reasonably practicable and subject to any data privacy and confidentiality requirements:
- a. acknowledging that the disclosure has been received;
  - b. indicating whether any initial enquiries have been made;
  - c. advising whether or not the matter is to be investigated; and
  - d. if appropriate, giving an estimate of how long it will take to provide a final response.

### **5.3 Outcomes of investigations**

- 5.3.1 Upon conclusion of the investigation, a written reply will be issued to the External Party stating the outcome of the investigation, where reasonably practicable and subject to any data privacy and confidentiality requirements.
- 5.3.2 The outcome decided by HKEX is final in the absence of new relevant material information and cannot be appealed under this policy.
- 5.3.3 If an External Party persists in pursuing a disclosure in the absence of new relevant material information, HKEX may refrain from entering into any further discussion or correspondence with that External Party about their disclosure.

## **6 Roles & Responsibilities**

The HKEX Audit Committee<sup>3</sup> has overall responsibility for the whistleblowing arrangements; namely to:

- establish and review HKEX Group's policies and systems for its employees and third parties who deal with HKEX Group to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters related to HKEX Group, with the HKEX Audit Committee<sup>4</sup>;
- ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action<sup>5</sup>; and

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<sup>3</sup> In accordance with Appendix 14 of the Main Board Listing Rules ("Corporate Governance Code and Corporate Governance Report").

<sup>4</sup> See paragraph 4.2(e) of the HKEX Audit Committee's Terms of Reference and Modus Operandi.

<sup>5</sup> See paragraph 4.2(e) of the HKEX Audit Committee's Terms of Reference and Modus Operandi.



- review HKEX Group's findings of internal investigations and management's response into any suspected frauds or irregularities or failures of internal controls or infringements of laws, rules and regulations<sup>6</sup>.

The HKEX Head of Regulatory Compliance is the policy owner and has day-to-day operational responsibility for this policy and its application to HKEX.

Role	Responsibility
Regulatory Compliance Department	a. Monitor and administer the Electronic Whistleblowing Channel.
HKEX Head of Regulatory Compliance	b. Primary contact for receiving, evaluating, making enquiries into and investigating disclosures. c. Following the completion of an investigation, recommend corrective actions or further courses of action. d. Delegate responsibility for the disclosure as necessary. e. Engage other parties (internal and external) to assist in the investigation/in the analysis of results. f. Escalate disclosures, factual findings and recommended courses of action to the Chairman of the HKEX Audit Committee, HKEX Audit Committee and/or HKEX Board, if appropriate. g. Report to the HKEX Audit Committee on a quarterly (or, where considered appropriate, an accelerated) basis. h. Brief the Group Head of Internal Audit on the disclosures received before HKEX Audit Committee meetings.
Chairman of HKEX Audit Committee	i. Receive disclosures, escalations and recommendations to determine further courses of action. j. Together with the HKEX Head of Regulatory Compliance, determine whether any given disclosure should be reported to the HKEX Audit Committee on an accelerated basis. k. Consult with HKEX Audit Committee as necessary. l. In matters where the HKEX Head of Regulatory Compliance or a member of the Regulatory Compliance Department is conflicted, determine and appoint the replacement party. m. Receive updates on the progress and outcome of investigations.
HKEX Audit Committee	n. Overall responsibility for the HKEX whistleblowing framework established in accordance with the HKEX Audit Committee's Terms of Reference and Appendix 14 of the Listing Rules. o. Establish and review HKEX Group's policies and systems for its staff and third parties who deal with HKEX Group to raise concerns, in confidence, about possible improprieties in financial reporting,

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<sup>6</sup> See paragraph 4.2(f) of the HKEX Audit Committee's Terms of Reference and Modus Operandi.

	<p>internal control or other matters related to HKEX, with the HKEX Audit Committee. The HKEX Audit Committee shall ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.</p> <p>p. Review HKEX Group's findings of internal investigations and management's response into any suspected frauds or irregularities or failures of internal controls or infringements of laws, rules and regulations.</p> <p>q. Review reporting on disclosures received and review the effectiveness of all actions taken in response to disclosures made under this policy.</p> <p>r. Receive updates on the progress and outcome of investigations.</p> <p>s. Receive recommendations and determine further courses of action on disclosures.</p> <p>t. Receive recommendations and determine changes to internal controls.</p> <p>u. Report to the HKEX Board on disclosures or investigations which the HKEX Audit Committee considers significant.</p>
Group Head of Internal Audit	v. Receive briefings from the HKEX Head of Regulatory Compliance on the disclosures received before HKEX Audit Committee meetings.

## 7 Monitoring and Review

- 7.1 The HKEX Head of Regulatory Compliance will report the following to the HKEX Audit Committee:
- a. All disclosures received under this policy from External Parties and all actions taken in response to such disclosures.
  - b. All other matters which relate to the events set out in section 4.1.1 of this policy, which come to the attention of the HKEX Head of Regulatory Compliance, and all actions taken in response to such matters.
- 7.2 The HKEX Audit Committee will review the effectiveness of all actions taken in response to disclosures made under this policy by External Parties.
- 7.3 The reporting described in section 7.1 above will be performed on a quarterly basis, in respect of the immediately preceding quarter and up to the HKEX Audit Committee meeting. Prior to the performance of this reporting, the HKEX Head of Regulatory Compliance will brief the Group Head of Internal Audit. Disclosures / matters received that are considered to be sufficiently serious (e.g. alleged criminal offences) to merit reporting on an accelerated basis (i.e. outside of the quarterly reporting process) will be reported to the HKEX Audit Committee as soon as reasonably practicable following receipt. For these purposes, the HKEX Head of Regulatory Compliance will consult with the HKEX Audit Committee Chairman at the earliest available opportunity to determine whether it is appropriate for any disclosure to be reported on an accelerated basis.

7.4 If legal or regulatory requirements do not permit the reporting of a disclosure to the HKEX Audit Committee (e.g. confidentiality requirements<sup>7</sup>), the HKEX Head of Regulatory Compliance, together with the Group General Counsel or HKEX Head of Legal (if appropriate), will take reasonable steps, at the earliest available opportunity, to obtain consent from the relevant regulator or law enforcement agency to report the disclosure to the HKEX Audit Committee (or, alternatively, on a limited basis to the HKEX Audit Committee Chairman only, depending on the circumstances). If the relevant regulator or law enforcement agency refuses to provide such consent, the Group General Counsel will consider whether it may be appropriate to engage external legal counsel to assist further with the seeking of such consent. If, having taken or considered appropriately (as applicable) such steps, the relevant consent has not been obtained, the disclosure will not be reported to the HKEX Audit Committee unless and until consent is later obtained and/or the legal or regulatory requirement(s) no longer apply, on the basis that reporting of the disclosure without consent may otherwise constitute a breach of applicable laws and regulations.

## 8 Approvals

8.1 This policy has been approved by the HKEX Audit Committee on 23 October 2019.

## 9 Version Control

Date	Version	Reason for change	Author
23 October 2019	1.0	Final policy approved by HKEX Audit Committee	Group General Counsel/HKEX Head of Regulatory Compliance
22 February 2021	2.0	<p>Annual review of the policy and major edits to reflect:</p> <ul style="list-style-type: none"> <li>Centralising responsibility for receiving and managing whistleblowing disclosures in the Head of Regulatory Compliance;</li> <li>Clarifying roles of the HKEX Audit Committee and HKEX Audit Committee Chairman in accordance with the Audit Committee's Terms of Reference;</li> <li>Updating the conflict handling procedure.</li> </ul> <p>The changes were approved by the HKEX Audit Committee on 22 February 2021.</p>	Interim HKEX Head of Regulatory Compliance

<sup>7</sup> For example, the secrecy provisions set out in section 378 of the Securities and Futures Ordinance (Cap. 571) or section 30 of the Prevention of Bribery Ordinance (Cap. 201).

9 September 2021	2.1	Update section 4.2.2 with new HKEX website link.	Interim HKEX Head of Regulatory Compliance
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