

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:
- External Parties on how to report matters under this policy; and
 - How HKEX will deal with such reports from External Parties.
- 1.3 HKEX commits to take each report 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 Legal and Regulatory Compliance Division. This channel allows External Parties to report concerns, communicate with the investigating party and check the status of the investigation securely, anonymously and confidentially
Employee	All employees including temporary, contract, seconded and dispatched staff of HKEX and consultants and contractors of HKEX
External Party	Any individual who is not a director or Employee of HKEX and deals with HKEX
HKEX	Hong Kong Exchanges and Clearing Limited and its Hong Kong, Singapore and PRC-based subsidiaries

4 Policy Statements

4.1 Matters that are accepted under this policy

- 4.1.1 Reports will be dealt with under this policy where the subject matter of the report relates to the occurrence (or likely occurrence) of any of the following events within HKEX or which HKEX or its Employees 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 report 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 above 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 report

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: Group General Counsel or
HKEX Head of Regulatory Compliance
8/F, Two Exchange Square
8 Connaught Place
Central, Hong Kong*

Email: 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 addition, HKEX has a number of complaint and feedback channels managed by relevant HKEX functions that are available to External Parties via the HKEX website¹. 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 Group General Counsel 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 reports 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.

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

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

4.4 Reports will be dealt with in accordance with this policy

4.4.1 All reports received will be reviewed by the Group General Counsel/HKEX Head of Regulatory Compliance and enquiries may be made to determine whether such reports fall within the ambit of this policy. Reports 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 reports

4.5.1 HKEX encourage External Parties to identify themselves when making reports. Proper investigation may be more difficult, delayed or impossible if HKEX cannot obtain further information from the person making the report.

4.5.2 However, HKEX does accept anonymous reports, provided that these reports contain sufficient information to allow the investigating party to conduct an effective investigation. Reports without sufficient information and/or a method of contact may delay or prevent further investigation into the matter. HKEX may discontinue investigations into such reports and HKEX's decision will be regarded as final. HKEX retains the discretion to reopen investigations

¹ HKEX website: https://www.hkex.com.hk/Global/Exchange/Contact?sc_lang=en

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 reports 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 report using either the channels described in section 4.2.1 of this policy or other channels as referenced in section 4.2.2 and does not identify themselves as an Employee 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 an Employee 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 report 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 reports and identities of External Parties who have made reports 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 report. 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 report 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 reports are also required to keep confidential all information about and related to the report, including the fact that s/he has filed a report, 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 report.

4.7 Unfounded, fraudulent or malicious reports

4.7.1 External Parties should exercise due care to ensure, as far as they are able, the accuracy of the information being reported. If an External Party makes an unfounded report 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 report.

5 Guidelines

5.1 Providing adequate details in the report

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

- clear and adequate information regarding the specific concern, including which event set out in section 4.1 the report relates to, the identity of any Employee involved, when the event occurred, the location of the event and material facts relating to the event; and
- 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 report, 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 reports 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 report falls within the ambit of this policy, the report will be investigated in accordance with HKEX internal procedures. 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 Group General Counsel/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 report, nor have been involved in the subject matter of the report.

5.2.3 In case the Group General Counsel or the HKEX Head of Regulatory Compliance is the person of interest of the disclosure received or is conflicted, the disclosure will be dealt with by the Group Risk Officer or a Co-President of HKEX and the HKEX Audit Committee will be notified. Prior to appointing a replacement party, the Chairman of the HKEX Audit Committee will be consulted.

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

- Investigated internally;
- Investigated by an external third party e.g. auditors, counsel or other experts; and/or
- 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 report. Efforts shall be made to anonymise the information where possible.

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 report, 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 report has been received, as soon as reasonably practicable and subject to any data privacy and confidentiality requirements:

- acknowledging that the report has been received;
- indicating whether any initial enquiries have been made;
- advising whether or not the matter is to be investigated; and
- 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 report 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 report.

6 Roles & Responsibilities

The HKEX Audit Committee² 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;
- ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and
- 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.

The Group General Counsel and HKEX Head of Regulatory Compliance are the policy owners and each have day-to-day operational responsibility for this policy and its application to HKEX.

Role	Responsibility
Legal and Regulatory Compliance Division	<ul style="list-style-type: none"> ● Monitor and administer the Electronic Whistleblowing Channel.

² In accordance with Appendix 14 of the Main Board Listing Rules (“Corporate Governance Code and Corporate Governance Report”).

<p>Group General Counsel/HKEX Head of Regulatory Compliance</p>	<ul style="list-style-type: none"> ● Primary contact for receiving, evaluating, making enquiries into and investigating reports. ● Following the completion of an investigation, recommend corrective actions or further courses of action. ● Delegate investigatory responsibility for the report as necessary. ● Engage other parties (internal and external) to assist in the investigation/in the analysis of results. ● Escalate reports, factual findings and recommended courses of action to the Chairman of the HKEX Audit Committee. ● Report to the HKEX Audit Committee on a quarterly (or, where considered appropriate, an accelerated) basis.
<p>HKEX Head of Regulatory Compliance</p>	<ul style="list-style-type: none"> ● In addition to the roles described above, brief the Group Head of Internal Audit on the disclosures received before HKEX Audit Committee meetings.
<p>Chairman of HKEX Audit Committee</p>	<ul style="list-style-type: none"> ● Receive reports and escalations and recommend further courses of action. ● Together with the Group General Counsel / HKEX Head of Regulatory Compliance, determine whether any given disclosure should be reported to the HKEX Audit Committee on an accelerated basis. ● Consult with HKEX Audit Committee on a discretionary basis. ● In matters where parties are conflicted, be consulted on the replacement party prior to the appointment of the replacement. ● Receive updates on the progress and outcome of investigations.
<p>HKEX Audit Committee</p>	<ul style="list-style-type: none"> ● 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. ● 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, 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. ● 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. ● Receive reporting on disclosures received and review the effectiveness of all actions taken in response to disclosures made under this policy. ● Receive updates on the progress and outcome of investigations. ● Discuss and endorse, if necessary, the outcome of investigations. ● Report to the HKEX Board on disclosures or investigations which the HKEX Audit Committee considers significant. ● Recommend further courses of action on disclosures.
<p>Group Head of Internal Audit</p>	<ul style="list-style-type: none"> ● 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 Group General Counsel / HKEX Head of Regulatory Compliance will report the following to the HKEX Audit Committee:
- a. All reports received under this policy from External Parties and all actions taken in response to such reports.
 - 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 Group General Counsel / 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 reports 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 Group General Counsel / 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 requirements³), the Group General Counsel 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
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³ 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).

23 October 2019	1.0	Final policy approved by HKEX Audit Committee	Group General Counsel/HKEX Head of Regulatory Compliance
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