

DaChan Food (Asia) Limited

大成食品 (亞洲) 有限公司

(incorporated in the Cayman Islands with limited liability)

(the “Company”)

(Stock Code: 03999)

Whistleblowing Policy

Effective from 23 March 2022

(Adopted by the resolution of the board of directors dated 23 March 2022)

1. Purpose

- 1.1. The Company is committed to upholding the highest standards of openness, integrity and accountability, and encourages a “speak up” culture. The whistleblowing policy (the “Policy”), which constitutes an integral part of the effective risk management and internal control, helps the Company detect and deter misconduct or malpractice.

2. Policy Scope

- 2.1. The Policy applies to the Company and its subsidiaries (collectively, the “Group”).
- 2.2. The Policy aims to encourage staff of the Group at all levels and other stakeholders who may be victims of staff misconduct (such as customers, suppliers and those who deal with the Company) to voice concerns, in confidence, with the audit committee and its authorised persons about improprieties in matters related to the Group.
- 2.3. Any complaints regarding corruption, due to the nature of such cases, fall within the scope of the Company’s anti-corruption and whistleblowing mechanism system. As such, complaints regarding corruption are not covered by the Policy.
- 2.4. Improprieties or misconducts in relation to the affairs of the Group include, but not limited to:
 - (a) Non-compliance with legal or regulatory requirements;
 - (b) Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters;
 - (c) Danger to the health and safety of any individual;
 - (d) Professional or moral misconduct or negligence;
 - (e) Improper conduct or unethical act that may damage the reputation of the Group; and/or

(f) Deliberate concealment of any of the above.

2.5. Whistleblowers are not required to fully verify the case on reporting. The Group appreciates all reports made in good faith regardless of whether it is verified eventually.

2.6. The Internal Audit Office of the Group is delegated by the audit committee, under the supervision of the board of directors and/or the audit committee, the day-to-day implementation and oversight of the Policy, and reviewing and investigation of reports.

3. Statement of intent/undertaking

3.1. The Group is committed to maintaining a high probity standards and ethical business practices. It encourages the reporting of concerns and actual or suspected misconduct or malpractice by any staff and/or external parties in any matter related to the Group.

4. Reporting Channels

4.1. In general, whistleblowers may report to the Internal Audit Office of the Company via the following means:

(a) Email: 800@dachan.com.cn (for the use of the Internal Audit Office only)

(b) Post:

The Internal Audit Office
No. 88, Jinjing Road
Xiqing District, Tianjin

(Please specify for the attention of the Internal Audit Office and clearly state as “confidential”.)

4.2. Staff may choose to make a preliminary report to their supervisor, who shall in turn refer any potential or actual impropriety or misconduct to the Internal Audit Office of the Company. Staff may also contact the Internal Audit Office of the

Company directly if they do not feel at ease (for example, in case that the direct supervisor refuses to handle the case, or the implicated party of the report is the direct supervisor).

- 4.3. The Company also encourages its business partners, suppliers and other third parties to report to the Company.
- 4.4. Upon receipt by any business unit of any written or oral report on any of the above improprieties or misconducts, it shall immediately refer the relevant letter or the whistleblower to the Internal Audit Office of the Company. The legal department of the Group shall be consulted prior to any legal action or reporting to the law enforcement agencies.

5. Protection measures

- 5.1. Whistleblowing of improprieties or misconducts should be made non-anonymously as far as possible since the Company will handle the reports in a seriously manner and investigate any potential and actual incidents. Nonetheless, staff or third parties may make anonymous reports should they be unwilling to disclose their identity due to any reason.
- 5.2. The Company shall make every effort to keep the identity of whistleblowers and the reported matters confidential. Whistleblowers shall also keep the details of the reported matters strictly confidential. If, in some cases, the identity of the whistleblower is required to be disclosed in accordance with laws and regulations, the Group will take all reasonable steps to ensure that the whistleblower will not be a victim of any retaliation.
- 5.3. Fair treatment shall be ensured for all whistleblowers. The Company is committed to protecting whistleblowers reporting in good faith from any unfair dismissal, damage or unreasonable punishment regardless of whether the allegation made is established. “Good faith” means that the whistleblower holds reasonable belief that the reported matter is true, and the report is made based on honesty rather than for personal interests or with other malicious motives. The management shall ensure that the whistleblower feels at ease and is not troubled by the fear of retaliation. Any type of retaliation is considered inappropriate.

5.4. If a whistleblower makes a false report maliciously or involves other malicious motives, the Company reserves the right to take appropriate actions against anyone (including staff or third parties) to recover any loss or damage caused by such false report. The staff concerned is subject to disciplinary actions, including dismissal.

6. Handling of reported matters

6.1. The Internal Audit Office is delegated by the audit committee to centrally record all reported matters and the corresponding follow up actions to ensure accountability.

6.2. The Internal Audit Office shall report its work to the audit committee at least once a year.

6.3. Internal inquiry conducted by the Company shall not jeopardise any future investigation conducted by a law enforcement agency (including the steps to ensure the appropriate handling of suspected criminal offences reported or revealed during the internal enquiry). Report should be made to the appropriate law enforcement agency once there is reasonable suspicion of a criminal offence.

7. Disclosure of the Policy

7.1. The Policy (or its summary) and the reporting channels shall be disclosed on the Company's website.

8. Periodic Review

8.1. The Policy shall be regularly reviewed by the directors, and amended when necessary, so as to improve its effectiveness.