



Nippecraft Limited

Whistle-blowing Policy

Nippecraft Limited

9 Fan Yoong Road. Singapore 629787

Main Line: +65 6262 2662

Website: www.nippecraft.com.sg

1. PURPOSE

- 1.1 The Group is committed to a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements and any legislation relating thereto. In line with this commitment, the Whistle-blowing Policy (“**Policy**”) aims to provide an avenue for employees and stakeholders to raise concerns and offer reassurance that they will be protected from reprisals or victimization for whistle-blowing in good faith.
- 1.2 The policy is intended to conform to the guidance set out in the Code of Corporate Governance which encourages employees and stakeholders to raise concerns, in confidence, about possible irregularities.
- 1.3 This Policy is not intended to be used where other more appropriate procedures are available, for example, through the Human Resources department concerning personal grievances; unhappiness over personal issues or feedback for improvement in procedures or policies. It is primarily for concerns where the interests of others or the Group itself are at risk.

2. SCOPE

- 2.1 This policy applies to all directors and employees, including full-time, part-time and contract employees and stakeholders of Nippecraft Limited (the “**Company**”) and its subsidiaries (the “**Group**”).
- 2.2 On an ongoing basis, the whistle-blowing policy (including the procedures for raising concerns) is covered during the employee training and periodic communication to employee as part of the Group’s efforts to promote awareness of fraud and corruption control. The policy is also available at the Company’s website: <https://www.nippecraft.com.sg>.

3. OBJECTIVES OF THIS POLICY

- (a) Deter wrongdoing and to promote standards of good corporate practices.
- (b) Provision of proper avenues for employees and other persons to raise concerns about actual, suspected or possible improprieties in matters of financial reporting or other matters and receive feedback on any action taken.
- (c) Give employees the assurance that they will be protected from reprisals or victimisation for whistle-blowing in good faith.
- (d) Stakeholders are encouraged to report wrongdoing to the Audit Committee Chairman before going to the relevant Authorities.

4. POLICY

This policy is intended to cover concerns over wrongdoing or malpractice within or by the Group, including, without limitation, the following:

- (a) concerns about the Group's accounting, internal controls or audit matters;
- (b) breach of or failure to implement or comply with the Group's policies or code of conduct;
- (c) impropriety, corruption, acts of fraud, theft and/misuse of the Group's properties, assets or resources;
- (d) conduct which is an offence or breach of law;
- (e) abuse of power or authority;
- (f) serious conflict of interest without disclosure;
- (g) intentional provision of incorrect information to public bodies;
- (h) any other serious improper matters which may cause financial or non-financial loss to the Group, or damage to the Group's reputation;
- (i) fraud against investors, or the making of fraudulent statements to the Singapore Exchange Securities Trading Limited, members of the investing public and regulatory authorities;
- (j) acts to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statements or records of the Group; and
- (k) concealing of information about any malpractice or misconduct.

- 4.1 The above list is intended to give an indication of the kind of conduct which might be considered as "wrongdoing". In cases of doubt, the whistle-blower should seek to speak to his or her immediate superior or follow the procedure for reporting under this Policy.

5 PROTECTION AGAINST REPRISALS

- 5.1 If an employee raises a genuine concern under this Policy, he or she will not be at risk of losing his or her job or suffering from retribution or harassment as a result. Provided that the employee is acting in good faith, it does not matter if he or she is mistaken.
- 5.2 However, the Group does not condone any frivolous, mischievous or malicious allegations. Employee(s) making such allegations may face disciplinary action. In addition, appropriate actions will also be taken against other stakeholders of the Group.

6. CONFIDENTIALITY

- 6.1 The Group encourages the whistle-blower to identify himself/herself when raising a concern or providing information. All concerns will be treated with strict confidentiality. Exceptional circumstances under which information provided by the whistle-blower could or would not be treated with strictest confidentiality include:
- (a) where the Group is under a legal obligation to disclose information provided;
 - (b) where the information is already in the public domain;
 - (c) where the information is given on a strictly confidential basis to legal or auditing professionals for the purpose of obtaining professional advice; and
 - (d) where the information is given to the Police or other authorities for criminal investigation.
- 6.2 In the event we are faced with a circumstance not covered by the above, and where the whistle-blower's identity is to be revealed, we will endeavor to discuss this with the whistle-blower first.

7. CONCERNS AND INFORMATION PROVIDED ANONYMOUSLY

Concerns expressed anonymously are much less persuasive and may hinder investigation work as it is more difficult to look into the matter or to protect the whistle-blower's position. Accordingly, the Group will consider anonymous reports, but concerns expressed or information provided anonymously will be investigated on the basis of their merits.

8. REPORTING PROCEDURES

8.1 Reporting

If the concern involves his/her immediate supervisor, manager or Head of Department, or for any reason he/she would prefer them not to be told, he/she may report to the personnel as follows:

Name	Designation	Email
Khoo Song Koon	Audit Committee Chairman	AC_Chairman@Nippecraft.com.sg

- 8.3 As the Company is unionised, employees*, are encouraged to seek confidential advice from the Industrial Relations Officer from the Building Construction & Timber Industries Employees' Union (BATU) to clarify any employment-related matter. The contact details are as follows:

3 Bukit Pasoh Road
#03-00. Singapore 089817.
Phone: +65 6220 1233
Email: batu@ntuc.org.sg
Website: <http://batu.org.sg>

*Note: Employees who are non-union members will require to join the Union before they are able to seek the same confidential advice from the Industrial Relations Officer.

9. Timing

The earlier the concern is raised the easier it is for the Group to take action.

10. Report and Evidence

- 10.1 The report should be setting out the background and history of events and reasons for the concern, if possible, in a chronological order so as to provide the necessary information to the nature of the concern. Although the complainant is not expected to prove the truth of an allegation, the complainant is encouraged to provide such evidence so as to demonstrate that there are sufficient grounds for concern.
- 10.2 The following is a set of typical information one need to provide when reporting a suspected incidence of misconduct would include but not limited to the followings:
- (a) names of people involved;
 - (b) name of any witnesses;
 - (c) date, time and location of incident(s);
 - (d) how often this incident occurred;
 - (e) money or assets involved; and
 - (f) details of any proof/evidence.
- 10.3 If the complainant is not comfortable about writing in, the complainant can arrange to meet the Audit Committee Chairman in confidence at a time and location to be determined together.

11. Handling of Complaint

- 11.1 The action taken will depend on the nature of the concern; initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation.
- 11.2 The Group assures you that any concern raised on information provided will be investigated, but consideration will be given to these factors:
- (a) Severity of the issue raised;
 - (b) Credibility of the concern or information; and
 - (c) Likelihood of confirming the concern or information from attributable sources
- 11.3 All reports are to be submitted to the Audit Committee.
- 11.4 If an investigation is necessary, the Audit Committee may conduct its own investigation, or may direct an independent investigation to be conducted or may direct any appropriate personnel or committee to investigate on the complaint received.
- 11.5 The Audit Committee will determine the scope of investigation, the person-in-charge and/or an investigating Committee to conduct the investigation.
- 11.6 A report on that complaint, findings of investigation and a follow-up report on actions taken shall be reviewed by the Audit Committee before submission to the Board of Directors.

12. Report to Complainant

- 12.1 Subject to legal constraints, the complainant will be given the opportunity to receive follow-up notification on his/her concern within two(2) weeks of the complaint:
- (a) acknowledging that the concern was received;
 - (b) indicating how the matter will be dealt with;
 - (c) giving an estimate of the time that it will take for a final response;
 - (d) telling them whether initial inquiries have been made; and
 - (e) notifying them of reason(s) should it be decided that no action is to be taken.

13. Further Information

- 13.1 The amount of contact between the complainant and the body investigating the concern will depend on the nature of the issue and the clarity of information provided. Further information may be sought from the complainant.
- 13.2 Subject to legal constraints, the complainant will receive information about the outcome of any investigations.