

# **Playmates Holdings Limited ("Company")**

## **WHISTLEBLOWING POLICY**

### **1. Policy**

#### **1.1 Purpose**

The Company is committed to maintaining high standard of corporate governance and ensuring that any inappropriate conduct or malpractice that compromises the interest of the Company does not occur. To this end, the Company has devised a Whistleblowing Policy. This Policy is designed to encourage employees and other parties who deal with the Group (e.g. contractors, suppliers, and customers) to raise serious concerns in a responsible and effective manner.

#### **1.2 Scope**

Whistleblowing matters may include but are not confined to:

- (a) Improprieties relating to financial reporting and internal controls
- (b) Breach of legal or regulatory requirements
- (c) Criminal offences, breach of civil law and miscarriage of justice
- (d) Violation of rules of conducts applicable within the Company
- (e) Improper conduct or unethical behaviour likely to prejudice the standing of the Company
- (f) Endangerment of the health and safety of an individual
- (g) Damage caused to the environment
- (h) Corruption and related malpractice
- (i) Deliberate concealment of any of the above

#### **1.3 Protection and Confidentiality**

- (a) Whistleblowers making genuine and appropriate reports are assured of fair treatment. In addition, employees will not suffer any form of intimidation, reprisal, retaliation or adverse reaction organizationally as a consequence of reporting a concern about any of the above matters.
- (b) The Company will make every effort to treat all disclosures in a confidential and sensitive manner. The identity of the whistleblower making the allegation will not be divulged without his/her consent. However, there may be circumstances in which the Company may be required or legally obliged to reveal the whistleblower's identity, for example, where an investigation leads to legal proceedings being initiated. In some circumstances, the Company may have to refer the matter to relevant authorities without prior notice or consultation with the whistleblower.
- (c) In order not to jeopardize the investigation, the whistleblower is also required to keep confidential the fact that he or she filed a report, the nature of concerns and the identities of those involved.

#### 1.4 **Untrue Allegations**

In making a complaint, the whistleblower should exercise due care to ensure the accuracy of the information. If the employee making the complaint is mistaken, he/she will not be at risk of losing his/her job or suffer any form of retribution as a result, provided that he/she is acting in good faith. On the other hand, disciplinary action will be taken against any employee deliberately raising false and malicious allegations.

### 2. **Reporting Channel and Investigation**

- 2.1 Any person who has reasonable evidence of actual or suspected improper conduct involving the Company can make a report confidentially, in writing, to the Chairman of the Audit Committee, via the Legal Department at:

*Chairman of the Audit Committee of the Board of Directors  
c/o the Legal Department  
23/F The Toy House,  
100 Canton Road,  
Tsimshatsui, Kowloon,  
Hong Kong*

- 2.2 A report can be made anonymously but in such instances the Company's ability to investigate the allegations and/or follow up with the complainant may be seriously restricted.
- 2.3 Upon receipt of a report, the Chairman and members of the Audit Committee will evaluate the validity and relevance of the concerns raised and decide how the investigation should proceed.
- 2.4 If there is evidence of criminal activity, activity on solicitation and acceptance of advantages or breach of legal and regulatory requirements, the party responsible for the internal investigation may legally be obliged to inform the relevant public or regulatory bodies.
- 2.5 The format and the length of an investigation will vary depending upon the nature and particular circumstances of each complaint made. Subject to the nature and complexity of the matter, the outcome of the investigation will be provided to the complainant within a reasonable period of time. However, due to legal constraints, all the details of the investigation and the investigation report (if any) may not be given to the complainant.

### 3. **Monitoring and Review**

This Policy has been approved and adopted by the Board of Directors of the Company. The Audit Committee has overall responsibility for implementing, monitoring and periodic review of this Policy. Any revisions to the Policy as recommended by the Audit Committee will be submitted to the Board for consideration and approval.

4. **Consistency with Laws and Regulations**

This Policy shall be read in conjunction with and subject to any relevant laws, regulations, rules, directives or guidelines that The Stock Exchange of Hong Kong Limited (“**HKEX**”) or any other regulatory bodies may from time to time prescribe or issue on the matters governed by this Policy. In the event that any section or part herein is inconsistent or in conflict with any relevant laws, regulations, rules, directives or guidelines as prescribed by the HKEX or any other regulatory bodies, the latter shall prevail to the extent of such inconsistency or conflict.