

China Boqi Environmental (Holding) Co., Ltd. Whistleblowing Policy

General

We are committed to maintaining the highest standards on openness, integrity and accountability. We anticipate and encourage our employees, customers, suppliers and other stakeholders to report any suspected improper behaviors or internal frauds of the Company to perform such commitments.

Although the Company cannot guarantee that the results of subsequent investigations can satisfy those who raised the concerns, the Company will try to equally and appropriately respond to the concerns. We cannot guarantee to handle your whistleblowing in the manner you expected, but we will try to fairly and appropriately respond to your concerns.

Scope

This Policy shall apply to all employees of the Group and branches and subsidiaries shall implement it by reference.

Protection of and Support for Whistleblowers

Those making appropriate complaints in accordance with this Policy are guaranteed to be protected. Even if they have no substantial evidence on the concerns raised, they shall not be subject to unfair dismissal, injury or unnecessary disciplinary punishment.

According to this Policy, anyone who persecutes or revenges the employees having raised the concerns will be subject to disciplinary punishment.

Responsibilities on the Implementation of the Policy

The Audit Committee under the Board shall be fully responsible for this Policy provided that it has granted the responsibilities on the routine supervision and implementation to designated officers, namely the Company Secretary or the Chief Financial Officer. The Audit Committee shall still be responsible for supervising and reviewing the operation of this Policy and suggesting rectification measures on any complaints under investigation.

The management shall guarantee that all employees can raise matters they are concerned without worrying about being revenged. All employees shall ensure that they have adopted appropriate steps to disclose any inappropriate or violations of regulations they noted. If any employees have any questions about the contents or the application of this Policy, they may contact the designated officers, namely the Company Secretary, the Chief Internal Auditor or the Compliance Officer.

Misconduct and Fraud

It is improper to offer a detailed list of activities involving misconduct or fraud. In summary, the Company wishes to receive the reporting on the following matters:

- (a) Criminal offence;
- (b) Failure to perform any legal obligations;
- (c) Injustice;
- (d) Financial misconduct;
- (e) Activities jeopardizing the health and safety of any persons;
- (f) Activities damaging the environment;
- (g) Deliberate concealment of information on any of the above matters.

We do not anticipate that you can provide concrete evidence on the inappropriate behaviors or violations of regulations reported, but you should provide reasons for raising such matters as concerns.

Even if such matters cannot be certified after investigation, we will also value and appreciate your concerns as long as you sincerely and truthfully report such matters.

False Whistleblowing

If you make false whistleblowing maliciously or for other purposes or there are no reasonable grounds to believe that the information involved is accurate or reliable or for seeking personal benefits, you may be subject to disciplinary punishments, including dismissal.

Whistleblowing

You may make whistleblowing orally or in written form, and the form for written whistleblowing is attached to this Policy (Appendix I). We generally expect you to make internal whistleblowing to your immediate superior (or his superior) in your department.

If you find it inconvenient to do so, e.g. your immediate superior (or his superior) has declined to handle the matter or the whistleblowing is against your immediate superior (or his superior), you should contact the designated officers, namely the Company Secretary or the Chief Financial Officer.

If the whistleblowing is extremely serious, or involves a designated officer, you should report it directly to the Chairman of the Audit Committee under the Board.

If you find it inconvenient to make an internal whistleblowing, you may report it to an independent person or organization specializing in handling relevant matters (with your contact details attached).

You should provide full details and, if possible, evidence when making whistleblowing.

Confidentiality

We will make every effort to keep your identity confidential. To avoid affecting the investigation, you should also keep the facts reported, the nature of the matters reported and the identities of the persons involved confidential.

In some cases, we may disclose your identity due to the nature of the investigation. In such cases, we will try to inform you that your identity is likely to be disclosed. If you are required to participate in an investigation, the facts of the incident you firstly disclosed will be kept confidential as soon as reasonably practicable. However, it is still possible that your role as the whistleblower may become known by third parties during the investigation.

Likewise, if an investigation develops into a criminal proceeding, you may be required to provide evidence or meet with relevant law enforcement authorities.

Under such circumstances, we will also try to discuss with you about the impacts on confidentiality.

However, you should understand that under certain circumstances, we may transfer the matters to relevant competent authorities without prior notice or consultation with you.

Anonymously Whistleblowing

You may wish to make whistleblowing confidentially sometimes and we respect your wishes. However, it may be difficult for us to make appropriate evaluation and track on such matters as we cannot obtain further information from you under confidential whistleblowing.

We generally discourage confidential whistleblowing and encourage you to stand out to express your concerns.

Investigation Procedures

For a quick review of the investigation procedures, please refer to the flowchart set out in Appendix II.

We will confirm the following matters within five working days:

- We have received your whistleblowing;
- We will investigate the matters;
- We will notify you of the investigation result in due course unless they are subject to legal restrictions.

We will authorize the designated officers, namely the Company Secretary, the Chief Internal Auditor or the Compliance Officer, to handle the whistleblowing.

We will evaluate each whistleblowing received to determine whether a comprehensive investigation is required. If there are grounds to carry out an investigation, we will assign an investigator from the internal audit or compliance department (with appropriate qualifications and not involved in such incidents previously) to investigate the incident.

If the incident disclosed in the whistleblowing may involve a criminal offence, we will transfer the incident to the Audit Committee, which, after consulting the opinions of legal advisors, will decide whether the incident should be transferred to the relevant competent authorities for further action.

As stated in the section headed “Confidentiality”, we will try to discuss with you before transferring the incident to relevant competent authorities under most cases. However, under certain circumstances, we may transfer the incident to relevant competent authorities without prior notice or consultation with you.

Please note that once the incident has been transferred to relevant competent authorities, the Company will not be able to take further actions on the matter (including notifying you that the whistleblowing has been transferred to relevant authorities).

You may be required to provide more information during the investigation process.

The investigation report will be reviewed by a committee composed of officers (e.g.: the Company Secretary or the Chief Financial Officer).

The possible investigation results may be as follows:

- (a) the allegation cannot be proven;
- (b) the allegation is proven to be true and the following one or two actions will be adopted:
 - (i) carrying out rectification actions to prevent the reoccurrence of such matters;
 - (ii) Imposing disciplinary or appropriate punishment on wrongdoers.

The Audit Committee will be presented with a final report together with recommendations for improvement (if applicable). The Audit Committee will review the final report and make recommendations to the Board.

You will receive written investigation results. Due to legal restrictions, we cannot provide you with details of the actions taken or a copy of the report.

Depending on the nature and complexity of the incident, we expect to complete the investigation and inform you of the investigation results within three months.

If you are not satisfied with the investigation results, you may make another whistleblowing to the designated officers, namely the Company Secretary or the Chief Financial Officer. You should make another whistleblowing to explain why you are dissatisfied with the investigation results. If there are sufficient grounds, we will reinvestigate your concerns.

Of course, you may also make whistleblowing to regulatory authorities, law enforcement authorities and other external authorities provided that we encourage you to discuss with the designated officers, namely the Company Secretary or the Chief Financial Officer, before making whistleblowing to external authorities. You may also consult your own legal advisors.

Supervision on Whistleblowing Policy and Procedures

The Audit Committee will review and supervise the effectiveness of this Whistleblowing Policy from time to time.

Appendix I
Whistleblowing Form
Confidential

We are committed to maintaining the highest standards on openness, integrity and accountability. We anticipate our employees to report any suspected improper behaviors or violations of regulations within the Company to perform such commitments.

In most cases, all persons proposed concerns wish to be kept confidential during the process of treatment. As a result, we will try to avoid preventing the disclosure of the identity of such persons.

Please use this Whistleblowing Form if you want to make a written whistleblowing.

This Form shall become a confidential document after being duly completed.

<p>Your name/telephone and email</p> <p>We encourage you to fill in your name in this Form. Anonymously whistleblowing is less convincing, but we will still try to consider as soon as reasonably practicable.</p>	<p>Name: _____ <input type="checkbox"/> Employee <input type="checkbox"/> Client <input type="checkbox"/> Supplier (Please tick in the appropriate box) Department and position: _____ (To be filled by employees only) Address: _____ Telephone: _____ Email: _____ Date: _____</p>
<p>Name of persons involved (if known):</p> 	
<p>Details of whistleblowing: Please provide details of whistleblowing: name of related persons, date and place, reasons for whistleblowing (please attach additional pieces if necessary) together with any supporting evidence.</p> 	

Attachment II
Investigation Procedures

