

# **FIRST CAPITAL SECURITIES CORPORATION LIMITED (“FCSC” OR “THE COMPANY”)**

## **WHISTLE BLOWING POLICY**

### **Introduction**

#### **General**

Whistle blowing policies are generally intended to make it easier for members of staff to be able to report irregularities in good faith, without having to fear that their action may have adverse consequences.

Whistle blowing policy of FCSC is a key element for safeguarding the Company’s integrity. It is aimed at enhancing the Company’s transparency and underpinning its system for combating practices that might damage its activities and reputation.

Protecting the integrity and reputation of FCSC requires the active support of all members of the Company’s staff, who are required to report incidents of suspected fraud, corruption, collusion and coercion, and other serious infringements of the rules and policies in force at the Company. Members of staff must also cooperate in investigations into such incidents.

By creating an environment of trust and maximum protection for the members of its staff, the Company wants to encourage them to cooperate in full. It is putting in place arrangements that will ensure that members of staff who report irregularities in good faith are afforded the utmost confidentiality and greatest degree of and most effective protection possible against any retaliation or reprisals, whether actual or threatened, as a result of their whistle blowing.

#### **Basic principles**

The basic principles of the Company’s whistle blowing policy are as follows:

- the persons concerned must have a choice between a number of channels for whistle blowing and communication; in certain circumstances, they must be able to bypass the main channels for whistle blowing if these prove inappropriate;
- Members of staff must not under any circumstances be subject to reprisals for whistle blowing;
- Members of staff who report incidents in good faith must be protected and their identity must insofar as possible remain confidential;
- The reported incidents shall be verified in the appropriate manner and, if they are confirmed, the Company shall take all necessary steps to identify appropriate remedies;

- The basic rights of any person implicated by the reported incidents must be respected, whilst ensuring that the procedures provided for are effective.

### **Scope of the policy**

FCSC's whistle blowing policy applies to all FCSC staff members and any other person providing the Company with services, including consultants and other service providers under contract to the Company (grouped together for the purposes of this document under the term "staff member(s)").

### **Policy and Procedure**

#### **Reporting Obligations**

Members of staff are required to report any suspected or presumed incidents of illegal behavior in the activities of the Company or of serious misconduct or serious infringement of the Company's rules, policies or guidelines, or any action that is or could be harmful to the mission or reputation of the Company (hereinafter "irregularities").

Such incidents may involve members of staff, borrowers, promoters, service providers, contractors, suppliers, beneficiaries or any other persons or entities that participate or seek to participate in activities financed by FCSC.

Members of staff are required to cooperate in any official investigation, audit or similar request.

No members of staff or managers of the Company may use their position to prevent other members of staff from exercising their rights or complying with their obligations as indicated above.

#### **Reporting Procedures**

- Reporting procedures for cases of alleged frauds, corruption, money laundering, or financing of terrorism.
- For cases of alleged fraud, corruption, collusion or coercion, money laundering and financing of terrorism, or any other unlawful activity that is detrimental to the financial interests of the communities, the member of staff is required to inform the Chief Internal Auditor or Chief Compliance officer forthwith.
- If the use of the above reporting procedures is not appropriate in view of the circumstances or nature of the incidents (for instance, if there is a conflict of interest or a risk of reprisals, the intended recipient of the report is personally implicated in the incidents to be reported, or the authority initially alerted fails to take appropriate action), the member of staff may report the matter to the Audit Committee.

- In the event of maladministration by the Company in the management of the above procedures, members of staff may as a last resort refer the matter to the financial monitoring unit in accordance with the relevant provisions.

### **Reporting procedures for a serious failure or infringement of ethics or integrity**

- In the event of serious misconduct or a serious infringement of the staff HR manual or the compliance manual, members of staff are required to refer the matter forthwith to the Chief Internal Auditor or Chief compliance officer.

- Cases of bullying, harassment and those concerning dignity at work are to be reported to the manager HR.

- If the use of the established reporting mechanisms is not appropriate in view of the circumstances or nature of the incidents (for instance, if there is a conflict of interest or a risk of reprisals, the intended recipient of the report is personally implicated, or the authority initially alerted fails to take appropriate action), the member of staff may report the matter to the member of the HR committee.

- In the event of maladministration by the Company in the management of the above procedures, members of staff may as a last resort refer the matter to the relevant government authority in accordance with the relevant provisions.

### **Selecting the appropriate channel for reporting an incident**

It is up to staff members to choose the most appropriate channel for reporting incidents which they must disclose. However, if a matter is reported to an authority that is not competent to deal with it, it is up to that authority to transmit, in strictest confidence, the relevant information and documents to the competent authority and to inform the member of staff accordingly.

### **Reporting Arrangements and Anonymity**

Incidents may be reported by any means at the disposal of the member of staff and are to be described as accurately as possible.

They may be reported anonymously in writing, in which case they will be considered by the authority to which the matter is referred, account being taken of the circumstances and nature of the incidents reported.

## **Protection for Whistle-Blowers**

### **Principles**

Any staff member who reports an irregularity, provided that this is done in good faith and in compliance with the provisions of this policy, shall be protected against any acts of retaliation.

For the purposes of this policy, "retaliation" is defined as any action or threat of action which is unjustly detrimental to the whistleblower because of his/her report, including, but not limited to, harassment, discrimination and acts of vindictiveness, direct or indirect, that are recommended, threatened or taken against the whistleblower.

"Good faith" can be taken to mean the unequivocal belief in the veracity of the reported incidents, i.e. the fact that the member of staff reasonably believes the transmitted information to be true.

Staff members who make a report in bad faith, particularly if it is based knowingly on false or misleading information, shall not be protected and shall be subject to disciplinary measures.

### **Protective Measures**

The protection of a person reporting an irregularity shall be guaranteed first of all by the fact that their identity will be treated in confidence. This means that their name will not be revealed, unless the whistleblower personally authorizes the disclosure of his/her identity or this is a statutory requirement, particularly if it is essential to ensure that the right of the persons implicated to be given a fair hearing is upheld. In such a case, the Company shall be required to notify the whistleblower before revealing their identity.

Where members of staff consider that they have been the victim of retaliation for reporting an irregularity or have good reason to believe or fear that they are exposed to a risk of retaliation as a result of their reporting an irregularity, they shall be entitled to complain to the manager HR or the compliance officer and request that protective measures be adopted.

The authority approached shall assess the circumstances of the case referred to it and may recommend to the member of human resource committee that temporary and/or permanent measures that are necessary in the interests of the Company be adopted with a view to protecting the staff member in question. The staff member shall be informed in writing of the results of this procedure.

### **Penalties for those taking retaliatory action**

Any form of retaliation undertaken by a staff member against any person for reporting an irregularity in good faith is prohibited and considered to be a breach of the loyalty and professional ethics requirements of the staff HR manual. In such a case disciplinary measures shall be taken.

Members of staff will be informed of the measures taken by the Company following the discovery of acts of retaliation for reporting an incident. The information provided will not contain any data that will enable the people concerned to be identified.

### **Rights of Persons Implicated**

Any FCSC staff member implicated by reports of irregularities must be notified in good time of the allegations made against them, provided that this notification does not impede the progress of the procedure for establishing the circumstances of the case. In any event, findings referring to a staff member specifically by name may not be made upon the completion of the above-mentioned procedure, unless that staff member has had the opportunity to put forward their comments in keeping with the principle of respect for the right to be given a fair hearing, as interpreted by the courts.

After having heard the implicated staff member, or after having requested the latter to put their case in writing if, for objective reasons, it is not possible to hear them directly, any member of human resource committee shall decide on the measures required in the Company's interest.

Since the reporting of irregularities and/or the ensuing procedure will involve dealing with personal data, such data shall be managed in keeping with the principles and rules provided for in the regulations applicable to the Company.

### **Administration of the Policy**

The Chief compliance officer shall be consulted in advance in the event of the adoption or amendment of any internal Company provision establishing obligations for members of the staff of the Company or its organs to report irregularities.

The Chief compliance officer, with the agreement of the manager HR, shall propose to the human resource committee any necessary amendments to these provisions.

The ultimate responsibility of implementation of whistle blowing policy rests with Board of Directors.