



Okura Holdings Limited

(Incorporated in Hong Kong with limited liability)

(the “Company”)

(Stock Code: 01655)

WHISTLEBLOWING POLICY

1. Introduction

The Company and its subsidiaries (collectively, the “**Group**”) are committed to achieving and maintaining the highest standards of openness, probity, accountability and ethical business practices. Employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. It is in all interest of the Group to ensure that any inappropriate behaviour or malpractice that compromises the interest of the shareholders, investors, customers and the wider public does not occur. It is also critical to maintain a good corporate image and enhance the standard of corporate governance of the Group.

In this regard, the Company has devised this whistleblowing policy (the “**Policy**”) so that employees of the Group as well as relevant third parties who deal with the Group (e.g., customers, suppliers, subcontractors) (the “**Third Parties**”) can voice concerns, in confidence, about any suspected misconduct, malpractice or irregularities in any matters related to the Group. The Company also ensures that proper and timely arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action.

2. Purpose

The purposes of formulating this Policy are to enhance the awareness of good corporate governance and to establish a healthy corporate culture in the Group. This Policy constitutes an important part of the effective internal control and risk management system. It also provides employees or relevant Third Parties with reporting channels and guidance on whistleblowing.

The term “whistleblowing” refers to a situation where an employee or a relevant Third Party decides to report serious concerns about any malpractice, which he or she has become aware of or genuinely suspects that the Group has been or may become involved in. The Policy is also designed to encourage employees to raise serious concerns internally, without fear of reprisal or victimisation, in a responsible and effective manner. The content of this Policy is applicable to employees at all levels of the Group and other stakeholders with knowledge or suspicion of staff misconduct of the Group.

3. Policy

This Policy is intended to assist individual employees or relevant Third Parties to disclose information on suspected misconduct, malpractice or irregularity through a confidential reporting channel, such that the Company can detect and deter misconduct and malpractice in the Company. It is not designed to further any personal disputes, or to question financial or business decisions taken by the Company nor should it be used to reconsider any staff matters which have been addressed under the grievance procedure already in place. Whistleblowing matters may include but are not limited to:

- (i) Breach of legal or regulatory requirements, including without limitation the Act on Control and Improvement of Amusement Business etc.* (風俗営業等の規制及び業務の適正化等に関する法律) and its ancillary prefectural local regulations;
- (ii) Criminal offences, breach of civil law and miscarriage of justice;
- (iii) Malpractice, impropriety, irregularities or fraud relating to operations, internal controls, accounting, auditing and financial matters of the Group;
- (iv) Non-compliance with the “Three Party System”;
- (v) Endangerment of the health and safety of an individual;
- (vi) Damage caused to the environment;
- (vii) Violation of rules of conducts applicable within the Company or those of the Group;
- (viii) Improper conduct or unethical behaviour likely to prejudice the standing of the Company;
- (ix) Money-laundering activities;

(x) Bribery, corruption and economic extortion; and/or

(xi) Deliberate concealment of any of the above.

4. Protection

It is the Company's policy to make every effort to treat all disclosures in a confidential and sensitive manner after an employee or a relevant Third Party reports concern about any of the above matters. The identity of the individual employee or relevant Third Party making genuine and appropriate allegation under this Policy is assured of fair treatment. In addition, employees are also assured of protection against unfair dismissal, victimisation or unwarranted disciplinary action, even if the legitimate concerns that are raised turn out to be unsubstantiated.

The Company reserves the right to take appropriate actions against anyone who initiates or threatens to initiate retaliation against those who have raised concerns under this Policy. In particular, employees who initiate or threaten retaliation will be subject to disciplinary actions, which may include summary dismissal. Management will support all employees and encourage them to raise legitimate concerns without fear of reprisals.

5. Confidentiality

The Company will make every effort to keep all whistleblowing reports and identities of employees and/or Third Parties who have made reports confidential.

There may be circumstances in which, due to the nature of the investigation or the nature of the concerns raised, it will be necessary to disclose the identity of the employees and/or Third Parties who have made the report as required by law or regulatory obligations. Disclosure in such circumstances will be limited to the extent strictly necessary and prior notice to the whistleblower may not be legally permissible or reasonably practicable. Should an investigation lead to a criminal prosecution, it may become necessary for the whistleblower to provide evidence or be interviewed by a law enforcement agency.

In order not to jeopardise the investigation, any future investigation by a law enforcement agency and any follow-up actions, employees and/or Third Parties who have made reports are also required to keep confidential all information about and related to the report, including the fact that a report has been filed, the nature of the concerns, the identities of those involved and any other information that the Company has shared in the course of handling the report.

6. Reporting Channels

The audit committee of the board of directors of the Company (the “**Audit Committee**”) is responsible for overseeing the review and investigation of any reports from employees and relevant Third Parties. Employees of the Group or relevant Third Parties who have legitimate concerns can make a report to the Audit Committee through the following channels:

(i) By phone to +81-95-825-2202 , the Company’s whistleblowing hotline which is outsourced to Kiyou Goudou Law Firm (<https://www.kiyougoudou.com>) to ensure the anonymity and safety of the whistleblower as well as the confidentiality of the report, from 10:00 a.m. to 5:00 p.m. (Japan Standard Time). The phone calls will be recorded and directly reported to the Audit Committee;

(ii) By post or by hand:

Attn: “Okura — Chairman of Audit Committee”

Address: 11/F, Admiralty Centre Tower II,
18 Harcourt Road, Admiralty, Hong Kong

In a sealed envelope clearly marked “Strictly Private and Confidential — To be Opened by Addressee Only”; or

(iii) By email to kiyougoudou@xrh.biglobe.ne.jp, which is the email of Kiyou Goudou Law Firm to ensure the anonymity and safety of the whistleblower as well as the confidentiality of the report. The emails will be forwarded and directly reported to the Audit Committee.

Any business units in receipt of a report alleging any of the above types of misconduct, malpractice or irregularities shall redirect the report to the Audit Committee, which will handle such report in the same manner as stipulated in this Policy.

7. Supporting Documentation

Disclosures can be made verbally or in writing by using the standard form (Whistleblower Report Form) as set out in the Annex I to this Policy.

While the Company does not expect the whistleblower to have absolute proof or evidence of the misconduct, malpractice or irregularities reported, the report should show clear reasons for the concerns and full disclosure of any relevant/material information to the extent possible (including names involved, event details, reasons of concerns etc.) and supporting documentation (if any).

The whistleblower should make the report in good faith and exercise due care to ensure the accuracy of the information when making an allegation.

8. Mechanism of an Investigation

For quick reference, please refer to the flowchart in Annex II.

The Audit Committee will evaluate the validity and relevance of the concerns raised, and to decide if the reported matter falls under the section headed “Policy” above and so an investigation is necessary. The format and the length of an investigation will vary depending upon the nature and particular circumstances of each report made. The matters raised may be:

- (i) investigated internally;
- (ii) investigated by external professional party;
- (iii) reported and referred to the Audit Committee;
- (iv) reported and referred to the senior management of the Group;
- (v) referred to the external auditors;
- (vi) referred to the relevant public or regulatory/law enforcement authorities; and/or
- (vii) form the subject of any other actions as the Audit Committee may determine in the best interest of the Group.

If an investigation is warranted, an investigator (with suitable seniority and without previous involvement in the matter) from the Audit Committee will be appointed to look into the matter.

The objective of an investigation is to evaluate whether concerns are substantiated by examining information relating to the allegation and to allow the Group to take proper subsequent actions as appropriate from an objective and impartial result. During the investigation, the Audit Committee may seek advice and/or assistance from professionals such as lawyers, external auditors, etc., where appropriate.

During investigations, the Audit Committee/other authorised professionals may need to contact the employees or Third Parties for further information. They are requested to cooperate with the investigation, including by making themselves available for interviews as required. They are required to preserve the strict confidentiality of the fact of the investigation and the content of any interviews/communications in relation to the investigation (except as required by law or regulatory authority).

Employees who are found to have breached the Company’s policies will be subject to disciplinary actions, which may include termination of employment. In cases of suspected corruption or other criminal offences, a report will be made to the appropriate authorities or law enforcement agency, as considered appropriate.

Where the report discloses a possible criminal offence, the matter will be referred to the Audit Committee. The Audit Committee, in consultation with the Company's legal advisers, will decide if the matter should be referred to the Company's board of directors (the "**Board**") for further action. The Board will report any findings of irregularities and defrauds to the relevant authorities in Japan if required under the relevant laws and regulations in Japan. Where circumstances allow, the Board will endeavour to discuss with the person(s) involved before referring a matter to the authorities. However, in some situations, the Board may have to refer the matter to the authorities without prior notice or consultation with the person(s) involved. Please note that once the matter is referred to the authorities, the Company may not be able to take further action on the matter, including advising the person(s) involved of the referral.

Possible outcomes of the investigation:

- (a) The allegation could not be substantiated;
- (b) The allegation is substantiated with one or both of the following:
 - (i) Corrective action taken to ensure that the problem will not occur again;
 - (ii) Disciplinary or appropriate action against the wrongdoer.

The investigation report will be reviewed by the Audit Committee and the final report, with recommendations for change (if appropriate), will be produced to the Board.

The whistleblower will receive in writing the results of the investigation and the corrective measures taken or, if the investigation is discontinued, the reason for the discontinuation.

Subject to the nature and complexity of the matter, the investigation is expected to be completed within 3 months and the outcome will be provided to the whistleblower.

If the whistleblower is not satisfied with the outcome, he/she could raise the matter again with the Audit Committee. The whistleblower should make another report explaining why this is the case. If there is good reason, his/her concerns will be investigated again.

While the whistleblower could raise the matter with an external authority such as a regulator or a law enforcement agency, it is recommended that he/she discuss with the Audit Committee beforehand. The whistleblower may consult legal advisers and should have sufficient evidence to support his/her concerns.

9. False Reports

All reports must be made in good faith. If the whistleblower makes a false report fraudulently or maliciously, with an ulterior motive, without reasonable grounds to believe that the information in the report is accurate or reliable or for personal gain, the Company reserves the right to decline or discontinue the investigation, and to take appropriate actions against the whistleblower to recover any loss or damage as a result of the false report. In particular, employees making false reports without good faith may face disciplinary action, including dismissal, where appropriate.

10. Anonymous Reports

The Company accepts anonymous report and respects such need from the whistleblowers, and will handle such report the same way as it handles other whistleblower reports. However, an anonymous allegation will be much more difficult for the Company to follow up because the Company will be unable to obtain further information from the whistleblowers and make a proper assessment.

Since the Company takes reporting of misconduct, malpractice, and irregularities seriously and wants to conduct warranted investigations of both potential and actual violations, it is encouraged that whistleblowers identify themselves when reporting. Concerns expressed anonymously may be investigated, but due consideration will be given to the following factors:

- (i) sufficiency and validity of the information offered;
- (ii) seriousness of the concern;
- (iii) credibility of the concern; and
- (iv) likelihood of confirming the concern from identifiable sources.

11. Record Retention

Records shall be kept centrally for all reported misconduct, malpractice, irregularities and the corresponding follow-up actions by the relevant parties in the Group to ensure accountability. In the event a reported irregularity leads to an investigation, the party responsible for leading and/or conducting the investigation shall ensure that all relevant information relating to the case is retained, including details of corrective action taken for at least 7 years (or whatever other period may be specified by any relevant legislation).

12. Handling of Reports

Reports that lead to an internal inquiry should not jeopardise any future investigation by a law enforcement agency (including the steps to ensure the appropriate handling of suspected criminal offences reported or revealed during the internal enquiry), and such a report should be made to the appropriate law enforcement agency once there is reasonable suspicion of a criminal offence.

13. Review of this Policy

The Board and the Audit Committee will review this Policy on an annual basis to ensure its effectiveness and improve employee confidence in the process to encourage a “speak up” culture across the Group. Any changes to this Policy shall be approved by the Board and the Audit Committee.

14. Publication of this Policy

This Policy (including the reporting channels) is available on the website of the Company.

Effective date: 1 January 2022

(If there is any inconsistency between the English version and the Chinese version, the English version shall prevail.)

Annex I
Whistleblower Report Form

Okura Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are committed to maintain a high standard of business ethics and principles. In line with that commitment, employees of the Group and relevant third parties who deal with the Group (e.g., customers, suppliers, subcontractors) are encouraged to voice concerns and report in confidence, about suspected misconducts, malpractice or irregularities in any matters related to the Group.

The whistleblowing policy has been established to encourage and assist whistleblowers to disclose information relevant to the misconduct, malpractice or irregularities through a confidential reporting channel (to the extent possible). The Company will handle this report with due care and will treat the whistleblower’s concerns fairly and properly. If you wish to make a written report, please use the report form below. Once completed, this report becomes confidential. You may send the report, marked “Strictly Private and Confidential — To be Opened by Addressee Only” and addressed to the Audit Committee, by post to the relevant address below or by email to kiyougoudou@xrh.biglobe.ne.jp.

To: Chairman of Audit Committee 11/F, Admiralty Centre Tower II, 18 Harcourt Road, Admiralty, Hong Kong						
<p>Contact details: We encourage you to provide your name with this report. Concerns expressed anonymously are much less powerful but they will be considered as far as practicable.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="padding: 2px;">Name:</td></tr> <tr><td style="padding: 2px;">Address:</td></tr> <tr><td style="padding: 2px;">Tel No:</td></tr> <tr><td style="padding: 2px;">Email:</td></tr> <tr><td style="padding: 2px;">Date:</td></tr> </table>	Name:	Address:	Tel No:	Email:	Date:
Name:						
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The names of those involved (if known): 						

Details of concerns:

Please provide full details of your concerns: names, dates and places and the reasons for the concerns (continue on separate sheet if necessary) together with any supporting evidence/documents.

Personal Information Collection Statement

All personal data collected will only be used for purposes which are directly related to the whistleblowing case you reported. It is strongly recommended that contact details can be offered to facilitate possible appropriate investigation and relevant follow-up. The personal data submitted will be held and kept confidential by the Group and may be transferred to parties with whom we will contact during our handling of this case. The information provided may also be disclosed to law enforcement authorities or other concerned units. Where relevant, under the Act on the Protection of Personal Information (個人情報保護に関する法律) and other applicable laws, you shall have the right to request access to and correction of your personal data. If you wish to exercise these rights, requests should be made in writing to the Audit Committee at the address shown in this form.

Annex II
Mechanism of an Investigation

