

WHISTLEBLOWING POLICY

VERSION 1.1

1. Introduction

- 1.1 The Insurance Authority (“IA”) is committed to promoting and maintaining high standards of transparency, accountability and integrity. The IA expects and encourages its employees and other parties who deal with the IA (e.g. contractors, suppliers, etc.) to report any fraud, misconduct, malpractice or irregularity within the IA.

2. Purpose

- 2.1 This policy aims to provide reporting channels and guidance on reporting suspected fraud, misconduct, malpractice or irregularity and reassurance to persons reporting his or her concerns under this policy (“Whistleblower”) of the protection that the IA will extend to them against unfair disciplinary action or victimization for any genuine reports made.

3. Scope of Reporting

- 3.1 Concerns raised under this policy should be related to the discharge of official duties. Whilst it is impossible to give an exhaustive list of the activities or behaviours that constitute misconduct, malpractice or irregularity covered by this policy, the following serve as examples of such activities or behaviours:
- Criminal offences and unlawful acts (e.g. corruption, theft, fraud, forgery, bribery and blackmail);
 - Failure to comply with legal or regulatory obligations;
 - Material breach of internal policy or rules (e.g. financial controls, procurement rules, confidentiality obligations);
 - An act or omission which creates a substantial and specific danger to the lives, health or safety of the IA employees or the public; and/or
 - Concealment of any of the above.
- 3.2 The following complaints are not covered under this policy:
- Any complaints about the existing provisions and related policies of the Insurance Ordinance;
 - Any complaints that fall outside the purview of the IA;
 - Any complaints against the IA’s former staff;

- Employee grievances/complaints for unfair treatment; and
- Complaints regarding the expression of dissatisfaction regarding the way in which the IA's staff member(s) has / have carried out or failed to carry out their duties.

4. Protection for Whistleblower

- 4.1 The Whistleblower should as far as they are able, exercise due care and diligence to ensure the accuracy of the information provided. Whether or not the allegations are being proven, the Whistleblower will not be at risk of suffering any form of dismissal, victimization or disciplinary action by the IA provided that he/she is acting in good faith and a reasonable manner. On the other hand, the IA reserves the right to decline or discontinue an investigation, and take appropriate actions against the Whistleblower who is proven to raise false or malicious allegations with an ulterior motive or for personal gain in such case.

5. Confidentiality

- 5.1 The IA will make every effort to keep the Whistleblower's identity confidential. In order not to jeopardize the investigation, the Whistleblower is also required to keep confidential the fact that he or she has filed a report, the nature of concerns and the identities of those involved. Under certain circumstances where the Whistleblower's identity must be revealed according to laws, regulations and regulatory obligations, the IA will endeavor to inform the Whistleblower that his or her identity is likely to be disclosed.

6. Reporting Channels

- 6.1 The Whistleblower should complete the **Whistleblowing Report Form** and submit it together with the supporting documents to the Senior Internal Audit Manager of the IA through the following channels:

Post* / In Person: Insurance Authority
19/F, 41 Heung Yip Road,
Wong Chuk Hang,
Hong Kong
(Attn: Senior Internal Audit Manager)

Email : whistleblowing@ia.org.hk

* It should be sent in a sealed envelope marked "Strictly Private and Confidential – To

be opened by the addressee only”

- 6.2 If the concern involves the Senior Internal Audit Manager, the completed form together with the supporting documents should be sent to the IA Secretary via the address mentioned in Section 6.1 above or by email: ia-secretariat@ia.org.hk

7. Time Limit

- 7.1 Reported concerns will normally only be dealt with if they are lodged within a year of the date on which the Whistleblower becomes aware of the circumstances of the concerns. Concerns made more than a year later will only be investigated if a reasonable ground for the delay can be demonstrated.

8. Anonymous Report

- 8.1 The IA accepts anonymous reports, provided that these reports contain sufficient information to allow the investigating party to conduct an effective investigation. Reports without sufficient information and/or any contact details may delay or prevent further investigation into the matter. The IA may discontinue investigations into such reports and the IA’s decision will be regarded as final. The IA retains the discretion to reopen investigations subject to the circumstances, e.g. in light of new relevant material information and the availability of records.

9. Communication with Whistleblower

- 9.1 Within ten working days of receiving a reported concern, an acknowledgement will be issued to the Whistleblower. The results of the investigation will, where deemed appropriate, be communicated to the Whistleblower within a reasonable timeframe.

10. Investigation and Reporting Process

- 10.1 Investigations should not be carried out by any party who has an interest in the matter. Upon receiving a reported concern under this policy, the Senior Internal Audit Manager will conduct preliminary assessment to evaluate the validity and relevance of the concerns raised. If the concern is determined to be valid and relevant, it will be reported to the Audit and Risk Committee (“ARC”) or the IA Board if the reported concern involves the ARC Convenor (in both cases, without the presence of Chief Executive Officer (“CEO”) and Director of Corporate Services) to decide if an investigation is required. Normally investigation is conducted by the

Internal Audit Section. However, the ARC or the IA Board, as the case may be, may instruct another party to conduct investigation whenever necessary.

- 10.2 If the reported concern involves the ARC Convenor, it should be reported to the IA Board without the presence of ARC Convenor. If the reported concern involves the IA Chairman, it should be reported to the ARC without the presence of the IA Chairman. If the reported concern involves both the ARC Convenor and the IA Chairman, it should be reported to the IA Board without the presence of them. If the reported concern involves the Senior Internal Audit Manager, the IA Secretary should report the case to the ARC (without the presence of the Senior Internal Audit Manager) to appoint a suitable party to conduct investigation.
- 10.3 Depending on the nature of the subject matter, the reported concern may be referred to the relevant public or regulatory bodies, including the Law Enforcement Agencies (“LEAs”) (for instance, possible corruption case and other criminal cases may be referred to the Independent Commission Against Corruption and the Police respectively). The Internal Audit Section (or the investigation party instructed by the ARC or the IA Board) should make a preliminary determination on whether to make such a referral within ten working days upon receipt of a reported concern. The preliminary determination should be approved by the ARC Convenor or the IA Chairman as the case may be. If the reported concern involves both the ARC Convenor and the IA Chairman, the preliminary determination should be approved by the CEO. If the reported concern involves all the ARC Convenor, the IA Chairman and the CEO, it should be reported to LEAs directly by the Senior Internal Audit Manager.
- 10.4 Once the referral of a reported concern has been made to the relevant public or regulatory bodies, including the LEAs, the IA will take no further action except assisting any investigation conducted by the relevant public or regulatory bodies, pending the result of such investigation. However, the IA may inform the Whistleblower of such referrals.
- 10.5 In case an internal investigation is performed, an investigation report including the actions taken in response to the issue will be prepared upon completion and submitted to the ARC or the IA Board as the case may be. The ARC or the IA Board may require to know the identity of the Whistleblower if in their opinion, the information could help them decide the case. The report may also include recommendations as to appropriate follow-up actions which may be taken. If there is sufficient evidence of misconduct, malpractice or irregularity, disciplinary actions may be taken with the final decision to be made by the ARC or the IA Board as appropriate. In serious cases, the ARC may establish an Investigation Panel to review the investigation report and advise on the disciplinary actions based on the investigation results. The Whistleblower will be informed of the final results of the investigation, where appropriate.
- 10.6 The IA’s decision is final in the absence of new material or evidence and cannot be appealed under this policy. If the Whistleblower persists in pursuing the concern in the absence of new material information or evidence, the Senior Internal Audit Manager may seek endorsement

from the ARC or the IA Board as the case may be to refrain from entering into any further discussion or correspondence with the Whistleblower about the concern.

11. Personal Information Collection

- 11.1 The personal data provided under this policy will be used to investigate the relevant complaint case. The personal data will only be used for the aforesaid purpose or where permitted by law. The Whistleblower is entitled under the Personal Data (Privacy) Ordinance to ascertain whether the IA holds personal data relating to the Whistleblower, and to request access to or to request the correction of any personal data relating to the Whistleblower held by the IA, in the manner subject to the limitations prescribed therein. All enquiries should be directed in writing to the Personal Data Privacy Officer of the IA at 19/F, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong.

12. Record Retention

- 12.1 Record of all reported concerns should be kept for a maximum of seven years from the date of case closure by the Internal Audit Section. In the event a reported concern leads to an investigation, the party responsible for conducting the investigation shall ensure all relevant information is retained for a maximum of seven years.

13. Periodic Review

- 13.1 This policy and any amendment to it should be approved by the ARC and this policy shall be subject to regular review at least on a biennial basis.