



AEM HOLDINGS LTD.

EMPLOYEE'S GUIDE TO PROCEDURES FOR REPORTING IMPROPRIETIES

AEM HOLDINGS LTD. (the "Company") is committed to achieving the highest standards of integrity and accountability within its internal structure. With this in mind, the Company has developed these Procedures for Reporting Improprieties (the "Policy") for reporting improprieties where all employees with serious concerns about the Company's activities and operations may come forward and voice these concerns with the assurance that swift action will be taken if necessary.

The Policy makes it very clear that employees may report improprieties or suspected improprieties without fear of victimization, subsequent discrimination or any form of disadvantage whatsoever. In fact, this Policy intends to empower employees to raise potentially serious concerns within the Company rather than letting them escalate or possibly seeking alternative resolutions externally.

This Policy is a clear and unambiguous statement of the Company's commitment that any impropriety by the Company or any of its employees, directors, or officers, once identified and reported, will be dealt with in an expeditious manner and thoroughly investigated and subsequently remedied. The Company will also use its best endeavors to explore and implement policies to ensure that such impropriety can be prevented in the future.

This reporting mechanism invites and encourages all employees to act responsibly and impartially to uphold the reputation of the Company and maintain public confidence in it. Nurturing and developing a culture of openness and transparency within the organization will further aid and expedite this process.

Further background to this Policy is summarized in the list of questions and answers below. This write-up is intended to serve as a guide to employees only and employees are encouraged to carefully read the Policy in full as attached to this Guide.

BACKGROUND/FREQUENTLY ASKED QUESTIONS

1. What is Whistleblowing?

Employees are usually uniquely situated within the Company and amongst the first to know when something is going wrong in a company. A culture of "turning a blind eye" to such problems usually means that the alarm will not be sounded and management will not have a chance to take necessary appropriate action before substantial damage results. Whistleblowing can therefore be described as providing information about potentially illegal and/or unethical practices i.e. impropriety within the Company.

2. What is impropriety?

Impropriety involves any unlawful, illegal, unethical or otherwise improper behavior and can include, among others:

- a. An unlawful act, whether civil or criminal;
- b. Breach of or failure to implement or comply with any approved Company policy;

- c. Utilizing the Company's funds in an unauthorized manner;
- d. Not observing the Company's internal and financial control procedures and policies;
- e. Questionable accounting or auditing practices;
- f. Abuse of power or authority for any unauthorized or ulterior purpose;
- g. Intentional provision of incorrect information to public bodies; and
- h. Suppressing or attempting to suppress any information relating to the above.

3. What is the intention of the Policy?

This Policy aims to:

- a. Encourage employees to feel confident about raising concerns and to question and act upon such concerns;
- b. Provide an outlet for employees to raise their concerns and acquire feedback on any action taken as a result;
- c. Reassure employees that they will be protected from possible reprisals or victimization provided that they raise their concerns in good faith and reasonably believe them to be true;
- d. Caution employees that, where more appropriate measures and procedures are available, for example:
 - i. the personnel department for matters concerning personal grievances; or
 - ii. the human resource department for complaints about personnel benefits,

whistleblowing may not be the appropriate method or forum to adopt.

4. Who should make complaints?

Any employee who makes a disclosure or raises a concern under this Policy will be protected if the individual:

- a. Discloses the information in good faith;
- b. Has reasonable grounds to believe it to be substantially true;
- c. Does not act maliciously; and
- d. Does not seek any personal or financial gain.

5. Who should you contact?

The Company's open door policy suggests that individuals share their questions, concerns, suggestions or complaints with someone who can address them properly. As such, directors that are independent of the management (the "Independent Directors") are in the best position to address any area of concern or complaints raised or received.

The Independent Directors may be reached care of the Joint Company Secretaries at:-

Name	Email Address
Leong Sook Han Kevin Cho Form Po	leong.sh@aem.com.sg Kevin.Cho@boardroomlimited.com

6. **Company response**

The Company will respond positively to a complainant's concerns. All matters raised will be submitted to the Independent Directors of the Company, who shall cause the Company to review and investigate the complaints and report its findings to the Audit Committee, together with any recommendation as to any remedial, disciplinary or other action to be taken. Where the Independent Directors are of the opinion that the complaint may be received and dealt with under any other more appropriate procedures or actions or by any third party within or outside the Company and its subsidiaries, the Independent Directors may at any stage of their review or investigation, refer the complaint directly to the Audit Committee with their recommendations.

In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, this will be taken before any investigation is conducted.

The Company will take steps to minimize any difficulties, which the complainant may experience as a result of raising a concern. For instance, if a complainant is required to give evidence in a criminal or disciplinary proceeding, the Company will arrange for them to receive advice on what to expect.

The Company accepts that a complainant needs to be assured that the matter has been properly and adequately addressed. Therefore, subject to legal constraints, the Company will use reasonable endeavors to inform the complainant of the outcome of any investigation.

7. **What safeguards are there for employees?**

The Company will not tolerate any harassment or victimization (including formal pressures) and will take appropriate action to protect those who raise a concern in good faith.

No action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation. Efforts will be made to ensure confidentiality as far as this is reasonably practical.

8. **Can the concern be taken outside of the Company?**

This Policy is intended to provide an avenue within the Company to raise concerns. If an employee takes any matter outside the Company, he or she should ensure that no disclosure of confidential information takes place.

9. Confidentiality and Anonymity

The Company will respect the confidentiality of any complaint received by the Company where the complainant requests such confidentiality. However, it must be appreciated that it will be easier to follow up on matters and to verify complaints if the complainant is prepared to give his or her name. Anonymity will not allow the Company to follow up with the complainant and this makes any investigation more difficult or incomplete. If the situation arises where the concern is not able to be resolved satisfactorily without revealing the complainant's identity (for instance, because evidence needs to be presented in court), the Company will discuss with the complainant on how best to proceed.

10. Malicious, Mischievous and False Allegations

The Company is proud of its reputation of having high standards of integrity. It will therefore ensure that adequate resources are put into investigating any complaint that it receives. However, the Company will regard the making of any frivolous, bad faith, malicious, mischievous or false allegations by any employee of the Company as a serious disciplinary offence that may result in disciplinary action, up to and including dismissal for cause.