



**VTech Holdings Limited**  
*(Incorporated in Bermuda with limited liability)*  
(Stock code: 303)

**Whistleblowing Policy**

**1. Purpose**

At VTech Holdings Limited (“Company”, and together with each of its subsidiaries referred to as “we”, “VTech” or “VTech Group”), we are committed to leading our industry with adherence to the highest standards of business conduct and ethics. These standards stated in our Code of Conduct (the “Code”) cover all aspects of our operations. Employees at all levels shall conduct themselves with integrity, impartiality and honesty. It is every employee’s responsibility to ensure any inappropriate behaviour that compromises our interest and that of our shareholders, investors, customers, suppliers and the wider public does not occur. To uphold the best practice in corporate governance, the Company has devised this Whistleblowing Policy (the “Policy”) so that complaints received are investigated and recorded where necessary on a confidential basis and in compliance with all applicable laws.

This Policy takes effect in May 2022 and supersedes the last preceding version issued in December 2012.

**2. Policy Statement**

Whistleblowing is the term used when a worker passes on confidentially information concerning wrongdoing. This refers to employees of VTech Group and its related third parties (e.g. contractors, customers, suppliers, etc., who deal with the Company) (the “Third Parties”) raising and reporting in confidence concerns about suspected misconduct, malpractice or irregularities in any matters related to the Company.

Sometimes employees find the need to report a personal grievance. Employees who make such a report under this Policy should note that although it will be accepted for investigation by the relevant department such as the Internal Audit team, the Human Resources & Administration Department and/or the senior management (or any of its member(s)) if its merits are established, the handling of the report will not necessarily follow the procedures provided herein which are intended to apply to whistleblowing reports only.



This Policy provides (i) a means whereby an employee or a Third Party (the “Whistleblower”) may in good faith, complain about issues and/or concerns in connection with any suspected or actual serious violation of law or company policy, and (ii) an assurance that the Whistleblowers will be protected from any retaliatory acts directed against them.

In response to a complaint, VTech will fairly and diligently investigate the issue(s) raised and/or the allegations made based on credible information given in the complaint and gathered in its own investigation, and will take whatever appropriate action it deems necessary.

VTech or any of its officer or employee will not retaliate against any Whistleblower for reporting in good faith any suspected, threatened and actual violations pursuant to this Policy. “Good faith” means that a Whistleblower reasonably believes that the complaint is true and has not been made either for personal gain or for any ulterior motive.

### **3. Responsibility to Report**

Under the Code, employees are required to adhere to the highest standards of business conduct in any dealings that involve VTech Group or its business and reputation. They are required to report to the divisional Chief Executive Officer / Chief Operating Officer of VTech or the Chief Compliance Officer (the “CCO”) of any possible or actual violation of applicable laws and regulations, the Code or other group policies of VTech. Employees could be in breach of the Code and this Policy if they conceal or fail to report any business and work-related situations including misconduct, malpractice and irregularity listed in paragraph 4 below that could be damaging to VTech or harmful to others. Breach of the Code will be subject to disciplinary actions.

### **4. Types of Misconduct, Malpractice and Irregularity**

This Policy aims to facilitate the report, on a confidential and (if the Whistleblower desires) an anonymous basis, of complaints or concerns by any Whistleblower regarding actual or threatened activities that constitute or contribute to misconduct, malpractice or irregularity. The suspected, actual or threatened activities covered by this Policy may include but without limitation the following:



- (i) malpractice, impropriety or fraud relating to accounting, internal accounting controls, or auditing matters;
- (ii) violation of laws, rules or regulations;
- (iii) other violation or wrongdoings in connection with the requirements, standards and principles laid down in the Code; and
- (iv) deliberate concealment or aiding the concealment of any of the above.

## **5. Protection**

This Policy and the related procedures offer protection to the Whistleblowers against retaliation with respect to the making of complaints under the Policy, even if they turn out to be unsubstantiated provided that such complaints are made:

- (i) in good faith, in a manner that is consistent with VTech's values, particularly "respect for others";
- (ii) in the reasonable belief of the Whistleblower that the conduct or matter covered by the complaint constitutes, or has the potential to constitute, a relevant violation; and
- (iii) in accordance with the procedures stipulated in paragraph 7 below.

No complaint that satisfies these conditions will result in any retaliation or threat of retaliation against the Whistleblower. VTech and its directors, officers, employees and agents will not penalize, discharge, demote, suspend, threaten or harass any Whistleblower, transfer such person to an undesirable assignment or location, or otherwise discriminate (these actions collectively, "retaliate" or "retaliation") against any Whistleblower for calling attention to suspected, actual or threatened illegal, improper or unethical acts.

Any act of retaliation is itself a serious violation of this Policy and could result in disciplinary action that may result in summary dismissal. This protection extends to any parties providing information in relation to an investigation including an internal investigation.



## 6. Confidentiality

VTech will treat all reports made hereunder confidential, and to the fullest extent permitted by law, privileged. A Whistleblower is encouraged to put his/her name on any reports he/she submits although it may also be made anonymously as provided in paragraph 7 below.

Generally, the persons who have a need to know will receive the details of a report and these include but not limited to those who are tasked to carry out an investigation of such report in accordance with paragraph 8 below. There may, however, be circumstances in which VTech may be required or legally obliged to disclose the Whistleblower's identity, for examples, where an investigation leads to legal proceedings being initiated or a binding order is made by any competent authority or regulatory body having jurisdiction over VTech or such disclosure is made pursuant to applicable law, regulation or judicial order.

## 7. Report Submission

Reports made under this Policy are to be submitted to the CCO through one of the following confidential means of communication:

- (i) by telephone: (852) 2680 5132 (English)  
(852) 2680 5133 (Chinese)  
(Please note there is no caller ID on this telephone number)

This hotline is available on a 24-hour basis, and is a voicemail recorder that will ask the Whistleblower to leave a message expressing his/her concerns.

- (ii) in writing:

VTech Holdings Limited  
23rd Floor, Tai Ping Industrial Centre, Block 1  
57 Ting Kok Road, Tai Po  
New Territories  
Hong Kong  
Attention: Chief Compliance Officer (Strictly Confidential)

- (iii) by email:  
[cco@vtech.com](mailto:cco@vtech.com)



While VTech Group does not expect the Whistleblower to have absolute proof or evidence of the issues or complaint reported, nevertheless the Whistleblower should provide sufficient, precise, and relevant information pertaining, among others, to dates, places, persons/witnesses, numbers, etc., so that a meaningful and feasible investigation can be conducted.

If the Whistleblower wishes to discuss any details with the CCO, he/she should indicate this in the report or message and include a telephone number through which he/she may be contacted if the CCO deems it appropriate. The CCO will acknowledge receipt of the report by informing the sender who has given contact details.

If for any reason the Whistleblower prefers not to submit the report directly to the CCO, he/she may submit the report to the Chairman of VTech Group, who shall review the issues raised and decide how the investigation should proceed. The contact details of the Chairman of VTech Group are as follows:

VTech Holdings Limited  
23rd Floor, Tai Ping Industrial Centre, Block 1  
57 Ting Kok Road, Tai Po  
New Territories  
Hong Kong  
Attention: Chairman of VTech Group (Strictly Confidential)

## **8. Investigation**

Upon receiving a report, the CCO will assign Internal Audit team to promptly register it in a log of reports which is maintained in a secure location so as to protect the confidentiality of all Whistleblowers' identity. The CCO will assess the severity of the issues reported and determine, in consultation with the disinterested member of the management of VTech, if necessary, how to investigate the issues, and determine the extent of using internal and/or external resources and who will lead such investigation.



The CCO may enlist internal or external legal, accounting, human resources, or other advisers, as appropriate in any investigation. He and his delegates shall have access to all books and records of VTech and the co-operation of all directors, officers, employees and agents during an investigation. Reasonable efforts will be made to protect the confidentiality of the Whistleblower's identity. Each investigation will be conducted carefully and promptly taken into account the nature and complexity of the issues raised.

The general handling for confirmed cases of misconduct, malpractice and irregularity is that the disinterested member of the management of VTech will determine what disciplinary action is appropriate. If there is sufficient evidence to suggest that criminal offence might have occurred, the matter will be reported by the CCO to the relevant local authorities (e.g. anti-corruption agencies and/or the police).

Upon conclusion of an investigation, a written reply may be issued to the Whistleblower stating the outcome of the investigation if the CCO deems it necessary and appropriate and subject to any data privacy, legal and confidentiality requirements. Anonymous Whistleblower will not ordinarily be able to receive a reply.

The CCO will retain as part of VTech's records all reports or concerns and related documentation for a period of no less than three years from the conclusion of the investigation.

## **9. Report to the Audit Committee**

Status of the investigation will be reported to Chairman of Audit Committee in each quarter. On half-yearly basis, the number, the nature, and the outcome of the reports received and investigated under this Policy will be reported to the Audit Committee. In addition, any complaint that may have material consequences for the Company shall be promptly reported to the Audit Committee. A monthly register of cases will be tabled at the Audit Committee in its regular meetings during the year.



## **10. Misleading/False Report**

If a Whistleblower makes a misleading or false report maliciously, with an ulterior motive, or for personal gain, VTech Group reserves the right to take appropriate actions against the Whistleblower to recover any loss or damage as a result of the report. A Whistleblower who is an employee may face disciplinary action, including dismissal, where appropriate.

## **11. Policy Implementation and Review**

VTech's Board of Directors has approved and adopted this Policy. The Audit Committee has overall responsibility for the implementation, monitoring and periodic review of the Policy. In addition, the Audit Committee has delegated the day-to-day responsibility for administering the Policy to the CCO who is assisted by the Internal Audit team in carrying out VTech's tasks and duties laid down in the Policy.

Please submit any questions about the general application of this Policy to the CCO.

May 2022