



ATERIAN PLC  
("Aterian" and/or the "Company")

Whistle Blowing Policy

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	Title: Executive Chairman, Aterian PLC		
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**Aterian PLC (the “Company”) strives to ensure a high ethical standard in all its business activities. The Whistleblowing Policy and Procedure provides a channel for the Company’s employees and other relevant stakeholders to raise concerns about workplace malpractices, in a confidential manner; for the Company to investigate alleged malpractices and take steps to deal with such in a manner consistent with the Company’s policies and procedures and relevant regulations.**

**This Policy and Procedure manual outline the Company’s Policy on Whistleblowing and the procedure for investigating and dealing with all reported cases of illegal and unethical conduct and any other Misconduct across the Company.**

## **1. OBJECTIVE OF THE POLICY**

This Policy and Procedure manual is intended to encourage staff and other relevant stakeholders to report perceived unethical or illegal conduct of employees, management, directors and other stakeholders across the Company to appropriate authorities in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of anyone for raising concern(s) under this Policy.

Specific objectives of the Policy are:

- To ensure all employees feel supported in speaking up in confidence and reporting matters they suspect may involve improper, unethical or inappropriate conduct within the Company;
- To encourage all improper, unethical or inappropriate behaviour to be identified and challenged at all levels of the organization;
- To provide clear procedures for reporting and handling such concern(s);
- To proactively prevent and deter Misconduct which could impact the financial performance and damage the Company’s reputation;
- To provide assurance that all disclosures will be handled seriously, treated as confidential and managed without fear of reprisal of any form; and
- To help promote and develop a culture of openness, accountability and integrity.

## **2. SCOPE OF THE POLICY**

This Policy and Procedure manual is designed to enable employees and other relevant stakeholders to report any perceived act of impropriety which should not be based on mere speculation, rumours and gossips but on knowledge of facts. Reportable misconducts covered under this Policy include:

- All forms of financial malpractices or impropriety such as fraud, corruption, bribery, theft and concealment;
- Failure to comply with legal obligations, statutes, and regulatory directives;
- Actions detrimental to health and safety or the environment;
- Any form of criminal activity;
- Improper conduct or unethical behaviour that undermines universal and core ethical values such as integrity, respect, honesty, accountability and fairness;

- Other forms of corporate governance breaches;
- Connected transactions not disclosed or reported in line with regulations;
- Insider abuse;
- Non-disclosure of interests;
- Sexual or physical abuse of staff, customers, prospective staff, service providers and other relevant stakeholders; and
- Attempt to conceal any of the above listed acts.

The above-listed reportable misconducts or concerns are not exhaustive. However, judgment and discretion are required to determine Misconduct that should be reported under this Policy. The general guide in identifying reportable Misconduct is to report concerns which are repugnant to the interest of the Company and the public and appropriate sanctions applied.

### **3. BOARD AND MANAGEMENT COMMITMENT TO THE POLICY**

The Board and Management are aware that a robust internal system for employees and other relevant stakeholders to disclose workplace malpractices without fear of reprisal shows that employees take their responsibilities seriously and helps to avoid the negative publicity that often accompanies disclosures to external parties.

Hence, the Board of Directors and Management is committed towards promoting a culture of openness, accountability and integrity, and will not tolerate any harassment, victimization or discrimination of the Whistleblower provided such disclosure is made in Good Faith with reasonable belief that what is being reported is fact.

### **4. POLICY STATEMENT**

The Company is committed to the highest standards of openness, probity, accountability and ethical behaviour by helping to foster and maintain an environment where employees and other stakeholders can act appropriately, without fear of reprisal. To maintain these standards, the Company encourages employees and relevant stakeholders who have material concerns about suspected Misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, to come forward and report them through appropriate channels (in certain cases on a confidential basis) without fear of retribution or unfair treatment.

The Company is committed to investigate promptly any reported Misconduct and to protect those who come forward to report such activities. The Company further assures that all reports shall be treated in strict confidence. This Policy is intended to investigate and take appropriate action against any reported Misconduct or concern.

## 5. ROLES & RESPONSIBILITIES

The following are the roles and responsibilities of key parties in the Whistleblowing process:

Whistleblower - Whistleblowers are expected to act in Good Faith and should refrain from making false accusations when reporting his/her concern(s) and provide further evidence at his/her disposal to aid Investigation of the issues reported. A concern may be raised anonymously. However, on a practical level, it may be difficult to investigate such a concern. The Whistleblower is encouraged to put their names to the allegations with full assurance of confidentiality, where possible.

Complainee – Complainee has a duty to cooperate with Investigator s during the period of Investigation including provision of relevant information, documents or other materials as may be required by the Investigator.

Investigator (Chairman of the Audit Committee /CEO/Chairman) –

Chairman of the Audit Committee is expected to handle all matters with high professionalism, confidentially and promptly. He/ she shall be independent, unbiased in carrying out Investigation and has the responsibility of acknowledging all concern(s) reported. He/ she shall report on the progress of Investigation to the Whistleblower. The Chairman of the Audit Committee/Investigator shall refrain from discussing or disclosing matters under Investigation. The CEO of the Company shall handle the Investigation that relates to the entity's employees in line with the laid down disciplinary procedure. The Chairman shall treat all Whistleblowing concern(s) brought to his attention with speed and in line with this Policy.

Company Secretary - The Company Secretary shall, on guidance from the Investigator, maintain a record of all confidential whistleblowing Investigations. The Company Secretary shall review and update the Policy on receiving the requisite Board approval.

## 6. TIME LIMIT FOR INVESTIGATION

It shall be the Policy of the Company to handle Investigations promptly. While it might not be possible to set a specified time frame for the conclusion of Investigation, the diverse nature of potential concerns may make this impracticable. Where possible, the Investigator shall endeavour to resolve all concerns within four weeks. Where, for any reason, proper resolution is unable to be achieved within this time frame, the Investigator shall advise the Chairman of the same and seek further guidance.

## 7. PROTECTION FOR WHISTLEBLOWER

It shall be the Policy of the Company to protect Whistleblowers who disclose concerns, provided the disclosure is made;

- in the reasonable belief that that it is intended to show malpractice or impropriety;
- to an appropriate person or authority; and
- In Good Faith without malice or mischief.

While all disclosures resulting from Whistleblowing shall be treated with high level of confidentiality, staff and other relevant stakeholders are encouraged to disclose their name to make the report more credible. The Company shall take the following into consideration in considering anonymous disclosure:

- seriousness of the issues being reported;
- the significance and credibility of the concern; and
- the possibility of confirming the allegation.

The Company shall not subject a Whistleblower to any Detriment. Where a Whistleblower feels unfairly treated owing to his/her actions, the Whistleblower shall be at liberty to take appropriate legal action.

Any retaliation, including, but not limited to, any act of discrimination, reprisal, harassment, suspension, dismissal, demotion, vengeance or any other occupational detriment, direct or indirect, recommended, threatened or taken against a Whistleblower because he/she has made a disclosure in accordance with this Policy will be treated as gross Misconduct and dealt with accordingly.

Whistleblowers must ensure that they do not make disclosure outside of the prescribed channels (e.g. media-print or electronic), or their disclosures may not be protected.

## 8. WHISTLEBLOWING PROCEDURE

The Whistleblowing procedure involves steps that should be taken by the Whistleblower in reporting Misconduct, and steps required for the Investigation of the reported Misconduct.

Internal Whistleblowing involves staff members across the Company raising concerns about unethical conduct. External Whistleblowers are non-staff of the Company.

External Whistleblowers can fall into any of these categories: contractors, suppliers, service providers, shareholders, analysts, consultants, job applicants, and the public.

Whistleblowing Investigation shall follow a **four-step procedure**:

S/N	STEPS	REQUIRED ACTION
1	Raising concern(s) by Whistleblower: -  medium and format	<p>An internal /external Whistleblower may raise concern through any of the following media:</p> <ul style="list-style-type: none"> <li>▪ By a formal letter or email to the Chairman, CEO and/or Chairman of the Audit Committee.</li> </ul> <p>If the concerns affect the Chairman of the Audit Committee, the CEO shall be notified, and where Executive/Non-executive Director is involved, such concern shall be directed at the Chairman.</p> <p>The concern(s) shall be presented in the following format;</p> <ul style="list-style-type: none"> <li>▪ Background of the issue (with relevant dates)</li> <li>▪ Reason(s) why the Whistleblower is particularly concerned about the situation.</li> </ul>
2	Investigation of Concerns and update on progress of Investigation	<p>The Investigator shall, on receipt of the concern(s), acknowledge receipt from the Whistleblower within 5 working days, and immediately commence Investigation. The purpose of Investigation is to:</p> <ul style="list-style-type: none"> <li>▪ Establish if a wrongdoing has occurred based on the concern(s) raised, and if so, to what extent; and</li> <li>▪ To minimize the risk of further wrongdoing, prevent any further loss of assets, damage to the Company`s reputation and if possible, protect all sources of evidence.</li> </ul> <p>If preliminary Investigation shows that the concern falls within the Whistleblowing reportable concerns, then further Investigation shall be carried out. If otherwise, the Investigator shall refer the matter to the appropriate quarters within the Company for further action.</p> <p>However, if the concern raised by the Whistleblower is frivolous or unwarranted, the Investigator shall be entitled to ignore such concern.</p> <p>Where it is established that a criminal or illegal activity has taken place, the matter may be referred to the appropriate authority, and where necessary, appropriate legal action taken.</p> <p>Where necessary, the Investigator shall give timely update of the progress of Investigation to the Whistleblower.</p>
3	Report of Investigation and action on report	<p>Upon conclusion of Investigations, the Investigator shall prepare a report and share with the CEO and/or Chairman.</p> <p>If the concern(s) relates to an Executive/Non-Executive Director, the matter shall be referred to the Chairman for further action.</p> <p>If the concern(s) relates to an external party (service provider), the Company shall immediately review the Service Level Agreement with such service provider, and if necessary, terminate the agreement.</p> <p>The Investigator shall forward the final report to the Company Secretary for safekeeping. If the Company Secretary is an interested party in the Investigation, the report shall be forwarded to the Chairman.</p>

4	Non-Satisfaction with result of Investigation/action	<p>If the Whistleblower is not satisfied with the extent of Investigation and /or the action taken based on the outcome of the Investigation, the Whistleblower is at liberty to appeal to the Chairman for further action.</p> <p>A Whistleblower shall be at liberty to report to appropriate regulatory body or seek further redress in the court of law if he/she is not satisfied with the action taken to address the concern(s).</p>
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## 9. EMBEDDING A STRONG WHISTLEBLOWING REGIME ACROSS THE COMPANY

In creating an enabling environment which ensures that Whistleblowing regime is effective across the Company, the following measures shall be undertaken by the Management:

### Board and Management commitment

The Board and Management of the Company are expected to clearly support and sponsor the Whistleblowing Policy. This will include respecting the Policy and dedicating a senior management staff preferably the Chairman of the Audit Committee / Chief Executive/ Company Secretary as the advocate for Whistleblowing.

### Communication & Training

All employees of the Company should be aware of the existence of a Whistleblowing regime. This can be achieved through regular compulsory training by the Chairman of the Audit Committee/ CEO/ Company Secretary, newsletters, emails and presentations. Annual declaration by all staff and other relevant stakeholders of having read and understood the Policy shall also be encouraged.

### Proper Investigation and Action

All Whistleblowing disclosures or concerns must be investigated promptly and properly, and appropriate action taken upon conclusion of Investigation. Furthermore, all Whistleblowing Investigation shall be kept confidential.

### Feedback on effectiveness of Policy

Regular survey on the effectiveness of the Policy should be conducted at regular interval preferably by the Company Secretary or Legal Counsel.

## 10. FREQUENCY OF REVIEW

This Policy document and Procedure manual shall be subject to review by the Board every two (2) years or as may be deemed necessary.

## DECLARATION

I have received the Company Whistleblowing Policy, which I have read and understood.

**NAME:**

**SIGNATURE:**

**DATE:**