



September 2018

**COMPLIANCE POLICY**  
**LEEJAM SPORTS COMPANY**

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## **Part 1: Introductory Provisions**

### **1. Introduction and Purpose**

- 1.1 This Compliance Policy (this “**Policy**”) of Leejam Sports Company (the “**Company**”) aims to ensure the Company’s compliance with the applicable laws, regulations and rules.
- 1.2 This Policy is intended to implement and supplement the relevant provisions of the Company’s Bylaws (the “**Bylaws**”). In case of conflict between this Policy and the Bylaws, the Bylaws shall prevail.
- 1.3 The provisions of this Policy are mandatory. The Company’s Board of Directors (the “**Board**” and each member of the Board, a “**Director**”) shall oversee the implementation of the measures required to ensure the Company’s compliance with this Policy.

### **2. Definitions and Abbreviations**

- 2.1 The terms and expressions used in this Policy shall have the meanings assigned to them in the Company’s Corporate Governance Manual, unless otherwise required by the context.

## **Part 2: Compliance Systems and Procedures**

### **1. General Provisions**

- 1.1 The Company shall put in place appropriate systems and procedures to ensure its compliance with applicable laws, regulations, and rules. Such systems and procedures shall be proposed by the Company’s [Corporate and Legal Compliance Manager (the “**Compliance Manager**”)] and approved by the Audit Committee.
- 1.2 Employees and other stakeholders of the Company shall report actual and suspected cases of non-compliance with applicable laws, regulations, or rules in accordance with the Company’s internal policies and procedures (including the Whistleblowing Policy).

### **2. Compliance Manager**

- 2.1 The Compliance Manager shall be responsible for overseeing the implementation of this Policy, under the supervision of the Audit Committee.
- 2.2 The Compliance Manager shall be given the right of unfettered direct access to the Chairman of the Board and to the Audit Committee and shall be given sufficient resources to conduct his/her role and responsibilities effectively.
- 2.3 The Compliance Manager shall meet with the Audit Committee periodically, and in no event less than quarterly, to provide an update on the Company’s compliance systems and procedures and any material compliance-related events that require reporting to the Audit Committee.
- 2.4 The Compliance Manager shall prepare and submit to the Audit Committee an annual report regarding the adequacy and effectiveness of the Company’s compliance systems and procedures, which report shall include, but not be limited to:
  - (i) the status and results of testing the effectiveness of the Company’s compliance systems and procedures, including the status of the Company’s compliance training program;

- (ii) any material violations of law or Company policy since the last update;
- (iii) any violations of law or Company policy involving key management personnel since the last update;
- (iv) steps taken in response to material violations of law or Company policy;
- (v) any obstacle or difficulties that prevents him from doing his tasks; and
- (vi) any other compliance-related matter determined by the Audit Committee.

### **Part 3: Closing Provisions**

#### **1. Entry to Effect and Review**

- 1.1 This Policy shall be adopted by a resolution of the Board, following a recommendation by the Audit Committee, and shall enter into effect from the date on which it is approved by the Board.
- 1.2 The Audit Committee shall oversee the implementation of this Policy and shall periodically review its provisions and recommend any amendments thereto to the Board.
- 1.3 Any amendments to this Policy shall be adopted in the same manner in which this Policy was adopted.

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