

## 1. **PURPOSE**

The Whistleblowing Policy is intended to directly support the Company's Core Values, Code of Ethics and Governance requirement. KUB Malaysia Berhad ('the Company') places high value on the level of trust and integrity expected of its employees within its Group of Companies ('Group'). It is also intended to encourage and enable employees and others to raise concerns within the Company prior to seeking resolution outside the Company.

In line with this, KUB Malaysia Berhad and its Group of Companies has adopted a Whistleblowing Policy that outlines the Group's commitment to ensure that employees and other stakeholders are able to raise concerns regarding any illegal conduct or malpractice at the earliest opportunity without being subject to victimization, harassment or discriminatory treatment, and to have such concerns properly investigated. This policy sets out the mechanism and framework by which employees, contractors, consultants and any other individuals or organization who have dealings with the Company can confidently voice concerns / complaints in a responsible manner without fear of discriminatory treatment.

## 2. **SCOPE**

This Whistleblowing Policy applies to the Company and all its subsidiary companies. All employees (whether permanent, contract, part-time or casual), Directors, Shareholders, Consultants, Vendors, Contractors, Outside agencies or any parties with a business relationship with the Company or its subsidiaries are encouraged to disclose any wrongdoing that may adversely impact the Company.

## 3. **DEFINITIONS**

- a) Whistleblowing – This occurs when an employee / other stakeholder raises a genuine concern about a dangerous or illegal activity or improper conduct that he / she is aware of through his / her work / dealing.
- b) Whistleblower – The employee / other stakeholder disclosing or reporting the wrongdoing.

## 4. **POLICY**

- a) The Company encourages the employees / other stakeholders to make any disclosures openly and honestly and that concerns / complaints raised will be treated fairly and properly.
- b) All disclosures made under this Policy will be dealt with in a confidential manner. Disclosures received under anonymity will not be entertained to prevent invalid malicious reporting, poison letters, exploitation and victimization.
- c) The Whistleblower is required to identify himself / herself and provide contact information in his / her report. This will facilitate the investigator to obtain further information, if required and communicate on results of investigation to the Whistleblower.

**5. IMPROPER CONDUCT**

The following shall constitute "Improper Conduct" under this Policy:

- Incidents of fraud, corruption or bribery;
- Conduct or activity which breaches any law or regulatory obligation;
- Breach of the Company's policies, practices, procedures or other rules of conduct;
- Improprieties in matters of financial reporting; and
- Situation which pose a danger to health, safety or any individual or significant danger to the environment

(Other improper conducts as provided in the following Appendix 1)

**6. COMMUNICATION CHANNEL**

a) Disclosure of information should initially and promptly be made by the Whistleblower to one or more of the following persons within the Company:

- Dato' Ahmad Ibnihajar  
(Chairman)
- Datuk Mohd Hafarizam Harun  
(Independent Non-Executive Director)
- Dato' Ab Rahim Abu Bakar  
(Independent Non-Executive Director)

b) Reports or disclosure under this Policy can be made through e-mail [whistleblower@kub.com] or mail (using the attached form as per Appendix 2) addressed to the above persons. The detail is as follows:

Mailing Address: KUB Malaysia Berhad  
Level 8 – 11, Unit 1, Capital 3  
Oasis Square, Ara Damansara,  
Jalan PJU 1A / 7A,  
47301 Petaling Jaya, Selangor

c) Employees who have raised concerns internally will be informed of who is handling the matter, how they can make contact with them and if there is any further assistance required.

**7. REQUIRED EVIDENCE**

a) The Whistleblower should be able to provide in the disclosure in writing , information regarding the type of activity or conduct, identity of the person(s) suspected as being involved, when it occurred and who was affected.

b) The Whistleblower must have first-hand knowledge or information of the facts, i.e. information obtained from third party or 'hearsay' will not be entertained. However, the Whistleblower should not be discouraged from making a report because they are unsure whether there is sufficient evidence to support their allegations.

## 8. CONFIDENTIALITY & PROTECTION

- a) A Whistleblower must identify himself / herself when submitting a complaint / disclosure. Upon making the disclosure in good faith:
- The Whistleblower will be protected from any reprisal within the Company or its subsidiaries as a direct consequence of the disclosure. ('Reprisal' means disciplinary measures, demotion, suspension or termination of employment or service);
  - The Whistleblower's identity shall be protected i.e. kept confidential unless otherwise required by law or for purposes of any proceedings by or against the Company;
  - The identity and personal information of the Whistleblower and the alleged wrongdoer may be revealed to persons involved in the investigations or any other process.
- b) Protection under 8(a) above will be accorded by the Company only when the Whistleblower satisfies all the following conditions:
- The disclosure is done in good faith;
  - The whistleblower is aware that the information and any allegations disclosed are true;
  - The whistleblower has not communicated the disclosure to any other party not related to the disclosure;
  - The disclosure made is not for personal gain or interest.
- c) The Company views seriously any false, malicious or defamatory allegation. This can be considered as gross misconduct where appropriate disciplinary action may be taken by the Company.
- d) Suppliers/ Vendors of the Company and members of the public who become a Whistleblower will also be protected by the Company as to his / her / its identity subject to satisfying all conditions in 8(b) above.
- e) Employee and industrial relations related issues and human resources related issues are excluded from the operation of this Policy because they are other established mechanisms to raise such complaints.

## 9. PROCEDURES

- a) All complaints / disclosures received would be placed before a Whistleblowing Committee for its action.
- b) The Whistleblower Committee shall comprise of the following members:
- Chairman
  - Independent Non-Executive Directors
- c) The Committee shall have the authority to:
- determine the legitimacy of the disclosure;
  - direct further action; and
  - determine who should conduct the investigation i.e. engage external expertise, management or Group Internal Audit.
- d) If any of the Committee members is the suspect being involved in the improper conduct, he / she will automatically abstain from attending the meeting.
- e) If, the Head of Group Internal Audit (or other assigned investigator) is tasked to investigate, he / she must take all reasonable steps to ensure that investigations regarding the disclosure are fair and unbiased.

- f) The Group Internal Audit Division (or other assigned investigator) will keep detailed records of all evidence gathered, interviews conducted and all records received which affect the outcome of the investigation.

#### **10. REPORTING**

- a) Upon conclusion of the investigation, the Head of Group Internal Audit (or other assigned investigator) will present the outcome of the investigation to the Board Audit Committee.
- b) A copy of Whistleblowing report to be submitted to Group Risk Management for Loss Event Reporting (LER) purposes.

#### **11. ACTION SUBSEQUENT TO REPORT**

- a) If the Board Audit Committee is satisfied with the outcome of the investigation, it will communicate to management to proceed with action based on established policy and procedures for the necessary disciplinary action to be taken immediately. Instituting the disciplinary action will be the responsibility of Group Human Capital Division. If the case is involving members of the Board, it will be deliberated by the BOARD OF DIRECTORS OF KUB MALAYSIA BERHAD.
- b) Senior Management must also take into account recommendations contain in the investigation report to prevent the conduct from continuing or occurring in the future. Actions to be taken may also be directed to remedy any harm or loss arising from the conduct.

#### **12. REVIEW OF THIS POLICY**

The Board of Directors or Board Audit Committee can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with laws and regulation and / or accommodate organizational changes within the Company or Group. However, the modification made shall be effective after the same is circulated to employees in writing or electronically.

This policy was approved by the BOARD OF DIRECTORS OF KUB MALAYSIA BERHAD on 25<sup>th</sup> February 2016.

**Appendix 1****List of Complaints under Whistleblowing Policy**

The list of complaints / concerns includes, but are not limited to ;

- Corruption or bribery
- Breaching of legal obligation
- Misuse of company information
- Any dishonest or fraudulent act
- Any act of conflict of interest with suppliers, vendors or contractors
- Forgery or alteration of any document or account belonging to the company
- Forgery or alteration of a cheque, bank draft or any other financial document
- Misappropriation or theft of funds, supplies or other assets
- Providing or accepting gifts or material value to/from customers, contractors, vendors or other persons doing or attempting to do business with the Company or its Group of Companies that are intended to influence a business decision or selection process
- Destruction, removal or inappropriate use of the Company's records, furniture, fixtures and equipment
- Falsifying payroll records or overtime claims
- Falsifying travel and entertainment expenses and/or utilizing company funds to pay for personal expenses
- Fictitious reporting or receipts, delivery orders, etc from suppliers or shipment to customers
- Misappropriation of Company-owned computer hardware, software, data, etc
- Acceptance of fictitious quotations from suppliers, vendors or contractors in favouring for a particular entity
- Inventory or asset theft
- Any other detrimental wrongdoing which nature of the wrongdoing is subject to absolute discretion of the Committee

## Appendix 2

## WHISTLEBLOWING FORM

WHISTLEBLOWING REPORT	
To :	
Incident Date & Time	Date : _____ Time : _____
Incident Location	_____
Name of alleged person / Div / Dept	_____
Description / Circumstances of alleged incident (Please use attachment if necessary)	<ul style="list-style-type: none"><li>• <i>What, Who, When, Where, How, Witness</i></li><li>• <i>Please provide evidence to support the claim</i></li></ul>
Signature	: _____
Name	: _____
Dept/Div/Co	: _____
Telephone No	: _____
Date	: _____

*Note: It is necessary to provide your name and contact number so that we can contact you for additional information of the reported concern.*