

SARAWAK CONSOLIDATED INDUSTRIES BERHAD

WHISTLEBLOWING POLICY

APPROVED BY THE BOARD OF DIRECTORS ON 27 APRIL 2020

1. PURPOSE

The Whistleblowing Policy ("Policy") is intended to directly support the Company's Core Values, Code of Ethics and Governance requirement.

Sarawak Consolidated Industries Berhad ("Company") places high value on the level of trust and integrity expected of its employees within its Group of Companies ("Group").

It is an avenue to encourage and enable employees and others to raise legitimate concerns to be objectively investigated and addressed within the Company prior to seeking resolution outside the Company.

In line with this, the Group has adopted the Policy that outlines the Group's commitment to ensure that employees and other stakeholders are able to raise genuine concerns in relation to breach of a legal obligation, miscarriage of justice, danger to health, safety and environment at the earliest opportunity without being subject to victimization, harassment or discriminatory treatment, and to have such concerns properly investigated.

The Policy defines 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

The Policy applies to the Company and its Group of companies.

All employees (whether permanent, contract or part-time), Directors, Shareholders, Consultants, Vendors, Contractors, external agencies or any parties with a business relationship with the Company or its Group are encouraged to report genuine concerns in relation to breach of a legal obligation, miscarriage of justice, danger to health, safety and environment and to cover up of any of these in the workplace.

This Policy shall be read together with established acts, regulations, procedures and policies, in which definition of dangerous or illegal activity or improper conduct is well defined.

Any person can provide input & comment in event that they are in view that the Policy is inadequate, through the established communication channel.

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. Whistle-blower – The employee / other stakeholder who discloses or reports the dangerous or illegal activity or improper conduct.

4. POLICY

- a. The Policy serves as a tool in preventing dangerous or illegal activity or improper conduct at the 'get-go' stage.
- b. 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.
- c. All disclosures made under this Policy will be dealt with in a confidential manner.
The whistle-blower 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 whistle-blower.
- d. Disclosures received under anonymity may not be entertained to prevent invalid malicious reporting, poison letters, exploitation and victimization.
Nevertheless, the Audit Committee or any other committee or individual which is designated by the CEO or any members of the Board, has the right to open investigation in respect to disclosure received under anonymity.

5. IMPROPER CONDUCT

Other than specifically defined in the established acts, regulations, procedures and policies, the following may 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 definition of improper conducts as provided in the **Appendix 1**.

6. COMMUNICATION CHANNEL

Disclosure of information should initially and promptly be made by the Whistleblower to the following communication channel:

- E-mail at whistleblowing@scib.com.my; or
- Mail (using the attached form as per **Appendix 2**) addressed to the respective reporting channel, and detail of mailing address as follows:

Sarawak Consolidated Industries Berhad
Lot 1258, Jalan Utama
Pending Industrial Estate
93450 Kuching, Sarawak

To ensure integrity and independence of handling of the disclosure of information, the Board has designated the Chief Integrity Officer to only has access to the designated e-mail address and the mail shall be addressed to the Chief Integrity Officer and shall only be opened by the Chief Integrity Officer, in event that the disclosure of information is not related to the Chief Integrity Officer.

The Chief Integrity Office is an independent personnel from the Management, which has direct & unlimited access to the Chief Executive Officer, the members of the Board of Directors and the Chairman of the Company.

The Chief Integrity Officer shall report and address all contents of received whistle-blowing to the Chief Executive Officer and / or Chairman of the Audit Committee and / or Chairman of the Company and / or any members of the Board of Directors, subject to relativeness of the disclosure of information.

In event that the disclosure of information is related to the Chief Integrity Officer, kindly refer to subsequent paragraph on the Multiple Reporting Authority.

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

7. MULTIPLE REPORTING AUTHORITY

NO.	DISCLOSURE ABOUT	DISCLOSURE TO	COMMUNICATION CHANNEL
1	- Stakeholder - Employee - Chief Executive Officer; or - Chairman of the Audit Committee - Any members of the Board of Director - Chairman of the Company	Chief Integrity Officer	Designated e-mail address at whistleblowing@scib.com.my; or Mail address to the Chief Integrity Officer.
2	Chief Integrity Officer	- Chief Executive Officer; or - Chairman of the Audit Committee - Any members of the Board of Director - Chairman of the Company	Designated e-mail address of the respective personnel as "Disclosure To"; or Mail the respective personnel as "Disclosure To".

8. REQUIRED EVIDENCE

- a. The Whistle-blower should be able to provide 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 Whistle-blower must have first-hand knowledge or information of the facts, i.e. information obtained from third party or 'hearsay' may not be entertained.

However, the Whistle-blower should not be discouraged from making a report because they are unsure whether there is sufficient evidence to support their allegations.

Nevertheless, the Audit Committee or any other committee or individual which is designated by the CEO or any members of the Board, has the right to open investigation in respect to disclosure received based on information obtained from third party or 'hearsay'.

9. CONFIDENTIALITY & PROTECTION

- a. A Whistle-blower must identify himself / herself when submitting a disclosure. Upon making the disclosure in good faith:
- The Whistle-blower 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);
 - Any form of retaliation against individuals who have reported a wrongdoing or who have facilitated with the investigations is a breach of the principal obligation of all staff members to uphold the highest values and integrity.
 - The Whistle-blower'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 Whistle-blower and the alleged wrongdoer may be revealed to persons involved in the investigations or any other process.
- b. Protection under the above will be accorded by the Company only when the Whistle-blower satisfies all the following conditions:
- The disclosure is done in good faith;
 - The whistle-blower is aware that the information and any allegations disclosed are true;
 - The whistle-blower 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 Whistle-blower will be protected under the Whistle-blower Protection Act 2010 ('the Act') if he or she makes a disclosure in good faith to an enforcement agency as per the Act. If a Whistle-blower reasonably believes that he or she is being subjected to reprisal, including harassment and victimization, as a consequence of Whistleblowing, he may consult or report to the enforcement agency.
- d. The Whistle-blower and the alleged wrongdoer will be treated fairly. The Whistle-blower will be informed of the status of his disclosure and the alleged wrongdoer will be given an opportunity to respond to all allegations at an appropriate time (not necessarily at the start, or during, the investigation).

- e. 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.
- f. 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.

10. PROCEDURES

- a. The Chief Integrity Officer, or the Audit Committee or any other committee or individual which is designated by the CEO or any members of the Board 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 Human Resource Manager.
- b. The above designated committee or personnel is tasked to investigate, and he / she must take all reasonable steps to ensure that investigations regarding the disclosure are fair and unbiased.
- c. The above designated committee or personnel will keep detailed records of all evidence gathered, interviews conducted and all records received which affect the outcome of the investigation.

11. REPORTING

Upon conclusion of the investigation, the above designated committee or personnel will present the outcome of the investigation to the Chief Executive Officer and / or Chairman of the Audit Committee and / or Chairman of the Company and / or any members of the Board of Directors, individually and / or collectively, subject to relativeness of the disclosure of information and the Reporting Authority.

12. ACTION SUBSEQUENT TO REPORT

If the Chief Executive Officer and / or Chairman of the Audit Committee and / or Chairman of the Company and / or any members of the Board of Directors, individually and / or collectively, is satisfied with the outcome of the investigation, he / she / they shall suggest to proceed with action, based on established policy and procedures for the necessary disciplinary action to be taken immediately, and for remedy any harm or loss arising from the conduct.

13. REVIEW OF THIS POLICY

The Board of Directors may modify this Policy unilaterally at any time.

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.

Appendix 1

List of Disclosure 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
- Negligence in carrying out work obligations
- 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
- Impropriety (including financial and operational, etc. within the Company)
- Gross mismanagement within the Company (including serious potential breach to the interest of society and environment)
- Breach of code of ethics of the Company, including sexual, physical or other abuse of human rights
- Act and omission which jeopardises the health and safety of the company's employees or the public
- 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)	1. <i>What, Who, When, Where, How, Witness</i> 2. <i>Please provide evidence to support the claim</i>	
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.