



YONG TAI

永大集团

POLICY & PROCEDURE OF WHISTLEBLOWING

	Name	Signature	Date
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For the attention of the User

Users may give feedback or present comments and recommendations on any aspect of this Document and address them to Internal Audit Department.

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1.0 POLICY STATEMENT

- 1.1. Whistleblowing policy provides a structured reporting channel to all employees, vendors, contractors, agents who are associated with Yong Tai Berhad and its subsidiaries to report, without fear, any instance of actual or suspected improper conduct or wrongdoing which could adversely affect Yong Tai's image, reputation or business operations.
- 1.2. Yong Tai Berhad and subsidiaries ("the Group") is committed to the highest standard of integrity and maintaining high standard of accountability in the conduct of its business operations.
- 1.3. Employees who whistle blow will be protected against victimisation or other adverse treatment provided the whistleblowing is done in good faith. However, any whistleblowing which is not made in good faith and is found to be deliberately falsified with malicious intent will be subject to disciplinary action by the Group in accordance with the Group's disciplinary policy.
- 1.4. The Chief Executive Officer (CEO) takes full responsibility of Whistleblowing Policy implementation. The administration of the policy is to be carried out by Head of Internal Audit. The Audit Committee shall perform the oversight function over the administration of this policy.

2.0 OBJECTIVE

- 2.1 To protect the values of transparency, integrity and accountability where the YTB Group conducts its business and affairs.
- 2.2 To enhance its accountability in preserving its integrity and to withstand public scrutiny and builds the Group's credibility to all stakeholders.
- 2.3 The policy serves as an early warning system for the Group to remedy any wrongdoings before serious damage is caused.

3.0 SCOPE

- 3.1 The scope of the policy covers disclosure on any matters that are not in the interest of Yong Tai and includes the reporting of the following types of improper conduct or wrongdoing:
 - Unauthorized disclosure of proprietary information;
 - Unauthorized access and modification of data files;
 - Misappropriation or theft of funds, supplies or other assets;
 - Falsification or destruction of company records;
 - Improper conduct detrimental to company reputation;

3.0 SCOPE (continued)

- Concealing breach of policies or regulations;
- Corruption, bribery, kickbacks or blackmail;
- Offering bribes;
- Criminal offences;
- Endangerment of an individual's health and safety;
- Fraud and malpractice;
- Illegal or criminal acts;
- Any other action that could cause significant harm to the Group or a person; and
- Concealment of any or a combination of the above.

3.2 The above list is not exhaustive and includes other acts or omissions, which if proven is deemed as: -

- An act of improper conduct or wrongdoing constituting a disciplinary offence under the YTB Code of Conduct and Business Ethics, any employment agreement or service contract; or
- An offence under any relevant legislation in force.

3.3 Whistleblowing procedures are different from grievance procedures (which complainant is personally affected).

3.4 The policy applies to all matters involving the Group's employees and any other stakeholders providing services to the Group, include consultants, vendors, independent contractors, external agencies and/ or any other party with a business relationship with the Group.

3.5 This policy does not apply to grievances concerning an individual's terms of employment and such matters shall be dealt with in accordance with Group Human Resource guidelines and policies.

3.6 No employee shall use his/ her position to prevent other employees from exercising their rights or complying with their obligations as indicated in this policy.

4.0 WHISTLEBLOWER PROTECTION

The Company will not take detrimental action against the Whistleblower or any person related to or associated with the Whistleblower in reprisal for reporting improper conduct or wrongdoing. The Company shall revoke the Whistleblower protection if it is of the opinion based on the investigation that the Whistleblower had knowingly made a false, frivolous or malicious disclose that is not in good faith.

5.0 CONFIDENTIALITY

The identity of the Whistleblower will be kept confidential, unless required under the provision of the law. All information disclosed during the course of the investigation will remain confidential. Information will only be disclosed on a need-to-know basis and with permission from the Audit Committee, as necessary to take any remedial action.

6.0 ANONYMOUS DISCLOSURE

Anonymous disclosure will be accepted and investigated (based on Pre-Screening decision-refer Point No. 7.3). The Whistleblowers who have the reasonable belief that an improper conduct was committed, is being committed or will be committed are encouraged to provide as much facts and details as possible of the improper conduct where possible with supporting evidence or witnesses.

However, if Whistleblower identify himself/ herself, Audit Committee is committed to provide feedback within 30 days from the date the disclosure was made.

7.0 PROCEDURE

7.1 WHISTLEBLOWER

Whistleblower shall make sure the matter reported should be factual and not speculative and with as much specific details as possible, to enable the investigation to be carried out satisfactorily. Whistleblower can make the disclosure to all or any one of the persons listed below, via a personal confidential meeting or reporting via post, email, suggestion box or website:

- Chairman;
- Audit Committee;
- Head of Internal Audit.

The report should be securely sealed in envelope if sent via post marked as "***Strictly Confidential***".

By Post:

Chairman, Yong Tai Berhad,
NICHE & MILESTONES INTERNATIONAL SDN BHD
B-25-2, BLOCK B, JAYA ONE,
NO. 72A, JALAN UNIVERSITI,
46200 PETALING JAYA,
SELANGOR DARUL EHSAN.

By Suggestion Box:

Drop box located next to thumb print machine

By Email:

wb_ytb@yongtai.com.my

By website:

Whistleblowing e-form

7.1 WHISTLEBLOWER (continued)

Investigation shall be carried out by the Internal Audit Department or other designated independent supervisory function as directed by the Audit Committee. All investigations shall be tabled to the Audit Committee for their review and Audit Committee shall update the Board of Directors on reports that require their attention and approval.

7.2 INFORMATION REQUIRED FOR INVESTIGATION

To facilitate the investigation, information required should include: -

- Nature of improper conduct;
- The date and location of the incidence;
- The identity of the alleged wrongdoer;
- Particulars of witnesses, if any;
- Particulars of production of documentary evidence, if any; and
- Other details deemed to be useful to facilitate screening and action to be carried out.

7.3 PRE-SCREENING

Head of Internal Audit & HR Manager will pre-screen and assess the Whistleblower's disclosure jointly to determine whether it constitutes an improper conduct or is excluded from the scope of this Policy. The Whistleblower (provided their identity is furnished) may be required to provide additional information and clarification if the need arises.

7.4 CHAIRMAN

- 7.4.1 Based on the initial findings, the Chairman will instruct the Head of Internal Audit on the next course of action.
- 7.4.2 The above process should not take more than one (1) month from the day the report is received.
- 7.4.3 In the event that the Whistleblower's disclosure involves the Head of Internal Audit, CEO and or members of the Audit Committee, the implicated person(s) shall be excluded from the activities of screening and subsequent follow-up actions such as investigation.

7.5 INITIAL INVESTIGATION

- 7.5.1 Upon the instruction from the Chairman, the Head of Internal Audit will conduct an initial investigation to determine on the merits of a full investigation and report to the Chairman.

7.5 INITIAL INVESTIGATION (continued)

7.5.2 The Chairman will make the decision on the Whistleblower's disclosure, including but not limited to the following: -

- a. Rejection of the Whistleblower's disclosure and instruct that the matter to be closed should the preliminary findings by the Head of Internal Audit indicate no basis for further investigation;
- b. Initiating the investigation process by the Head of Internal Audit or any other relevant parties to commence a full investigation in the event that the preliminary findings by the Head of Internal Audit clearly indicate a basis for further investigation;
- c. Referral of the disclosure to the full Audit Committee to determine the next course of action in the event where the CEO or Head of Internal Audit is involved. In this situation, the Audit Committee may appoint other personnel of suitable seniority or independent third party to investigate the allegations.
- d. In cases where the preliminary findings suggest a possible criminal offence, the Chairman may also refer the disclosure to the appropriate authorities such as police force or the Malaysia Anti-Corruption Commission ("MACC") for further action; or
- e. Determine any other course of action which the Chairman deems fit, taking into consideration the circumstances of the matter reported.

7.5.3 Subject to legal constraints, the Whistleblower (provided their identity is furnished) shall be informed of the status of the disclosure based on the preliminary action taken by the Audit Committee.

7.5.4 The alleged wrongdoer will also be informed of the Whistleblower's disclosure (but not of the identity of the Whistleblower himself) and be given the opportunity to respond to the allegations at the impending Full Investigation process (point no.7.6).

7.6 FULL INVESTIGATION

7.6.1 The full investigation process aims to achieve the below objectives:

- To gather relevant information in the most appropriate manner and to protect the information from sabotage/ compromise;
- To arrive at a fair judgment and recommendation on the allegation

7.6.2 Only the Head of Internal Audit, CEO, Audit Committee, Chairman and specific personnel directed by the above-mentioned parties have the right to carry out the investigation.

7.6 FULL INVESTIGATION (continued)

7.6.3 The Whistleblower and the alleged wrongdoer are expected to give his/ her full cooperation in any investigation or any other process carried out pursuant to this policy and/ or the disciplinary policy of the Group.

All information, documents, records and reports relating to the investigation of the alleged improper misconducts shall be kept securely to ensure its confidentiality and investigation is to be carried out strictly in a confidential manner.

7.6.4 Upon the conclusion of the full investigation and where the CEO is not the alleged wrongdoer, the CEO shall review the investigation report. If the alleged wrongdoer is found to have committed the improper conduct, the CEO will recommend the disciplinary action to be taken against him/ her, based on the Human Resource Policy and Procedures, amongst others, include a formal warning, reprimand, suspension or termination of employment.

A final report with CEO's recommendation will be tabled to the Audit Committee who will review the report and decide on the disciplinary action to be taken.

7.6.5 In the case where the alleged wrongdoer is the CEO, the Audit Committee shall review the investigation report and determine whether the allegation can be substantiated. In the event the allegations are found to be true, the Audit Committee will recommend the disciplinary action to be taken, based on the Human Resource Policy and Procedures.

A final report with the Audit Committee's recommendation will be tabled to the Board of Directors who will review the report and decide on the disciplinary action to be taken.

7.6.6 From all cases reported, Management shall institute the appropriate control measures to prevent any further improper conduct or damage to the Group.

8.0 PROTECTION OF WHISTLEBLOWER

8.1 Upon making a disclosure in good faith, based on the Whistleblower's reasonable belief, the Whistleblower's identity will be accorded with protection of strict confidentiality unless otherwise required by law or for the purposes of any actions by or against the Group.

8.2 The Whistleblower will be protected from "detrimental treatment" within the Group. Such protection is accorded even if the investigation later reveals that the Whistleblower is mistaken as to the facts.

8.0 PROTECTION OF WHISTLEBLOWER (continued)

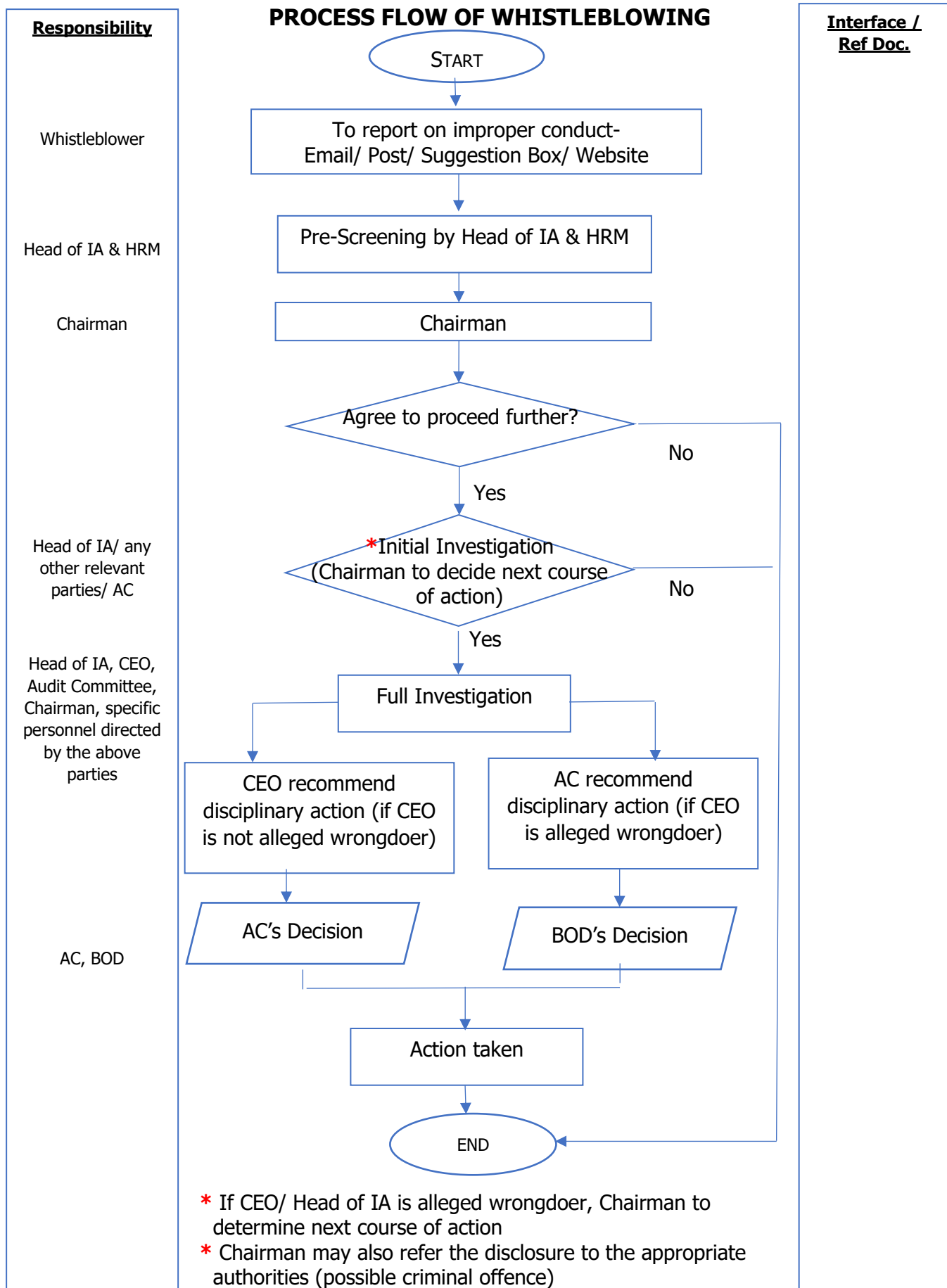
8.3 Detrimental treatment includes: -

- a) any action causing injury, loss or damage to the Whistleblower;
- b) any action of intimidation and harassment against the Whistleblower;
- c) the termination of the Whistleblower's employment, the withholding of salary or any payment due and payable under his/ her contract, refusal to enter into a subsequent contract; the taking of any disciplinary action or adverse treatment in relation to the Whistleblower's career; or
- d) a threat to take any of the actions stated above.

9.0 SAFEKEEPING OF RECORDS

- 9.1 All reports, documents, findings of investigations and monitoring of corrective actions shall be centralized, lodged and monitored by the Head of Internal Audit.
- 9.2 Disclosure of reports to individuals who are not involved in the investigation will be viewed as a serious disciplinary offence which may result in disciplinary action, including termination of employment or dismissal.

YTB reserves the right to amend this policy from time to time.



WHISTLEBLOWING E-FORM

Reported Date	
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Notice:

- For all compulsory fields (*), please state 'not available' if the information is not available at the time the case is lodged.
- To enable the whistle-blowing team to conduct investigation, please provide information as accurate as possible.
- Kindly provide a valid e-mail address so that the case reference number can be e-mailed to you for future correspondence.

COMPLAINT DETAILS

Name of Person Alleged *	
Designation of Person Alleged *	
Company of Person Alleged *	
Allegation Details *	
Incident Date & Time	
Location of Incident *	
Estimated Value Involved	
Other Parties Involved	

COMPLAINANT DETAILS

Name of Complainant	
Contact Number	
Email	