



XINGHE HOLDINGS BERHAD

**WHISTLEBLOWING POLICY
(Adopted on 31 December 2018)**

1. INTRODUCTION

- 1.1 Xinghe Holdings Berhad (“**Company**”) is committed in ensuring the highest standards of integrity from all its stakeholders. The Company and its subsidiaries (“**Group**”) view seriously any wrongdoing on the part of any of its stakeholders.
- 1.2 This Whistleblowing Policy (“**Policy**”) establishes a framework where stakeholders can raise in confidence any possible corporate misdemeanours.
- 1.3 Stakeholders include employees, business partners, customers, contractors, suppliers, trading and joint-venture partners, shareholders and members of the public, where relevant.
- 1.4 For the purpose of this Policy, whistleblowing is defined as:

“The disclosure of information or activity of an individual or organisational malpractice by a person who has or had access to data, events or information about an actual, suspected or anticipated wrongdoing or by employees (including Directors) of the Group and those who are within its control. These include activities that are deemed illegal, unethical, or improper.

The “whistle-blower” is the person who makes such report.”

2. SCOPE

- 2.1 This Policy is applicable to all stakeholders of the Group and in this context, the Group also includes associated companies.
- 2.2 The Group operates in multiple jurisdictions and as such, this Policy shall be read in conjunction with the relevant legal and regulatory obligations of the jurisdictions concerned and in the event of any conflict between this Policy and the legal and regulatory obligations of the said jurisdictions, the respective legal and regulatory obligations shall prevail.
- 2.3 All employees are encouraged to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, and in an appropriate way.

This Policy is designed to:

- promote and maintain high transparency and accountability in the workplace;
- promote good corporate governance practices in the workplace;
- ensure that employees can raise concerns without fear of reprisals and safeguard such person’s confidentiality;
- protect a whistle-blower from reprisal as consequence of making a disclosure;
- provide a transparent and confidential process for dealing with concerns;
- protect the long term reputation of the Group;
- support the Group’s values; and
- maintain a healthy working culture and an efficient organisation.

3. PURPOSE

- 3.1 The Group is committed to maintain high work standards and ethics in all of its practices. Hence, whistleblowing is viewed positively by the Group as a mean to ensure that the standards by which the Company subscribes to are upheld and maintained at the highest level.
- 3.2 This Policy provides an avenue to raise a legitimate concern about the actual or suspected improprieties at the earliest opportunity for expeditious investigation.
- 3.3 The whistleblowing channel has been created to help stakeholders raise their concern, without fear of retaliation and provide protection from reprisals and victimisation provided the whistleblowing was done in good faith.
- 3.4 This Policy is not intended to replace in any way and is in addition to the existing grievances or complaints procedures established relating to personal grievances concerning an individual's terms and conditions of employment, performance assessments or other aspects of the working relationship.

4. REPORTABLE DISCLOSURES

Anyone who makes a disclosure must reasonably believe that:

- (i) He/she was acting in the Group's and/or public interest;
- (ii) The disclosure includes but is not limited to the following categories:
 - negligence in carrying out work obligations;
 - fraud;
 - corruption;
 - criminal offences;
 - misuse and/or misappropriation of the Group's funds or assets;
 - financial and operational improprieties;
 - gross mismanagement (including serious potential breaches to the interest of society and environment)
 - failure to comply with legal or regulatory obligations;
 - miscarriage of justice;
 - breaches of the Group's Code of Ethics and Conduct, including sexual, physical or other abuses of human rights;
 - endangerment of an individual's health and safety; and
 - concealment of any, or a combination, of the above.

5. PROTECTION

- 5.1 Anyone filing a written complaint concerning a violation or suspected violation must act in good faith and have reasonable grounds for believing that the information disclosed indicates a violation.
- 5.2 All genuine whistleblowing done in good faith under this Policy will be protected under the Whistleblower Protection Act 2010 against any loss or retribution in connection with the disclosure. Whistle-blowers who commit genuine mistakes with regards to the disclosure will similarly be protected.

- 5.3 The Group shall not tolerate any direct or indirect harassment, discrimination or victimisation (including informal pressure) against whistle-blowers and shall take the appropriate action to protect them.
- 5.4 On the other hand, persons who deliberately made any allegations that found to be malicious/false/dishonest/mischievous or in bad faith and/or those who abuse this Policy may be subjected to disciplinary action as determined by the Managing Director (“MD”) or, if so delegated by the MD, the senior management, which may include formal warning or reprimand, demotion, suspension or termination of employment or services or monetary or other forms of punishment.

6. CONFIDENTIALITY

- 6.1 The Group encourages whistle-blowers to identify themselves when reporting. All information provided shall be treated with the highest level of confidentiality and whistle-blowers’ identities will not be disclosed without their prior consent.
- 6.2 There may be instances where the Group would need to disclose the information provided by the whistle-blower which may include but not limited to the following circumstances:
- the Group is required by law to disclose the information provided;
 - the information is readily available in the public domain;
 - the information is given on strict confidential basis to legal or other external professionals with the purpose of seeking professional advice; and
 - the information is provided to an enforcement agency for further investigation.

7. REPORTING PROCEDURES

Option 1

Report to immediate supervisor, manager or Head of Department (where applicable).

Option 2

If the matter concerned involves the above persons, or if you prefer that they are not be told, you may report to the following designated officers:

- Head of Human Resources; or
- MD

Option 3

Submit in a sealed envelope addressed to the Senior Independent Director or Chairman of the Audit and Risk Management Committee and clearly marked “***Strictly Confidential – to be opened only by the person to whom addressed***” by post or courier to the Company’s Registered Office at:

Suite 13.03, 13th Floor
Menara Tan & Tan
207, Jalan Tun Razak
50400 Kuala Lumpur, Malaysia
Telephone no.: +603-2164 0206

Ideally the above reporting should be in writing using the prescribed Whistle-blower Submission Form attached in Appendix 1. If the whistle-blower is uncomfortable to submit the complaint in writing, arrangement can be made to meet the aforementioned personnel as stated in Options 2 or 3.

Anonymous reporting is discouraged. However, such report would still be handled if it contains enough evidence or merits to commence investigations.

Those complainants who provide contact details will be contacted for further information and be updated on the results of the investigations concerned.

Private & Confidential
Whistle-blower Submission Form

Incident Date:

Date/Time:	
Complainant particulars and contact details <i>(optional)</i>	Name: Contact:
Details of allegation <i>(describe in detail)</i>	
Time, date and place of incident	
Were there any witness/es <i>(if yes, please detail)</i>	
Other relevant details and evidence <i>(copies of documents, photographs, voice recording, video, etc.)</i>	

Note: If insufficient space, please attach separate sheets