



SAPURA RESOURCES BERHAD

(3136-D)

WHISTLEBLOWING POLICY

Dated : March, 2018

TABLE OF CONTENTS

1.	OBJECTIVE.....	1
2.	SCOPE	2
3.	ABBREVIATION & DEFINITION	3
4.	DISCLOSURE PROCEDURE.....	4
5.	INVESTIGATION PROCEDURE.....	6
6.	REPORTING TO ENFORCEMENT AUTHORITY	7
7.	CONFIDENTIALITY	7
8.	WHISTLEBLOWER PROTECTION.....	7
9.	NON-IMMUNITY	8
10.	WHISTLEBLOWER PROTECTION ACT 2010	9

1. **OBJECTIVE**

1.1. The objective of this Policy is to encourage all company's stakeholders including but not limited to the employees, vendors and customers to raise genuine concerns about possible improprieties involving Sapura Resources Berhad ("SRB") in matters relating to financial reporting, accounting controls, compliance, improper conduct and other wrongdoings and malpractices. This Policy facilitates the reporting of such matters and also to protect the individuals disclosing the information from detrimental action in accordance with the Whistleblower Protection Act 2010 (Act 711).

1.2. This Policy is designed to:

- (a) Promote and maintain high transparency and accountability in the workplace;
- (b) Promote good corporate governance practices in the work place;
- (c) Ensure that stakeholders can raise concerns without fear of reprisals and safeguard such person's confidentiality;
- (d) Protect the whistleblower from reprisal as consequence of making a disclosure;
- (e) Provide a transparent and confidential process for dealing with concerns;
- (f) Protect the long term reputation of SRB;
- (g) Support SRB's values; and
- (h) Maintain a healthy working culture and efficient company.

1.3. The principles underpinning the Policy are as follows:

- (a) Internal procedures to facilitate necessary whistleblowing, in a timely and responsible manner, are in place and made known to all stakeholders of the company;
- (b) All disclosures will be treated fairly and properly, and addressed in an appropriate and timely manner;
- (c) SRB will not tolerate harassment or victimisation of anyone raising a genuine concern;
- (d) The identity and personal information of the whistleblower will be protected and kept confidential, unless the individual agrees otherwise or unless otherwise required by law;
- (e) The whistleblower and the wrongdoer will be treated fairly. The whistleblower will be informed of this status of his/her disclosure and the alleged wrongdoer will be given the opportunity to respond to all allegations at an appropriate time;

- (f) Personal information, including the identity of the whistleblower and the alleged wrongdoer shall only be revealed on a “need-to-know’ basis;
- (g) SRB will ensure no one will be at risk of suffering reprisal as a result of raising concern even if the individual is mistaken. SRB, however, does not extend this assurance to someone who maliciously raises a matter he knows is untrue; and
- (h) 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 value and integrity.

1.4. The Whistleblower Protection Policy is therefore fundamental to SRB’s professional integrity. In addition, it reinforces the value placed on staff to be honest and respected members of their individual professions. It provides a method of properly addressing bona fide concerns that individuals within SRB might have, while also offering whistleblowers protection from victimization, harassment or disciplinary proceedings.

1.5. It should be emphasised that this Policy is intended to assist individuals who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by SRB nor should it be used to reconsider any matters which have been investigated under the harassment, grievance or disciplinary policies and procedures. It should encourage individuals to come forward with credible information regarding illegal practices or violations of adopted policies of SRB and should explicitly protect the individuals from retaliation for coming forward with the information.

2. SCOPE

2.1. This Policy covers all of SRB’s dealings with the public and private sectors and is applicable to directors of SRB and all personnel employed by SRB including consultants, vendors, independent contractors, and/or any other party with a business relationship with SRB.

2.2. Any individual may disclose any improper conduct which he/she has become aware of or in good faith believes that a person or persons had engaged, is engaging or going to engage in an improper conduct.

2.3. This policy not only covers improprieties in matters of financial reporting, but also include but not limited to:-

- Negligence in carrying out work obligations;
- Fraud;
- Corruption, bribery or blackmail;
- Criminal offences or any breach of the laws of Malaysia;
- Acceptance of gifts/favours beyond the threshold allowed by the company;
- Misuse and/or misappropriation of the company's funds or assets;
- Failure to comply with a legal or regulatory obligations;
- Miscarriage of justice;
- 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;
- Endangerment of an individual's health and safety; and
- Concealment of any, or a combination of the above.

2.4. This Policy does not apply to grievances concerning an individual's terms of employment, performance or personal grievances. Should it be determined during initial investigation that the matter disclosed does not fall within the scope of this Policy, such matter will be transferred to the relevant department for appropriate procedures and actions to be taken.

3. ABBREVIATION & DEFINITION

3.1. Abbreviation

BAC	Means Board Audit Committee
CFO	Means the Chief Financial Officer
Disciplinary offence	Any action or omission which constitutes a breach of discipline in a public or private body as provided by law or in a code of conduct, a code of ethics or circulars or a contract of employment.
Improper conduct	Any conduct which if proved, constitutes a disciplinary offence or a criminal offence.
Head of Aviation	Means the Head of the Aviation Business
Head of Property	Means the Head of the Property Business

Head of Legal	Means the Head of Legal Department
Head of HR	Means the Head of Human Resource Department
MD	Means Managing Director
Senior Independent Director	Means the Senior Independent Director as named in the Annual Report
SRB Management	Consist of the MD and CFO.
Public Sector	Federal, State or local government agencies or any company in which the Federal, State or local government has controlling interest.
Private Sector	Private or public listed companies, firms or individuals not employed by the Company.
The Act	Whistleblower Protection Act 2010 (Act 711)
WBC	Whistleblowing Committee comprising of the CFO, Head of Property, Head of Aviation, Head of HR and Head of Legal

3.2. Gender and Number

All reference to the masculine gender shall include the feminine gender. All reference to the singular number shall include the plural and vice-versa.

4. DISCLOSURE PROCEDURE

- 4.1. A Whistleblowing Committee (“WBC”) shall be formed comprising of the CFO, Head of Property, Head of Aviation, Head of Legal and Head of HR, each of which shall hereinafter be referred to as “the WBC member”. The secretariat for the WBC is the Head of HR.
- 4.2. If any individual believes reasonably and in good faith that improper conduct or malpractices exists in the workplace, the individual may make a disclosure of improper conduct and immediately report the information to any member of the WBC. However, if for any reason the individual is reluctant to report to any of the WBC member, then the individual should report the concerns to the Senior Independent Director or the Chairman of the BAC. Information should be reported as soon as the individual becomes aware of the facts that are the basis of the potential irregularity or complaint. An individual reporting such information should be prepared to provide as much information as possible to ensure that the matter can properly be investigated. Individual may submit the complaint on the basis of anonymity. Whilst SRB encourages whistleblowers to identify themselves, anonymous report will nevertheless

be taken seriously and investigated fully. However, the effectiveness of any whistleblowing enquiry may be limited where an individual chooses not to be identified. Where concerns cannot be resolved without revealing the identity of the individual raising the concern (i.e. if the evidence is required in court), a dialogue will be carried out with the individual concerned as to whether and how the matter can progress further.

- 4.3. The WBC member receiving the report will then immediately convene a meeting of the WBC. The Head of HR shall open and maintain a file of each complaint in respect of each alleged irregularity. If the WBC determines that the information is credible and the complaint has to be further investigated, the WBC will inform the MD and advise MD to proceed with the investigation in accordance with the procedures laid in this Policy.
- 4.4. No person entitled to protection shall be subjected to retaliation, intimidation, harassment, or other adverse action for reporting information in accordance with this Policy. Any person entitled to protection who believes that he or she is the subject of any form of retaliation for such participation should immediately report the same as a violation of and in accordance with this Policy.
- 4.5. Any individual within SRB who retaliates against another individual who has reported a violation in good faith or who, in good faith, has cooperated in the investigation of a violation is subject to discipline, including termination of employment or contract for services.
- 4.6. As provided by law, an individual may also report illegal or unethical practices directly to statutory bodies such as the Malaysian Anti-Corruption Commission, the Securities Commission, Bursa Malaysia, the Royal Malaysian Police or other similar government agencies in other countries. In such an event, protection of the whistleblower is also provided under the respective laws such as the Whistleblower Protection Act 2010.

5. INVESTIGATION PROCEDURE

5.1. Objectives of Investigation

- (a) To gather all information, documents and materials as evidence to support the findings and conclusions of the investigation.
- (b) To protect and preserve documents and materials which are pertinent in the case.
- (c) To treat all witnesses and accused individuals with fairness and impartiality.
- (d) To draw objective and impartial findings and conclusions.
- (e) To maintain confidentiality of identity of whistleblower at all times.

5.2. Appoint An Investigator

Upon receiving a disclosure of an improper conduct and if the WBC determines that the information is credible, then upon consultation with the MD, shall appoint an Investigation Officer to conduct the required investigation.

5.3. Conduct of Investigation

- (a) If required, the Investigation Officer may interview the whistleblower to obtain more information on the Report made by the whistleblower.
- (b) The Investigation Officer shall interview all relevant witnesses and gather all pertinent information and materials from all sources.
- (c) All interviews and activities must be documented in writing and filed for the purpose of record to support the findings and conclusion of the investigation.

5.4. Investigation Report

The Investigation Report shall include the following:

- (a) The allegation(s) of the improper conduct;
- (b) An account of all relevant information gathered in the course of the investigation;
- (c) Transcripts, records, statements, documents or any other evidences collected;
- (d) The conclusion reached after completion of the investigation;
- (e) Recommendation arising from the conclusion.

Care must be taken so as not to provide particulars or details of information that may lead to the identification of the whistleblower.

6. REPORTING TO ENFORCEMENT AUTHORITY

- 6.1. Upon completion of the investigation of the complaint, a written report will be provided by the Investigating Officer to MD describing the questionable activities, any known existing or future monetary liabilities, any possible criminal, civil or policy violations, and other pertinent information.
- 6.2. If the report concludes that there is merit to the reported complaint, the report should also propose a remedy and/or disciplinary action.
- 6.3. If arrest or prosecution of an stakeholder is recommended, prior to implementing this remedy, the MD must be notified and approve such action.
- 6.4. The MD may at his discretion, seek further legal advice and/or refer to the relevant enforcement authority for further civil or criminal action.

7. CONFIDENTIALITY

- 7.1. The Company shall treat all disclosures made under this policy with strict confidence. The identity of the individual making the disclosure (whistleblower) will not be revealed unless required by law.

8. WHISTLEBLOWER PROTECTION

- 8.1. The identity and the personal information of the whistleblower will be protected and kept confidential, unless the whistleblower agrees otherwise or unless otherwise required by law. The Company will protect the whistleblower from retaliation, reprisal or any detrimental action as a result of disclosing an improper conduct.
- 8.2. The whistleblower will not be at risks to any form of employer's harassment which is not limited to threats, victimization, retribution or retaliation from their superiors or from management. Any attempt to retaliate, victimise or intimidate against the whistleblower

making report in good faith is a serious violation of the code of conduct and shall be dealt with serious disciplinary action.

- 8.3. Protection from discrimination means that the Company cannot retaliate by taking "adverse action" against whistleblowers, such as firing or laying of, blacklisting, demoting, denying overtime or promotion, disciplining, denial of benefits, failure to hire or rehire, intimidation, making threats, reassignment affecting prospects for promotion, reducing pay or hours.
- 8.4. The protection conferred to the whistleblower is not limited or affected in the event the disclosure of improper conduct does not lead to any disciplinary action or prosecution of the person against whom the disclosure of improper conduct has been made.
- 8.5. The protection shall be revoked if in the course of its investigation that:-
- i. The whistleblower himself/herself has participated in the improper conduct disclosed;
 - ii. The whistleblower willfully made in his/her disclosure of improper conduct a material statement which he/she knew to be false or did not believe to be true;
 - iii. The disclosure of improper conduct is frivolous or vexatious;
 - iv. The disclosure of improper conduct principally involves questioning the merits of SRB policy;
 - v. The disclosure of improper conduct is made solely or substantially with the motive of avoiding dismissal or other disciplinary actions.
- 8.5 If the whistleblower protection has been revoked, corrective actions to be determined by the MD will to be taken against the said whistleblower. The corrective actions may include disciplinary measures, formal warning or reprimand, demotion, suspension or termination of employment or services or monetary or other forms of punishment.

9. NON-IMMUNITY

- 9.1. The disclosure made under this Policy does not necessarily immune an individual against any action following his/her improper conduct or involvement in it.

10. WHISTLEBLOWER PROTECTION ACT 2010

- 10.1. The Whistleblower Protection Act 2010 shall take precedence if there is any discrepancy between the Act and this policy.
- 10.2. No person entitled to protection shall be subjected to retaliation, intimidation, harassment, or other adverse action for reporting information in accordance with this Policy. Any person entitled to protection who believes that he or she is the subject of any form of retaliation for such participation should immediately report the same as a violation of and in accordance with this Policy.
- 10.3. Any individual within the Company who retaliates against another individual who has reported a violation in good faith or who, in good faith, has cooperated in the investigation of a violation is subject to discipline, including termination of employment.
- 10.4. The adoption of a whistleblower policy can help to protect the Company from monetary losses, stakeholder fraud and damage to its reputation. When an individual or other constituent reports suspected impropriety to the corporation, rather than to outside agencies, the Company may avoid loss or damage by stopping the improper practice right away, and may also give the Company the opportunity to fix any errors or issues internally before a governmental investigation ensues. In addition, the adoption of a policy can demonstrate that the Company is committed to good governance and accountability practices.