

WHISTLE BLOWER POLICY

1.0 PREFACE

Halal Industry Development Corporation (“the Company”)’s Code of Conduct (‘the Code’), which incorporates a Code of Ethics, require all officers and employees to observe high standards of business and personal ethics in carrying out duties and responsibilities. As employees and representatives of the Company, they must practice honesty and integrity in fulfilling their duties and responsibilities, and comply with all applicable laws and regulation.

It is thus the responsibility of all officers and employees to comply with the Code and to report violations or thereto. Accordingly, this Whistle Blower Policy (“the Policy”) has been formulated with a view to provide mechanism for officers and employees of the Company to report instances of unethical behavior, actual or suspected fraud or dishonestly or violation of the Company’s code of conduct or ethics policy.

The implementation of the Policy is also in line Section 368B of the Companies Act 1965 (“the Act”) where provisions have been made to protect Company Officers who make disclosures on breach or non-observance of any requirement or provision of the Act or on any serious offence involving fraud and dishonesty.

2.0 DEFINITIONS

The definitions of some of the key terms used in this policy are given below:

- ‘Audit Committee” means the Audit Committee constituted by the Board of Directors of the respective Halal Industry Development Corporation.
- “Chief Audit Executive” means the Head of the Internal Audit function at Halal Industry Corporation.
- “Code” means the Code of Conduct adopted by Halal Industry Development Corporation.
- “Employee” means every officer and employee of Halal Industry Development Corporation including the Directors in the employment of the Company and the Group.
- “Head of Human Capital” means the Head of Human Capital of the respective Company or the person however titled occupying the relevant position.
- “Investigator” means the person(s) authorized, appointed, consulted or approached by the Chairman of the Board of Directors or the Chairman of the Audit Committee or the Head of Human Capital or Chief Audit Executive, and may include any third party investigator appointed for the purpose.
- “Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence malpractice or unethical activity.

- “Subject” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- “Whistle Blower” means an Employee making a Protected Disclosure under this Policy.

3.0 SCOPE

This Whistle Blower Policy is specific to Halal Industry Development Corporation.

The objective of this Policy is to provide a process for employees to raise genuine concerns. It may be, however, that the complainant has him/herself been involved in a wrongdoing. In such a situation, he/she would have to answer for his/her actions and should not expect immunity from disciplinary/criminal proceedings. Nevertheless, in such circumstances, the fact that he/she raised the concern would be taken into account.

The Whistle Blower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of fact, nor would they determine the appropriate corrective or remedial action. Whistle Blowers should not conduct any investigative activities, nor do they have a right to participate in any investigative activities.

Wherever possible concerns should be raised and dealt with through the normal reporting lines and procedures in the Company. However, where it is believed that the malpractice cannot be resolved through the normal reporting lines and procedures, or implicates very senior levels of management within the Company and the employee’s own employment may be jeopardized by raising the concern, then the issues can be raised through the channel provided by this Policy.

The procedures elaborated within this Policy are confined to those situations where an employee may need to make the necessary Protected Disclosure. As a guide, the types of malpractices covered are listed on **Attachment A** of this Policy.

4.0 ELIGIBILITY

All Employees are eligible to make Protected Disclosure under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

The Company is committed to this Policy and assures that the Employees will not suffer any form of retribution, victimization or detriment.

If the Employees could prove that they have been subjected to retribution, victimization or detriment because of using this policy, disciplinary action will be taken against the perpetrator.

5.0 DISQUALIFICATIONS

While it will be ensured that genuine Whistle Blower are accorded complete protection from any kind of unfair treatment, any abuse of this protection can warrant disciplinary action.

Protection under this Policy will not mean protection from disciplinary action arising out of false, frivolous, baseless or bogus allegations made by a Whistle Blower knowingly.

6.0 PROCEDURE

- a. ALL Protected Disclosures should be addressed to the Chairman of the Board of Directors or the Chairman of the Audit Committee of the respective Company.
- b. Protected Disclosure should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or Bahasa Malaysia.
- c. Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Board of Directors or the Chairman of the Audit Committee shall detach the covering letter and discuss the Protected Disclosure with the Audit Committee and if deemed fit, shall forward the Protected Disclosure to either the Head of Human Capital or the Chief Audit Executive for investigation, as appropriate.
- d. Protected Disclosure should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- e. The Whistle Blower must disclose his/her identity. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistle Blower.

7.0 INVESTIGATION

- a. The authority to decide whether or not a Protected Disclosure should be investigated is vested with the Audit Committee, who will appoint the appropriate Investigator.
- b. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act has indeed been committed.
- c. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- d. Subject shall have a duty to co-operate with the Investigator during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- e. Subjects should not interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated.
- f. Unless there are compelling reasons not to do so. Subject will be given the opportunity to respond to the material findings of the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- g. Subjects have the right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether the investigation results would be in the best interest of him/her and the Company.

8.0 PROTECTION

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having submitted a Protected Disclosure under this Policy. Halal Industry Development Corporation, as a policy, condemn any kind of discrimination, harassment, victimization or any other unfair employment practice adopted against Whistle Blower. Complete protection will, therefore, be given to a Whistle Blower against any unfair practice like retaliation, threat or intimidation of

termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct to indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties including making further Protected Disclosure. If a Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure.

- b. The identity of Whistle Blowers shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identities may become known for reasons outside the control of the Company (e.g during investigations carried out by investigator).
- c. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9.0 INVESTIGATORS

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review which establishes that:
 - The alleged act constitutes an improper or unethical activity or conduct, and
 - Either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard but is worthy of further review.
- d. Investigators shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to them since the last report together with the results of investigations, if any.

10.0 DECISION

If an investigation concludes that an improper or unethical act has been committed, the matter should be handled in accordance with the existing Disciplinary Procedures as specified in the Code of Conduct adopted by the Company.

11.0 RETENTION OF DOCUMENTS

All Protected Disclosure along with the results of investigation relating thereto shall be retained by the Company in accordance with the applicable legal requirements.

12.0 AMENDMENT

The company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

As a guide, the types of malpractices covered under the Whistle Blower Policy include the following examples:

1. Theft, pilferage, misappropriation or attempt of the same of the Company's money or property.
2. Fraud, dishonestly, cheating, falsification or attempt of the same in connection with the Company's business, money or property.
3. Soliciting or accepting bribe or any illegal gratification.
4. Participating in unauthorized financial transactions.
5. Breach of legal obligations.
6. Conflict of interest.
7. Abuse of position and misuse of the Company fund.
8. Spreading malicious rumours about the Company.
9. Gross negligence and neglect of duty.
10. Unauthorised disclosure of Company's confidential information.
11. All forms of harassment including but not confined to unwelcome verbal or physical advances and sexually, racially or otherwise derogatory or discriminatory statements or remarks.
12. Commission of any subversive act.
13. Commission of any act that brings disrepute, embarrassment or affects the legitimate interest of the Company or ruins the image of the Company.
14. Habitual breach of any Company's order or any law applicable to the establishment of rules made thereunder.
15. Conduct which is likely to cause injury or endanger the life or safety of another person within the Company's premise.
16. Misrepresentation of the Company to others.
17. Obstructing, inciting or willfully slowing down other employees from work.