GADANG HOLDINGS BERHAD

Registration No: 199301023376 (278114-K)

WHISTLEBLOWING POLICY & PROCEDURES

Contents

1. OBJECTIVE 3

2. SCOPE 3

3. CONFIDENTIALITY & PROTECTION 4

4. RAISING A CONCERN 5

5. PROCEDURE FOR HANDLING WHISTLEBLOWING REPORTS 6

6. ACKNOWLEDGEMENT & RECOGNITION 9

APPENDIX 1 – Whistleblowing form

1. OBJECTIVE

1.1. Gadang Holdings Berhad and its group of companies ("the Company") is committed to achieving and maintaining the highest standards of openness, ethics and accountability. Employees are expected to conduct themselves with integrity, impartiality and honesty.

1.2. In line with good corporate governance practices, the Company encourages its employees, other external stakeholders and members of the public ("Reporting Individual") to report suspected and / or known misconduct, wrongdoing or inappropriate behaviour relating to corrupt practices, fraud and / or abuse involving the Company's resources.

1.3. The objective of this policy and procedure is to provide a mechanism for the Reporting Individual to report concerns about any suspected and / or known misconduct, wrongdoing or inappropriate behaviour relating to corrupt practices, fraud and / or abuse for management action.

2. SCOPE

Whistleblowing matters may include but are not confined to the following:-

- Violation of the Code of Ethics & Conduct, which includes giving or receiving a bribe or other gratification, money laundering, anti-fair competition and insider trading;
- Breach of legal or regulatory requirements;
- Theft or embezzlement;
- Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters;
- Endangerment to public or employee's health and safety;
- Damage caused to the environment;
- Improper conduct or unethical behaviour likely to prejudice the good standing of the Company;
- Conflict of interest;
- Misappropriation of Company's assets.
- Discrimination

3. CONFIDENTIALITY & PROTECTION

3.1 Anonymity

It is the Company's policy to allow the Reporting Individual to either identify themselves or if they prefer, to remain anonymous when reporting a concern ("the disclosure"). However, where the Reporting Individual chose to identify himself / herself, please note that the Reporting Individual's personal data shall be protected in accordance with the Personal Data Protection Act 2010.

3.2 Confidentiality

The Company will treat the disclosure and information provided as sensitive and will only reveal them to relevant parties on a "need to know" basis for the purposes of investigating the disclosure.

Where the Reporting Individual has chosen to reveal his / her identity when making such a disclosure, written permission from him / her will be obtained in the event that the identity is necessary to be revealed.

3.3 Protection against detrimental action

The Reporting Individual shall be protected against reprisal, retaliation, punishment and / or unfair treatment (including intimidation, harassment, discrimination, demotion and termination of employment) from his / her superior, head of department / division and other employees as a result of the disclosure.

In addition, the Company provides assurance that no disciplinary action can be taken against the Reporting Individual as long as he / she does not purposely or knowingly provide false information in the disclosure. Malicious and false allegations will be viewed seriously and treated as a gross misconduct (where the Reporting Individual is an employee of the Company) and if proven, may lead to dismissal. Making a false report may result in the Reporting Individual being held personally liable for damages by anyone who may have been affected by the false disclosure.

4. RAISING A CONCERN

4.1 Employees

4.1.1 First Step

Where the Reporting Individual is an employee, he / she is encouraged to discuss the matter first with line supervisors or department head. This is the fastest way to clear up misunderstandings and ensure good, open working environment in the Company.

4.1.2 Next Step

If notifying the line supervisor or department head is not possible or inappropriate for any reason, or not in the best interest of the Company, then contact can either be made to:

Name / Title	Address	Tel Number	Email
1. Mr Tham Wing Hoong Head – Group Internal Audit	Wisma Gadang No. 52, Jalan Tago 2, Off Jalan Persiaran Utama, Sri Damansara, 52200 Kuala Lumpur	+603 6279 6389	alantham@gadang.com.my
2. Ms Kok Pei Ling Chief Financial Officer	Wisma Gadang No. 52, Jalan Tago 2, Off Jalan Persiaran Utama, Sri Damansara, 52200 Kuala Lumpur	+603-6279 6228	kokpl@gadang.com.my
3. Mr Sherman Lam Yuen Suen Chairman of Audit Committee	Wisma Gadang No. 52, Jalan Tago 2, Off Jalan Persiaran Utama, Sri Damansara, 52200 Kuala Lumpur	+6012-290 0623	sherman.lam@gadang.com.my

4.2 **Other external stakeholders and members of the public**

Where the Reporting Individual is not an employee of Gadang, his / her concern must be raised with the Chairman of Audit Committee, Mr Sherman Lam Yuen Suen or Chief Financial Officer, Ms Kok Pei Ling

The Reporting Individual may report in person, by phone, by post or by email.

When the Reporting Individual reported orally, the disclosure shall be recorded in writing by the recipient as soon as it is practicable.

If the Reporting Individual prefers to fill in the Whistleblowing Form, a copy of the form is in **Appendix 1** of this policy document.

5. PROCEDURE FOR HANDLING WHISTLEBLOWING REPORTS

5.1 The Head - Group Internal Audit:

i) accepts the report from the Reporting Individual or through the Chief Financial Officer or Chairman of Audit Committee and acknowledges receipt of the report to the Reporting Individual within 10 working days. Please refer Appendix 1 - Whistleblowing Form;
ii) notifies the Group Managing Director and the Head – Group Human Capital & Support Services upon acceptance of the report from the Reporting Individual;
iii) assesses the matter raised by the Reporting Individual whether there is sufficient information to proceed with further action, otherwise to dismiss the case;
iv) sends a report on the assessment to the Whistleblowing Committee within three weeks of acceptance of the report from the Reporting Individual
v) acts on the direction of the Whistleblowing Committee if its decision is to proceed with an investigation;
vi) performs the investigation, and if necessary, seek internal or external assistance in the investigation;
vii) prepares a report for the Whistleblowing Committee once investigation is completed;
viii) informs the Reporting Individual in writing on the judgement of the Whistleblowing Committee within eight weeks from the date of the report, provided that it is not specifically prohibited by any written law.
ix) provides a summary report to the Group Human Capital & Support Services if the case necessitates further action from them.

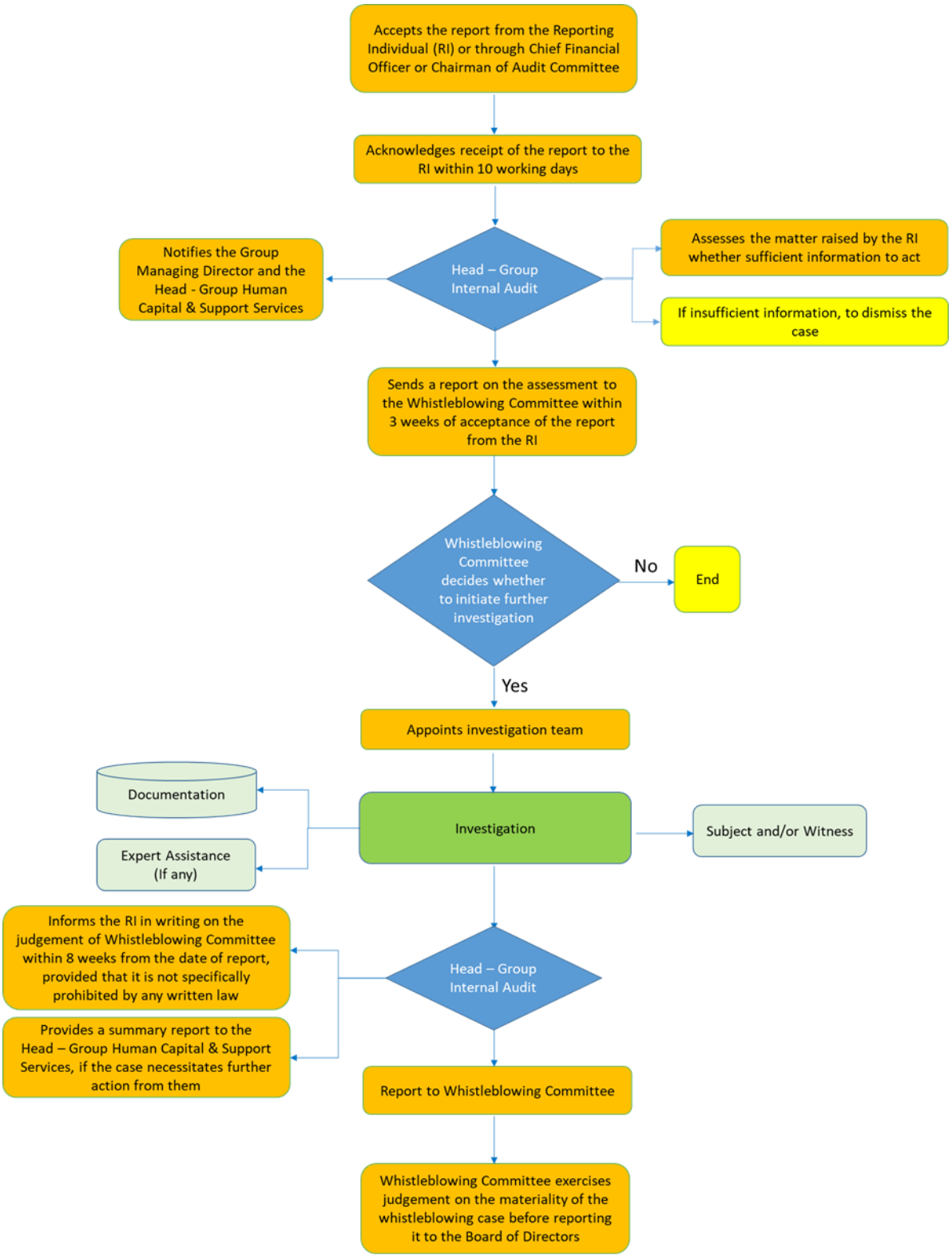
5.2 The Whistleblowing Committee comprises:

i) Chairman of Audit Committee
ii) Chief Financial Officer
iii) Head – Group Internal Audit

5.3 The Whistleblowing Committee:

i) assesses if the matter contravenes the Company's Code of Ethics & Conduct
ii) initiates further investigation
iii) takes appropriate action
iv) ensures the process of hearing is timely and transparent
v) passes judgement on the matter
vi) provides the Managing Directors, heads of departments with binding advice on measures to be taken
vii) monitors execution
viii) exercises judgement on the materiality of the whistleblowing case before reporting it to the Board of Directors

Flowchart for Handling Whistleblowing Reports



6. ACKNOWLEDGEMENT & RECOGNITION

The Company places great value upon creating an environment where employees would maintain the highest standard of ethics, honesty, openness and accountability. The Company recognises that it requires courage and personal quality such as righteousness, loyalty and impeccable integrity for an employee to step out and blow the whistle. These personal qualities and positive behaviours demonstrated by the whistleblowers are well acknowledged by the Company and will be taken into consideration, among others, for the employee's career opportunities and advancement.

For whistleblowers who are other external stakeholders or members of the public, the Company also records its sincere appreciation for taking the effort to raise the concern so that the management may take actions as appropriate and for improvements.