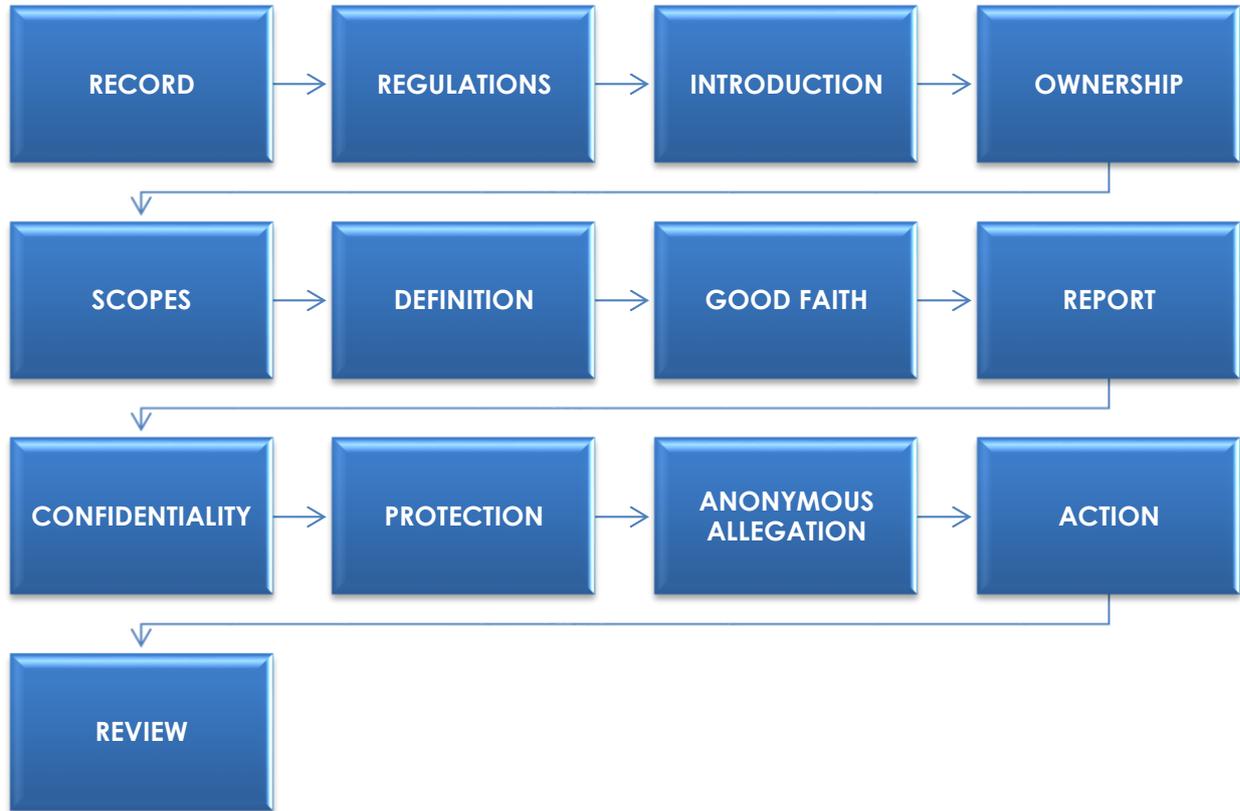




**I-STONE GROUP BERHAD**  
**WHISTLEBLOWER POLICY & PROCEDURES**

This Policy was reviewed and approved by the Board on 24<sup>th</sup> November 2020

**TABLE OF CONTENTS**



**Appendix A:** Flowchart

**Appendix B:** Form for Disclosure of Improper Conduct

**Appendix C:** Form for Complaint of Detrimental Action

**1. RECORD**

REVISION NO.	APPROVED BY	EFFECTIVE DATE
1.0	Board of Directors	28 May 2020
2.0	Board of Directors	TBA

**2. REGULATIONS****a. WHISTLEBLOWER PROTECTION ACT 2010**

In June 2010, the Whistleblower Protection Act 2010 ("the Act") was passed by Parliament and came into force on 15 December 2010.

The Act protects persons making disclosures of improper conduct in the public and private sector from civil and criminal action.

In addition, the Act allows for proper investigation to be carried out by an enforcement agency set up by the Federal Government, State Government or local government.

**b. BURSA MALAYSIA LISTING REQUIREMENTS**

On 5 April 2018, the Malaysian Parliament amended the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") to incorporate, among others, a new Section 17A on corporate liability for corruption.

From 1 June 2020, a commercial organisation (including a listed corporation) may be found liable for acts of corruption committed by any persons associated with the organisation.

Pursuant to the above amendment, Bursa Malaysia has amended the Listing Requirements to encapsulate anti-corruption measures which are in addition to the statutory provisions under the law.

### **3. INTRODUCTION**

i-Stone Group Berhad and its subsidiaries ("Group") are committed to achieve the highest possible standards of transparency, probity, integrity and accountability.

The Group provides this Whistleblower Policy for employees or stakeholders to report or disclose through established channels, genuine concerns about unethical behaviours, malpractices, illegal acts or failure to comply with regulatory requirements ("reportable misconduct") that is taking place / has taken place / may take place in the future.

This policy and procedure are intended to provide a means of making whistleblowing to express concerns about standards, misconduct, financial irregularity or possible unlawful action.

This policy and procedure ensure confidentiality and protect those making such allegations, in the reasonable belief that it is in the public interest to do so, from being victimised, discriminated against or disadvantaged.

This policy and procedure do not replace other policies and procedures such as i-Stone Grievance Procedures, Code of Conducts and other specifically laid down statutory reporting procedures.

### **4. OWNERSHIP**

- a. The Audit & Risk Management Committee ("ARMC") of the Group is responsible for the oversight of, and is ultimately accountable for this Policy & Procedures.
- b. The ARMC has delegated day to day responsibility for the administration and implementation of the Policy to the Chief Integrity Officer ("CIO").
- c. The use and effectiveness of this Policy shall be regularly monitored and reviewed by the CIO
- d. The CIO shall be responsible for incorporating any amendments and updates into this document, obtaining the approval of the ARMC for those amendments and updates and distributing the same to the relevant parties.

## 5. SCOPES

This policy applies to, but is not limited to, whistleblowing about any of the following:

- Conduct which is an offence or breach of the law
- Alleged miscarriage of justice
- Serious Health and Safety risks
- The unauthorised use of company fund
- Bribery
- Sexual, physical or verbal abuse, or bullying or intimidation of director, employee, customer, supplier or connected person to the Group
- Abuse of authority
- Breach of company policies
- Other unethical conducts

## 6. DEFINITION

- a. Whistleblowing is defined as the deliberate, voluntary disclosure or reporting of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated Improper Conduct within the organisation or by an organisation that is within its ability to control.
- b. As per WhistleBlower Protection Act 2010, WhistleBlower defined as means any person who makes a disclosure of improper conduct, not limited to outsider, but also employee, business associate, supplier and shareholder.
- c. Improper Conduct is generally described as any conduct by any director, employee, customer, supplier or connected person to the Group, which if proven constitutes a criminal offence or any conduct that constitutes a wrongdoing or malpractice.
- d. Detrimental Action defined as unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions.

## 7. GOOD FAITH

- a. Since an allegation of Improper Conduct may result in serious personal repercussions for the person who has allegedly committed an Improper Conduct, any person who intends to lodge any report of Improper Conduct shall ensure that the report of Improper Conduct is made in good faith.
- b. Any person making an allegation of Improper Conduct must have reasonable and probable grounds before reporting such Improper Conduct and must undertake such reporting in good faith, for the best interest of the Company and not for personal gain or motivation.
- c. The element of good faith shall be deemed to be lacking when:
  - the person does not have personal knowledge or a factual basis for the report of Improper Conduct; or
  - where the person knew or reasonably should have known that the report or any of its contents are false; or
  - where the report is frivolous or vexatious; or
  - there are any other circumstances that indicate that the report has been made with malicious intent, ulterior motive or for personal gain.
- d. Any person who has not acted in good faith shall not be entitled to any protection under this Policy & Procedures.
- e. An Employee who makes allegations or reports that are proven to have been made without good faith may be subjected to disciplinary action (which may include termination of employment or contract).

## 8. REPORT

Disclosure of information should initially and promptly be made by the Whistle-blower to the CIO of the Group at [whistleblowing@i-stone.com.my](mailto:whistleblowing@i-stone.com.my).

To ensure integrity and independence of handling of the disclosure of information, the Board of Director has designated the CIO to only has access to the designated e-mail address in event that the disclosure of information is not related to the CIO.

The CIO is independent personnel from the Management, which has direct & unlimited access to the Managing Director, the members of the Board and the Chairman of the Group.

Nevertheless, the established multiple reporting channel is as follows:

NO.	REPORT ABOUT	REPORT TO	COMMUNICATION CHANNEL
1	<ul style="list-style-type: none"> <li>• Stakeholder</li> <li>• Employee</li> <li>• MD</li> <li>• Any members of the Board</li> </ul>	<ul style="list-style-type: none"> <li>• CIO</li> </ul>	<ul style="list-style-type: none"> <li>• Designated e-mail address at <a href="mailto:whistleblowing@i-stone.com.my">whistleblowing@i-stone.com.my</a></li> <li>• By sealed mail to the CIO</li> </ul>
2	<ul style="list-style-type: none"> <li>• CIO</li> </ul>	<ul style="list-style-type: none"> <li>• Chairman of the ARC</li> </ul>	<ul style="list-style-type: none"> <li>• Designated e-mail address at <a href="mailto:armc@i-stone.com.my">armc@i-stone.com.my</a></li> <li>• By sealed mail to the Chairman of the ARC</li> </ul>

All the reports received shall be immediately be notified to the Chairman of the ARMC or any members of the Board of Directors or the Managing Director or the CIO, subject to relativeness of report of information.

On other note, the CIO shall present Register of Whistleblowing to the ARMC, on all reports received by the CIO, on a quarterly basis, which shall be a permanent agenda of the ARMC's meeting.

In event that the report is about the Chairman of ARMC or any members of ARMC, the CIO may opt not to report the disclosure to the ARMC, but to other members of the Board of Directors.

## **9. CONFIDENTIALITY**

All whistle-blowing reports will be treated with utmost confidentiality and every effort will be made not to reveal a whistleblower's identity unless the whistleblower requests.

However, if the whistle-blowing results in court proceedings then the whistleblower may have to give evidence in open court if the case is to be successful.

The Group will not, without the whistleblower's consent, disclose identity of the whistleblower to anyone other than a person involved in the investigation/allegation.

## **10. PROTECTION**

- Protection will be accorded by the Group only when the Whistleblower satisfies all the following conditions:
  - The disclosure is done in good faith and not for personal gain or interest;
  - The whistle-blower is aware that the information and any allegations disclosed are true; and
  - The whistle-blower has not communicated the disclosure to any other party not related to the disclosure.
- The Group views seriously any false, malicious or defamatory allegation which can be considered as gross misconduct where appropriate disciplinary action may be taken by the Group.
- Suppliers / Vendors of the Group and members of the public who become a Whistle-blower will also be protected by the Group as to his / her / its identity subject to satisfying all conditions in as above.

## **11. ANONYMOUS ALLEGATION**

This policy and procedures encourage whistleblower to put their name to an allegation whenever possible as anonymous allegations may often be difficult to prove.

In exercising discretion to accept an anonymous whistleblow, the following factors are to be taken into account:

- The seriousness of the issue raised;
- The credibility of the allegation; and

- Whether the allegation can realistically be investigated from factors or sources other than the complainant

## **12. ACTION**

The Chairman of the Group or the Chairman of ARMC or any other individual which is designated by the Board of Directors, subject to relativeness of report of information, shall have the authority to:

- Determine the legitimacy of the report;
- Direct further action; and
- Determine who should conduct the investigation.

If the report justifies for further investigation, the CIO and any other personnel will be assigned to take the necessary actions to deal with the concerns raised, which include, but are not limited to the following:

- Concerns raised to be dealt with the Group's policies such as disciplinary process; or
- To instruct a full-scale investigation on the concerns raised; or
- To appoint external party such as auditors or solicitors to conduct further investigation on the concerns raised; or
- To report of the concerns raised to enforcement agencies such as Polis Diraja Malaysia ("PDRM"), Malaysian Anti-Corruption Commission ("MACC") and Suruhanjaya Syarikat Malaysia ("SSM").

The CIO shall prepare a summary report of all reports received by the CIO, and present it to the ARMC on a quarterly basis, until closure of the case.

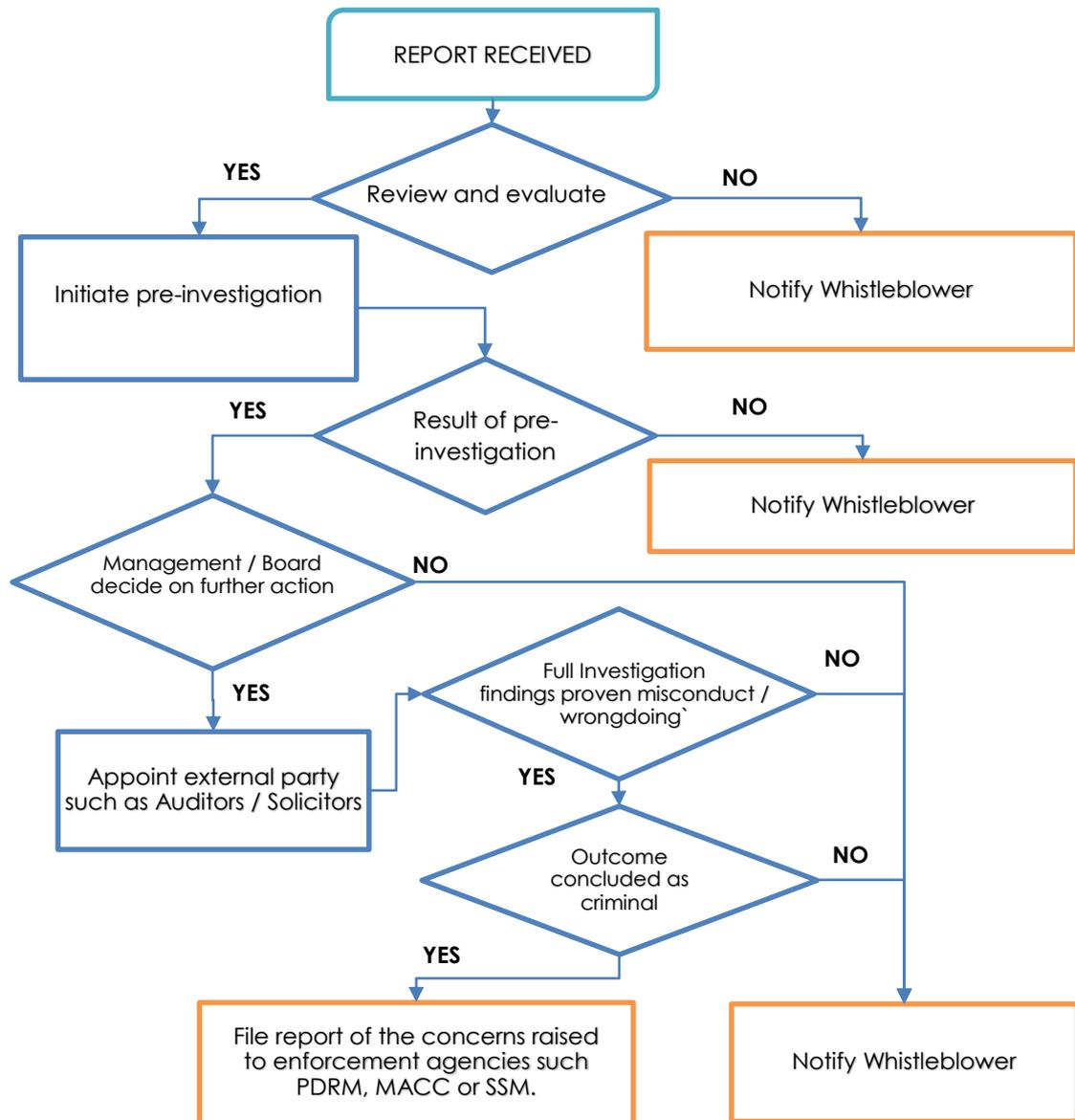
In event that the report is about the Chairman of ARMC or any members of ARMC, the CIO may opt not to report the disclosure to the ARMC, but to other members of the Board of Directors.

Whistleblower will be notified on the outcome of the investigation and action taken, if any, as the case may be.

## **13. REVIEW**

The Policy will be reviewed from time-to-time, at least once every three years to ensure that it continues to remain relevant, appropriate and effective in its execution.

**APPENDIX A**



**APPENDIX B**

## FORM FOR REPORT OF IMPROPER CONDUCT

**REFERENCE NUMBER:**

<b>A PARTICULARS OF WHISTLEBLOWER</b>							
1	Name:						
2	I/C No. / Passport No. / Staff No.:						
3	Correspondence Address:						
4	<table border="1"> <tr> <td>Telephone No.:</td> <td>Home:</td> </tr> <tr> <td></td> <td>Office:</td> </tr> <tr> <td></td> <td>Mobile:</td> </tr> </table>	Telephone No.:	Home:		Office:		Mobile:
Telephone No.:	Home:						
	Office:						
	Mobile:						
5	E-mail Address:						
6	Designation / Occupation:						
7	Preferred method of communication: <input type="checkbox"/> Mail <input type="checkbox"/> E - mail <input type="checkbox"/> Telephone / SMS						
<b>B INFORMATION OF PERSONNEL INVOLVED IN IMPROPER CONDUCT</b>							
INDIVIDUAL 1							
1	Name:						
	Relationship with the Group:						
INDIVIDUAL 2							
2	Name:						
	Relationship with the Group:						
INDIVIDUAL 3							
3	Name:						
	Relationship with the Group:						
<b>C DETAILS OF IMPROPER CONDUCT</b>							
	Date:						
	Time:						
	Place:						
	Details of Improper Conduct: *Please submit supporting documents if available *Please attach additional sheets if necessary						

	<b>Have you lodged a complaint on this matter to another person / department / authority before?</b> (cross X where applicable)	<b>YES:</b>		<b>NO:</b>
	If YES, please indicate the person / department / authority that the report was lodged: (cross X where applicable)			
	i. Police		*Please attach a copy of the report made	
	ii. Malaysian Anti-Corruption Commission		*Please attach a copy of the report made	
	iii. Securities Commission		*Please attach a copy of the report made	
	iv. Ministry of Finance		*Please attach a copy of the report made	
	v. Others (please indicate the organization)		Name of organization: *Please attach a copy of the report made	
	Date report has made:			
	Status of report made:			
<b>D</b>	<b>DECLARATION</b>			
1	I declare that that all information provided in this Form is true, correct and complete to the best of my knowledge, information and belief.			
2	I hereby agree that the information provided herein to be used and processed for investigation purposes and further agree that the information provided herein may be forwarded to a department / authority / enforcement agency for purposes of investigation.			
	Signature:			
	Name:			
	Date:			
	<b>For Office Use Only:</b>			
	Record No.:			
	Officer receiving this report:			
	Date:			

**APPENDIX C**

## FORM FOR COMPLAINT OF DETRIMENTAL ACTION

DETAIL							
1	Name:						
2	I/C No. / Passport No.:						
3	Correspondence Address:						
4	<table border="1" style="width: 100%;"> <tr> <td style="width: 35%;">Telephone No.:</td> <td>Home:</td> </tr> <tr> <td></td> <td>Office:</td> </tr> <tr> <td></td> <td>Mobile:</td> </tr> </table>	Telephone No.:	Home:		Office:		Mobile:
Telephone No.:	Home:						
	Office:						
	Mobile:						
5	Designation / Occupation:						
6	Preferred method of communication: <input type="checkbox"/> Mail <input type="checkbox"/> E - mail <input type="checkbox"/> Telephone / SMS						
7	Information and particulars of Detrimental Action:						
	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">i. Name(s) of Person(s) committing the Detrimental Action:</td> <td></td> </tr> <tr> <td>ii. Detrimental Action complained of: *Please submit supporting documents if available. *Please attach additional sheets if necessary</td> <td></td> </tr> </table>	i. Name(s) of Person(s) committing the Detrimental Action:		ii. Detrimental Action complained of: *Please submit supporting documents if available. *Please attach additional sheets if necessary			
i. Name(s) of Person(s) committing the Detrimental Action:							
ii. Detrimental Action complained of: *Please submit supporting documents if available. *Please attach additional sheets if necessary							
D DECLARATION							
1	I declare that that all information provided in this Form is true, correct and complete to the best of my knowledge, information and belief.						
2	I hereby agree that the information provided herein to be used and processed for investigation purposes and further agree that the information provided herein may be forwarded to another department / authority / enforcement agency for purposes of investigation.						
Signature:							
Name:							
Date:							
For Office Use Only:							
Record No.:							
Officer receiving this report:							
Date:							