



KHEE SAN BERHAD

Registration No: 199401018697
(304376-A)

WHISTLEBLOWING POLICY

1. PURPOSE

Khee San Berhad (“KSB” or “the Company”) is committed to high standards of integrity, ethical, transparency, moral, accountability and legal business conduct of its business and operations.

This policy is designed to provide employees and stakeholders with proper internal reporting channels and guidance to disclose any improper conduct or wrongdoing within KSB. It is considered as an open communication for the employees and stakeholders whom after raising their concerns will be reassured that they will be protected from reprisals or victimization for whistleblowing.

This policy has been adapted to promote alignment with the Whistleblower Protection Act 2010, Companies Act 2016 and Capital and Market Services Act 2007; and this policy should be read together with the Company’s Code of Ethics and Conduct.

2. OBJECTIVE AND SCOPE

All employees and stakeholders may disclose to the designated person any wrong doing or improper conduct (see Note 3 below) within KSB that is taking place/ has taken place/ may take place in the future. No employee can use his or her position to prevent employees or stakeholders from exercising their rights or complying with their obligations as indicated in this Policy.

The concerns which could be raised would include:-

- i) Incorrect financial reporting;
- ii) Unlawful activity;
- iii) Activities that are not in line with KSB’s policy including the Code of Business Conduct;
or
- iv) Activities, which otherwise amount to serious improper conduct.

Only genuine concerns should be reported under whistleblowing procedures. The report should be made in good faith with a reasonable belief that the information and any allegations in it are substantially true and not be based on office gossip nor for the purposes of personal advantage or gain. Malicious and false allegations will be treated as a gross misconduct and if proven may lead to dismissal.

Any disciplinary action to be taken against KSB’s employees after the conclusion of investigation of this nature shall be in accordance with the Company’s Disciplinary Policy. In the case of proven improper conduct or wrong doing involving stakeholders, Board Chairman, CEO and Audit Committee will decide on the next course of action.

Any employees who disclose improper conduct or wrongdoing in good faith and in compliance with the provisions of this Policy shall be protected against act of retaliation.

3. IMPROPER CONDUCT OR WRONGDOING

The following are the list of examples of improper conducts or wrongdoing under this Policy:-

- i) conduct which constitute a criminal offence under the law, such as fraud, corruption, cheating, theft, criminal breach of trust, insider trading or intending to commit criminal offence;
- ii) conduct which is in contravention of established written policies and guidelines including but not limited to breach of confidentiality, misuse of company property and assets, violations of the Company's code of conduct, code of ethics, and procedures and/or any conduct which undermines the ethical values of the Company;
- iii) any other conduct which may cause loss to the Company, or otherwise be detrimental to the interests of shareholders, clients and the public;
- iv) failure to comply with the Company's contractual obligations or statutory obligations;
- v) any actions which create risk to the health and safety of any individuals;
- vi) sexual harassment;
- vii) financial malpractices;
- viii) damage to the environment; and
- ix) abuse of power.

4. PROTECTION OF WHISTLEBLOWER

- i) Any employee who discloses improper conduct or wrongdoing in good faith and in compliance with the provisions of this Policy, shall be protected against any act of detrimental action in reprisal. Such protection will continue notwithstanding that after investigation, it is shown that the whistleblower was mistaken as to the facts, rules or procedures of improper conduct or wrongdoing.
- ii) KSB reserves the right to take disciplinary action against those who:
 - a) disclose any matter through the whistleblowing mechanism under this Policy knowing the matter was false; or
 - b) make reports with the intention to deceive or misinform; or
 - c) disclose any matter with malicious intent or vexations.
- iii) The person who wishes to whistleblow any improper conduct or wrongdoing within KSB Group, is required to disclose his or her name, NRIC number and contact telephone number. These identity details will be kept confidential to afford protection to the whistleblower. KSB will not entertain any anonymous disclosure.

- iv) KSB will not disclose his or her identity to any third party without his or her consent except where disclosure is required by law or by legally binding requirements of any statutory authority. In such case, KSB is required to notify the whistleblower before revealing their identities.

5. PROCEDURES

Any person who wishes to whistleblow is encouraged to make such disclosure in accordance with the procedures stated herein:-

Reporting

- a) A disclosure of improper conduct or wrongdoing may be made in writing (via such channels as a letter or electronic mail). The disclosure should contain the following information:-
- Details of the person(s) involved;
 - Brief summary of the allegation;
 - Date(s) and place(s) of the allegation; and
 - Other relevant information.
- b) Disclosure can be made to the following designated persons:-

“Confidential - The Compliance Officer”

Mr. Ng Chee Keong
Email: steveng@kheesan-marketing.com
Address: Lot 1819-1824 & 1832, Jalan Kolej
Seri Kembangan, Selangor

OR

“Confidential- CEO”

Mr. Edward Tan Juan Peng
Email: ejpt@kheesanbhd.com
Address: Lot 1819-1824 & 1832, Jalan Kolej
Seri Kembangan, Selangor

OR

“Confidential-Chairman of Audit Committee”

Mr. Mohanadas A/L K.P.Balan
Email: mohanbalan53@gmail.com
Address: Lot 1819-1824 & 1832, Jalan Kolej
Seri Kembangan, Selangor

To whom should disclosure be made?

- a) Any improper conduct or wrongdoing shall be reported immediately to KSB's Compliance Officer who then will perform a preliminary assessment of the seriousness of the matter disclosed;
- b) If the matter involves Compliance Officer, whistleblower is required to report to CEO;
- c) If the matter involves CEO, whistleblower is required to report to the Chairman of Audit Committee and Compliance Officer who will direct the matter to the Audit Committee.

Timing

The earlier a concern is expressed, the easier it is to take action.

Evidence

Although the employee is not expected to prove the truth of an allegation, the employee should be able to demonstrate to the person contacted that the report is being made in good faith.

6. ACTION

The actions to be taken in response to a report of concern under this policy will depend on the nature of the concern. All reports will be investigated promptly by the designated persons who receive the reports. The progress of investigation will be reported to the **Audit Committee and the Board of Directors**.

Initial Inquiry

Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need of investigation.

Further Information

The amount of contact between the complainant and the person or persons investigating the concern will depend on the nature of the issue and clarity of information provided. Further information may be sought from or provided to the person reporting the concern.

Investigation

The investigation would be carried out under the terms of strict confidentiality, by not informing the subject of the whistleblower's disclosure to any other party other than the AC until (of if) it becomes necessary to do so.

The whistleblower and the alleged wrongdoer are expected to give his or her full cooperation in any investigation or any other process carried out related thereto.

Final Course of Action

Upon completion of investigation, appropriate course of action will be recommended to **Audit Committee** for their deliberation. Decision taken will be implemented immediately and steps to prevent similar situation arise will be implemented if possible.

The action to be taken against that alleged wrongdoer or any other implicated persons may include formal warning or reprimand, demotion, suspension or termination of employment or services with KSB.

The Audit Committee will have the final decision on whether to pursue any legal actions against alleged wrongdoer or any other implicated persons.

Reporting of outcome

Subject to any legal constraint, the whistleblower, and if applicable, the alleged wrongdoer will be notified in writing of the decision on the investigation and the basis thereof.

The notification letter to be signed by the Chief Executive Officer of KSB.

If the employee is unhappy with the outcome of the investigation, the employee may submit another detailed report explaining why this is the case and the employee's concern will be investigated again if there is good reason to do so.

The Head of Internal Audit will furnish a quarterly report to the Audit Committee stating the number and nature of wrongdoings reported by whistleblower(s) including the follow up action and the unresolved cases of wrongdoings. A summarised result and a follow up measure will be tabled to the Board of Directors for information and action, if required.

Appeal

Any appeal of wrongdoing will be handled in accordance with the Human Resource Guidelines and Procedures.

7. RETENTION OF RECORDS

All the records relating to any whistleblower case(s) and its related investigation report, if any, will be retain for a minimum period of seven (7) years.

8. CIRCULATION AND REVIEW

The Whistleblower Policy and Guidelines will be circulated to all existing and newly recruited employers of KSB and its subsidiary.

The Policy will be reviewed every three (3) years by the Audit Committee or upon the request of the Head of Internal Audit of KSB for any revision or amendment, if necessary.

Any revision or amendment of the Policy will then be circulated to the existing employees.

9. PRIVACY

KSB is committed to protect the privacy of the persons involved to the fullest extent possible and in accordance with applicable laws. Any personal data obtained, as part of this Guidelines will only be used for the purposes explained in this Guideline and will only be provided to those who have a need to know about these data for these purposes or to comply with the law or an important public interest.

(Last reviewed on 28 August 2023)