

## Iskandar Investment Berhad

# WHISTLEBLOWING POLICY

### Revision History

Revision	Amended by	Authorized by	Approved by	Revision Date
R01			Board of Directors	

### Change History

Revision	Change Details
R00	Whistleblowing Program & Policy
R01	To improve and to enhance the whistleblowing policy and the work process flow

### Related Documents - Procedure

Document Number	Title
-	Code of Conduct
IIB-HCM-R-PoCY-HCMP-0001-R00	Human Capital Management Policy

Policy Number : IIB-RSK-R-POCY-WBPP-0001-R01  
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 Authority : Board of Directors  
 Contact Officer : Nili Shayrina Saat

**IIB RESTRICTED**

## 1. OVERVIEW

Iskandar Investment Berhad (“IIB”) has adopted a Code of Conduct policy that describes the standards of behavior and business conduct required from its staff. The code defines specific guidance and references to assist staff in maintaining high ethical business standards and the way of how IIB conducts its business in a manner that is efficient, effective and equitable. IIB is also committed to maintain an effective internal control environment to detect and to prevent/deter improper activities or conducts, as well as ensuring accuracy of financial reporting and related disclosures. However, the effective internal controls could not provide absolute safeguards against any irregularities (intentionally or unintentionally), malpractices, misdemeanor or violations of laws, regulations, policies and procedures. It is the company’s responsibility to investigate and address allegations of suspected breaches of code of conduct, misdemeanors or fraudulent or wrongful or improper activities.

The Whistleblower Policy document serves to provide a channel for the staff or outside parties to raise concerns, expose irregularities, help uncover malpractices, prevent frauds, eliminate personnel harassments and attend to grievances to those associated without any fear of reprisal or adverse consequences. It sets out the procedures for lodging or raising of complaints/concerns by staff and outside parties, handling of the complaints/concerns, reporting requirements, and periodic monitoring of the policy.

## 2. DEFINITIONS AND ABBREVIATIONS

**Allegations** – Statement that has not been proved with evidence that someone has done something wrong or illegal.

**ARC** - Audit & Risk Committee.

**Fraud** - Intentional twisting of the truth or concealment of facts or methods of illegally getting money from someone or from company.

**HCM** – Human Capital Management.

**HIA** - Head of Internal Audit.

**Improper Conduct or Wrongdoing** - For the purpose of this policy, improper conduct or wrongdoing is defined as:

- corrupt conduct / bribery / accepting kickbacks;
- fraudulent activity;
- a substantial mismanagement of IIB resources or abuse of power or authority;
- non-financial allegations such as sexual or racial harassment; and
- a criminal offence

**P/CEO** - President / Chief Executive Officer.

**Protected Disclosure** - defined as any communication in good faith based on reasonable grounds that discloses or demonstrates an intention to disclose information that may evidence a wrongdoing or improper conduct.

**Whistleblowing** - defined as "The deliberate, voluntary disclosure of individual or organizational malpractice by a person who has or had privileged access to data, event or information about an actual, suspected or anticipated wrongdoing within or by an organization that is within its ability to control.

**WS - Whistleblowing Secretariat**, an operationally independent unit established within the Internal Audit Department for receiving, handling and monitoring allegations, complaints and concerns raised by the whistleblower.

**Whistleblower** – or “concerned individual” is defined as any employee, director, related officer, contractor, service user, customer or any member of public, who makes or attempts to make a disclosure of improper conduct or wrongdoing.

### 3. WHISTLEBLOWING SECRETARIAT

Whistleblowing Secretariat (“WS”) shall be established under the purview of Audit and Risk Committee (“ARC”) of IIB. This operationally independent unit which functionally reporting directly to the Chairman of ARC is established as secretariat for receiving, handling and monitoring allegations, complaints or concerns raised by the whistleblower.

### 4. PROCEDURES OF LODGING/RAISING COMPLAINTS OR CONCERNS

#### Parties to Whistleblowing

The following are the parties to the Whistleblowing program:

- Any employee, as Whistleblower;
- Any outside party, including shareholders, auditors, contractors, investors, customers, vendors, etc., as Whistleblower; and
- WS – handling complaints/concerns raised or allegations against malpractices, wrong doings and fraudulent activities.

#### Whistleblowing activities and disclosures

The followings are to be reported to the Chairman of ARC via WS:

- Allegations of suspected fraudulent activities, breaches of Code of Conduct, wrongdoings, or improper conduct by IIB staff;

- Allegations of suspected wrongdoings or complaints or concerns relating to the IIB's accounting, internal controls, auditing or financial reporting matters;
- Whistleblower or "concerned individual" should channel the Reports/Concerns/Complaints/Allegations to WS or to the Chairman of ARC via secured communication channels.
- If allegation is against the person(s) in the WS, the Reports / Concerns / Complaints / Allegations should be directed or raised promptly to the Chairman of ARC;
- If the allegation is against the Chairman of ARC, the Reports/Concerns should be directed to Chairman of IIB's BOARD; and if
- The allegation is against the Chairman of IIB's BOARD, the Reports/Concerns should be directed to the Royal Malaysian Police or Malaysian Anti-Corruption Commissioner ("MACC").

## 5. SECURED COMMUNICATION CHANNELS

Staff or outside parties with complaints or concerns may report such complaints or concerns through Whistleblowing hotline, email, or regular mail. Complaint or concern should be submitted once only through the following modes of communication:

*Hotline* – **019-7271900**  
*Email* – *IIB.Concerns@my-iib.com*  
*IIB.Concerns@gmail.com*  
*Regular Mail* – *Peti Surat 91, 80710 Johor Bahru, Johor*

Staff or outside parties could also forward their complaints or concerns in writing and submit it in sealed envelope (to be opened by addressee only) at the following address:

**Chairman  
Audit & Risk Committee  
c/o Iskandar Investment Berhad  
A18 & A19, Medini 9, Persiaran Medini  
Sentral 1,  
Bandar Medini Iskandar Malaysia,  
79250 Iskandar Puteri, Johor Darul Ta'zim**

## 6. PROCEDURES IN HANDLING WHISTLEBLOWING OF WRONGDOING /CONCERNS

All reports made will be reviewed and investigated by the delegated personnel assigned by ARC member and must be thoroughly investigated and appropriately managed in a timely manner (*Refer Appendix A: Whistle Blowing Reporting & Disclosure Flow Chart*).

All reports (in writing or verbal) received by the WS are to be logged into a tracking report (register) and assigned with reference code that will be used in the investigation and reporting of the allegation. Access to files and reports is to be strictly restricted.

## 6.1 Initial Step

- 6.1.1 When an employee is of the opinion that a specific concern falls within the scope of this Policy and cannot be solved through existing procedures, he or she can choose to make a report orally or writing and submit it to HIA (Refer to Whistleblowing Hotline).
- 6.1.2 The Whistleblowing Hotline is a confidential telephone service which offers employees the possibility to report concerns in confidence without any party in IIB, other than the HIA knowing about the disclosure initially.
- 6.1.3 The whistleblower is required to disclose his or her particulars to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. However, anonymous complaints would be entertained with the condition that the information received is complete for IIB to conduct further investigation.
- 6.1.4 Reports/Concerns/Complaints/Allegations are to be made in writing or verbal and should be factual rather than speculative, and contain as much specific information as possible including:
- Background of the information of the concern or complaints;
  - The name(s) of the staff involved including witness if any;
  - Dates or period of the alleged incident or events;
  - Perception of why suspecting fraudulent act or wrongdoing;
  - Action taken if any and the outcome;
  - Particularly or production of documentary evidence, if any and
  - Other details deemed to be useful to facilitate screening and action to be carried out.
- 6.1.5 The whistleblower may be asked to provide further clarification and information from time to time, if any investigation is conducted;
- 6.1.6 In respect of an employee who reports a suspected violation in good faith and is not engaged in questionable conduct, the Company will attempt to keep its discussion and actions confidential to the greatest extent possible.
- 6.1.7 The whistleblower will be given the opportunity to receive follow-up on his / her concern within five working days:
- Acknowledging that the concern was received; and
  - Indicating how the matter will be dealt with

## 6.2 Screening

6.2.1 The HIA will screen and assess the whistleblower's disclosure to determine whether it is related to a wrongdoing and will prepare the recommendation to the ARC and P/CEO where deemed necessary. The screening can be divided into 2 categorized as below;

6.2.1.1 If the concerns raised against all employees excluding person(s) in the WS/ HIA, and /or P/CEO; and

6.2.1.2 If the whistleblower's disclosure involves the WS/ HIA, P/CEO, member of ARC or Board of Directors, the alleged wrongdoer or any other implicated person will be excluded from performing the activities of screening, action, investigation and recommendation.

## 6.3 Preliminary Action

6.3.1 The ARC, together with the general recommendations made by WS, will make decision including but not limited to any the following:

- Rejection of the whistleblower's disclosure;
- Directing investigation by the Internal Audit or any other outside party;
- Suspending the alleged wrongdoer or any other implicated person from work in accordance with Human Resource Guideline and Procedures to facilitate any fact-finding or to avoid any employee's exposure to a threat or harm ; and
- Referral to the appropriate investigating authority.

6.3.2 All decision made and reason of action thereof shall be minuted in the minutes of meeting of the ARC.

6.3.3 The alleged wrongdoer will also be informed of the allegation and given an opportunity to answer the allegation during the investigation process.

## 6.4 Investigation

- 6.4.1 Upon receipt of the Report, the WS will investigate the issues raised therein. If the reported suspicion of misconduct requires expertise not available in-house, the ARC may decide to hire outside expertise.
- 6.4.2 Investigators must be competent, trained, independent, unbiased, objective, and ethical, and observe legal and professional standards.
- 6.4.3 The investigation would be carried out under the term of strict confidentiality, by not informing the subject of the whistleblower's disclosure to any other party other than the ARC until (or if) it becomes necessary to do so.
- 6.4.4 The whistleblower and the alleged wrongdoer are expected to give his or her full cooperation in any investigation or any other process carried out pursuant to his Guideline and/or the Disciplinary Action of the Human Resource Guidelines and Procedures.
- 6.4.5 The investigation report with the recommendation for the next course of action to be taken will be submitted to the ARC. The ARC will review and assess on the investigation report and recommend a course of action in a prompt and fair manner.
- 6.4.6 The investigation report will then be forwarded to Human Capital Management in case disciplinary action is required against the delinquent staff for necessary action.
- 6.4.7 The action taken by the company will depend on the nature and seriousness of the breach and on the degree of commitment shown by the party in breach to his or her obligation. The disciplinary action process will be in accordance with Human Capital Management Policy.

## 7. **PROTECTION RIGHTS OF THE WHISTLEBLOWERS**

- 7.1 Commitment to protecting whistleblowers – IIB is committed to the protection of genuine whistleblowers against action taken in reprisal for making of protected disclosures.
- 7.2 Confidentiality – Any Employee who submits a report will be given protection for such reporting. This means that the Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any Employee in the terms and conditions of employment as a result of the report. Furthermore, confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate investigation of the report and to perform subsequent remedial measures.

- 7.3 Keeping the Whistleblower informed – The Whistleblowing Secretariat will ensure the whistleblower is kept informed of action taken in relation to the disclosure made as per handling procedures (referred item 6.1.7)
- 7.4 Retaliation, Retribution, Harassment or Victimization – IIB is committed to protect and respecting the rights of a person that reports wrongdoing in good faith. IIB will not tolerate harassment or victimization by anyone against the whistleblower or “concerned individual” that has, in good faith, sought out advice or has reported questionable behavior, malpractices, wrongdoing, improper conduct, or possible violation. IIB will take disciplinary action up to and including termination of services for anyone who threatens or engages in retaliation, retribution or harassment of the whistleblower or “concerned individual”.

## **8. REPORTING REQUIREMENTS**

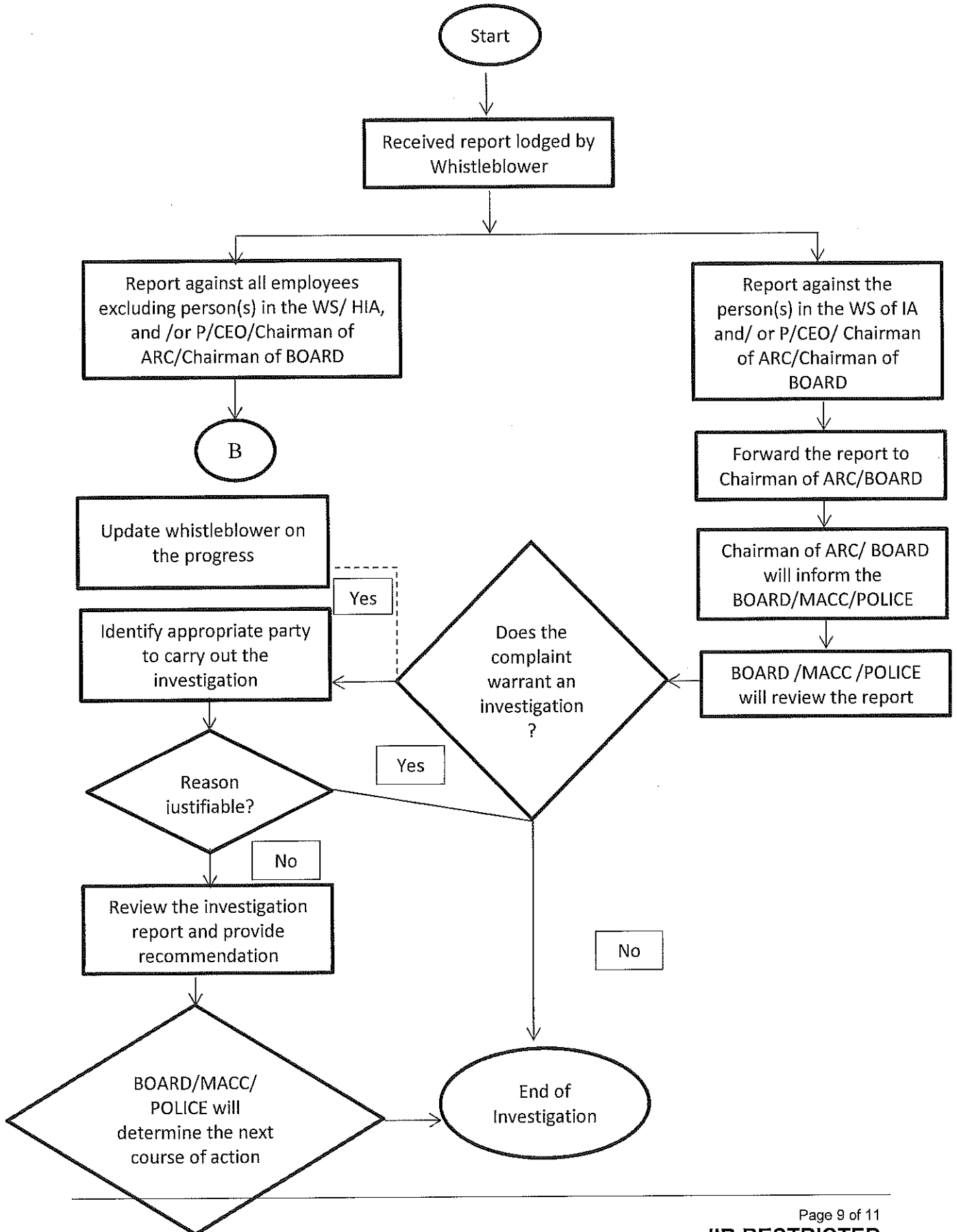
- 8.1 At the conclusion of whistleblower investigation, a written report that provides the findings of the investigation including a summary of the evidence and conclusion as to whether or not the allegations are substantiated is to be completed and issued to the ARC.
- 8.2 The Whistleblowing Secretariat will furnish a report to the ARC stating the number and nature of wrongdoings reported by whistleblower.
- 8.3 The whistleblower and the alleged wrongdoer will be notified in writing of the decision on the investigation.
- 8.4 A tracking register documenting all whistleblower allegations and actions taken to resolve them will be submitted to the ARC quarterly and to the BOARD annually.
- 8.5 Record of all response letter, wrongdoing and documentation (investigation and report) shall be properly maintained and kept for a minimum of seven (7) years for future reference.

## **9. MONITORING & REVIEW OF POLICY**

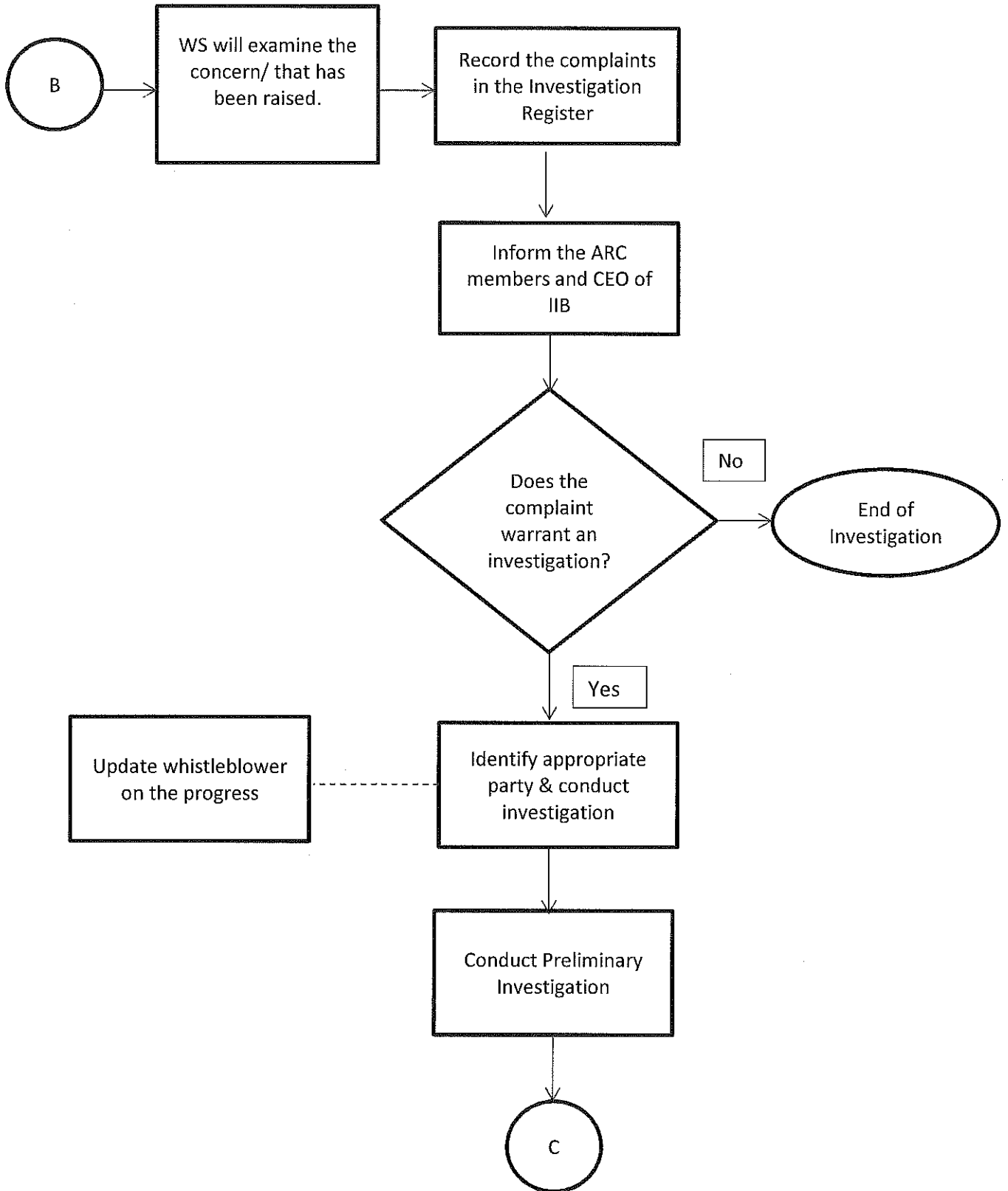
- 9.1 The ARC is responsible for monitoring the effectiveness and compliance with the Whistleblowing Program and Policy. The policy will be reviewed every two (2) years to ensure it complies with relevant laws and regulations and remains relevant and effective.
- 9.2 The Internal Audit has a proactive approach by providing training on whistleblowing to newly recruited employees of the IIB and its subsidiaries.



**APPENDIX A: WHISTLE BLOWING REPORTING & DISCLOURE FLOW CHART**



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