

FARLIM GROUP (MALAYSIA) BHD (82275-A)

WhistleBlowing Policy and Procedure

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WHISTLEBLOWING POLICY AND PROCEDURE

1.0 INTRODUCTION

Farlim Group (Malaysia) Bhd (“**Farlim**”) and its subsidiaries (the “**Group**”) are committed to maintaining and achieving a high standard of compliance with accounting, financial reporting, internal controls, corporate governance and auditing requirements, and any legislation relating thereto to uphold the Group’s corporate integrity and to conduct its affairs responsibly and ethically.

In order to achieve the objectives above, Farlim’s Board has developed control measures, including this whistleblowing policy and procedure (the “**Policy**”).

This Policy is meant to guide all employees and stakeholders to report concerns about any wrongdoing and improper conduct concerning the Group. In addition, this Policy aims to offer assurance to all employees and stakeholders that they will be afforded protection of confidentiality and the Group’s employees will be offered additional protection against detrimental action at the workplace for reporting concerns he/she has reasonable grounds to believe have taken place or are about to take place.

This Policy conforms to the guidance set out in the Malaysian Code on Corporate Governance and the Whistleblower Protection Act 2010 (“**WPA 2010**”) which, among other things, encourage companies to offer stakeholders an avenue to raise concerns, in confidence, about possible irregularities in the companies.

IMPORTANT NOTE: Whilst the Group welcomes disclosures about possible irregularities concerning the Group, whistleblowers are cautioned against disclosing confidential information previously disclosed to the following authorities to the Group:

- (a) The Malaysian Anti-Corruption Commission;
- (b) The Royal Malaysian Police;
- (c) The Royal Malaysian Customs Department;
- (d) The Immigration Department;
- (e) The Road Transport Department;
- (f) The Securities Commission; and/or
- (g) The Companies Commission of Malaysia (collectively, the “**Authorities**”).

Disclosing confidential information already disclosed to the Authorities to any third parties, including the Group amounts to an offence under Section 8 of the WPA 2010, which if convicted, the whistleblower is expose to a penalty of up to RM50,000, a jail term of up to 10 years, or both. Such disclosure would further result in the whistleblower losing the

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protection of confidentiality, protection from detrimental action, and protection from civil, criminal and disciplinary actions afforded by the Authorities.

To ensure all stakeholders' interest are protected, the Group will request for a declaration from whistleblowers that information disclosed to the Group is not confidential information already disclosed to the Authorities, in order for the Group to comply with Section 8 of the WPA 2010. This declaration is set out in the Whistleblowing Report Form set out in **Appendix 1** below.

2.0 APPLICATION

This Policy applies to the reporting of wrongdoings concerning the Group, including but not limited to the following:

- Concerns about the Group's accounting, internal controls or auditing matters;
- Breach of failure to implement or to comply with the Group's policies or code of conduct and ethics;
- Impropriety, corruption, bribery or blackmail, acts of fraud, theft and/misuse of the Group's properties, assets or resources;
- Conduct which is an offence or breach of law;
- Abuse of power or authority;
- Endangerment of individual's health or safety;
- Serious conflict of interest without disclosure;
- Any other improper conduct which may cause significant financial or non-financial loss to the Group, or damage to the Group's reputation;
- Making fraudulent statements to Bursa Malaysia Berhad, members of the investing public and government or state authorities;
- Acts to mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statements or records of the Group; and
- Concealing information about any malpractice or misconduct.

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The above list is intended to give an indication of the kind of conduct which might be considered as a “wrongdoing”. In cases of doubt, the whistleblower should seek to speak to his or her immediate superior or follow the procedure for reporting under this Policy.

This Policy does not override the existing Group Corporate Code of Conduct and Ethics Procedure and the Group Employee Handbook Procedures. Instead, this Policy aims to provide more avenues for employees and stakeholders to report any improper conduct committed or to be committed. The Group expects the whistleblower to provide his/her concern and to show to the appropriate officer that there are sufficient grounds for his/her concerns.

3.0 WHISTLEBLOWING CHANNEL

All employees and stakeholders who know of, or suspect a violation of the application of this policy, are encouraged to report the incident to farlim@whistleblower.com.my or post to PO Box #911, L2- 08, Level 2, Cheras Leisure Mall, Jalan Manis 6, Taman Segar, 56100 Kuala Lumpur by providing the details stated in the “Whistleblowing Report Form” appended to this Policy.

4.0 WHISTLEBLOWER REPORTING PROCEDURES

The general principles governing the Group’s stance in handling whistleblowing reports are as follows:-

- The whistleblower may identify himself or herself or remain anonymous when reporting suspected and/or known misconduct and wrongdoings. However, in order to enable the Group to obtain further information or clarification for investigation purposes, the anonymous whistleblower shall contact our following designated directors on the 15th days after he/she lodged her complaints;

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Name	Contact Number
Andrew Koay Say Loke	+6012- 486 0360
Adlina Hasni Binti Zainol Abidin	+6019- 354 0831

- The identity of the whistleblower and all concerns raised would be treated as private and confidential in order to protect the whistleblower from harassment resulting from the reporting. However, the whistleblower may be required to come forward as a witness in accordance with any applicable laws and regulations; and
- The whistleblower and any persons related or associated with the whistleblower who are employees of the Group are protected against any detrimental action at his / her workplace for reporting improper conduct. However, this protection will not be extended to someone who maliciously raises matters he/she knows is untrue and or without reasonable grounds or basis. Employees who are found making false, frivolous and/or malicious allegations will be subjected to disciplinary action by the Group.
- Persons within the Group who are identified in the whistleblowing report will not be allowed to participate or be in any manner involved in the process of handling, investigating and reporting of the alleged misconduct.

5.0 INVESTIGATION AND OUTCOMES

All complaints shall be acknowledged within 7 working days upon receipt and the Audit Committee will assess the complaint and consider what action and investigative steps will be taken based on, *inter alia*, the severity of the issue raised and the credibility of the information received.

Following its assessment, the Audit Committee shall decide on the appointment of a suitable investigator/professional party from within or outside the Group to review each complaint and to investigate the complaint to the extent that the information and evidence received allows.

Upon completion of the investigation, the Audit Committee Chairman shall take one or more of the following actions as the Audit Committee deems appropriate:

- a. informing the whistleblower the status of the findings;

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- b. initiating disciplinary action against any persons who has committed improper conduct;
- c. making a police report where the improper conduct constitutes a criminal offence; and
- d. recommending steps to prevent a similar situation from repeating itself.

6.0 FURTHER CLARIFICATION

Employees and stakeholders who require clarification on this Policy may email his/her queries to farlim@whistleblower.com.my

7.0 UPDATES AND AMENDMENTS

The Group reserves the right to amend this Policy from time to time, as and when necessary, to ensure its relevance and effectiveness in keeping with the Group's changing business environment, administrative or operational needs as well as changes to legislation. Changes to the Policy, if any, shall only be made with the Board's approval.

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WHISTLEBLOWING REPORT

Please provide the following details for any suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Group and submit directly to farlim@whistleblower.com.my or post to PO Box #911, L2- 08, Level 2, Cheras Leisure Mall, Jalan Manis 6, Taman Segar, 56100 Kuala Lumpur. All information disclosed in this whistleblowing report will be kept strictly confidential.

We may need to obtain further information or call upon your assistance during the investigation stage. As such, to the extent practicable, please provide your contact details.

Note: Please follow the guidelines as laid out in the Whistleblowing Policy and Procedure

REPORTER'S CONTACT INFORMATION			
<i>(This section may be left blank if the reporter wants to be anonymous)</i>			
NAME / ID NO. / BADGE NO.			
DESIGNATION			
DEPARTMENT / OPERATION			
CONTACT NUMBERS			
E-MAIL ADDRESS			
SUSPECT'S INFORMATION			
NAME / ID NO. / BADGE NO.			
DESIGNATION			
DEPARTMENT / OPERATION			
CONTACT NUMBERS			
E-MAIL ADDRESS			
WITNESS(ES) INFORMATION <i>(if any)</i>			
NAME		NAME	
DESIGNATION		DESIGNATION	
DEPARTMENT		DEPARTMENT	
CONTACT NUMBERS		CONTACT NUMBERS	
E-MAIL ADDRESS		E-MAIL ADDRESS	
ALLEGATION NO.		ALLEGATION NO.	

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COMPLAINT: Briefly describe the misconduct / improper activity and how you came to know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation and use as many pages as necessary.

Note: * - You **SHOULD NOT** attempt to obtain evidence for which you do not have a right of access since whistleblowers are “reporting parties” and **NOT** “investigators”.

1. What is the nature of the misconduct / improper activity?

2. Who committed the misconduct / improper activity?

3. When did it happen and when did you notice it?

4. Where did it happen?

5. Is there any evidence that you could provide to us?*

6. Are there any other details or information which could assist us in the investigation?

7. Do you have any others details or information which would assist us in the investigation?

8. Any other comments?

I hereby confirm by disclosing the information set out in this Whistleblowing Report to the Group, I am not in breach of Section 8 of the Whistleblower Protection Act 2010 (“WPA 2010”).

Yes []

No []

Please confirm your declaration by ticking the yes box. If you do not wish to provide a confirmation, the Group will need to take steps to verify the information disclosed is not in breach of Section 8 of the WPA 2010, including but not limited to reaching out to you to solicit

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further information. This will in turn result in delays to the investigation of the matter reported. Please also be informed that the Group may not proceed with the investigation of your report if the Group cannot be reasonably certain that the information you have provided is not in breach of Section 8 of the WPA 2010.

Date:

Signature / E-signature: