

KOTRA INDUSTRIES BERHAD **WHISTLEBLOWING POLICY & PROCEDURES**

1.0 Policy

Kotra Industries Berhad (the “Company”) and its subsidiaries (the “Group” or “Kotra Group”) are committed in adopting high standards of integrity, transparency and accountability which are expected from its employees to ensure its business activities are conducted ethically and in compliance with regulatory requirements. In line with this commitment, the Group has put in place Whistleblowing Policy & Procedures (“Policy & Procedures”) aimed at enhancing the Group’s transparency and underpinning its system in combating malpractices that may jeopardise its business activities and reputation. The Policy & Procedures provide an avenue for whistleblowers to report improper conduct, both actual and suspected, in good faith, without having to fear that their actions may have adverse consequences. All disclosures made under this Policy & Procedures shall be treated with utmost confidentiality and whistleblower shall be protected against any retaliation or reprisal, whether actual or threatened, as a direct result of making a genuine disclosure. In establishing these Policy & Procedures, the Company has taken into account the provisions contained in the Whistleblower Protection Act 2010 (the “Act 2010”), Act 711 of the Laws of Malaysia.

2.0 Objective

The Policy & Procedures are designed to provide an effective and confidential process to enable whistleblowers to disclose matters of improper conduct that covers:

- a) Fraud;
- b) Corruption, bribery or blackmail;
- c) Criminal offences;
- d) Failure to comply with a legal or regulatory obligation;
- e) Miscarriage of justice;
- f) Sexual harassment;
- g) Endangerment of an individual’s health and safety;
- h) Any other serious offences as defined in the Group’s Human Resource policy; and
- i) Concealment of any or a combination of the above.

3.0 Scope

The Policy & Procedures apply to all employees of the Group, members of the public as well as external parties that provide services, including consultants and other service providers under contract with the Group and are grouped together for the purposes of this document under the term “whistleblower(s)”.

4.0 General Principles of the Policy & Procedures

- 4.1 The Policy & Procedures are applied only for genuine concerns of a serious and sensitive nature. The Policy & Procedures are not intended for trivial or frivolous reports nor for grievance related reports which shall be dealt under separate and existing procedures.
- 4.2 All disclosure shall be treated with utmost confidentiality and the identity of the whistleblower(s) shall be protected. However, whistleblower(s) may be requested for an interview to facilitate the processing or the investigation of his/her disclosure on the improper conduct.
- 4.3 A disclosure must be made in good faith with a reasonable belief that information related to the report is true, although it may not be confirmed by any investigation. Reprisals shall not be taken against whistleblower(s) in respect of the disclosure made in good faith. If a disclosure is found to be malicious or for personal gain, it shall be viewed as a serious misconduct, in which case the whistleblower(s) shall be subjected to appropriate actions, including disciplinary action.
- 4.4 Pursuant to the Act 2010, whistleblower(s) who disclose an improper conduct made in good faith shall be protected against detrimental actions, including:
 - 4.4.1 intimidation or harassment;
 - 4.4.2 actions that may cause injury, loss or damage to the whistleblower(s);
 - 4.4.3 any form of disciplinary action, discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment in relation to employment, career, profession, trade or business; and
 - 4.4.4 any threat to take actions as mentioned above.
- 4.5 Any kind of harassment or victimisation, including informal pressures towards whistleblower(s) shall not be tolerated by the Group and shall be treated as serious disciplinary offence which shall be subjected to disciplinary action and procedures.
- 4.6 During the period of investigation process, the Group shall endeavor to provide full support, advice and assistance, wherever possible, to the whistleblower(s).
- 4.7 Once the disclosed improper conduct is verified and investigated in an appropriate manner, the Group shall take necessary steps to identify remedy or action deemed appropriate.

5.0 Procedures to Disclose Improper Conduct

- 5.1 If the whistleblower(s) believes an improper conduct is or has been taking place, he/she should make the disclosure immediately in writing by using the prescribed Whistleblower Report Form ("Form") in Appendix 1. Whistleblower(s) is required to duly complete the Form which can be downloaded from the Group's website at www.kotrapharma.com. Alternatively, the Form can be obtained from the Human Resource Department. The report must be in writing and to be submitted together with relevant supporting documents (if any) to the Chairman of Kotra Industries Berhad and the Chairman of the Audit Committee (hereinafter referred to as "Designated Personnel"). The disclosure/report can be made to any of the following dedicated reporting channels:
- i) By hand/mail in a sealed envelope marked "Strictly Confidential & to be opened by Addressee ONLY":

Attn: Chairman of Kotra Industries Berhad / Chairman of the Audit Committee
Kotra Industries Berhad,
No. 1, 2 & 3, Jalan TTC 12,
Cheng Industrial Estate,
75250 Melaka.
 - ii) By formal report to dedicated e-mail address: whistleblowing@kotrapharma.com
- 5.2 Any disclosure that is made anonymously may not be investigated unless the disclosure made is determined by the designated personnel as a sensitive and serious case, supported by evidences that are sufficient for an investigation to be carried out.
- 5.3 The whistleblowing report will be responded as quickly as possible upon receipt. An initial enquiry shall be conducted on the information provided by the whistleblower(s) to determine the legitimacy of the disclosure raised and the whistleblower(s) may be contacted for an interview. This initial enquiry shall determine if further investigation is warranted and by whom. In the event, a wrongful disclosure is made by the whistleblower(s):
- If the whistleblower(s) is an employee of the Group, disciplinary action shall be taken by Human Resource Department; and
 - If the whistleblower(s) is not an employee of the Group, the relevant authority (i.e. Police) shall be referred to for further action.
- 5.4 If the initial enquiry indicates that a further investigation is necessary, an investigation team shall be nominated by the designated personnel to conduct a fair and unbiased investigation on the alleged improper conduct. The investigation shall be carried out under terms of strict confidentiality. The whistleblower(s) must be prepared to be interviewed by the investigation team by providing all the information he/she knows on the allegation.

- 5.5 The findings of the investigation and recommendations for further steps to be taken shall be documented by the investigation team in a report and submitted to the designated personnel for review and evaluation for further action. The time period from the date of receipt of the Form and the report made to the designated personnel shall not exceed **thirty (30) days**, unless the timeline is hampered by extenuating circumstances beyond the control of the investigating team and/or the designated personnel.
- 5.6 Upon receipt of the investigation report:
- 5.6.1 If the designated personnel decide to give effect to the recommendations by the investigation team, the investigation team shall be notified of the steps taken or intend to take within one (1) month from the date of receipt of the recommendation.
 - 5.6.2 If the designated personnel decide not to initiate or proceed with any disciplinary actions or not giving effect to the recommendations by the investigation team, the investigation team shall be notified of such decision and reasons within fourteen (14) days from the date of the decision.
- 5.7 The whistleblower(s) shall be notified of the outcome of his/her disclosure and the findings of the investigation. Any action taken against a person as a direct consequence of the findings of the investigation is deemed personal and confidential, therefore, it shall not be disclosed to the whistleblower(s).

6.0 Review of the Policy & Procedures

- 6.1 The Policy & Procedures shall be reviewed at least once a year to assess its relevance and effectiveness.

APPENDIX 1

CONFIDENTIAL



WHISTLEBLOWER REPORT FORM

Please provide the following details of the suspected misconduct or irregularities that may cause an impact to the Kotra Group. Please note that you may be contacted to assist the investigation, if needed.

(* - compulsory to be filled in)

Reference Number <i>(for office use only)</i> :	
A. WHISTLEBLOWER'S INFORMATION	
Name*	
Designation/Occupation*	
Contact No*	
E-mail Address*	
Relationship with Kotra Group* <i>(if not the Employee)</i>	
B. SUSPECT'S INFORMATION <i>(Please use a separate sheet to insert information on additional individuals if any.)</i>	
Name*	
Designation/Occupation*	
Contact No	
E-mail Address	
C. WITNESS'S INFORMATION <i>(If any)</i>	
Name	
Designation/Occupation	
Contact No	
E-mail Address	

D. COMPLAINT *(Briefly describe the suspected misconduct/irregularities. Be specific on what, who, where and how you know about it. If there is more than one (1) allegation, please number each allegation and use as many pages as required.)*

1. What misconduct/irregularities occurred?*

2. Who committed the misconduct/irregularities?*

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

4. Where did it happen?*

5. Is there any evidence to support your report?* *(Please attach your supporting evidence to substantiate your disclosure and to assist the investigation.)*

6. Are there any individuals/parties involved besides the suspect stated above?

7. Do you have any other details or information that could assist in the investigation?

E. DECLARATION

I hereby declare that the information disclosed herein is made voluntarily and is true to the best of my knowledge, information and belief. I do understand that the Kotra Group shall use the information and supporting evidence provided in their investigation.*

Name:

Date: