



**TAFI INDUSTRIES BERHAD
GROUP OF COMPANIES**

WHISTLEBLOWING POLICY

Scope

The Whistleblowing Policy applies to all employees (including former employees and irrespective of nature of employment status) and external parties including customers, suppliers, service providers and agents of TAFI Industries Berhad and its subsidiary companies (“TAFI Group” or “the Group”)

Purpose

As part of good corporate governance, this Whistleblowing Policy was established with the purpose to encourage employees or external parties to disclose any malpractice or misconduct (whistleblowing) of which they become aware and to provide protection for employees or external parties who report allegations of such malpractice or misconduct.

Policy

The Whistleblowing Policy is designed to encourage employees or external parties to report genuine concerns of alleged malpractice or misconduct, to ensure that all allegations are thoroughly investigated and suitable action taken where necessary. Any whistleblowing employee is protected against adverse employment actions (demotion, suspension, termination, harassment, or other forms of discrimination) for raising allegations of malpractice or misconduct. We also recognise that it is important that an employee or external party is not retaliated against for whistleblowing in good faith. Employees who participate or assist in an investigation will also be protected. Whilst every effort will be made to protect the anonymity of the whistleblower; there may be situations where it cannot be guaranteed.

Below are some examples of malpractice or misconduct:

- Any unlawful or illegal activities, whether criminal or breach in civil law
- The use of deception to obtain an unjust or illegal financial advantage, either for the Group or personally
- Intentional misrepresentations directly or indirectly affecting financial statements
- A failure to comply with any legal obligations
- Misuse of position or information
- A serious breach of policies and procedures
- The deliberate concealment of information tending to show any of the matters listed above

A. Procedures for Employees

1. Reporting

An employee who reasonably believes that inappropriate practices or conduct are occurring should raise the issue with his/her Head of Department. If the employee is not comfortable in reporting to his/her Head of Department, the malpractice or misconduct should be reported to a Designated Executive i.e. General Manager. It will be the responsibility of the Designated Executive to initiate the enquiry. To preserve anonymity, the whistleblower is not restricted to reporting the issue to the Designated Executive and may choose to report directly to the Group Managing Director or the Group Chief Executive Officer instead by email to whistleblowing@tafur.com.my

2. Investigation

Once the claim of malpractice or misconduct is made, the person receiving the whistleblowing report shall ensure that a response is given to the whistleblower within 10 working days, unless it is an anonymous report. The response should set out the intended investigation plan which may include internal reviews, reviews by external auditors, lawyers or some other external body.

Upon completion of the investigation, the appropriate representative from the Group will inform the whistleblower of the results of the investigation as well as any corrective steps that are being taken.

Employees who believe they are being penalised in any way for whistleblowing or who believe that there has been cover up of the action disclosed or who do not consider that they have had a satisfactory response to their disclosure should write to the Board of Directors with the facts.

3. Safeguards

All reasonable steps will be taken to protect the anonymity of the whistleblower. However, under certain circumstances to assist with the investigation, the individual's identity may become known or needs to be revealed.

4. Disciplinary Action

If the claim of malpractice or misconduct is substantiated, appropriate disciplinary action will be taken against the responsible individual(s), up to and including termination of employment or termination of the supply of goods and services.

Any act of retaliation or victimisation against the whistleblower will result in disciplinary action, up to and including termination of employment.

However, the malicious use of the Whistleblowing Policy may result in disciplinary action against the whistleblowing complainant, up to and including termination of employment.

B. Procedures for External Parties

1. Reporting

An external party who reasonably believes that inappropriate practices or conduct are occurring should raise the issue with the Group Managing Director or the Group Chief Executive Officer by email to whistleblowing@tafur.com.my

2. Investigation

Once the claim of malpractice or misconduct is made, the person receiving the whistleblowing report shall ensure that a response is given to the whistleblower within 10 working days, unless it is an anonymous report. The response should set out the intended investigation plan which may include internal reviews, reviews by external auditors, lawyers or some other external body.

Upon completion of the investigation, the appropriate representative from the Group will inform the whistleblower of the results of the investigation as well as any corrective steps that are being taken.

External parties who believe they are being penalised in any way for whistleblowing or who believe that there has been a cover up of the action disclosed or who do not consider that they have had a satisfactory response to their disclosure should write to the Board of Directors with the facts.

3. Safeguards

All reasonable steps will be taken to protect the anonymity of the whistleblower. However, under certain circumstances to assist with the investigation, the individual's identity may become known or needs to be revealed.

4. Disciplinary Action

If the claim of malpractice or misconduct is substantiated, appropriate disciplinary action will be taken against the responsible individual(s), up to and including termination of employment or termination of the supply of goods and services.

Any act of retaliation or victimisation against the whistleblower will result in disciplinary action, up to and including termination of employment or termination of the supply of goods and services.

However, the malicious use of the Whistleblowing Policy will result in disciplinary action against the whistleblowing complainant, up to and including the termination of the supply of goods and services.

November 2020