

**S P SETIA BERHAD**

**WHISTLEBLOWING POLICY**

**NEW DOCUMENT / DOCUMENT CHANGE REQUEST**

<b>No</b>	<b>Version No</b>	<b>Reviewed By / [Date]</b>	<b>Recommended By / [Date]</b>	<b>Approved By / [Date]</b>	<b>Effective Date</b>
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## 1. Policy Statement

- i. S P Setia Berhad and Group of Companies (“Group”) is committed to the highest standard of integrity and maintaining high standard of accountability in the conduct of its businesses and operations. The Group aspires to conduct its affairs in an ethical, responsible and transparent manner which is vital to the success of the Group.
- ii. As such, the Board of Directors of S P Setia has developed this Whistleblowing Policy (“Policy”) to provide a structured reporting channel and guidance to all employees and third parties referred to in section 8 below to whistleblow on genuine concerns without fear of retaliation, victimization and/or subsequent discrimination.
- iii. Procedures that are incorporated in this Policy aim to address issues such as reporting, responsibility, confidentiality, investigation and resolution.
- iv. The Policy will:
  - Govern the process through which employees and relevant stakeholders may report potential violations, improper conduct or concerns relating to relevant laws, rules, regulations, business ethics and conduct, including any violations or concerns relating to immoral, illegal, misappropriation and fraudulent activities;
  - Establish a mechanism for responding to any reports from employees and third parties regarding such potential violations or concerns;
  - Prohibit retaliation against employees raising such potential violations or concerns; and
  - Establish procedures for the retention of records of reports (inclusive of investigation papers, evidences etc. related to the cases investigated).
- v. Employees who whistleblow on improper conduct which described in paragraph 4(iii) below, will be protected against retaliation, or other adverse treatment provided that the whistleblowing is done in good faith. However, any whistleblowing which is not made in good faith and is found to be deliberately falsified with malicious intent or motivated by personal gain will be subject to disciplinary action by the Group in accordance with the Group’s disciplinary policy.
- vi. The Board of Directors shall have overall responsibility for the establishment of the IGU and the performance of its core functions. The administration of the Policy and the implementation of the core functions of the IGU shall be carried out by the Chief Risk, Integrity and Governance Officer (CRIGO). The Risk Management Committee (RMC) shall monitor the implementation of the IGU and assist the Board of Directors in overseeing the IGU to ensure it achieves its objective.

- vii. This Policy should be read in conjunction with the Group's "Code of Conduct and Business Ethics" and the Group's Disciplinary policy (*refer to SPSB-GHR-CB-POL19: Disciplinary*).

## **2. Objective**

- i. The objective of the Policy is to protect the values of transparency, integrity, impartiality and accountability upon which the Group conducts its business and affairs.
- ii. Through an effective implementation of this Policy, the Group aims to enhance its accountability in preserving its integrity and to withstand public scrutiny. This in turn enhances and builds the Group's credibility to all our stakeholders.
- iii. The Policy serves as an early warning system for the Group to remedy any wrongdoings before serious damage is caused.

## **3. Functions of the IGU**

In relation to the whistleblowing policy, the main functions of the IGU include to the following: -

- i. Welcome, accept and investigate improper conducts reports or complaints lodged through the authorised whistleblowing channels;
- ii. Ensure and convince protection to potential whistleblowers against any form of retaliation or detrimental actions;
- iii. Conduct training and awareness programme related to this policy; and
- iv. Create, manage, maintain and promote the effectiveness of the whistleblowing channels.

## **4. Definition of Whistleblowing**

- i. "Whistleblowing" is defined as the deliberate, voluntary disclosure or reporting of an individual or organizational malpractice by any person on an actual (past or present) or suspected improper conduct within the Group or organization based on his or her reasonable belief.
- ii. The person who reports, disclose or alerts the serious concerns of improper conduct is referred to as "Whistleblower".
- iii. "Improper Conduct" includes among others, the following:
  - violation of the Group's Code of Conduct and Business Ethics and other policies and procedures;
  - fraud, misappropriation or financial irregularity;

- corruption, bribery, money laundering or blackmail;
  - criminal offences;
  - abuse of power, authority or position;
  - misuse of company property;
  - anti-competitive conduct;
  - failure to comply with legal or regulatory obligation;
  - risk of or actual damage to the environment;
  - workplace discrimination and harassment;
  - endangerment of an individual's health and safety;
  - concealment of any or a combination of the above; and
  - any other concerns that could subject any part of the Group to serious legal or reputational liability
- iv. The above list is not exhaustive and includes other acts or omissions, which if proven is deemed as:
- an act of improper conduct or wrongdoing constituting a disciplinary offence under the S P Setia Code of Conduct and Business Ethics, the Group's Disciplinary policy, any employment agreement or service contract; or
  - an offence under any relevant legislation in force.
- v. Whistleblowing procedures are different from grievance procedures. Typically, whistleblowing does not affect the complainant personally. They are different from a normal grievance / complaint in which the complainant is personally affected.

## **5. Scope**

- i. This Policy applies to all matters involving the Group's employees and any other stakeholders / persons providing services to the Group, including consultants, vendors, independent contractors, external agencies and/or any other party with a business relationship with the Group.
- ii. This Policy does not apply to grievances concerning an individual's terms of employment or an employee performance matter and such matters shall be dealt with in accordance with Group Human Resource guidelines and policies. Should it be determined during the preliminary investigation that the matter disclosed does not fall within the scope of this Policy, such matters will be transferred and dealt with by the appropriate personnel of the relevant department for appropriate procedures and actions to be taken.

- iii. No employee shall use his / her position to prevent other employees from exercising their rights or complying with their obligations as indicated in this Policy.

## **6. Who is a Whistleblower**

- i. Under the Policy, any of the following persons can be a Whistleblower:
  - Employees of the Group (this include full-time, part-time, or temporary employees, foreign or expatriate workers, interns, volunteers).
  - Any third party including but not limited to any joint venture partners and associates providing services to the Group such as vendors, contractors and consultants and ex-staff.
- ii. The Whistleblower is not expected to prove the truth of the allegation but should, in making the report, have the reasonable belief that an Improper Conduct was committed, is being committed or will be committed.

## **7. Good Faith**

- i. Since allegations of Improper Conduct may result in serious personal repercussions for the alleged perpetrator, any Whistleblower who intends to lodge any report of Improper Conduct must ensure that the report is made in good faith.
- ii. The Whistleblower who intends to make a report must have reasonable grounds for believing in its existence and has reliable information before reporting such improper conduct; must undertake such reporting in good faith and in the best interest of the Group.

## **8. Whistleblowing Channels**

The whistleblowing channels provided are as follow: -

- i. Whistleblowing e-form;
- ii. E-mail to [igu@spsetia.com](mailto:igu@spsetia.com) (to be received and opened by authorized personnel only);
- iii. By phone via dedicated no;
- iv. Walk-in / appointment to IGU / Risk Management Committee Chairman; and
- v. Write to Chairman of RMC / IGU, S P Setia Berhad

## **9. Information Required for Investigation**

- i. As a guide, the information to be furnished by a whistleblower is set out in the whistleblower e-Form.
- ii. The Group will maintain the confidentiality of the identity of the whistleblower to the extent that is practical and appropriate under the circumstances, having regard to all the relevant legal requirements. Whistleblowers are cautioned that it may be necessary to disclose their identities to facilitate investigations and may be also required to give evidence in disciplinary proceedings or legal proceedings, where relevant.
- iii. A whistleblower can enhance the efficiency of investigating concerns by providing complete and accurate information in the report. Information which would be useful in assessing the whistleblower's concerns include:
  - the details of improper conduct;
  - the date, time and location of the improper conduct;
  - the identity and designation (if any) of the alleged wrongdoer(s);
  - particulars of witnesses or other parties involved, if any;
  - particulars or copies of documentary evidence, if any; and
  - any other details that are useful to facilitate screening and investigation.

## **10. Pre-Screening**

- i. The IGU will screen and assess the Whistleblower's disclosure to determine whether it constitutes an Improper Conduct or is excluded from the scope of this Policy. The Whistleblower may be required to provide additional information and clarifications if the need arises.
- ii. Based on the initial findings, the IGU will report to the CRIGO on the next course of action. The CRIGO / IGU may seek the Risk Management Committee Chairman's guidance and direction.
- iii. The screening process should not take more than one (1) month from the day the report is received.
- iv. In the event that the Whistleblower's concerns involve certain S P Setia employees or management, the implicated person(s) shall be excluded from the processes of determining the appropriate course of action, including screening and any subsequent investigation.

## **11. Initial Investigation**

- i. The CRIGO may instruct the IGU to conduct an initial investigation to determine the appropriate course of action, including whether a full investigation is warranted.
- ii. The CRIGO has the discretion to determine the appropriate course of action, including but not limited to the following:
  - a) instruct that the matter be closed without instructing the IGU to conduct an initial investigation if there is insufficient or inaccurate information provided;
  - b) instruct that the matter be closed after findings by the IGU indicate that there is no reasonable basis for further investigation;
  - c) commission a full investigation after findings by the IGU indicate that there exists a reasonable basis for further investigation;
  - d) referral of the whistleblower's report and/or the findings of the IGU to the appropriate department, such as Group Human Resources, for follow-up action;
  - e) referral of the whistleblower's report and/or the findings of the IGU to the Risk Management Committee Chairman to determine the next course of action which may include amongst others the scope of the investigation, specific terms of reference, formation of the investigation team (if any) and involvement of external party to assist in the investigation (if necessary); and/or
  - f) in cases where the findings of the IGU suggest a possible criminal offence, the CRIGO may refer the disclosure to the appropriate authorities such as the Royal Malaysia Police, the Malaysian Anti-Corruption Commission (MACC) or other enforcement agencies (where applicable) for further action.
- iii. Where the whistleblower's report involves the CRIGO, the matter will be referred to the Risk Management Committee Chairman to determine the next course of action. The Risk Management Committee would have similar wide discretion to determine the course of action in respect of the report.

## **12. Full Investigation**

- i. The full investigation process aims to achieve the following objectives:
  - to gather relevant information in the most appropriate manner and to protect the information / document from sabotage / compromise;
  - to ensure that the proper procedures are carried out in the process of the investigation;
  - to arrive at a fair decision and recommendation on the next course of action.

- ii. The IGU shall, under the supervision of the CRIGO, conduct any initial or full investigation on its own accord or otherwise may instruct external advisors with the requisite expertise to do so. CRIGO may also suggest for the formation of a special team of internal expert to conduct the investigation. The involvement of external parties and the formation of a special investigation team must be endorsed by the Risk Management Committee Chairman.
- iii. Where the whistleblower's report involves the CRIGO or Executive Vice President and above (including Directors), the investigation will come under the supervision of the Risk Management Committee Chairman.
- iv. All information, documents, records and reports relating to the investigation of the alleged improper conduct shall be maintained and kept securely by IGU to ensure confidentiality.
- v. A report with the CRIGO's recommendation(s) will be presented to Risk Management Committee, who will review the report and decide on any appropriate action to be taken. Where the whistleblower's disclosure involves the CRIGO or Executive Vice President and above (including Directors), the report will include the recommendation(s) of the Risk Management Committee, for presentation to the Board of Directors who will review the report and decide on any appropriate action to be taken.
- vi. Where the disclosure involves the Risk Management Committee Chairman, then the case will be referred to the Senior Independent Director (SID) for guidance and direction. In situation where the Chairman of RMC and SID is the same person, then the matter will be referred to the Chairman of the Board to determine the next course of action. The Board of Directors will review the report and decide on any appropriate action to be taken.

### **13. Reporting of Outcome**

- i. Subject to legal constraints, the Whistleblower and the alleged wrongdoer will be notified of the outcome of the investigation.
- ii. IGU, under the supervision of the CRIGO, will furnish a quarterly, half-yearly and year-end report to the Risk Management Committee on the number and nature of cases reported by whistleblower(s). The Risk Management Committee will review the report and submit a summary report to the Board of Directors for their information and/or action, where applicable. The report then will be extended to Bahagian Pengurusan

Integriti Agensi (BPIA) of Malaysian Anti-Corruption Commission twice a year in compliance with the requirement outlined by the authority.

#### **14. Timeframe**

- i. Concerns will be investigated as quickly as possible. It should also be considered that it may be necessary to refer a matter to an external agency and this may result in an extension of the investigative process. It should also be kept in mind that the seriousness and complexity of any complaint may have an impact upon the time taken to investigate a matter.

#### **15. Protection of Whistleblower**

- i. Upon making a disclosure in good faith, based on the Whistleblower's reasonable belief, the Whistleblower's identity will be accorded with protection of strict confidentiality unless otherwise required by law or for purposes of any actions by or against the Group.
- ii. The Whistleblower will be protected from "Detrimental Treatment" within the Group as a consequence of his / her disclosure. The Group will not tolerate such detrimental treatment when concerns are raised in good faith. Such protection is accorded even if the investigation later reveals that the Whistleblower is mistaken as to the facts.
- iii. It is to be noted that any person who has not acted in good faith shall not be entitled to any protection under this Policy. If allegations are proven to be malicious or founded on bad faith, any protection provided may be revoked and parties responsible may be subject to appropriate action, including but not limited to legal action, where applicable.
- iv. Where such "detrimental treatment" takes place, the whistleblower may report it to the IGU, and the appropriate actions may be taken against the relevant individuals.
- v. For purposes of this policy, "detrimental treatment" includes but is not limited to:
  - a) any action causing injury, loss or damage to the whistleblower;
  - b) any action of intimidation and harassment against the whistleblower;
  - c) any direct or indirect retaliation or attempted retaliation, discrimination or victimization;
  - d) interference with the lawful employment or livelihood of the whistleblower, including discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment in relation to the whistleblower's employment, career, profession, trade or business or the taking of disciplinary action; and
  - e) a threat to take any of the actions stated above

- vi. At any time, the IGU or anyone who is responsible or involved in receiving or investigating the whistleblower's report is not obliged to reveal the identity of the whistleblower, informer or any person related to the investigation or information disclosed, to the Directors or management of the Group under any circumstances, unless required by the law to do so.

## **16. Safekeeping of Records**

- i. All reports, its supporting evidence, findings of investigations and monitoring of corrective actions shall be centralized, logged and monitored by the IGU under the supervision of CRIGO.
- ii. Disclosure of reports to individuals who are not involved in the investigation will be viewed as a serious disciplinary offence which may result in disciplinary action, including termination of employment or dismissal.

## **17. Circulation and Review**

- i. This Policy will be circulated to all employees of the Group.
- ii. This Policy will be reviewed regularly by the IGU. Any revisions, amendments to this policy will be communicated to all employees of the Group.

This policy has been approved by the Board of Directors on 13 November 2019.

**WHISTLEBLOWING METHOD**

**1) Via Letter**

- i. If a report is made by way of letter, it should be sealed properly and marked “**(STRICTLY CONFIDENTIAL - TO BE OPENED BY THE ADDRESSEE ONLY)**” on the envelope to ensure that no one else except the addressee as stated on the envelope opens it.

<p><b><u>(STRICTLY CONFIDENTIAL - TO BE OPENED BY THE ADDRESSEE ONLY)</u></b></p>	<p>Stamp</p>
<p>S P Setia Bhd Corporate HQ No 12, Persiaran Setia Dagang, Setia Alam, Seksyen U13, 40170, Shah Alam, Selangor, Malaysia</p>	
<p>Attention: <u>Integrity &amp; Governance Unit</u></p>	

## 2) Via e-Form

**SAMPLE OF e-FORM:****CONFIDENTIAL****REFERENCE NUMBER:** \_\_\_\_\_

<b>A. PERSONAL PARTICULARS OF WHISTLEBLOWER</b>	
1	Name:
2	I/c No. / Staff No.:
3	Correspondence Address:
4	Telephone No.: Home: Office: Mobile:
5	Email Address:
6	Designation / Occupation:
7	Preferred method of communication: <input type="checkbox"/> Mail <input type="checkbox"/> Email <input type="checkbox"/> Telephone
<b>B. INFORMATION OF EMPLOYEE(S) INVOLVED IN IMPROPER CONDUCT</b>	
	Individual 1
1	Name of employee:
	Designation / position of said employee in S P Setia or subsidiary / JV company:
	How do you know this S P Setia employee?
	Individual 2
2	Name of employee:
	Designation / position of said employee in S P Setia or subsidiary / JV company:
	How do you know this S P Setia employee?
	Individual 3
3	Name of employee:
	Designation / position of said employee in S P Setia or subsidiary / JV company:
	How do you know this S P Setia employee?

<b>C.</b>	<b>DETAILS OF IMPROPER CONDUCT</b>			
	Date:			
	Time:			
	Place:			
	Details of Improper Conduct:			
	Details of Witnesses (if any):			
	*Please submit supporting documents if available.			
	*Please attach additional sheets if necessary.			
	<b>Have you lodged a complaint on this matter to another person / department/ authority before?</b>		(cross X where applicable)	
		<b>YES:</b>		<b>NO:</b>
	If YES, please indicate the person / department/ authority that the report was lodged: (cross X where applicable)			
	Date report was made:			
	Status of report made:			
<b>D.</b>	<b>DECLARATION</b>			
1	I declare that all information provided in this form is true, correct and complete to the best of my knowledge, information and belief.			
2	I hereby agree that the information provided herein to be used and processed for investigation purposes and further agree that the information provided herein may be forwarded to another department/ authority/ enforcement agency for purposes of investigation.			
	Signature:			
	Name:			
	Date:			
	<b>For Office Use Only:</b>			
	Record No.:			
	Officer receiving this report:			
	Date:			

