



SOUTHERN ACIDS (M) BERHAD

**WHISTLEBLOWER
POLICY**

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1. OBJECTIVE

- 1.1 Southern Acids (M) Berhad (“SAB” or “the Company”) is committed to ensuring the highest possible standards of ethical, moral and legal business conduct, and open communication.

The Company, therefore, establish Whistleblower Policy (“Policy”) to provides an avenue for employees, business associates and all stakeholders to raise matters of serious concerns that could adversely impact SAB and/or its subsidiaries.

- 1.2 This Policy provides employees with the necessary **safeguards** and **protection** for whistleblowing **in good faith**; without fear of reprisal, discrimination or adverse employment consequences and also to address their concerns and disciplining of those responsible.
- 1.3 This Policy does not protect an employee from adverse employment consequences which occurs independent of his/her disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, or any disciplinary action, etc unrelated to a disclosure made pursuant to this Policy.

2. SCOPE

This Policy is applicable to employees (permanent, probationary, contractual, trainees, seconded staff and interns), business associates and all stakeholders of the Company, its subsidiaries and associate company.

3. DEFINITION

3.1 Whistleblowing

The deliberate, voluntary and protected disclosure of individual or organisational malpractice by a person in good faith who has or had privileged access to data, events or information about an actual, suspected or anticipated wrongdoing within or by the organisation that is within its ability to control.

It is however not intended to question legitimate financial or business decisions taken by the Company nor should it be used to reconsider any matters, which have already been addressed pursuant to disciplinary or other procedures of the Company.

3.2 Whistleblower

A person who, in good faith makes a report under this Policy.

Whistleblower's role is as a reporting party. Whistleblower is not investigator or finder of facts; neither can he/she determine the appropriate corrective or remedial action that may be warranted.

3.3 Reporting Officer

The responsible officer who is the immediate superior of the employee making a report or complaint or that responsible officer's immediate superior or the head of a functional segment or subsidiary entity in which the complainant belongs.

3.4 Business Associates

Business associates includes but not limited to investors, associate company, joint ventures business, jointly control operation, clients, customers, suppliers, vendors, consortium partners, outsourcing providers, contractors, sub-contractors, consultants, advisors, agents, distributors, representatives, intermediaries and/or any party(s) that perform(s) work and/or services for and/or on behalf of SAB and/or its subsidiaries.

4. SAFEGUARDS and PROTECTION

4.1 Requirement of Good Faith

This policy is intended to protect **genuine** whistleblowers from any unfair treatment as a result of their disclosure which should be communicated in **good faith**.

A whistleblower shall be deemed to be reporting in '**good faith**' if there is a reasonable basis for reporting the alleged improper practices or any improper conduct.

Good faith shall be deemed to be lacking when the complainant:

- i. does not have personal knowledge, or
- ii. a factual basis for reporting the matter complained of, or
- iii. where the whistleblower knew or reasonably should have known that the reporting of the alleged improper practice or wrongful conduct is malicious, false or frivolous.

As such, misuse of the protection accorded by this Policy by making frivolous and bogus complaints with *mala fide* intentions is strictly prohibited.

A whistleblower who make a complaint which are subsequently found to be *mala fide* shall be disqualified to report further protected disclosures under this Policy.

4.2 Protection from Retaliation

No whistleblower or employee who in good faith reports of improper conduct shall suffer reprisal, discrimination or adverse employment consequences.

If, however, the whistleblower or employee believes that he/she has been subject to discrimination, retaliation or harassment for having made a report under this Policy:

- i. The employee must immediately complete the *Report of Detrimental Action (Appendix 3)* and report those facts to his/her reporting officer; or
- ii. If, for any reason, the employee does not feel comfortable discussing the matter with his/her reporting officer, he/she should bring the matter to the attention of the reporting officer's superior or anyone in Senior Management; or
- iii. The whistleblower or employee may report to the Chairman of Audit Committee ("AC") or a member of the AC as guided by No.6.3 and No.6.4.

It is imperative that the whistleblower or employee bring the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

The Company strictly prohibits **discrimination, retaliation or harassment** of any kind against any whistleblower who, based on the whistleblower's reasonable belief that such conduct or practices have occurred or are occurring, reports that information. An employee or officer who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

4.3 Confidentiality and Anonymous Complaints

This Policy is intended to safeguard the safety of the whistleblower's identity, and therefore undertakes to treat all whistleblowing reports as confidential.

All reports of violation or suspected violation will be kept as confidential to the extent possible, consistent with the need to conduct adequate investigation, unless otherwise required by laws and regulations. Every effort will be made to protect the whistleblower's identity.

This Policy provides assurances that the reporting mechanism for whistleblowing is set up in a structured and systematic manner to safeguard the information and the identity of the whistleblower. By setting up the necessary system to safeguard the confidentiality, the interests of the whistleblower are protected from possible harm through retribution by those who stand to benefit the reported misconduct.

The perception and the reality of safety of the information and the whistleblower's identity are crucial to provide courage and confidence for individuals to speak up or report any sensitive issues that they believe in good faith that could have negative repercussion to the Company and/or its subsidiaries.

All anonymous complaints or concerns need to be submitted with the completed ***Report of Improper Conduct*** (*Appendix 2*) with the following details:

- i. **description of the complaint**, including date/time, place of occurrence and identity of alleged wrongdoer(s), and
- ii. **provide the basis of making the assertion therein**, together with documentary evidence(s), if any.

Anonymous reports are not encouraged as it might be difficult to conduct an investigation. However, all anonymous complaints received by the AC or any other person would be placed before the AC to assess the seriousness and credibility of the allegation. The AC may at its absolute discretion direct further actions on the same as may be warranted by the nature of such complaint. The AC shall address all reported concerns or complaints of a serious nature that may adversely impact SAB and/or its subsidiaries.

Reporting officers and managers are required to first report other suspected violations to the Senior Management, Chairman of the AC or a member of the AC who shall immediately notify the AC of any such complaint and work with the Committee until the matter is resolved.

(Please refer to *Appendix 1* for the details of Whistleblowing Procedures)

4.4 Retention of Records

The Company shall maintain all documents and/or records submitted by whistleblower and gathered during the investigation(s), and the documentation shall include:

- i. any written submissions provided by the whistleblower;
- ii. any other Company or its subsidiaries or associate company's documents identified in the complaint or by the Company as relevant to the complaint;
- iii. a summary of the date and manner in which the complaint was received by the Company, and
- iv. any response by the Company to the complaint.

All such documentation shall be retained by the Company for a minimum of **seven (7) years** from the date of receipt of the complaint or such period as required by laws and regulations.

5. TYPE OF REPORTABLE INCIDENTS

This Policy applies to any illegality or improper conduct that committed or to be committed, including but not limited to the following:

- i. Illegal or unlawful conduct or failure to comply with the provisions of the applicable laws and regulations where the wrongdoer, knowingly, disregards or does not comply with such provisions;
- ii. Failure to comply with legal obligations;
- iii. Criminal offence;
- iv. Criminal breach of trust;
- v. Bribery and corruption;
- vi. Collusion and money laundering;
- vii. Unofficial payoffs;
- viii. Fraud or deliberate error in preparation of financial statements and performing internal/external audit, which may include but not limited to the following conducts or processes:
 - a. preparation, evaluation, review or audit of any financial statement of SAB and/or its subsidiaries;
 - b. recording and maintaining of financial records of SAB and/or its subsidiaries;
 - c. deficiencies in or non-compliance with the Company and/or its subsidiaries' internal accounting controls and/or limit of authorities;
 - d. misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company and/or its subsidiaries;
 - e. deviation from full and fair reporting of SAB and/or its subsidiaries' financial condition; or
 - f. misuse or abuse of funds or misappropriation of assets of the Company and/or its subsidiaries.
- ix. Serious financial irregularity of financial fraudulent within SAB and its subsidiaries;
- x. Breach of Company and/or its subsidiaries' Policies, Code of Conduct & Ethics which may include but not limited to the following:
 - a. Breach of Limits of Authorities;
 - b. Breach of Standard Operating Procedures;
 - c. Improperly discriminatory;
 - d. Sexual harassment;
 - e. Actions which endanger the health or safety of employees or the public and environment;
 - f. Actions which endanger national and public interest; or
 - g. Repeated ill treatment of a business associates despite a complaint being made.
- xi. Knowingly directing, assisting or advising a person to commit any of the above wrongdoings; and
- xii. Any action which is intended to conceal any of the above.

6. WHISTLEBLOWING CHANNELS

- 6.1 An employee may report to his/her reporting officer.
- 6.2 If the employee is not comfortable reporting to their reporting officer, or not satisfied with their response, the employee may report to:
- i. The reporting officer's superior; or
 - ii. Anyone in Senior Management; or
 - iii. A member of the AC whom the employee is comfortable in approaching; or
 - iv. Apply Whistleblowing Channel as per No.6.3 and No.6.4.
- 6.3 A whistleblower may email the completed **Report of Improper Conduct** (Appendix 2) to the Chairman of AC at sab.whistle@southernacids.com.
- 6.4 A whistleblower may send the completed **Report of Improper Conduct** (Appendix 2) in a **sealed envelope** marked "**Private & Confidential**" to the **Chairman of AC** (or *Name of the AC Member, if AC Chairman is implicated*) to the Company's Head Office at the following address:

Chairman of the Audit Committee
(or *Name of the Audit Committee Member*)

Southern Acids (M) Berhad
Level 29, Centro Tower
No.8, Jalan Batu Tiga Lama
41300 Klang
Selangor Darul Ehsan
Malaysia

7. INVESTIGATION

All complaints under this Policy will be promptly and thoroughly investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable laws and regulations. The Chairman of the AC may, where he/she feels the complaint requires related expertise, recommend the involvement of “**professional investigators**” to pursue the investigation, after consultation with the AC or the Board of Directors.

Professional investigators would, for the purpose of this policy, mean “*persons authorised, appointed, consulted or approached by the Chairman of the AC and is inclusive of but not limited to the statutory or internal auditors of the Company or qualified forensic investigators or the police*”.

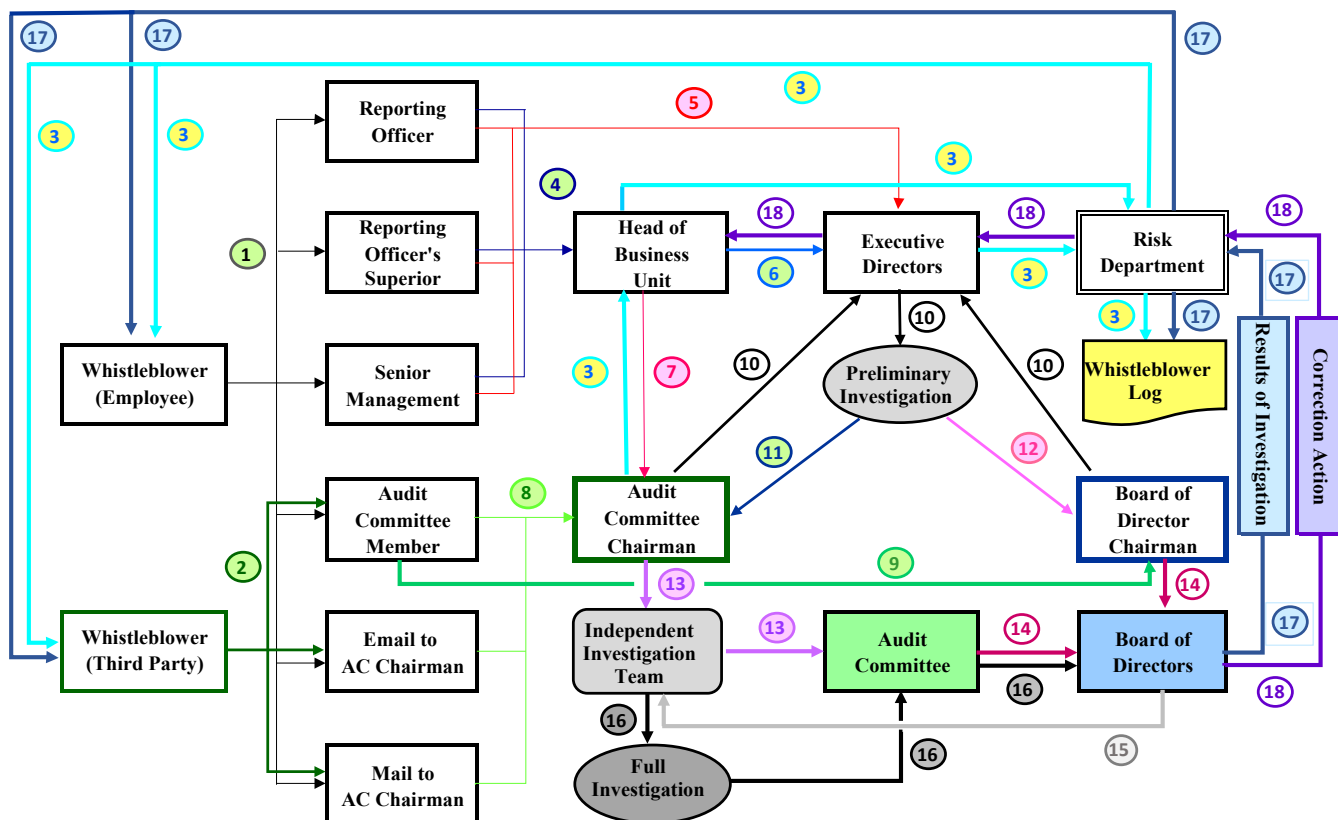
All employees and supervisors have a duty to cooperate in the investigation of reports of violations as mentioned hereinabove, or of discrimination, retaliation or harassment resulting from the reporting or investigation of such matters.

Depending on the nature of the complaint, the concerned employee, at the outset of formal investigations, may be informed of the allegations against him/her and have opportunities for input during the investigation. An employee shall be subject to disciplinary action, if the employee fails to cooperate in an investigation, or deliberately provides false information during an investigation.

If, at the conclusion of its investigation, the Company determines that a violation has indeed occurred, the Company will take effective remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused party, which shall adhere to the applicable personnel or staff conduct and disciplinary procedures. Reasonable and necessary steps will also be taken to prevent any further violations of policy or recurrence of the improper practice or wrongful conduct.

(For the details of the Investigation Procedures, please refer to *Appendix 1*)

WHISTLEBLOWING & INVESTIGATION PROCEDURES						
MAKING A REPORT & ACKNOWLEDGEMENT	1	An Employee may submit the completed Report of Improper Conduct ("Report") to his/her Reporting Officer, Reporting Officer's superior, Senior Management ("Officer") or any member of the Audit Committee ("AC").				
	2	A Whistleblower (inclusive Employee) may email the completed Report to AC Chairman at sab.whistle@southernacids.com . A Whistleblower (inclusive Employee) may mail the completed Report in a sealed envelope marked "Private & Confidential" to SAB Head Office, attention to AC Chairman or any member of AC (if AC Chairman is implicated). [Chairman (or Name of AC Member) of Audit Committee, Southern Acids (M) Berhad Level 29, Centro Tower, Jalan Batu Tiga Lama, 41300 Klang, Selangor Darul Ehsan, Malaysia]				
	3	Upon receipt the Report from Head of Business Unit or Managing Director or Executive Director ("EDs"), the Risk Department will update the Whistleblower Log and provide an acknowledgement receipt of the Report to the Whistleblower, within five (5) working days of receipt.				
RECEIVING the REPORT & INVESTIGATION PROCESS	Head of Business Unit implicated ?		Executive Director(s) implicated ?		Audit Committee Chairman implicated ?	
	4 NO	5 YES	6 NO	7 YES	11 NO	12 YES
	The Officer(s) received the allegation will report and submit the Report to the respective Head of Business Unit.	The Officer(s) received the allegation shall report and submit the Report to the ED(s).	The Head of Business Unit will report and forward the Report to ED(s).	The Head of Business Unit shall report and forward the Report to AC Chairman.	The EDs will conduct 'Preliminary Investigation' and make recommendation to AC Chairman.	The EDs will conduct 'Preliminary Investigation' and make recommendation to the Chairman of Board of Director ("BOD" or "the Board").
	8 The AC member received the allegation shall notify and extend the Report to the AC Chairman.					
	9 The AC member received the allegation shall notify and extend the Report to the Chairman of BOD, if AC Chairman is implicated.					
	10 The EDs will conduct 'Preliminary Investigation' upon receipt of the Report from the Officer(s), Head of Business Unit, or referred from AC Chairman or Chairman of BOD. The findings will be discussed with AC or Board for further decision.					
	13 If ED is implicated, the AC Chairman will notify and discuss with Board Chairman. AC Chariman will form and lead an Independent Investigation Team (if required) to conduct 'Preliminary Investigation', and will discuss with AC and make recommendation to the Board. The Independent Investigation Team will continue with 'Full Investigation', if directed by the Board.					
	14 AC will make recommendation to the Board, whether to close the case or proceed with 'Full Investigation'. If the AC Chairman is implicated, the Chairman of BOD will discuss with other directors to determine next cause of action after receive the findings from EDs.					
	15 The Board will direct AC Chairman / AC Member to lead the Independent Investigation Team to conduct the 'Full Investigation'.					
	16 The findinds will be review and deliberated at AC and make recommendation to the Board.					
DECISION & ACTION	17 The decision of the Board will be recorded in the Whistleblower Log and maintained by Risk Department , together with the relevant documents and/or records submitted by Whistleblower or gathered during the investigation(s). Subject to any prohibition of laws and regulations, Risk Department will inform the Whistleblower on the results of the investigation.					
	18 The EDs and Head of Business Unit shall carry out the decisions of the Board, and implement the appropriate internal controls to prevent and mitigate the potential damage to the Company.					



<i>Private & Confidential</i>

Reference No	
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SOUTHERN ACIDS (M) BERHAD

REPORT OF IMPROPER CONDUCT

Note 1: A whistleblower who wishes to be anonymous may ignore Section A and D.

Note 2: If the spaces provided in this Report are not sufficient, please attach another sheet of paper.

A.	Particulars of Whistleblower			
1.	Name			
2.	Identity Number (IC/Passport No)			
3.	Correspondence Address			
4.	Contact Number	Mobile	Home	Office
5.	Email Address			
	The following section to be filled if the Whistleblower is an Employee.			
6.	Company Name			
7.	Department			
8.	Designation			
B.	Particulars of the Complaint			
1.	Name of Suspect			
2.	Company Name			
3.	Department			
4.	Designation			

C. Particulars of Improper Conduct		
1.	Date happened	
2.	Time	
3.	Place	
4.	Details of Improper Conduct	
5.	Particulars of Witness, if any	Name:
		Position
6.	Have you previously reported this Improper Conduct to another party(s). <input type="checkbox"/> Yes. Please provide the information in the following section. <input type="checkbox"/> No	
	Name of person received the Report	
	Party(s) received the Report	
	Date of Report was made	
	Status of the Report:	
D. Declaration by the Whistleblower		
I hereby declare that all information provided in this Report is true and accurate to the best of my knowledge.		
I hereby agree that the documents and information provided to be used for investigation purposes and may be forwarded to authority(s) as required by laws and regulations.		
Name	Signature	
Date		



SOUTHERN ACIDS (M) BERHAD

REPORT OF IMPROPER CONDUCT

E.	For Office Use Only			
E1.	Report of Improper Conduct received by			
1.	Name			
2.	Designation			
3.	Report Number		Date received	
4.	Action taken			
5.	Report handed over to Audit Committee	Date handed over		
		Signature		
E2.	Report handed over to Audit Committee			
1.	Received by		Date	
2.	Investigation to be taken	<input type="checkbox"/> Yes <input type="checkbox"/> No. Reason for No Investigation to be carried out:		
3.	Conclusion of the Investigation			
		Updated by		Signature
		Date		

<i>Private & Confidential</i>

Reference No	
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SOUTHERN ACIDS (M) BERHAD

REPORT OF DETRIMENTAL ACTION

Note: If the spaces provided in this Report are not sufficient, please attach another sheet of paper.

A.	Particulars of Whistleblower			
1.	Name			
2.	Identity Number <i>(IC/Passport No)</i>			
3.	Correspondence Address			
4.	Contact Number	Mobile	Home	Office
5.	Email Address			
	The following section to be filled if the Whistleblower is an Employee.			
6.	Company Name			
7.	Department			
8.	Designation			
B.	Particulars of the Person committing the Detrimental Action			
1.	Name			
2.	Company Name			
3.	Department			
4.	Designation			

C. Particulars of the Detrimental Action		
1.	Date happened	
2.	Time	
3.	Place	
4.	Details of Detrimental Action	
5.	Particulars of Witness, if any	Name:
		Position
6.	Have you previously reported this Detrimental Action to another party(s). <input type="checkbox"/> Yes. Please provide the information in the following section. <input type="checkbox"/> No	
	Name of person received the Report	
	Party(s) received the Report	
	Date of Report was made	
	Status of the Report:	
D. Declaration by the Whistleblower		
I hereby declare that all information provided in this Report is true and accurate to the best of my knowledge.		
I hereby agree that the documents and information provided to be used for investigation purposes and may be forwarded to authority(s) as required by laws and regulations.		
Name		Signature
Date		



SOUTHERN ACIDS (M) BERHAD

REPORT OF DETRIMENTAL ACTION

E.	For Office Use Only			
E1.	Report of Detrimental Action received by			
1.	Name			
2.	Position			
3.	Report Number		Date received	
4.	Action taken			
5.	Report handed over to Audit Committee	Date handed over		
		Signature		
E2.	Report handed over to Audit Committee			
1.	Received by		Date	
2.	Investigation to be taken	<input type="checkbox"/> Yes <input type="checkbox"/> No. Reason for No Investigation to be carried out:		
3.	Conclusion of the Investigation			
		Updated by		Signature
		Date		