



SOUTH MALAYSIA INDUSTRIES BERHAD
(Co. No. 196901000152 (8482-D))

APPENDIX V - WHISTLE-BLOWING POLICY

1.0 Policy Statement

The Company is committed to achieving and maintaining the highest standard of work ethics in the conduct of business in line with the Company's Code of Business Conduct & Ethics and good corporate governance practices.

The Company encourages its employees to raise genuine concerns about possible improprieties in matters of financial reporting, compliance, suspected violations of the Company's Code of Business Conduct & Ethics and to disclose any improper conduct or other malpractices within the group (i.e. whistleblowing) in an appropriate way without fear of retaliation and to offer protection for such persons (including the employees of the Group) who report such allegations.

2.0 Purpose/Objective of Whistleblowing

This Whistle-Blowing Policy has been formulated to achieve inter alia, the following:-

- (a) To encourage employees to disclose any malpractice or misconduct of which they become aware of;
- (b) To ensure that all allegations are thoroughly investigated and appropriate action to be taken accordingly;
- (c) To protect the whistle-blowing employee from adverse employment actions, harassments or other forms of discrimination, even if the allegations are proven to be incorrect or unsubstantiated; and
- (d) To take all steps necessary to preserve the anonymity of the whistle-blower, although there may be unavoidable situations where this control cannot be achieved.

3.0 Procedures

An employee who reasonably believes or has reason to believe that inappropriate business conduct has occurred or is occurring should raise the issue with their immediate reporting manager or if the employee is not comfortable with the said manager, such conduct or activity should be reported to the Head of Department of the relevant business division. Upon receipt of such allegations, the same will have to report the occurrence to the Chairman of the Audit Committee.

The Audit Committee will then direct the internal audit to undertake the necessary inquiry and investigation, after which the Committee will make a finding based on the results of the investigations and the same will be notified to the whistle-blower.

If the claim of malpractice or misconduct is established, appropriate disciplinary actions will be taken against the defaulting officer up to and including termination of employment.

Any concerns relating to misconduct, questionable issues or improper actions should be in writing and directed to the Chairman of the Audit Committee by providing the following information which shall be classified as “Strictly Private and Confidential”:-

- Nature of misconduct, questionable issues or improper actions;
- Name of person/persons involved;
- Date, time and location;
- The details of the events taken place;
- Other witness, if any
- Documentation or evidence available

At the contact details as stated below:-

Dato' Zainuddin Bin Yahya
Chairman of the Audit Committee
c/o South Malaysia Industries Berhad
15th Floor, Menara SMI
No. 6 Lorong P. Ramlee
50250 Kuala Lumpur

