

## **FSBM HOLDINGS BERHAD**

### **WHISTLE BLOWING POLICY**

#### **1. POLICY STATEMENT**

It is the Group's policy that all stakeholders maintain a high degree of confidentiality of all the Group's proprietary information, trade secrets, data, financial statements, statistics, drawings and any other classified or unclassified information whether such information is directly or indirectly within the control or knowledge of the stakeholders.

Nevertheless, all stakeholders are encouraged to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, in an appropriate manner, without fear of retaliation i.e. discrimination, reprisal, harassment, victimization or vengeance.

#### **2. COVERAGE STATEMENT**

This policy applies to all stakeholders of the Group.

#### **3. SCOPE OF POLICY**

This policy intends to :-

3.1 Provide a transparent and confidential avenue for stakeholders to raise concerns which could include:-

- 3.1.1 Financial malpractice or impropriety or fraud;
- 3.1.2 Failure to comply with legal and regulatory obligations;
- 3.1.3 Danger to individual health and safety or to the environment and the cover-up of any of these in the workplace;
- 3.1.4 Negligence, criminal activity, breach of contract and law;
- 3.1.5 Miscarriage of Justice;
- 3.1.6 Improper conduct or unethical behavior; or
- 3.1.7 Concealment of any or a combination of the above.

3.2 Ensure that stakeholders can raise concerns without fear of retaliation.

The concerns raised may be investigated separately where it might lead to the invocation of other disciplinary procedures. This policy is not designed to question financial or business decision taken by the Group nor should it be used to reconsider any matters which have already been addressed under other procedures.

#### **4. SAFEGUARDS**

##### **4.1 Protection**

4.1.1 Protection is offered to stakeholders who disclose such concerns, provided that:-

- i. the disclosure is made in good faith;
- ii. there is reasonable belief that the disclosure tends to show malpractice or impropriety; or
- iii. the disclosure is made to the appropriate person.

4.1.2 No protection will be offered to those who choose not to follow the policy and procedure.

##### **4.2 Untrue Allegations**

In making a disclosure, a stakeholder must exercise due care to ensure the accuracy of the information.

4.2.1 If the allegation is made in good faith but not confirmed by the investigation, no action will be taken against the stakeholder who reported the concerns.

4.2.2 If the allegation is found to be malicious or vexatious, the Investigation Committee has the right to take appropriate action against the stakeholders who made such allegations.

##### **4.3 Confidentiality and Anonymity**

4.3.1 Every effort will be made to maintain confidentiality. The identity of the stakeholder making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation. Identities will not be disclosed without prior approval.

4.3.2 Stakeholders are encouraged to put their name to their allegation. Concerns expressed anonymously are less credible but shall be considered at the discretion of the appointed investigating officer concerned.

In exercising the discretion, the factors taken into consideration will include:-

- i. the seriousness of the issue raised;
- ii. the credibility of the concern; or
- iii. the likelihood of confirming the allegation from attributable sources.

## **5. DISCLOSURE PROCEDURE**

- 5.1 Stakeholders who raise concerns that fall within the scope of other procedures will not be dealt with in this procedure but will be advised on the appropriate procedure to use.
- 5.2 Stakeholders should raise concerns, where applicable, with their immediate superior or depending on the seriousness and sensitivity of the issues or persons involved, if in doubt, stakeholder should email to [whistleblower@fsbm.com.my](mailto:whistleblower@fsbm.com.my)
- 5.3 Concerns are better raised in writing. Stakeholders are invited to set out the background and history of their concern, giving names, dates and places where possible, and the reason why they are particularly concerned about the situation.

If stakeholders are not able to put their concern in writing, they can telephone or meet with the appropriate officer. The earlier the concern is expressed, the easier it is to take action.

- 5.4 Actions to be taken will depend on the nature of the allegation and may :-
  - i. be resolved by agreed action without the need for investigation;
  - ii. be investigated internally;
  - iii. be referred to the relevant Government authorities;
  - iv. be referred to the external auditor; or
  - v. form the subject of an independent inquiry.

- 5.5 If investigation is required, the Group Company Secretary or the Audit Committee Chairman will initiate the formation of an Investigation Committee, in accordance to the following terms of reference:-
- 5.5.1 The Investigation Committee shall consist of persons from the Senior Management who are independent of the allegation and appointed by the Audit Committee Chairman or; in any case the Audit Committee Chairman is involved in the allegation, the Committee shall be appointed by the Group Company Secretary.
  - 5.5.2 The Investigation Committee is responsible for the evaluation of the facts pertinent to the allegation.
  - 5.5.3 If there is evidence of criminal activity, the Investigation Committee is obliged to inform the police.
  - 5.5.4 The Investigation Committee should keep the complainant informed, if deemed practicable. All responses to the complainant should be in writing and sent to their home address.
- 5.6 Stakeholders with sufficient ground for concern, has the right to bypass the line management structure and take their allegations directly to the Chairman of the Company. The Chairman has the right to refer the allegations back to the Management of the Company if he/she is of the opinion that the Management is without any conflict of interest and can more appropriately investigate the concerns raised.
- 5.7 If the investigation finds the allegation unsubstantiated and all internal procedure have been exhausted, but the complainant is not satisfied with the outcome, the Company recognizes the lawful rights of the stakeholders to make disclosures to prescribed persons or, where justified, elsewhere.

## **6. REVIEW OF POLICY**

The Board will regularly review this policy to ensure it remains consistent with the Board's objectives and responsibilities, and relevant standards of corporate governance.