SAMCHEM WHISTLEBLOWING POLICY

Version 2.0

Updated: 11 March 2020

1. INTRODUCTION

1.1 This Whistleblowing Policy is intended to encourage and support the Samchem Group's corporate culture of transparency, honest dealings and integrity and to supplement the corporate governance structure.

Samchem encourages its employees to speak up and report at the earliest opportunity and in an appropriate way any genuine concerns in relation to breach of a legal obligation, miscarriage of justice, danger to health, safety and environment or company code of conduct.

2. OBJECTIVES

2.1 The purpose of this Policy is to:-

(a) Foster an environment to support integrity and ethical behaviour and where illegality, improper conduct and or wrongdoings in the company may be exposed;

(b) Act as an early warning system and may enable the company to remedy any wrongdoings before serious damage is caused;

(c) Provide a transparent and confidential channel to enable employees to report in good faith, concerns of Illegal or Improper Conduct without fear of reprisals; and

(d) protect Samchem Group of Companies and its employees from the results and effects of illegal or improper conduct or wrongdoings.

3. SCOPE

3.1 This Policy applies to all employees and directors of the Samchem Group of Companies including on contract, temporary or short-term employees ("**Employees**").

4. REPORTING PROCEDURES

What to disclose

4.1 A report can be made where there is a genuine concern that there is or there will be a violation of laws, regulation or code of conduct or a criminal offence ("**Illegal or Improper Conduct**") by an Employee of any of Samchem Group of Companies.

4.2 Examples of Illegal or Improper Conduct includes, but is not limited to:-

(a) taking or giving kickbacks, bribes;

(b) corruption or fraud;

(c) misappropriation or misuse of funds;

(d) theft or embezzlement;

(e) gross mismanagement;

(f) abuse of power;

(g) financial irregularities or breaches of accounting or tax provisions including but not limited to falsification and/or manipulation of Samchem Group of Companies' business and/or financial records;

(h) offences under law;

(i) any kind of discrimination and sexual harassment;

(j) act or omission jeopardising the health and safety of any Employees or the public;

(k) any other action that would cause significant harm to the Samchem Group of Companies' or to any other person(s);

(l) concealment of any, or a combination, of the above.

How to make a report

4.3 Disclosure can be made to any of the following persons ("**Prescribed Officer**"):-

(a) Employee's direct line manager;

(b) The Employee's Head of Department;

(c) Any member of senior member of the Management;

(d) Any member of Samchem Holding Berhad's Audit and Risk Management Committee ("**ARMC**") or any member of the Risk Management Committee appointed by the ARMC .

When to lodge

4.4 An Employee is advised and urged to report an Illegal or Improper Conduct as soon as he/she discovers the commission or an intended commission of an Illegal or Improper Conduct or if he/she is instructed to participate in any Illegal or Improper Conduct.

How to make a report

4.5 In order to investigate the wrongdoing reported, the Whistleblower is to provide the following particulars in the report:

(a) particulars of Whistleblower (i.e. name, designation) and contact particulars (email, telephone or mobile number and/or address);

(b) details and description of the Illegal and Improper Conduct, including, its nature, the date, time, and place of its occurrence and the identity of the alleged person(s) involved. A disclosure may be made even if Whistleblower is not able to identify the identity of the person(s) involved;

(c) particulars of witnesses, if any; and

(d) documentary or other evidence, if any.

4.6 Anonymous reports are not encouraged as any follow up to ascertain the facts or to obtain further information for investigation purposes would be very difficult. The

Company may, however, consider investigating an anonymous allegation after having considered the following:

(a) the seriousness of the concern;

(b) the credibility of the concern; and

(c) the likelihood of confirming the concern from credible sources.

5. INVESTIGATION

5.1 The Prescribed Officer who receives the report will assess the report to determine whether it is related to an Illegal and Improper Conduct and shall make general recommendations to the Chairman. The Chairman may designate any person, from the Group or external party, to conduct any investigation or to carry out any other process pursuant to this Policy (e.g., meetings or an internal audit).

5.2 The Chairman has the authority to make the final decisions including, but not limited to, any of the following:

(a) determine the legitimacy of the report;

(b) directing the concerns or any part thereof for consideration for disciplinary procedures, if appropriate and applicable;

(c) resolution without recourse to an investigation;

(d) directing investigations on the report and any persons involved or implicated; suspending the alleged wrongdoer or any other implicated person from work to facilitate any fact finding or to avoid any employee's exposure to threat or harm;

(e) obtaining any other assistance (for instance, external auditors or legal advice);

(f) referral to the police or any other appropriate enforcement authority.

5.3 If the Illegal and Improper Conduct involves the Chairman, the report shall be made to another director of Samchem who shall refer this to the Board of Directors. The Board of Directors shall then authorise a Samchem director to be responsible for the investigation and recommendation to the Board of Directors. The Board of Directors shall have the authority to make the final decisions regarding the disclosure of Illegal and Improper Conduct.

5.4 The Management shall carry out the decisions of the Chairman / Board of Directors in relation to the findings of the investigation.

5.5 Where applicable, the Management shall institute the appropriate controls to prevent any further wrongdoings or damage to the Company

5.6 If the Whistleblower is implicated or discovered to be or have been involved in any wrongdoing, the Whistleblower may also be investigated so as to complete the fact-finding process. An investigation in this instance is not and shall not be treated as a reprisal against the Whistleblower, but to facilitate decision making.

6. REQUIREMENT OF GOOD FAITH

6.1 Since an allegation of Illegal or Improper Conduct may result in serious personal repercussions for the person that has allegedly committed an Improper Conduct, any person who intends to lodge any report of Improper Conduct shall ensure that the report of any Illegal or Improper Conduct is made in good faith.

6.2 The element of good faith shall be deemed to be lacking when:

(a) the person does not have personal knowledge or a factual basis for the report of Improper Conduct; or

(b) where the person knew or reasonably should have known that the report or any of its contents are false; or

(c) where the report is frivolous or vexatious; or

(d) there are any other circumstances that indicate that the report has been made with malicious intent, ulterior motive or for personal gain.

6.3 Any person that has not acted in good faith shall not be entitled to any protection under this Policy.

6.4 In addition, an Employee making allegations or reports that prove to have been made without good faith will be subject to disciplinary action (which may include termination of employment).

7. PROTECTION AGAINST DETRIMENTAL ACTION

7.1 An Employee who makes a report of an Illegal or Improper Conduct in in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions ("**Detrimental Action**") by the Company.

7.2 If the Whistleblower, in good faith, reasonably believes he/she is being subjected to Detrimental Action from any person within the Group as a consequence of having made a disclosure under this Policy, he/she may consult or report the Prescribed Officer. Any Employee who has engaged in retaliation will be subject to the appropriate disciplinary action.

7.3 The Company reserves the right to revoke the Whistleblower protection accorded under this Policy if the Whistleblower has, or is found to have:

(a) participated in the Illegal and Improper Conduct; and

(b) made a disclosure not in accordance with the requirements of this Policy (for instance, false, dishonest, mischievous or malicious complaints).

(c) The Employee breaches his/her obligations of confidentiality under this Policy.

7.4 A Whistleblower who has participated in an Illegal or Improper Conduct may be subject to disciplinary action. However, in certain circumstances, the Audit and Risk Management Committee may, in its discretion, on a case by case basis decides to grant leniency to the Employee.

8. PROTECTION OF CONFIDENTIAL INFORMATION

8.1 Reasonable steps will be taken to protect and maintain the confidentiality of the Whistleblower and report made by the Whistleblower.

8.2 However, there may be circumstances during the course of the investigation or where required by law where it is necessary to disclose the identity of the Whistleblower. In such circumstances, the consent of the Whistleblower shall be sought for the disclosure, and any such information to be disclosed shall be revealed on a 'need-to-know' basis.

8.3 The Whistleblower or any person who is involved in the investigation process, shall not disseminate to third parties information regarding the Illegal and Improper Conduct or any part thereof, including the status or outcome of an investigation into it, except:

(a) to those who are authorised under this Policy;

(b) by lodging a report with an enforcement agency in accordance with the Whistleblower Protection Act 2010 or any other prevailing law;

(c) if required by law; and

(d) on a strictly confidential basis to a professionally qualified lawyer for the purpose of obtaining legal advice.

8.4 The Whistleblower shall not:

(a) contact the suspected individual to determine facts or demand restitution;

(b) discuss the case, facts, suspicions, or allegations with anyone except to assist in the investigations.