

Whistleblowing Policy

Hup Seng Industries Berhad group of companies (“the Group”) are committed to conducting business in accordance with the Law and high ethical standards while promoting and maintaining transparency and accountability in business practices. The Group does not put up with statutory non-compliance, misconduct and malpractice by the employees and directors during the course of their work.

This whistleblowing policy (“The Policy”) is set up as a mechanism for employees, directors and external parties such as suppliers, customers and other stakeholders to raise their concerns and/or disclose information internally on the following conducts, in a responsible and effective manner:-

The Policy allows for reporting by employees or outside parties of such matters to the Audit Committee and subsequently Board of Directors (“the Board”) of the Group, without fear of reprisal, discrimination or adverse consequences, and also permits the Group to address such reports by taking appropriate action, including, but not limited to, disciplining or terminating the employment and/or services of those responsible.

- Corruption and bribery (such as conflicts of interest, sponsorships & donations, gifts or facilitation payments)
- Theft
- Violation of law and regulations
- Financial frauds (such as accounting manipulation, non-compliance with internal controls procedures, misappropriation of assets or fraudulent statements)
- Abuse of power and authority
- Malpractice within their workplace
- Attempts to conceal any of the above conducts

Reporting Process and subsequent action

Disclosure can be submitted via whistleblowing@hupseng.com . In order for the whistleblower to be protected under the policy; the whistleblower must disclose his/her name, NRIC number and contact details. The disclosure must at least have details of person(s) involved, nature of allegation, when and where the incident took place as well as supporting evidence, if any. The Group shall (i) record all reported complaints or concerns, (ii) consider the seriousness and credibility of the complaint or concern raised and (iii) proceed accordingly in determining the appropriate action. Some complaints or concerns may be resolved without requiring investigation.

On a case-to-case basis, the Group may also engage external auditors, investigators and/or legal counsel to assist in the investigation and analysis of the results thereof. The conclusions of the investigation shall be reviewed by the Audit Committee. The Audit Committee may decide on placing any investigation report before the Board of Directors depending on the gravity and magnitude of the violation.

Confidentiality

The Group will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

No discrimination or retaliation

The Group will ensure that there will be no discriminatory or retaliatory action against any employee or third party who reports a concern in good faith based on his/her personal knowledge. If a person believes that he or she has been retaliated, threatened, intimidated against for reporting or participating in an investigation, he/she should immediately report such perceived retaliation to the Audit Committee and the Board. All such reports will also be investigated confidentially.

Allegations made in bad faith and without any factual substance may result in disciplinary action or other appropriate reaction.

The Group may review and modify this Policy to maintain compliance with applicable laws and regulations, and operations policy within the Group.

This policy was approved by the Board on 14 February 2017.