



AYS VENTURES BERHAD

Company No. 925171-T
(Incorporated in Malaysia)

WHISTLEBLOWING POLICY

22 MAY 2018

OVERVIEW

The Whistleblowing Policy ('the Policy') is intended to directly support the Company's Core Values, Code of Ethics and Governance requirement. AYS Ventures Berhad ('the Company') places high value on the level of trust and integrity expected of its employees within its Group of Companies ('Group'). It is an avenue to encourage and enable employees and others to raise legitimate concerns to be objectively investigated and addressed within the Company prior to seeking resolution outside the Company.

In line with this, the Company and its Group has adopted the Policy that outlines the Group's commitment to ensure that employees and other stakeholders are able to raise genuine concerns in relation to breach of a legal obligation, miscarriage of justice, danger to health, safety and environment at the earliest opportunity without being subject to victimization, harassment or discriminatory treatment, and to have such concerns properly investigated. The Policy sets out the mechanism and framework by which employees, contractors, consultants and any other individuals or organization who have dealings with the Company can confidently voice concerns / complaints in a responsible manner without fear of discriminatory treatment.

Scope

The Policy applies to the Company and its Group of companies. All employees (whether permanent, contract, part-time or casual), Directors, Shareholders, Consultants, Vendors, Contractors, external agencies or any parties with a business relationship with the Company or its Group are encouraged to report genuine concerns in relation to breach of a legal obligation, miscarriage of justice, danger to health, safety and environment and to cover up of any of these in the workplace.

Definitions

Whistleblowing - This occurs when an employee / other stakeholder raises a genuine concern about a dangerous or illegal activity or improper conduct that he / she is aware of through his / her work / dealing.

Whistleblower – The employee / other stakeholder who discloses or reports the wrongdoing.

Policy

The Policy serves as a tool in preventing misconduct and the Company encourages the employees / other stakeholders to make any disclosures openly and honestly and that concerns / complaints raised will be treated fairly and properly.

All disclosures made under this Policy will be dealt with in a confidential manner. Disclosures received under anonymity will not be entertained to prevent invalid malicious reporting, poison letters, exploitation and victimization.

The Whistleblower is required to identify himself / herself and provide contact information in his / her report. This will facilitate the investigator to obtain further information, if required and communicate on results of investigation to the Whistleblower.

Improper Conduct

The following shall constitute “Improper Conduct” under this Policy:

- Incidents of fraud, corruption or bribery;
- Conduct or activity which breaches any law or regulatory obligation;
- Breach of the Company’s policies, practices, procedures or other rules of conduct;
- Improprieties in matters of financial reporting; and
- Situation which pose a danger to health, safety or any individual or significant danger to the environment

(Other improper conducts as provided in the following Appendix 1)

Communication Channel

Disclosure of information should initially and promptly be made by the Whistleblower to one or more of the following persons within the Company:

- En Mohamad Fazlin Bin Mohamad
(Chairman of the Audit Committee. Independent Non-Executive Director)
- Tuan Haj Mohd. Sharif Bin Haji Yusof
(Member of the Audit Committee. Independent Non-Executive Director)
- Ms Seow Nyoke Yoong
(Member of the Audit Committee. Independent Non-Executive Director)
- Dato’ Wan Hashim Bin Wan Jusoh
(Member of the Audit Committee. Independent Non-Executive Director)

b) Report or disclosure under this Policy can be made through e-mail: fazlin.mohamad@ays-group.com or mail (using the attached form as per Appendix 2) addressed to the above persons. The detail is as follows:

AYS Ventures Berhad
Lot 6488, Jalan Haji Abdul Manan,
42100 Klang,
Selangor Darul Ehsan

Employees who have raised concerns internally will be informed of who is handling the matter, how they can make contact with them and if there is any further assistance required.

Required Evidence

The Whistleblower should be able to provide the disclosure in writing, information regarding the type of activity or conduct, identity of the person(s) suspected as being involved, when it occurred and who was affected.

The Whistleblower must have first-hand knowledge or information of the facts, i.e. information obtained from third party or ‘hearsay’ will not be entertained. However, the Whistleblower should not be discouraged from making a report because they are unsure whether there is sufficient evidence to support their allegations.

Confidentiality and Protection

A Whistleblower must identify himself / herself when submitting a complaint / disclosure. Upon making the disclosure in good faith:

- The Whistleblower will be protected from any reprisal within the Company or its subsidiaries as a direct consequence of the disclosure. ('Reprisal' means disciplinary measures, demotion, suspension or termination of employment or service);
- Any form of retaliation against individuals who have reported a wrongdoing or who have facilitated with the investigations is a breach of the principal obligation of all staff members to uphold the highest values and integrity.
- The Whistleblower's identity shall be protected i.e. kept confidential unless otherwise required by law or for purposes of any proceedings by or against the Company;
- The identity and personal information of the Whistleblower and the alleged wrongdoer may be revealed to persons involved in the investigations or any other process.

Protection stated above will be accorded by the Company only when the Whistleblower satisfies all the following conditions:

- The disclosure is done in good faith;
- The whistleblower is aware that the information and any allegations disclosed are true;
- The whistleblower has not communicated the disclosure to any other party not related to the disclosure;
- The disclosure made is not for personal gain or interest.

The Whistleblower will be protected under the Whistleblower Protection Act 2010 ('the Act') if he or she makes a disclosure in good faith to an enforcement agency as per the Act. If a Whistleblower reasonably believes that he or she is being subjected to reprisal, including harassment and victimization, as a consequence of Whistleblowing, he may consult or report to the enforcement agency.

The Whistleblower and the alleged wrongdoer will be treated fairly. The Whistleblower will be informed of the status of his disclosure and the alleged wrongdoer will be given an opportunity to respond to all allegations at an appropriate time (not necessarily at the start, or during, the investigation).

The Company views seriously any false, malicious or defamatory allegation. This can be considered as gross misconduct where appropriate disciplinary action may be taken by the Company.

Suppliers/ Vendors of the Company and members of the public who become a Whistleblower will also be protected by the Company as to his / her / its identity subject to satisfying all conditions above

Employee and industrial relations related issues and human resources related issues are excluded from the operation of this Policy because they are other established mechanisms to raise such complaints.

Procedures

All complaints / disclosures should be addressed to the Audit Committee for further action.

The Committee shall have the authority to:

- determine the legitimacy of the disclosure;
- direct further action; and
- determine who should conduct the investigation i.e. engage external expertise, management or the Internal Audit Manager ('IAM').

If any of the Audit Committee members is suspected being involved in the improper conduct, he / she will automatically abstain from attending the meeting.

If, the IAM (or other assigned investigator) is tasked to investigate, he / she must take all reasonable steps to ensure that investigations regarding the disclosure are fair and unbiased.

The IAM (or other assigned investigator) will keep detailed records of all evidence gathered, interviews conducted and all records received which affect the outcome of the investigation.

Reporting

Upon conclusion of the investigation, the IAM (or other assigned investigator) will present the outcome of the investigation to the Audit Committee ('AC'). All Whistleblowing reports will be extended to the Risk Management Committee.

Action Subsequent to Report

If the AC is satisfied with the outcome of the investigation, it will communicate to management to proceed with action based on established policy and procedures for the necessary disciplinary action to be taken immediately. Instituting the disciplinary action will be the responsibility of Group Human Resource Department.

If the misconduct involves breach of statutory provisions, official report should be made to the relevant regulatory authorities. If the case is involving members of the Board of Directors ('the Board'), it will be deliberated by the BOARD OF DIRECTORS OF AYS VENTURES BERHAD.

Senior Management must also take into account recommendations contain in the investigation report to prevent the conduct from continuing or occurring in the future. Actions to be taken may also be directed to remedy any harm or loss arising from the conduct.

Where AC is of the view that the matter has not been satisfactorily resolved that resulting breach to Main Listing Requirements, AC has to promptly report it to Bursa Malaysia Securities Berhad.

Review of the Policy

The Board or AC can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with laws and regulation and / or accommodate organizational changes within the Company or Group. However, the modification made shall be effective after the same is circulated to employees in writing or electronically.

This policy is approved and adopted by the Board of Directors of **AYS Ventures Berhad** effective from 22 May 2018.

Appendix 1

List of Complaints under Whistleblowing Policy

The list of complaints / concerns includes, but are not limited to;

- Corruption or bribery
- Breaching of legal obligation
- Misuse of company information
- Any dishonest or fraudulent act
- Negligence in carrying out work obligations
- Any act of conflict of interest with suppliers, vendors or contractors
- Forgery or alteration of any document or account belonging to the company
- Forgery or alteration of a cheque, bank draft or any other financial document
- Misappropriation or theft of funds, supplies or other assets
- Providing or accepting gifts or material value to/from customers, contractors, vendors or other persons doing or attempting to do business with the Company or its Group of Companies that are intended to influence a business decision or selection process
- Destruction, removal or inappropriate use of the Company's records, furniture, fixtures and equipment
- Falsifying payroll records or overtime claims
- Falsifying travel and entertainment expenses and/or utilizing company funds to pay for personal expenses
- Fictitious reporting or receipts, delivery orders, etc from suppliers or shipment to customers
- Misappropriation of Company-owned computer hardware, software, data, etc
- Acceptance of fictitious quotations from suppliers, vendors or contractors in favouring for a particular entity
- Inventory or asset theft
- Impropriety (including financial and operational, etc. within the Company)
- Gross mismanagement within the Company (including serious potential breach to the interest of society and environment)
- Breach of code of ethics of the Company, including sexual, physical or other abuse of human rights
- Act and omission which jeopardises the health and safety of the company's employees or the public
- Any other detrimental wrongdoing which nature of the wrongdoing is subject to absolute discretion of the Committee

Appendix 2

Whistleblowing Form

WHISTLEBLOWING REPORT		
To:		
Incident Date & Time	Date:	Time:
Incident Location		
Name of alleged person/Division/Department		
Description/Circumstances of alleged incident (Please use attachment if necessary)	<ul style="list-style-type: none">• What, Who, When, Where, How, Witness• Please provide evidence to support claim	
Signature:		
Name:		
Department/Division/Company:		
Telephone No:		
Date:		

Note: It is necessary to provide your name and contact number so that we can contact you for additional information of the reported concern

WHISTLEBLOWING PROCEDURES FLOWCHART

