

WHISTLEBLOWING POLICY

1.0 Objectives

The Board of Directors ("the **Board**") of Kawan Renergy Berhad ("the Company") is committed to achieving and maintaining the highest standard of work ethics in the conduct of business in line with the Code of conduct & ethics and good corporate governance practices, the Company and its subsidiaries ("the **Group**") encourage its employees to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group.

This policy is to provide an avenue for all employees of the Group and members of the public to disclose any improper conduct in accordance with the procedures as provided for under this policy and to provide protection for employees and members of the public who report such allegations.

The policy is implemented to support to the following:

- a. Be committed to the Company's business ethics of Honesty, Integrity and Transparency;
- b. To provide a transparent and confidential process for all parties to give information on non-compliances to the Code of Ethics and Conduct, or any misconduct regardless of his or her position, to an independent party to investigate the allegations and take the appropriate actions; and
- c. To uphold the moral duty being a Company by protecting the interest of all its stakeholders.

This policy shall also similarly apply to any vendors, partners, associates or any individuals, including the general public, in the performance of their assignment or conducting the business for or on behalf of the Group.

2.0 Definition of Whistle blower

- 2.1 A person or entity making a protected disclosure is commonly referred to as a whistle blower. Whistle blowers provide initial information related to a reasonable belief that an improper activity has occurred. The motivation of a whistle blower is irrelevant to the consideration of the validity of the allegations.
- 2.2 The whistle blower's role is as a reporting party. They are not investigator or finders of fact, nor do they determine the appropriate corrective or remedial action that may be warranted. They do not have a right to participate in any investigative activities other than as requested by investigators.
- 2.3 However, the intentional filing of a false report, whether orally or in writing is itself considered an improper act, which the Group has the right to act upon.

3.0 Harassment or Victimization

- 3.1 Harassment or victimization for reporting concerns under this policy will not be tolerated.
- 3.2 Complete protection will be given to whistle blower against any unfair practice not limited to retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or including any direct or indirect use of authority to obstruct the whistle blower's rights to continue to perform his/her duties including making further disclosure.

4.0 Confidentiality and Anonymity

All whistle blowing reports are treated as confidential and or anonymous. The identity of a subject should be maintained in confidence to the extent possible given the legitimate needs of law and the investigation.

The Group gives the assurance that it will not reveal the identity of the whistle blower to any third party not involved in the investigation or prosecution of the matter. The whistleblower making the allegation will retain anonymity to all other employees and public unless he or she agrees otherwise. Where concerns cannot be resolved without revealing the identity of the employee raising the concern (i.e. if the evidence is required in court), a dialogue will be carried out with the employee concerned as to whether and how the matter can be proceeded. The only exception to this assurance relates to an overriding legal obligation to breach confidentiality. The Group is obligated to reveal confidential information relating to a whistle blowing report if ordered to do so by a court of law.

All whistle-blowing reports must be made in good faith with reasonable belief that the information and allegation is true and not frivolously/maliciously and not for personal gain; otherwise, disciplinary action may be taken against an employee whistleblower.

5.0 Procedures

5.1 Process for Disclosure

I) Impropriety

- a. It is important to note that in determining whether to report impropriety conduct, harm is not only measured in terms of monetary value lost, or damage to a particular business or project, but harm may also be done to the integrity and reputation of the Group itself.
- b. This policy covers:
 - i. Improprieties or irregularities in matters of financial reporting;
 - ii. Auditing matters including disclosures or subversions of any internal or external audit process.
 - iii. Suspected fraud or criminal offences;
 - iv. Unlawful activities such as corruption, bribery or blackmail;
 - v. Misuse of the Group's funds or assets;
 - vi. Deliberately or accidentally steal, damage, or misuse the data stored within the Group's computer systems and throughout the organization;
 - vii. Failure to comply with a legal or regulatory requirements;
 - viii. Breach of confidentiality;
 - ix. Miscarriage of justice;
 - x. Breach of the Group's Code of Conduct; or non-compliance with Group policies and procedures;
 - xi. Sexual assault, sexual harassment, including mild annoyances;
 - xii. Conduct of unfair competition internally or externally, by using of an individual's position or opportunity arising from/ available within the Group and that the gains/ advantages of the individual are conditional on the losses of others, where the gains/ advantages are made in ways which are illegitimate or unjust;
 - xiii. Providing or accepting gifts or any 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;
 - xiv. Falsifying payroll records or overtime claims;
 - xv. Falsifying travel and entertainment expenses and/or utilizing company funds to pay for personal expenses;
 - xvi. Fictitious reporting or receipts, delivery orders, etc from suppliers or shipment to customers;
 - xvii. Acceptance of fictitious quotations from suppliers, vendors or contractors in favouring for a particular entity;
 - xviii. Dangers to health and safety of employees or the public or the environment; and
 - xix. Concealment of any or a combination of the above.

II) Reporting

- a. Managers, officers and employees in supervisory roles shall report to the reporting person stated below any allegations of suspected improper activities whether received as a protected disclosure, reported by their subordinates in the ordinary course of performing their duties, or discovered in the course of performing their own duties — when any of the following conditions are met:
 - i. The matter is the result of a significant internal control or policy deficiency that is likely to exist at other units within the Group or across the internal control system;
 - ii. The matter is likely to receive media or other public attention;

- iii. The matter involves the misuse of the Company's resources or creates exposure to a liability in potentially significant amounts;
 - iv. The matter involves allegations or events that have a significant possibility of being the result of a criminal act (e.g., disappearance of cash or asset);
 - v. The matter involves a significant threat to the health and safety of employees and/or the public; or
 - vi. The matter is judged to be significant or sensitive for other reasons.
- b. Disclosure of information should initially and promptly be made by the Whistleblower to one or more of the following Whistleblowing Committee:
- Mr Loh Leng Sem (Chairperson)
 - Ms. Felicia Liew Li Ping
 - Mr. Chong Hon Choong
- c. Reports or disclosure under this Policy can be made through email at whistleblow@kawan-renergy.com.my or by hand to Kawan Reenergy Berhad's registered office via whistleblowing mailbox as of address in (d), using the attached form as per **KRB_COMP_POLICY_0006/I, Whistleblowing Reporting Form**.
- d. The detail of the mailing address is as followed:

**No.18, Lebuhr Perusahaan Kelebang 1,
IGB Industrial Park, 31200
Ipoh, Malaysia.**

III) Handling of a reported allegation

The action taken by the Group in response to a report of concern under this policy will depend on the nature of the concern. The Audit and Risk Committee of the Board of Directors shall receive information on each report of concern and follow-up information on actions taken.

5.2 Investigator

- a. The Chief Compliance Officer shall be the named Investigator unless otherwise assigned by the Audit and Risk Committee based on reasons stated below.
- b. Investigators must be/ appear impartial and independent to all parties concerned, have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
- c. Investigations should be launched only after preliminary consideration to establish that:
 - i. The allegation, if true, constitutes an improper act, and either:
 - ii. The allegation is accompanied by information specific enough to be investigated, or
 - iii. The allegation has or directly points to corroborating evidence that can be pursued. Such evidence may be testamentary or documentary.
- d. The Investigator is required to report all concerns raised, the status of all pending and on- going investigations, and any action taken or to be taken as a result of the investigations to the Audit and Risk Committee.

5.3 Investigation Subjects

- a. A subject is a person who is the focus of investigative fact finding either by virtue of an allegation made or evidence gathered during the course of an investigation. The decision to conduct an investigation is not an accusation; it is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support a conclusion that an improper act was committed and, if so, by whom.
- b. The identity of a subject should be maintained in confidence to the extent possible given the legitimate needs of law and the investigation.
- c. Subjects have a duty to cooperate with investigators to the extent that their cooperation will not compromise self-incrimination protections under state or federal law. Subjects have a right to consult with a person or persons of their choice. This may involve representation, including legal representation.

5.4 Inquiries

- a. Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation.
- b. The amount of contact between the whistle blower and the Investigator will depend on the nature of the issue and the clarity of information provided.
- c. Further information may be sought from or provided to the person reporting the concern.
- d. If an investigation leads the Investigator to conclude that a crime has probably been committed, the results of the investigation shall be reported to the Police or other appropriate law enforcement agency.
- e. If an investigation leads the Investigator to conclude that the suspect has engaged in conduct that may be a violation of the Group's Code of Conduct, the results of the investigation shall be reported to the Audit and Risk Committee in accordance with the applicable procedures for company conduct and the administration of discipline. Any charges of misconduct brought as a result of an investigation under this policy shall comply with established disciplinary procedures.
- f. Consultation with the Audit and Risk Committee is required before negotiating or entering into any restitution agreement resulting from the findings of an investigation.
- g. The outcome of the investigation will be communicated to the whistle blower.

6.0 Approval, Monitoring and Periodic Review of Policy

The Policy is approved by the Board.

The Audit and Risk Management Committee is responsible for the interpretation and supervision of the enforcement of this Policy.

The Group must diligently monitor these procedures to ensure that they meet the objectives of relevant legislations and remain effective for the Group, and, if necessary, implement changes subject to the approval of the Group's Board of Directors.

The policy is to be regularly reviewed by the board as and when required.