



Whistleblowing Policy

30th July 2021

MTT Shipping and Logistics Berhad (“MTTSL”) and its subsidiaries (collectively referred to as “the Group”) requires directors, management and employees to observe high standards of transparency, integrity, impartiality and accountability in the conduct of their duties and responsibilities. The Group expects wrongdoings, such as, fraud, corruption, serious financial impropriety and gross mismanagement to be reported.

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Introduction

Purpose and Background

- (i) MTTSL is committed to upholding the highest standards of lawful and ethical conduct by demonstrating honesty, fairness, transparency, and accountability in all our conduct and dealings.
- (ii) The Whistleblowing Policy (“**Policy**”) is designed to enhance the Group’s corporate governance by fostering an environment where integrity and ethical behaviour is maintained.
- (iii) The purpose of this Policy is to establish a formal and confidential channel enabling everyone who has a relationship with MTTSL to report in good faith, for instances of actual or suspected misconduct, violation of Code of Conduct, illegal and unethical behaviour and/or improper conducts that could adversely affect the Group, its Stakeholders and the public at large, without fear of being subject to Detrimental Action.

Definitions

The definitions of some key terms used in this Policy are as follows:

- (i) “**Detrimental Action**” refers to:
 - a. Interference with the lawful employment or livelihood of any person, including unfair dismissal, victimisation, demotion, suspension, discrimination, disadvantage or adverse treatment in relation to a person’s employment, profession, trade or business or the taking of disciplinary action;
 - b. Action causing injury, loss or damage;
 - c. Intimidation or harassment; and
 - d. A threat to take any of the above actions.
- (ii) “**Disclosure**” means any communication that discloses or demonstrates information that may provide evidence of Improper Conducts.
- (iii) “**Employee**” refers to any person under the employment of the Group, including permanent, contractual or temporary employment; and directors along with executives.
- (iv) “**Stakeholder**” refers to:
 - a. An employee of the Group;
 - b. A director of the Group;
 - c. A shareholder of MTTSL;
 - d. A customer, vendor, contractor, partner, agent, consultant or third-party intermediary engaged by the Group; and
 - e. Any authorised representative of recognised unions of employees of the Group.
- (v) “**Improper Conduct**” means any conduct which if proved, constitutes a criminal offence, a malpractice or a wrongdoing and may include but is not limited to any of the following:
 - a. Breach of any statutes, laws, regulations or rules applicable to the Group;
 - b. Fraud, financial malpractice and/or impropriety, dishonesty, cheating, falsification or attempt of the same;
 - c. Soliciting or accepting bribe or any illegal gratifications;
 - d. Any breach of the Group’s Employee Code of Conduct;
 - e. Gross mismanagement;
 - f. All forms of intimidation and/or harassment;
 - g. Any other action that would cause significant harm to the Group, Employees, the environment or any person(s); and

- h. Deliberate concealment of information concerning any of the matters listed above.
- (vi) “Investigator” refers to any person authorised, appointed, consulted or approved by the Managing Director in consultation with the Audit Committee, and may include but is not limited to auditors of MTTSL and the police.

Applicability

- (i) This Policy applies to and covers all reports of Improper Conduct made against any directors, officers, Employees, agents, vendors, contractors or subcontractors of the Group. It also applies to and covers all reports made against any other individuals acting for and/or representing the Group.
- (ii) A report of Improper Conduct may be made by any Employee or any external party who has knowledge that an Improper Conduct has been committed by any directors, officers, Employees, agents, vendors, contractors or subcontractors of the Group.
- (iii) This Policy is intended to assist whistleblowers who believe that they have discovered a malpractice or impropriety and shall not be used as a channel to question financial or business decisions made by the board of directors of MTTSL or the management of the Group or to revisit any matters which have already been addressed under established harassment, complaint or disciplinary procedures.

Whistleblowers

What Is Whistleblowing?

Whistleblowing is a voluntary disclosure or reporting of individual or organisational malpractice by a person, i.e. the whistleblower, who has access to data, events or information about a suspected, anticipated or actual commission of Improper Conduct within the Group or by an organisation that is within the Group’s ability to control.

Protection To Whistleblowers

- a. All Employees, Stakeholders and members of the public are eligible to act as whistleblowers to lodge any report of Improper Conduct under this Policy.
- b. The Group will offer complete protection to whistleblowers against any Detrimental Action provided that:
 - (i) The Disclosure was made in good faith for the best interest of the Group and not for personal gain or interest;
 - (ii) The whistleblower has not himself participated in the Improper Conduct reported and the Disclosure was not made solely or substantially with the motive of avoiding dismissal or other disciplinary actions; and
 - (iii) The Disclosure was made via the appropriate channel and procedures as stipulated in this Policy.
- c. The element of good faith could be deemed lacking when:
 - (i) The whistleblower does not have personal knowledge or factual basis for the report of the Improper Conduct;
 - (ii) The whistleblower knew or should have reasonably known that the report or any of its contents are false;
 - (iii) The report is frivolous or vexatious; or

- (iv) There are any other circumstances indicating that the report has been made with malicious intent, ulterior motive or for personal gain.
- d. An Employee making allegations or reports that prove to be made without good faith will be investigated and may be subject to disciplinary actions, including termination of employment depending on the severity.
- e. Any Employee who has been subject to Detrimental Action despite reporting in good faith may file a complaint pursuant to this Policy and the same procedures for investigation in reports of Improper Conduct shall apply.
- f. An Employee who takes any Detrimental Action against any Employee who has made a report of Improper Conduct in good faith shall be subject to disciplinary action, which may include termination of employment.

Confidentiality

The Group will take all reasonable steps to maintain the confidentiality of all Disclosures including the fact that a report has been filed, the nature of the alleged Improper Conduct and the identity of alleged wrongdoer and the identity of the whistleblower.

Anonymous Allegations

- (i) The Group encourages whistleblowers to disclose their names when making a Disclosure.
- (ii) While Disclosures made anonymously are less credible, they may be considered at the discretion of the Managing Director. Where the Managing Director is implicated, the credibility of such disclosures will be reviewed by the Senior Independent Director/Audit Committee.
- (iii) In exercising his discretion, factors to be taken into consideration include but are not limited to the following:
 - a. The seriousness of the issue;
 - b. The credibility of the issue;
 - c. The number of individuals that could be adversely affected should the allegation be true; and
 - d. The likelihood of confirming the allegation from related sources.

Procedure For Making a Disclosure

Raising a Concern

A whistleblower shall make a confidential report of Improper Conduct in writing providing full details of the Improper Conduct and where possible, evidences in support of the Disclosure using the online form on the Group's website: www.mttsl.com.my

Investigation Procedures

- (i) The Head of Compliance will conduct a preliminary investigation of the report of Improper Conduct received to determine whether there are merits to initiate a formal investigation.
 - a. The findings and recommendations of the preliminary investigation shall be referred to the Managing Director for a decision on whether to close the case or to proceed to a formal investigation of the allegation. Where the Managing Director is implicated, the findings and recommendations of the preliminary investigation shall be referred to the Senior Independent Director for review and to decide whether a formal investigation is required.

The subsequent investigation procedures will also be referred to the [Senior Independent Director for review and subsequent decision-making.

- (ii) In the event a formal investigation is to be conducted, the Managing Director shall appoint and/or involve any Investigator with appropriate expertise and information that would be able to conduct the investigation without undue influence or conflict of interests.
- (iii) The Managing Director may further engage independent experts and consultants to assist in the conduct of the investigation and the relevant terms of appointment shall be approved by the Audit Committee.
- (iv) In the event a full investigation is to be conducted on a report of Improper Conduct by the Managing Director and the Audit Committee decides to appoint an external independent party to conduct or to assist in conducting the investigation, the terms of appointment of the said external independent party shall be approved by the Audit Committee.
- (v) The decision to conduct an investigation taken by the Managing Director shall be treated as a neutral fact-finding process without the presumption of guilt on the alleged wrongdoer.

Findings of Investigation

- (i) The alleged wrongdoer against whom the allegation of Improper Conduct has been made shall be informed of the allegation at the outset of a formal investigation. The alleged wrongdoer shall:
 - a. Be asked to attend a meeting with the Investigator to discuss the allegation and must take all reasonable steps to attend the meeting;
 - b. Be given an opportunity to reply to the allegation at the meeting, make an appeal and his answers shall be recorded by the Investigator; and
 - c. Give their full co-operation in the investigation or any process carried out pursuant to this Policy.
- (ii) Upon the conclusion of a formal investigation, the Investigator shall report his findings to the Managing Director. The Managing Director shall assess the findings of the investigation and decide if an Improper Conduct has indeed been committed.
- (iii) In the event that it is concluded that an Improper Conduct has indeed been committed:
 - b. Where the Managing Director is not implicated, the investigation report shall be reviewed by the Managing Director. Upon review of such investigation report, the Managing Director will identify and recommend to the Audit Committee the corrective action to be taken to mitigate the risks of such Improper Conduct recurring and the appropriate disciplinary action to be taken against the wrongdoer; or
 - c. Where the Managing Director is implicated, the investigation report shall be reviewed directly by the Audit Committee. Upon review of such investigation report, the Audit Committee will identify and recommend the corrective action to be taken to mitigate the risks of such Improper Conduct recurring and the appropriate disciplinary action to be taken against the wrongdoer.
- (iv) Subject to any prohibition in law or any legal requirements, the whistleblower is to be informed that the investigation has been completed and the findings have been presented to the Audit Committee.

Decision

- (i) In a case where the Managing Director reviewed the investigation and made a determination whether the allegation was substantiated or not, a final report together with recommendation of the Managing Director will be tabled to the Audit Committee. The Audit Committee will review the final report and decide on the corrective action to be taken and/or the disciplinary action to be taken (if any).
- (ii) In a case where the Audit Committee reviewed the investigation and made a determination whether the allegation was substantiated or not, a final report together with the recommendations of the Audit Committee will be tabled at the Board of Directors. The Board of Directors will review the final report and decide on the corrective action to be taken and/or the disciplinary action to be taken (if any).
- (ii) The Head of Compliance will inform the whistleblower that the investigation has been completed and the findings have been presented to the Audit Committee or the Board of Directors as the case may be.
- (iii) The whistleblower will be informed of the outcome of the investigation and action taken, if any, by the Company, the relevant disciplinary authority, the employer or the Public Prosecutor, as the case may be.

Corrective Action

The management shall carry out the decisions of the Audit Committee in relation to the findings of the investigation. Where applicable, the management shall institute the appropriate controls to prevent any further wrongdoings or damage to the Group.

Record Keeping

All information, documents, records and reports relating to the investigation of an Improper Conduct shall be kept securely to ensure its confidentiality.

Amendments

MTTSL reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. This Policy shall be published on MTTSL's website for external parties and the public to be aware of the available reporting channels to raise concerns of Improper Conducts.

Contact Point for Whistleblowing Policy

Corporate Affairs Department/Compliance Department

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