

## WHISTLEBLOWING POLICY AND PROCEDURES

### Background and Purpose

Whistle-blowing is a form of Disclosure. It involves a Person, i.e. the whistleblower, who raises serious concerns at an early stage about risks of wrongful activities or reporting a wrongdoing. For the purpose of this Policy, 'Person' includes any person who is employed by any companies in the Group, as well as those described in the "*Who Can Disclose*" section set out on page 2 of this Policy.

Iskandar Waterfront City Berhad (the "Company" or "IWCITY") is committed to the values of transparency, integrity and accountability in the conduct of its business and affairs. It expects wrongdoings, including suspected ones, such as fraud, corruption, serious financial impropriety and gross mismanagement to be reported, and facilitates this through internal mechanisms.

### Statement of Policy

The purpose and objectives of this Policy are to:

- to facilitate the making of a disclosure as early as possible and in a responsible manner by putting into place internal procedures;
- to address a disclosure in an appropriate and timely manner. When disclosure matters are addressed, they may be prioritised according to the nature or gravity of the alleged wrongdoing(s) or reported risk(s) and the magnitude of the repercussions;
- to protect a whistle-blower from reprisal as a direct consequence of making a disclosure and to safeguard such person's confidentiality; and
- to treat both the whistle-blower and alleged wrongdoer fairly.

This Policy provides an alternative route for Persons of IWCITY to raise concerns if the usual lines of communication are not available. Nothing in this Policy shall interfere with other established operational policies and processes.

For the purpose of this Policy, 'employee' includes any person who is employed by IWCITY or its subsidiaries.

### Monitoring and review

In general, all disclosures pursuant in this Policy are to be made to the Prescribed Officer who is an officer of IWCITY designated by the Chief Operating Officer ("COO") from time to time. The Company Secretary (or equivalent) shall be the Prescribed Officer.

The Prescribed Officer is responsible for ensuring compliance with this Policy and will prepare a report which consists of confidential complaints which include the following information:

- number of complaints;
- types of complaints;

- nature of process or resolution; and
- whether or not the allegation was founded.

This report will be used for statistical purposes only and presented to the Board of Directors of IWCB on an **annual basis**.

The Board will be apprised of disclosure matters which are serious in nature or of grave repercussions.

### **Reporting procedures**

Persons should first consult or raise their concerns to the COO and Senior Management to EVC or Executive Directors. However, if their complaints or concerns remain unresolved, this Policy provides a facility for such Persons to make formal disclosures to be escalated to the relevant channel detailed on the Contact Information section at the end of this Policy.

#### *1) Who can disclose*

Any of the following Persons (“whistle-blower”) can make a disclosure:

- employees of IWCITY and its subsidiaries (the “Group” or IWCITY Group”), including employees on contract terms, temporary or short-term employees and employees on secondment, where applicable;
- people performing services for the IWCITY Group, including contractors and service providers; and
- members of the public who are natural persons, not being incorporated or unincorporated bodies.

#### *2) What to disclose*

A disclosure may be made if it relates to one or more of the following wrongdoings by any person in the conduct of the Group’s business or affairs:

- acceptance of favour;
- corruption or fraud;
- criminal offence;
- misuse of the Group’s funds or assets;
- gross mismanagement within the Group;
- serious financial irregularity or impropriety within the Group;
- serious breach of the Group’s Code of Conduct/Ethics;
- an act or omission which creates a substantial or specific danger to the lives, health, or safety of the Group’s employees, the public or the environment;

- failure to comply within the provisions of other laws and regulations where the wrongdoer, knowingly, disregards or does not comply with such provisions; and
- knowingly directing or advising a person to commit any of the above wrongdoings.

If a Person is unsure whether a particular act or omission constitutes a wrongdoing under this Policy, the Person is encouraged to seek advice or guidance from the Person's immediate superior or head or, when necessary, the COO.

3) *When to disclose*

A whistle-blower should come forward with any information or document that he/she, in good faith, reasonably believes and discloses a wrongdoing, which is likely to happen, is being committed or has been committed.

The whistle-blower needs to demonstrate that he/she has reasonable grounds for the concerns. However, the whistle-blower is not expected to first obtain substantial evidence of proof beyond reasonable doubt when making a disclosure. If the whistle-blower knows as a matter of fact that there are reasonable grounds of suspicion that a wrongdoing is going to take place, such genuine concerns should be raised at an early stage.

Disclosure should be made immediately and not later than one (1) week of coming upon such information or document. Delaying the disclosure may be detrimental to the whistle-blower as well as any investigation that will be carried out, and makes it harder for the Group to address and resolve the concerns.

4) *How to proceed*

Generally, all disclosure pursuant to this Policy are to be made to the Prescribed Officer except in the circumstances specified below.

- a) A disclosure can be made in writing, orally or via electronic mail ("email").
- b) The Prescribed Officer will commit to documenting a disclosure if it is made verbally and the whistle-blower is to confirm the written statement. As far as reasonably practicable, such disclosure will be made in a private room within the premises of IWCITY, its subsidiaries or any other suitable places.
- c) A disclosure shall include at least the following particulars:
  - if the whistleblower is an employee of IWCITY or its subsidiaries the whistle-blower's name, designation, current address and contact numbers; or
  - if the whistleblower is not an employee of IWCITY or its subsidiaries, the whistle-blower's name, name of employer and designation, current address and contact number;
  - basis or reasons for the whistle-blower's concerns including as many details of the wrongdoing as reasonably possible, for instance, its nature, the date, time, and place of its occurrence and the identity of the alleged wrongdoer;
  - particulars of witnesses, if any; and

- particulars or the production of documentary evidence, if any.

The whistle-blower may be asked to provide further clarification and information from time to time, for example, if an investigation is conducted.

- d) The Prescribed Officer will screen and assess the disclosure to determine whether it is related to a wrongdoing or excluded from the scope of this Policy, and will prepare general recommendations to the deciding authority, i.e. either the Audit Committee or the Board, as the case may be. This initial process should not take more than **two (2) weeks** from the day the Prescribed Officer receives a disclosure. It may be completed immediately if the wrongdoing is capable of causing irreparable harm to the Group.
- e) A disclosure can be made directly to the Audit Committee (“AC”) Chairman in either of the following circumstances:
  - where the wrongdoing involves the Prescribed Officer;
  - where the wrongdoing does not involve the Prescribed Officer but the whistleblower, in good faith, reasonably believes that there may be a cover-up or that the Prescribed Officer may be personally conflicted (for instance, the Prescribed Officer is a close friend of the alleged wrongdoer); or
  - where the wrongdoing involves the COO or a Director.

Where the wrongdoing involves the AC Chairman, the disclosure should be made to the Chairman of the Board.

The AC Chairman or the Chairman of the Board, as the case may be, has the authority to make the final decisions, including, but not limited to any of those mentioned clause (f) below. The AC Chairman or the Chairman of the Board, as the case may be, may designate any persons, other than the Prescribed Officer, from within or without IWCB to conduct any investigation or to carry out any other process pursuant to this Policy (for instance, any meeting or an internal audit).

- f) Following Paragraph (d) above, the disclosure together with the general recommendations will be referred by the Prescribed Officer to the AC Chairman who has the authority to make final decisions.
- g) If the disclosure involves the COO or a Director (including AC Chairman) or any other persons, following Paragraph (e) above, the disclosure will be referred directly to the AC Chairman or the Board Chairman, as the case may be, who will then be responsible for the investigation and recommendation to the Board of Directors of IWCB. The Board of Directors has the authority to make final decisions.

If the Person would like to discuss any matter with the AC, the employee should indicate this in the submission and include a telephone number at which the whistle-blower might be contacted if the AC deems appropriate. Any such envelope received by the Company Secretary shall be forwarded promptly and unopened to the AC Chairman or Board Chairman, as the case may be.

#### **Being informed and having the opportunity to be heard**

The whistle-blower will be informed of the status of the disclosure. The alleged wrongdoer will be informed of the allegations (though not necessarily at the start of the investigation) and be given an opportunity to respond to the allegations. The identities and personal information of the

whistle-blower and the alleged wrongdoer will be revealed only to persons involved in investigations or any other processes on a “need-to-know” basis only.

The whistle-blower will be informed of the status of the disclosure matter as far as reasonably practicable. The whistle-blower and the alleged wrongdoer are expected to give their full cooperation in any investigation or any other process carried out pursuant to this Policy.

In the event the whistle-blower is implicated or discovered to be or have been involved in any wrongdoing, the whistle-blower may also be investigated so as to complete the fact-finding process. An investigation is not and shall not be treated as a reprisal against the whistle-blower. It is to facilitate decision making.

The whistle-blower, and if applicable, the alleged wrongdoer will be notified in writing of the decision on the wrongdoing (e.g. whether the wrongdoing occurred or not; or whether the alleged wrongdoer is guilty or not), and the basis thereof.

#### **Handling/ discussion of an investigation**

- 1) No information concerning the status of an investigation will be given out. The proper response to any inquiry is: *“I am not at liberty to discuss this matter”*.
- 2) Under no circumstances should any reference be made to “the allegation,” “the crime,” “the fraud,” “the forgery,” “the misappropriation,” or any other specific reference.
- 3) The reporting individual should be informed of the following:
  - not to contact the suspected individual in an effort to determine facts or demand restitution; and
  - not to discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Prescribed Officer.

#### **Consequences of wrongdoing or wrongful disclosure**

If the Person (i.e. the whistle-blower) of the IWCITY Group has, or is found to have:

- committed a wrongdoing;
- taken serious risks which would likely cause a wrongdoing to be committed;
- made a disclosure not in accordance with the requirements of this Policy (for instance, dishonest, mischievous or malicious complaints); or
- participated or assisted in any process pursuant to this Policy otherwise than in good faith,

the corrective actions to be taken against that Person will be determined by the COO or, if so delegated by the COO, the Senior Management, which may include, disciplinary measures, formal warning or reprimand, demotion, suspension or termination of employment or services with the IWCB Group or monetary or other forms of punishment.

#### **Protection under this Policy**

Upon making a disclosure in good faith, based on reasonable grounds and in accordance with the procedure pursuant to this Policy:

- the whistle-blower will be protected from reprisal within the IWCITY Group as a direct consequence of the disclosure; and
- the whistle-blower's identity will be protected, i.e. kept confidential unless otherwise required by law or for the purpose of any proceedings by or against the IWCITY Group.

The identities and personal information of the whistle-blower and the alleged wrongdoer may be revealed to persons involved in investigations or any other processes on a "need-to-know" basis.

The Prescribed Officer shall retain as a part of the records, any such complaints or concerns for a period of no less than seven (7) years. The Audit Committee shall retain as a part of the records of the Audit Committee, any such complaints or concerns for a period of no less than seven (7) years.

If the Person of IWCITY Group, in good faith, reasonably believes he/she is being subjected to harassment, victimisation or reprisal as a direct consequence of having made a disclosure under this Policy, he/she may consult the Prescribed Officer in confidence. Essentially, the complaint will be processed in a similar manner as a whistle-blowing disclosure and is subject to similar requirements. The Company does not permit retaliation of any kind against the whistle-blower for complaints submitted hereunder that are made in good faith. Any such reprisal will in itself be considered a serious breach of this Policy.

### **Administration**

This Policy may be reviewed and amended from time to time, as and when necessary, to ensure its relevance and effectiveness in keeping with the Group's changing business environment or administrative or operational needs.

#### **Contact Information**

##### **Company Secretary**

#G 08, Block 8, Danga Bay  
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##### **Audit Committee Chairman**

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