

WHISTLEBLOWER POLICY

1. Background

Whistleblowing is a form of disclosure. It involves a Person, i.e. the Whistleblower, raising serious concerns about risks of wrongful activities or reporting a wrongdoing. Boilermech Holdings Berhad (“Boilermech” or the “Company”) and its subsidiaries (“Boilermech Group” or the “Group”) are committed to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs.

Boilermech Group expects actual and potential wrongdoings such as fraud, corruption, serious financial impropriety and gross mismanagement (“Wrongdoings”) to be reported, and it facilitates this through internal mechanisms as well this Whistleblowing Policy (this “Policy”) and its mechanism.

2. Scope of Policy

The purpose and objectives of this Policy are:

- to facilitate the making of a disclosure relating to a Wrongdoing (“Disclosure”) as early as possible and in a responsible manner;
- 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 Wrongdoings or reported risk(s) and the magnitude of the repercussions;
- to protect a Whistleblower from reprisal as a direct consequence of making a Disclosure and to safeguard such the Whistleblower; and
- to treat both the Whistleblower and alleged wrongdoer fairly. The Whistleblower will be informed of the status of his/her Disclosure. The alleged wrongdoer will be informed of the allegations (though not necessarily at the start of investigation) and given an opportunity to respond to the allegations. The identities and personal information of the Whistleblower and the alleged wrongdoer shall only be revealed to persons involved in investigations or any other processes on a “need-to-know” basis only.

3. Reporting procedures

This Policy is intended to complement the normal channels of communication and reporting lines within Boilermech Group. The Group’s employees and stakeholders shall first consult or raise their concerns via the normal communication channels. For example, employees shall first communicate with their immediate superiors or heads or, when necessary, the Managing Director. However, if their complaints or concerns remain unresolved, or if they genuinely and reasonably believe that it may not be appropriate to raise their concerns via the normal communication channels, this Policy provides a facility for formal disclosures or escalation of such concerns.

3.1 Who Can Disclose?

Any of the following persons can make a Disclosure:

- Boilermech Group's employees, including employees on contract terms, temporary or short-term employees and employees on secondment, where applicable;
- people performing services for Boilermech Group, including contractors and service providers;
- persons who have business dealings with the Group; and
- members of the public.

3.2 What to Disclose

A Disclosure may be made if it relates to a Wrongdoings by any person in the conduct of Boilermech Group's business or affairs, including but not limited to the following:

- acceptance of illegal or questionable favour;
- corruption or fraud;
- criminal offence;
- misuse of Boilermech Group's funds or assets;
- gross mismanagement within Boilermech Group;
- serious financial irregularity or impropriety within Boilermech Group;
- serious breach of Boilermech Group's applicable Code of Ethics documents;
- an act or omission which creates a substantial or specific danger to the lives, health, or safety of Boilermech Group's employees, the public, or the environment;
- failure to comply with the provisions of other Acts of Parliament 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.

This Policy excludes grievances, complaints or concerns about:

- matters which are trivial or frivolous or malicious or vexatious in nature or solely motivated by personal agenda or ill will;
- matters pending or determined through Boilermech Group's disciplinary proceedings; and
- matters pending or determined through any tribunal or authority or court, arbitration or other similar proceedings.

A Wrongdoing may occur in the course of Boilermech Group's business or affairs or at any workplace e.g. any related workplace to Boilermech Group's businesses or affairs, for example, on Boilermech Group's premises, at an event organised by Boilermech Group, or during a conference attended by Boilermech Group's employees in the course of his/her work.

If a person is unsure whether a particular act or omission constitutes a Wrongdoing under this Policy, he/she is encouraged to seek advice or guidance, if he/she is a Boilermech Group personnel, from the immediate superior or head or, when necessary, the Managing Director, or if he/she is an external stakeholder of the Group, his/her liaison within the Group.

3.3 When to Disclose?

A Whistleblower should come forward with any information or document that he or she, in good faith, reasonably believes and discloses a Wrongdoing is likely to happen, is being committed, or has been committed.

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

Disclosure should be made within one (1) month of coming upon such information or document. Preferably, Disclosure is to be made as early as practicable. Delaying the Disclosure may be detrimental to the Whistleblower and/or the Group as well as impeding effective investigation and makes it harder for the Group to address and resolve the concerns.

3.4 How to Proceed?

Procedures for Disclosure

- (a) A Disclosure can be made in writing, orally or via electronic mail (“email”)
- (b) A Disclosure shall include at least the following particulars:
- if the Whistleblower is an employee of Boilermech Group, his/her name, designation, current address and contact numbers; or
 - if the Whistleblower is not an employee of Boilermech Group, his /her name, name of employer and designation, current address and contact numbers;
 - basis or reasons for his/her concerns, including as many details as reasonably possible, in relation to the Wrongdoing, 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 production of documentary evidence, if any.

The Whistleblower may be asked to provide further clarifications and information from time to time, for example, if an investigation is conducted

- (c) A Whistleblower who wishes to make an anonymous whistleblowing report is advised that Boilermech Group’s ability to investigate and act on the alleged Wrongdoing may be limited to the extent of the contents of the whistleblowing report. Whistleblowers are hence encouraged to provide their identities to facilitate the investigation process.

Reporting to a Prescribed Person

- (d) Generally, all Disclosures pursuant to this Policy are to be made to a Prescribed Person except in the circumstances specified below.

The Prescribed Persons are currently the Managing Director and the Deputy Managing Director.

- (e) The Prescribed Person shall commit to writing and documenting a Disclosure made verbally and the Whistleblower is to confirm the written statements. As far as reasonably practicable, such Disclosure shall be made in a private room within Boilermech Group's premises.
- (f) The Prescribed Person will screen and assess the Disclosure to determine whether it is related to a Wrongdoing or excluded from the scope of this Policy, and shall consider the next course of action, referred to in **Paragraph 3(g)** below.

This initial process should not take more than **two (2) weeks** from the day the Prescribed Person receives the Disclosure. It may be completed immediately if the wrongdoing is capable of causing irreparable harm to Boilermech.

- (g) A response to a Disclosure includes, but not limited to, any of the following:
- rejection of the Disclosure;
 - directing the concerns or any part thereof for consideration under other internal procedures or disciplinary procedures, if appropriate and applicable;
 - resolution without recourse to an investigation;
 - directing investigations of the Disclosure and any persons involved or impacted;
 - suspending the alleged wrongdoer or any other implicated persons from work to facilitate any fact-finding or to avoid any employee's exposure to a threat or harm;
 - designating any persons from within or without Boilermech to conduct any investigation or to carry out any other process pursuant to this Policy (for instance, any meeting or an internal audit);
 - obtaining any other assistance (for instance, external auditors or legal advice);
 - escalating the Disclosure to the Audit Committee Chairman; and
 - referral to the police or any other appropriate enforcement authority.
- (h) The Managing Director shall have the authority to make any final decision in relation to any Disclosure directed to a Prescribed Person.

Reporting to the Audit Committee Chairman

- (i) A Disclosure shall be made directly to the Audit Committee Chairman if the Wrongdoing involves the Prescribed Person(s) or a Director of the Company.
- (j) A Disclosure can be also made directly to the Audit Committee Chairman in any of the following circumstances:
- where the Wrongdoing does not involve the Prescribed Person(s) but the Whistleblower, in good faith, reasonably believes that there will be a cover-up or that the Prescribed Person(s) is personally conflicted (for instance, the Prescribed Person(s) is a close friend of the alleged wrongdoer);
 - where a Disclosure had been made to the Prescribed Persons in accordance with **Paragraph 3(d)** above and the Whistleblower is, with reasonable grounds, dissatisfied with the outcome in relation to the Disclosure.
- (k) A Whistleblower who intends to make a Disclosure in accordance with **Paragraphs 3(i)** or **(j)** above may be guided by the following:

(i) for a physically written (or printed) Disclosure, the Whistleblower may forward his/her Disclosure in a sealed envelope to the Audit Committee Chairman, in care of the Company Secretary.

If the Whistleblower would like to discuss any matter with the Audit Committee Chairman, the Whistleblower should indicate this in the submission and include a telephone number at which he/she could be contacted; or

(ii) the Whistleblower may contact the Audit Committee Chairman directly via the email address as provided in the **Contact Information** section of this Policy.

(l) In relation to a Disclosure made pursuant to **Paragraph 3(i)** or **(j)** above, the Audit Committee Chairman shall have the authority to decide on the next course of action as well as making the final decision, including, but not limited to, any of those mentioned in **Paragraph 3(g)** above.

The Audit Committee Chairman may designate any persons, other than the Prescribed Persons, from within or without the Group to conduct any investigation or to carry out any other process pursuant to this Policy (for instance, any meeting or an internal audit).

(m) If the Disclosure involves the Prescribed Person(s) or a Director of the Company, pursuant to **Paragraph 3(i)** above, the Audit Committee Chairman shall then be responsible for the investigation and recommendation to the Board of Directors of Boilermech (without the presence of the conflicted Directors), which has the authority to make final decisions.

Oversight of handling of Disclosures

(n) The Audit Committee shall be updated on a quarterly basis, on the number of Whistleblowing cases made pursuant to **Paragraph 3(d)** above, including the type of Disclosures, summary of handling process and resolution, and whether allegations relating to the Disclosures were founded, with due consideration to the confidentiality of the Whistleblowers' identities;

(o) The Audit Committee shall be kept updated on the progress and handling of Disclosures made pursuant to **Paragraph 3(i)** or **(j)** above, without the presence of conflicted parties (i.e. any conflicted Directors).

4. Being informed and having the opportunity to be heard

The Whistleblower will be informed of the status of his/her Disclosure as far as reasonably practicable. The Whistleblower and the alleged wrongdoer are expected to give their full cooperation in any investigation or any other process carried out pursuant to this Policy.

The investigation and related proceedings pursuant to this Policy shall be undertaken by personnel who are independent and objective from the function and personnel being involved in the alleged Wrongdoing.

The alleged wrongdoer may be asked to attend a meeting to discuss the allegations and must take all reasonable steps to attend the meeting. He/she will be given an opportunity to answer the allegations at the meeting, and his/her own answers will be recorded in the minutes of the meeting. The meeting may be adjourned for Boilermech Group to obtain any advice or proceed with further investigations. A meeting may not necessarily be held within the early stages of an investigation.

In the event the Whistleblower is implicated or discovered to be or to have been involved in the Wrongdoing or any other wrongdoing, he/she 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 Whistleblower. It is to facilitate decision making. The Whistleblower may then be asked to attend a meeting to discuss the allegations and must take all reasonable steps to attend that meeting. He/she will be given an opportunity to answer the allegations at that meeting, and his/her own answers will be recorded in the minutes of that meeting. That meeting may be adjourned for Boilermech Group to obtain further advice or proceed with further investigations.

The Whistleblower, 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.

5. Handling/Discussion of an Investigation

No information concerning the status of an investigation shall be given out. The proper response to any inquiry is: "I am not at liberty to discuss this matter".

Under no circumstances should any reference be made to "the crime", "the fraud", "the forgery", "the misappropriation", or any other specific reference.

The Whistleblower 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 Person or the Director in-charge of handling the Disclosure.

6. Consequences of Wrongdoing or Wrongful Disclosure

If the Whistleblower 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 Whistleblower will be determined by the Managing Director or, if so delegated by the Managing Director, the Senior Management, which may include, disciplinary measures, formal warning or reprimand, demotion, suspension, or termination of employment or services with Boilermech Group or monetary or other forms of punishment.

7. Protection under this Policy

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

- the Whistleblower shall be protected from reprisal within Boilermech Group as a direct consequence of his/her Disclosure; and
- the Whistleblower's identity will be protected, i.e. kept confidential, unless otherwise required by law or for purposes of any proceedings by or against Boilermech Group.

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

The relevant parties handling the Disclosures shall retain relevant documentations for a period of not less than seven (7) years.

A reprisal means disciplinary actions, which may include, alone or in combination, a warning or letter of reprimand, demotion, loss of merit increase, loss of bonus, suspension without pay or termination of employment.

If the Whistleblower, 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, the Whistleblower may consult the relevant persons handling the whistleblowing report, i.e. the Prescribed Person(s) or the Audit Committee Chairman, in confidence. Essentially, the complaint shall be processed in a similar manner as a whistleblowing Disclosure and is subject to similar requirements. The Group does not permit retaliation of any kind, by the Group or its personnel, against the Whistleblower for Disclosures submitted hereunder that are made in good faith. Any such reprisal shall in itself be considered a serious breach of this Policy.

8. Review of this Policy

This Policy shall be reviewed and amended from time to time, as and when necessary, and at least once in three years, to ensure its relevance and effectiveness in keeping with Boilermech Group's changing business environment or administrative or operational needs.

9. Contact Information

Prescribed Person

Email:

Managing Director

whistleblowermd@boilermech.com

Prescribed Person

Email:

Deputy Managing Director

whistleblowermd@boilermech.com

Audit Committee Chairman

Email:

whistlebloweracc@boilermech.com

10. Illustrative Reporting and Escalation Diagram

