



NEW HOONG FATT HOLDINGS BERHAD
Registration No. 199701010213 (425709-K)

WHISTLEBLOWING POLICY AND PROCEDURES

Current Review Date: 27 May 2025

NEW HOONG FATT HOLDINGS BERHAD

WHISTLEBLOWING POLICY AND PROCEDURES

1. Policy Statement

- (a) New Hoong Fatt Holdings Berhad (“NHF”) and its subsidiaries (collectively “the Group” or “NHF Group”) is committed to upholding the highest standards of integrity and accountability, as well as protecting the organisation, its operations, employees and assets against financial risks, operational breaches and unethical activities in the conduct of its business and activities.
- (b) All stakeholders including employees, Directors, customers, consultants, contractors and suppliers are expected to observe high standards of business and personal ethics in the conduct of their duties, responsibilities and business activities with the Group.
- (c) This Whistleblowing Policy and Procedures (“the Policy”) is established to provide a mechanism for stakeholders, including members of the public raise legitimate concerns about any wrongdoings that they may observe in the Group, either committed by employees or third parties (any individual or organisation with whom the Group has dealings with, such as customers, suppliers, consultants, contractors, etc.) and at the same time, protect the whistleblowers from any retaliation that may arise as a result of their disclosure.
- (d) The Board of Directors (“the Board”) of the Company has the overall responsibility for the effectiveness and governance of this Policy.
- (e) The Policy should be read in conjunction with the Group’s Anti-Bribery and Corruption Policy and Procedures.

2. Whistleblowing

(a) Definition

Whistleblowing means the disclosure or reporting by a person about any wrongdoings that are taking place, or have taken place, or may take place in the future in the NHF Group through an established channel. A person making such disclosure is commonly referred to as a “whistleblower”.

(b) Acting in good faith

NHF Group expects all stakeholders to act in good faith with a reasonable belief that the information and allegations are substantially true.

(c) Confidentiality

The Group will treat all such reports in a confidential manner. The identity of the individual making the allegation will be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

(d) Protection from retaliation

The Group will use its best efforts to protect whistleblowers against retaliation or detrimental treatment such as dismissal, disciplinary action or unfavourable treatment as a result of raising a concern.

Anyone who believes that they have been subjected to detrimental treatments as a result of reporting a concern pursuant to this Policy may report the matter to the person as identified in Item 3 below.

Where a whistleblower makes an allegation that is not true, acts with malicious intent or provides a false disclosure, the protection will be removed and disciplinary or legal action may be taken against the person. Any party that retaliates against someone who has reported a wrongdoing in good faith may also be subject to appropriate action.

(e) Types of wrongdoing

This Policy is intended to cover wrongdoings which encompass any act, omission or conduct that is unlawful, illegal, immoral, unethical, dishonest, improper or wrong, and may include, but is not limited to:

- financial malpractice, theft, embezzlement or dishonesty;
- fraud, including but not limited to falsification of expenses and invoices, theft of cash or misappropriation of fixed assets, alteration, distortion or falsification of records or profiteering as a result of insider knowledge of company activities;
- bribery or corruption, blackmail, money laundering, sabotage, extortion;
- undisclosed conflict of interest;
- non-compliance with legal or regulatory requirements;
- danger to one's health, safety or the environment;
- criminal activity;
- sexual, physical or verbal abuse or harassment;
- abuse of power or gross mismanagement within the Group;
- failure to comply with any policy, guideline, procedure, advisory, directive and/or instructions issued by the Group;
- an act or omission which creates a significant financial loss or costs to the Group or a substantial wastage of the Group's resources; or
- other improper conduct or unethical behaviour that would cause significant harm to the Group or to any person(s).

This Policy is not intended to cover concerns for which specific procedures have been established within the NHF Group. For example, employee grievances related to certain labour matters or customer complaints on product quality will be directed to the appropriate channel for resolution.

3. Reporting Procedures

(a) Reports by employees

All employees have a duty to report any concerns that have come to their attention or information provided to them about any suspected fraudulent or corrupt activities by anyone the Group deals with.

An employee may follow the reporting procedures as stated in the Human Resource Manual in regard to an area of concern. The report may be made orally or in writing (via telephone call, written letter or electronic mail) and would initially be made to the immediate supervisor, the Department Heads or the Operation Managers. If the said employee is not satisfied with the outcome of the initial investigation, then he/she should report it to the Human Resource ("HR") Department or to the Managing Director ("MD").

If the employee believes that Management is involved and that it would be inappropriate to raise the issue directly with the individuals listed above, the employee should report the concern directly to the independent persons listed in **Appendix A**. They are the Independent Directors of NHF and are independent from the Management of the Group. They are responsible for ensuring that concerns received are addressed in an independent manner.

(b) Reports by external parties who are not employees

A report of wrongdoing or improper conduct by any stakeholder who is not an employee may be made orally or in writing (via telephone call, written letter or electronic mail) to the MD, or if the Management is involved, to the designated persons as identified in **Appendix A**.

Whistleblowers are advised to provide sufficient information, such as the description and background of the wrongdoing, and the identities of the parties involved including the dates and location, where possible, supporting evidence in the form of documents, recorded messages or videos, to enable the Group to conduct a proper investigation. The whistleblower may be asked to provide further clarification and information from time to time. Hence, the whistleblower is encouraged to provide their contact information so that clarifications could be sought during the course of investigation.

4. Investigation Procedures

- (a) Upon receipt of a report, the designated recipient, which may be the HR Department, the MD, the Senior Independent Director, or the Chairman of the Audit and Risk Management Committee ("ARMC") shall determine whether the subject of the report involves an employee of the Group, an external party, or any Director (including the MD) or a member of the Group's key senior management:
 - (i) If the subject of the report involves an employee or an external party, and does not involve any Director (including the MD) or a member of the Group's key senior management, the recipient of the report may refer the matter to the MD for appropriate follow-up and investigation.

- (ii) If the subject of the report involves any Director (including the MD) or a member of the Group's key senior management, the matter shall be reviewed by the ARMC and the ARMC Chairman shall take the lead in initiating and overseeing the investigation. Where any of the ARMC member is involved, he/she shall abstain from all deliberation of the ARMC on the matter.
 - (b) An investigating officer shall be appointed to conduct an initial enquiry into the report and shall recommend one of the following actions:
 - (i) Decide that no further action shall to be taken if there is no evidence that wrongdoing has occurred, is occurring or is likely to occur;
 - (ii) A detailed investigation shall be conducted internally by an internal investigating team; or
 - (iii) If the matter is complex or highly sensitive, the investigation shall be carried out by an independent investigating officer.
 - (c) In the event a full investigation is to be carried out, the whistleblower and all employees who are involved in the investigation shall give full cooperation during the investigation.
 - (d) Upon completion of the investigation, the following actions can be taken:
 - (i) Where the case does not involve any breach of statutory provisions, the matter shall be dealt with under the Group's internal procedures or disciplinary procedures, if appropriate and applicable;
 - (ii) Where the case involves any breach of statutory provision, in addition to internal procedures or disciplinary procedures, the matter shall be referred to the relevant authorities, such as the Royal Malaysia Police, the Malaysian Anti-Corruption Commission and/or other public authorities, depending on the seriousness of the issue.
- The outcome of all investigations together with the recommendations and decisions would be reported to the Management and/or the ARMC.
- (e) Subject to legal constraints, the Management will inform those making allegations of the outcome of any investigation to assure them that the matter has been properly addressed.
 - (f) Where possible, appropriate corrective actions will also be implemented to prevent similar situations from reoccurring.
 - (g) Any individual who is found to have committed a wrongdoing following a whistleblower's report and has been subjected to certain action(s), but believes that he/she has been treated unfairly, may submit an appeal to the Board for a review of the decision made by the ARMC or the MD, as the case may be.

5. Safe Keeping of Records

All concerns or reports received by the Group under this Policy, together with the relevant investigation documents shall be kept by the Corporate & Sustainability Department, in compliance with the provisions of the Personal Data Protection Act 2010 and other applicable laws. However, if the concern involves Director(s) and/or a person connected to them, all the documents are to be kept by the Company Secretary. This information, including the identity and personal information of whistleblowers shall be handled with strict confidentiality.

6. Distribution of Policy

This Policy shall be available from the Corporate & Sustainability Department until revoked or superseded.

7. Review and Revision of Policy

The Corporate & Sustainability Department is responsible for implementing, monitoring and reviewing this Policy.

This Policy shall be reviewed by the Corporate & Sustainability Department at least once in every three (3) years or as and when necessary to ensure compliance with prevailing rules and guidelines. Any amendments made to this Policy shall be subject to the approval of the Board.

This Policy is made available on the website of the Group at www.newhoongfatt.com.my.

Appendix A

Persons to whom stakeholders should raise concerns are:

a. Senior Independent Director

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| Name: | Oei Kok Eong |
| E-mail: | kevistage@gmail.com |
| Telephone: | 012-334 6573 |

b. Chairman of Audit and Risk Management Committee

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| Name: | Ng Chee Kiet |
| E-mail: | ngcheekiet@hotmail.com |
| Telephone: | 012-330 3368 |

Alternatively, reports in writing may be sent by mail to the Company Secretary's address below, with attention to either The Senior Independent Director or The Audit and Risk Management Committee Chairman:

c/o New Hoong Fatt Holdings Berhad
Level 13, Menara 1 Sentrum
201, Jalan Tun Sambanthan, Brickfields
50470 Kuala Lumpur

Mark ***Strictly Confidential***