

Lee Swee Kiat Group Bhd

Whistle Blowing Policies – Reviewed Feb 2024

1 INTRODUCTION

The Board of Directors (“the Board”) wishes to maintain a high standard to uphold legal, ethical and moral standards. The Board recognizes the limitation of internal control in detecting and eliminating fraud. To complement the internal control function, this whistle blowing policy is established to provide an additional avenue for minimizing and early detection of fraud from day to day operations.

2 Objectives

- i) To cultivate an environment of high integrity
- ii) To act as deterrent to potential fraud
- iii) To enhance awareness on the Group’s stand on illegal, unethical and dishonest acts as well as consequences of such acts.
- iv) To complement the internal audit function in minimizing or early detection of fraud

3 Scope

This policy applies to any irregularity, or suspect irregularity, involving any employee or officer of the Group with any party who has business relationship with the Group.

Irregularity in this context is hereby defined as “ an illegal, unethical or dishonest act committed by any party or parties resulting in some party or parties, be it an employee or officer or any stakeholders obtaining financial gains at the expense of the Group or other stakeholders”

Some examples of fraudulent acts, inter alia, are

- a) An employee receives rebate or other monetary benefits from a supplier or other party by giving them favourable treatment or insider information.
- b) Misappropriation of company fund by forgery of signature
- c) Willful disclosure of confidential information of the Group to external party
- d) Stealing or assist in stealing company products or assets.

4 Fraud Reporting and Investigation Procedure

- 4.1 If an employee discovers or suspects a fraudulent activity, he should consider the followings

- i) Raise the issue with his immediate superior, Internal Auditor or the Executive Directors as the case may be, or
- ii) Report directly to Audit Committee Chairman, Mr Richard Wong via email to yswong8989@gmail.com

4.2 The employee may choose to remain anonymous to protect his interest.

4.3 Once a report has been lodged, the Board should establish a special task force to carry out investigation. The special task force should consist of at least two suitably qualified personnel based on the nature of such fraudulent activity. External professional may be considered if the circumstances warrant such appointment. A formal report of the findings should be submitted to the Board for examination and appropriate actions (including lodging a police report if involved serious criminal act) should be taken by the Board depending on the nature and extend of such fraudulent act.

4.4 The Group shall endeavour to protect the identity of the whistle blower. If the concern is unable to be resolved without revealing the employee's identity, the Group will discuss with him on the best way to proceed with the matter.