

KIM HIN INDUSTRY BERHAD (18203-V)

WHISTLE BLOWING POLICY

23 May 2014

WHISTLE BLOWING POLICY

Objectives

Kim Hin Industry Berhad and its group of companies (“the Group”) is committed to promote and maintain high standard of transparency, accountability and ethics as well as good Corporate Governance practices in the workplace.

This policy establishes the Group’s position in encouraging employees or other stakeholders to raise genuine concerns about possible improprieties in matters relating to financial reporting, compliance and other malpractices or misconduct that may have occurred. The Whistle-blowing channels are established to help employees or other stakeholders raise concerns, without fear of reprisals or retaliations.

The identity of parties reporting a Whistle-blowing complaint will be kept confidential. However, their consent will be sought should there be a need to disclose their identity for investigation purposes.

Types of Wrongdoing

Parties can report a Whistle-blowing complaint if they are aware of any wrongdoing, including but not limited to the following:

- Fraud
- Misappropriation of assets
- Criminal breach of trust
- Corruption
- Sexual harassment
- Questionable or improper accounting
- Misuse of confidential information
- Acts or omission which are deemed to be against the interest of the Group, laws, regulations or public policies
- Deliberate concealment of information relating to any of the above

Procedures

Any concern should be raised with immediate superior. If for any reason, it is believed that this is not possible or appropriate, then the concern should be reported to “Group Managing Director”. Channel of reporting to Group Managing Director is as follows:

Via Email

john.chua@kimhin.com.my

Via Mail

Mark Strictly Confidential

Kim Hin Industry Berhad
4 ½ Mile, Kung Phin Road,
Off Penrissen Road,
93250 Kuching
Sarawak
Attention: Group Managing Director

In the case where reporting to management is a concern, then the report should be made to the Chairman of Audit Committee. Channel of reporting to the Chairman of Audit Committee is as follows:

Via Email

sylvesterfong@ymail.com

Via Mail

Mark Strictly Confidential

Kim Hin Industry Berhad
4 ½ Mile, Kung Phin Road,
Off Penrissen Road,
93250 Kuching
Sarawak
Attention: Chairman – Audit Committee

Actions

All reports will be investigated promptly by the person receiving the report. If required, he /she can obtain assistance from other resources within the Group (eg. HR Department). The progress of investigation will be reported to the Audit Committee no later than the next schedule of meeting.

Upon completion of investigation, appropriate course of action will be recommended to the Audit Committee for their deliberation. Decision taken by the Audit Committee will be implemented immediately.

Where possible, steps will also be implemented to prevent similar situation arising.