



WHISTLEBLOWING POLICY *of* NADI GROUP



1. OVERVIEW

- 1.1 In line with good corporate governance practices, Whistleblower Protection Act 2010 (“**WPA**”) and all applicable laws and regulations including not but limited to the Malaysian Anti-Corruption Commission Act 2009 including any amendments thereto from time to time (“**MACC Act**”) and any equivalent corruption prevention related laws and regulation, the Board of Directors and Management of National Aerospace & Defence Industries Sdn Bhd (“**NADI**” or the “**Company**”) and its subsidiary companies (collectively as “**NADI Group**”) encourage all stakeholders including but not limited to all employees, shareholders and directors, partners, contractors, agents, vendors, suppliers of NADI Group as well as government officers and any members of the public to report any suspected concerns on matters related to any Improper Conduct (as defined herein) within NADI Group in a timely, responsible and appropriate manner.
- 1.2 In view of the above, NADI Group has established this Whistleblowing Policy and Procedures (“**this Policy**”) which seeks to enhance corporate governance by helping to foster an environment where integrity and ethical behavior is maintained and any illegality, improper conduct and/or wrongdoings in NADI Group may be exposed whilst necessary protection is accorded for any Whistleblower exposing or reporting of such illegality, improper conduct and/or wrongdoings in NADI Group.

2. PURPOSE / OBJECTIVE

- 2.1 The purpose of this Policy is to provide a formal, transparent and confidential channel for all employees, shareholders and directors, partners, contractors, agents, vendors, suppliers of NADI Group as well as government officers and any members of the public to disclose and report in good faith, any Improper Conduct within NADI Group that could adversely impact NADI Group or its subsidiaries, its employees, shareholders, investors, or the public at large without fear of being subject to detrimental action or any possible reprisals or retaliations.
- 2.2 Disclosure made under this Policy may also act as an early warning and may enable NADI Group to remedy any wrongdoings before serious damage is caused and at the same time provides the alleged wrongdoer an opportunity to respond to the allegations before deliberating next appropriate course(s) of action.

3. SCOPE AND APPLICABILITY

- 3.1 This Policy applies to all employees, shareholders and directors, partners, contractors, agents, vendors, suppliers of NADI Group as well as government officers and any members of the public who are making a report pursuant to this Policy (“**Whistleblower**”) against any employee, director, partner, contractor, agent, vendor, supplier of NADI Group (“**Associate**”) who has committed, attempted to commit, suspected to have committed, an unethical practices or malpractices (“**Improper Conduct**”).

3.2 Improper Conduct may include any of the following:

- fraud (misappropriation, embezzlement or theft) of public funds or NADI Group's funds or assets, corruption, forgery, improprieties and irregularities in accounting and financial reporting, bribery or blackmail;
- destruction of NADI Group's property;
- bribery or corruption;
- violation of, disregard or serious non-compliances with financial, legal or regulatory obligations;
- conduct which is in contravention of this Policy and any other established policies and guidelines by NADI Group;
- acts, omissions or concealments of wrong doing knowingly, willfully and intentionally which are detrimental to NADI Group's ethical values, interests or reputation;
- money laundering;
- insider trading;
- conflict of interest, abuse of authority and discrimination;
- unauthorised disclosure or use of confidential information;
- act or omission which creates a substantial or specific danger to the health and safety of employees or other individuals;
- bullying, harassment or sexual harassment; and/or
- collaborating with a person(s) to commit any of the above wrongdoings.

3.3 The above list is not exhaustive and includes any act or omissions, which if proven, will constitute an act of misconduct under NADI Group's internal employment policy and general code of conduct and ethics or an act of violation or breach of any relevant laws and regulation in force.

4. PROCEDURE IN MAKING A REPORT / DISCLOSURE

4.1 Any report or disclosure of an Improper Conduct under this Policy can be made through either of the following whistleblowing channels:

- (a) in writing via letter or electronic mail to igu@nadimalaysia.com; or

- (b) for existing employees of NADI Group, via Whistleblowing Form (appended to this Policy as **Appendix A**) and the duly completed Whistleblowing Form is to be either forwarded back to igu@nadimalaysia.com or post it to the address stated in the said Form; or
- (c) filing verbal or written report with the relevant Head of Department, and such Head of Department shall submit such verbal or written report to the IO (as defined herein).

All of the above are secured and protected channels accessible only by the authorized personnel of NADI Group.

- 4.2 For the purposes of paragraphs 4.1(a) and 4.1(c) above, the Whistleblower shall make available the following information in the report or disclosure:
 - (a) background of the Whistleblower;
 - (b) date(s), details and reasons of concern of the Whistleblower in relation to such report and disclosure; and
 - (c) any other observations, details, concerns or evidence in relation to the disclosure of report.
- 4.3 Whistleblowers' reports must be factual and made in good faith with reasonable belief that the information and allegations are true without any frivolous / malicious intentions for personal gain / interests. The report or disclosure should provide full details of the Improper Conduct and, where possible, with supporting evidence. However, the Whistleblower is not expected to first obtain substantial evidence of proof beyond reasonable doubt when making a disclosure. If the Whistleblower knows as a matter of fact that there are reasonable grounds of suspicion that an Improper Conduct has or is going to take place, such genuine concern is encouraged to be raised.
- 4.4 Nevertheless, if the Whistleblower is subsequently found to be acting in bad faith, disciplinary or any other actions may be initiated against the Whistleblower(s).
- 4.5 A Whistleblower will be accorded with confidentiality of identity including to the extent, reasonably practicable. However, Management of NADI Group or its designated officer / committee has the ultimate discretion to reveal the Whistleblower's identity without the prior consent of the parties involved in the investigation and other proceedings on a confidential and 'need to know' basis. In such circumstances, NADI Group will make efforts to inform the Whistleblower that his or her identity is likely to be disclosed and that all reasonable steps will be taken to protect the Whistleblower from any victimization or detriment as a result of having made a disclosure. A Whistleblower should not contact the suspected Associate in an effort to determine facts or demand restitution and should not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by NADI Group.

5. REVIEW AND INVESTIGATION

- 5.1 Upon receipt of the report, the designated Ethics & Integrity Officer of NADI Group (“the IO”) shall within 5 working days, decide whether the report falls under the scope of Ethics & Integrity Department. If yes, within 5 working days, the IO shall convene an internal meeting with the Audit Committee (“the AC”) for the review. Otherwise, the IO shall forward the report to the appropriate Department of respective company of the NADI Group such as the Human Resource Department for internal action.
- 5.2 The review of the report and its credibility by the AC shall be based on :
 - (a) significance and implications of the matter
 - (b) likelihood of verifying and confirming the allegation from credible sources
- 5.3 If an investigation by the AC is required, the AC shall nominate an independent Investigation Team comprising designated members i.e external party, management or internal audit, if necessary, to review the matter objectively.
- 5.4 Where relevant, the Whistleblower may be requested to submit evidences and documents. Any meetings arranged will be conducted discreetly and if necessary, off-site or out of office premises.
- 5.5 Upon completion of the investigation, the Investigation Team shall table a report on outcome of the investigation with recommended course of actions at the Audit Committee Meeting (“ACM”) for their deliberation and decision.
- 5.6 If there is any conflict of interest between any member of the Investigation Team/AC and the Whistleblower or any person linked to the investigation, the said member of the Investigation Team/AC must disclose the same to the AC and recuse him or herself immediately from the investigation or deliberation. The AC shall then substitute the recused member of the Investigation Team/AC with an appropriate replacement immediately for the purpose of the current investigation.
- 5.7 The AC Chairman shall then report to the Board of Directors on matters reported which require the Board’s approval, if any.

6. DECISION ON THE REPORT

- 6.1 If the AC determines that the report is not proven, the decision will be documented by the designated Ethics & Integrity Officer.
- 6.2 If the AC or the Board, as the case may be, determines that the report is proven, the AC or the Board shall decide on the appropriate course of action to be taken in accordance with NADI Group’s existing disciplinary procedures and applicable laws and regulations, which may include reprimand, termination or suspension of employment or report to the relevant authorities (if applicable).

- 6.3 All reports, findings and decisions by the Investigation Team or the AC, as the case may be, shall be kept by NADI Group for a period of seven (7) years for record-keeping purposes.

7. PROTECTION TO WHISTLEBLOWER

- 7.1 The WPA provides protection to whistleblowers making disclosures of improper conduct in the public and private sector from civil and criminal action. If you wish to make a report pursuant to the WPA, you will have to make the said report to a whistleblowing enforcement agency. Any investigations and/or actions taken thereafter would be in accordance with the WPA and are independent of the procedures described in this Policy.
- 7.2 That said, in tandem with the WPA, NADI Group endeavours to protect any Whistleblower under this Policy against any adverse or detrimental actions or retaliation of any kind for disclosing any Improper Conduct committed or about to be committed within NADI Group, to the extent reasonably practicable, provided that the disclosure by the Whistleblower is made in good faith. Any form of harassment, unfair treatment or retaliation against a genuine Whistleblower, if proven, may lead to disciplinary action including dismissal.
- 7.3 Reporting under this Policy, however, shall in no way immunises or shields the Whistleblower against any action following the said Whistleblower's Improper Conduct.
- 7.4 NADI Group commits to take all reasonable steps to protect the Whistleblowers against any discrimination, retaliation or harassment, corresponding to its internal policies and scope under its purview and supervision.

8. REVOCATION OF WHISTLEBLOWER PROTECTION

- 8.1 While it is assured that genuine Whistleblowers are accorded with protection against any adverse or detrimental actions or retaliation of any kind for disclosing any Improper Conduct committed or about to be committed within NADI Group, nonetheless any abuse of this protection may warrant disciplinary action. If the reporting proves to be malicious, false, frivolous, baseless or bogus allegations / reports made by a Whistleblower knowingly and/or in bad faith, the said Whistleblower may be subject to loss of safeguards provided under this Policy, internal disciplinary action, dismissal, criminal prosecution and/or civil liability.

9. NOTIFICATION

- 9.1 Subject to the extent allowed by the law or any procedural requirements internally, the Whistleblower will be informed of the result of any investigation and/or any action taken by NADI Group in respect of the report or disclosure made in accordance with this Policy. However, it is the sole discretion of NADI Group to disclose the report made by the Investigation Team and the AC.

10. REVIEW OF POLICY

- 10.1 This Policy is subject to updating / modification from time to time to be in line with applicable laws and regulations and organizational changes within NADI Group. All employees and stakeholders shall be informed by e-mail or in writing of any changes following such updating / modification.

APPENDIX "A"
WHISTLEBLOWER FORM

(A) PARTICULARS OF COMPLAINANT:			
Name		Employee No. <i>(if applicable)</i>	
NRIC No.		Position <i>(if applicable)</i>	
Company <i>(if applicable)</i>		Department <i>(if applicable)</i>	
E-mail address		Contact No.	
Correspondence Address			
(B) PARTICULARS OF COMPLAINT:			
Name of person alleged of Improper Conduct			
Position <i>(if known)</i>		Department <i>(if known)</i>	
Relationship between you and the person alleged			
Are you personally affected by the Improper Conduct / Detrimental Action:	YES / NO		
If NO, please state the particulars of the person(s) affected by the Improper Conduct / Detrimental Action <i>(if applicable)</i>	Name:		
	Position <i>(if known)</i>		
	Department <i>(if known)</i>		
	Relationship between you and the person(s) affected		
Details of Allegation on the Improper Conduct / Detrimental Action <i>(use additional sheets if necessary)</i>	Date:		
	Time:		
	Place:		
	Estimated Value Involved:		
	Description / Particulars:		

<p>Have you previously made a Complaint of the Improper Conduct/Detrimental Action to any internal or external party or the authorities?</p>	<p>YES / NO</p>		
<p>If YES, please provide the following particulars</p>	<p>Complaint/File Reference No. <i>(if known)</i></p>		
	<p>Name of party or authority receiving the complaint</p>		
	<p>Position <i>(if applicable)</i></p>		
	<p>Department <i>(if applicable)</i></p>		
	<p>Date the complaint was made</p>		
	<p>Current status of the complaint</p>		
<p>(C) DECLARATION</p>			
<p>1. I have read and understand NADI Group’s Whistleblowing Policy and hereby declare that that all information provided in this Form is true, correct and complete to the best of my knowledge, information and belief and is made in good faith and without any frivolous, malicious or vexatious intentions.</p> <p>2. I hereby agree that the information and/or documents provided herein to be used and processed for investigation purposes and further agree that the same may be forwarded to a department / authority / enforcement agency for purposes of investigation.</p>			
<p>SIGNATURE :</p> <p>Name:</p> <p>Date:</p>			
<p>Notes to Complainant</p>			
<p>(a) Please attach supporting documents / evidence, if any, to substantiate your report / disclosure and assist in investigation. You may use additional sheets for additional witnesses or supporting evidence if necessary.</p> <p>(b) If spaces provided in this Form are not sufficient, please use a separate blank sheet.</p> <p>(c) You may submit the completed Form in any one of the following manners:</p> <p>i. Via e-mail - Please send a scanned copy of the completed and signed form together with any supporting documents / evidence to: igu@nadimalaysia.com ; or</p> <p>ii. Via post – Please submit the completed form, together with any supporting documents / evidence in a SEALED envelope marked PRIVATE & CONFIDENTIAL addressed to:</p> <p style="text-align: center;">Integrity & Governance Unit (IGU) NATIONAL AEROSPACE & DEFENCE INDUSTRIES SDN BHD NADI Building, PT 192, Jalan Lapangan Terbang Subang 47200 Subang, Selangor Darul Ehsan</p>			
<p style="text-align: center;">FOR OFFICE USE</p>			
<p>Date Received</p>			
<p>File Reference No.</p>			
<p>Received by</p>		<p>Date/Time</p>	