

Whistle-Blowing Policy

MAG Holdings Berhad
(formerly known as Xinghe Holdings Berhad)

1. INTRODUCTION

- 1.1 MAG Holdings Berhad (the “**Company**”) is committed in ensuring the highest standards of integrity from all its stakeholders. The Company and its subsidiaries (the “**Group**”) view seriously any wrongdoing on the part of any of its stakeholders.
- 1.2 This Whistle-blowing Policy (“**Policy**”) establishes a framework where stakeholders can raise in confidence any possible corporate misdemeanors.
- 1.3 This policy governs reporting and investigations of allegations of suspected improper or unethical activities, violations of the laws, regulations, internal policies, procedures, guidelines and code of ethics and the whistle-blower protection.
- 1.4 Stakeholders include directors, employees, business partners, customers, contractors, suppliers, trading and joint-venture partners, shareholders and members of the public, where relevant.
- 1.5 In all instances the Group retains the prerogative to determine when circumstances warrant an investigation and, in conformity with the Policy and applicable laws and regulations, the appropriate investigative process to be employed.
- 1.6 For the purpose of this Policy, whistle blowing is defined as:

“The disclosure of information or activity of an individual or organisational malpractice by a person who has or had access to data, events or information about an actual, suspected or anticipated wrongdoing or by employees (including Directors) of the Group and those who are within its control. These include activities that are deemed illegal, unethical, or improper.

“whistle-blower” is the person who makes such report.”

2. SCOPE

- 2.1 This Policy is applicable to all stakeholders of the Group and in this context, the Group includes the Company and all its subsidiary companies.
- 2.2 The Group operates in multiple jurisdictions and as such, this Policy shall be read in conjunction with the relevant legal and regulatory obligations of the jurisdictions concerned and in the event of any conflict between this Policy and the legal and regulatory obligations of the said jurisdictions, the respective legal and regulatory obligations shall prevail.
- 2.3 All employees are encouraged to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, and in an appropriate way.
- 2.4 This Policy is designed to:
 - promote and maintain high transparency and accountability in the workplace;
 - promote good corporate governance practices in the workplace;
 - ensure that employees can raise concerns without fear of reprisals and safeguard such person’s confidentiality;
 - protect a whistle-blower from reprisal as consequence of making a disclosure;

- provide a transparent and confidential process for dealing with concerns;
- protect the long-term reputation of the Group;
- support the Group's values; and
- maintain a healthy working culture and an efficient organisation.

3. PURPOSE

- 3.1 The Group is committed to maintain high work standards and ethics in all practices. Hence, whistle-blowing is viewed positively by the Group as a mean to ensure that the standards by which the Group subscribes to are upheld and maintained at the highest level.
- 3.2 This Policy provides an avenue to raise a legitimate concern about the actual or suspected improprieties at the earliest opportunity for expeditious investigation.
- 3.3 The whistle-blowing channel has been created to help stakeholders raise their concern, without fear of retaliation and provide protection from reprisals and victimisation provided the whistle-blowing was done in good faith.
- 3.4 This Policy is not intended to replace in any way and is in addition to the existing grievances or complaints procedures established relating to personal grievances concerning an individual's terms and conditions of employment, performance assessments or other aspects of the working relationship.

4. REPORTABLE DISCLOSURES

- 4.1 Anyone who makes a disclosure must reasonably believe that:
 - (i) He or she was acting in the Group's and/or public interest;
 - (ii) The disclosure includes but is not limited to the following categories:
 - negligence in carrying out work obligations;
 - fraud;
 - corruption;
 - criminal offences;
 - misuse and/or misappropriation of the Group's funds or assets;
 - financial and operational improprieties;
 - gross mismanagement;
 - failure to comply with legal or regulatory obligations;
 - miscarriage of justice;
 - breaches of the Group's Code of Ethics and Conduct, including sexual, physical or other abuses of human rights;
 - endangerment of an individual's health and safety; and
 - concealment of any, or a combination, of the above.

5. WHISTLE-BLOWER PROTECTION

- 5.1 Anyone filing a written complaint concerning a violation or suspected violation must act in good faith and have reasonable grounds for believing that the information disclosed indicates a violation.
- 5.2 All genuine whistleblowing done in good faith under this Policy will be protected under the Whistleblower Protection Act 2010 against any loss or retribution in connection with the disclosure. Whistle-blowers who commit genuine mistakes with regards to the disclosure will similarly be protected.

- 5.3 The Group shall not tolerate any direct or indirect harassment, discrimination or victimisation (including informal pressure) against the whistle-blowers and the Group shall take the appropriate action to protect them.
- 5.4 On the other hand, persons who deliberately made any allegations that found to be malicious, false, dishonest, mischievous or in bad faith and/or those who abuse this Policy may be subject to disciplinary action as determined by the Executive Chairman or senior management, if so delegated by the Executive Chairman. Disciplinary action may include formal warning or reprimand, demotion, suspension or termination of employment or exercise or monetary or other forms of punishment.

6. CONFIDENTIALITY

- 6.1 The Group encourages whistle-blowers to identify themselves when reporting. All information provided shall be treated with the highest level of confidentiality and the whistle-blowers' identities will not be disclosed without their prior consents.
- 6.2 There may be instances where the Group would need to disclose the information provided by the whistle-blower which may include but not limited to the following circumstances:
- The Group is required by law to disclose the information provided;
 - The information is readily available in the public domain;
 - The information is given on strict confidential basis to legal or other external professionals with the purpose of seeking professional advice; and
 - The information is provided to an enforcement agency for further investigations.

7. REPORTING PROCEDURES

- 7.1 The following are the options available for reporting:

Option 1

Report to immediate supervisor, manager or head of department, where relevant

Option 2

If the matter concerned involves the persons in Option 1, or if you prefer that they are not to be told, you may then report to the Head of Human Resources or the Executive Chairman

Option 3

Submit in a sealed envelope addressed to the Chairman of the Audit and Risk Management Committee, clearly marked "strictly Confidential – to be opened by the addressee only" by post or courier to the Company's registered office or corporate office.

- 7.2 Ideally, the reporting should be in writing using the prescribed whistle-blower submission form (see Appendix 1). If the whistle-blower is not comfortable to submit the complaint in writing, arrangement can be made for the whistle-blower to meet anyone of the persons mentioned in Option 1, 2 or 3.
- 7.3 Anonymous reporting is discouraged. However, such report would still be followed-up if it contained enough evidence or merits to commence investigations.
- 7.4 Whistle-blower who provides contact details will be contacted for further information, if necessary, and will be updated on the outcome of the investigations

8. CONTACT DETAILS

(a) Executive Chairman

Name: Ng Min Lin

Tel: +603 6419 1385

Fax: +603 6419 1386

Address: B-3-12, Gateway Corporate Suites, Gateway Kiaramas, No 1, Jalan Desa Kiara, Mont Kiara, 50480, Kuala Lumpur

(b) Head of Human Resources

Name: Coco Lim

Tel: +603 6419 1385

Fax: +603 6419 1386

Address: B-3-12, Gateway Corporate Suites, Gateway Kiaramas, No 1, Jalan Desa Kiara, Mont Kiara, 50480, Kuala Lumpur

(c) Company's registered office

Address: No 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur

Tel: +603 6201 1120

Fax: +603 6201 3121

(d) Company's corporate office

Address: B-3-12, Gateway Corporate Suites, Gateway Kiaramas, No 1, Jalan Desa Kiara, Mont Kiara, 50480, Kuala Lumpur

Tel: +603 6419 1385

Fax: +603 6419 1386

This Policy is adopted on 31 December 2018

Version update : v1 29 Jan 2021

APPENDIX 1

PRIVATE AND CONFIDENTIAL

WHISTLE-BLOWER SUBMISSION FORM

Page 1/2

Date:

Complainant's Name:

Complainant's Contact Details (phone/email/address):

Details of allegation

--

APPENDIX 1
PRIVATE AND CONFIDENTIAL
WHISTLE-BLOWER SUBMISSION FORM

Page 2/2

Time, date and place of incident

--

Were there any witnesses?

--

Other relevant details (e.g. copies of documents, photos, voice -recording, video, etc)

--