



WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS



As at 28 December 2011

1.0 INTRODUCTION

- 1.1 Purpose**
- 1.2 Scope**
- 1.3 Oversight of Directors Policy**
- 1.4 Definitions**

2.0 DEFINING WHISTLEBLOWING

- 2.1 What is whistleblowing?**
- 2.2 Definition of Director's Improper Conduct**

3.0 SAFEGUARDS

- 3.1 Requirement of good faith**
- 3.2 Protection against Detrimental Action**
- 3.3 Protection of Confidential Information**
- 3.4 When protection may not be available**

4.0 REPORTS OF DIRECTOR'S IMPROPER CONDUCT

- 4.1 Lodging a report of Director's Improper Conduct**
- 4.2 Anonymous reports**

5.0 INVESTIGATION

- 5.1 Reports of Director's Improper Conduct**
- 5.2 Full Investigation**
- 5.3 Findings of investigation and Decision**
- 5.4 Corrective action**

6.0 WHISTLEBLOWER PROTECTION ACT 2010 ("ACT")

- 6.1 Application of the Act**

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 1.0 INTRODUCTION

Section: 1.1 PURPOSE
1.2 SCOPE
1.3 OVERSIGHT OF DIRECTORS POLICY
1.4 DEFINITIONS

1.1 PURPOSE

This Whistleblower Policy and Procedure for reports of Improper Conduct against Directors (“Directors Policy”) seeks to foster an environment where integrity and ethical behavior is maintained and any Improper Conduct of any Director may be exposed.

1.2 SCOPE

This Policy covers all reports made against any Director that has committed an Improper Conduct.

1.3 OVERSIGHT OF DIRECTORS POLICY

The Board has overall responsibility for this Directors Policy and shall oversee the implementation of this Directors Policy.

1.4 DEFINITIONS

“Board” means the Board of Directors of Bursa Malaysia Berhad

“Company” means Bursa Malaysia Berhad and/or any of its subsidiaries

“Confidential Information” means any information that is by its nature confidential or sensitive and/or not generally available to the public and in this Directors Policy includes

- (a) Information about the identity, rank, position or other personal details of a Whistleblower; or
- (b) a person against whom a Whistleblower has made a disclosure; or
- (c) information disclosed by a Whistleblower; or
- (d) information that, if disclosed, may cause detriment to any person

“Detrimental Action” has the meaning assigned to it in section 3.2.1.

“Director” means a non-executive director of Bursa Malaysia Berhad.

“Director’s Improper Conduct” generally means any conduct which if proved constitutes a criminal offence or any conduct that constitutes a wrongdoing or malpractice and may include any of the examples state in section 2.2.1.

“Directors Policy” means this Whistleblower Policy and Procedures for reports of Improper Conduct against Directors of Bursa Malaysia Berhad.

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 1.0 INTRODUCTION

Section: 1.1 PURPOSE
1.2 SCOPE
1.3 OVERSIGHT OF DIRECTORS POLICY
1.4 DEFINITIONS

“Employee” means any employee of the Company and shall include contract staff, consultants, temporary employees and interns.

“Independent Party” means an independent third party appointed by the Board to conduct any investigation in respect of any report of Director’s Improper Conduct.

“SID” means the Senior Independent Non-Executive Director who is appointed by the Board.

“Whistleblower” means a person that makes a report of Improper Conduct under this Policy.

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 2.0 DEFINING WHISTLEBLOWING

Section: 2.1 WHAT IS WHISTLEBLOWING?
2.2 DEFINITION OF DIRECTOR'S IMPROPER
CONDUCT

2.1 WHAT IS WHISTLEBLOWING?

2.1.1 Whistleblowing is defined as the deliberate, voluntary disclosure or reporting of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated Improper Conduct within the organisation or by an organisation that is within its ability to control.

2.2 DEFINITION OF DIRECTOR'S IMPROPER CONDUCT

2.2.1 In this Directors Policy, Director's Improper Conduct is generally described as any conduct by a Director which if proved constitutes a criminal offence or any conduct that constitutes a wrongdoing or malpractice and may include any of the following:

- (a) The breach of any law, regulation or rule that is applicable to the Company. For example, a breach of insider trading laws;
- (b) Any criminal act, including criminal breach of trust, extortion and sabotage;
- (c) Any act that is likely to cause significant financial loss or costs to the Company including any intentional misrepresentation of the Company's financial statements;
- (d) Any other action that would cause significant harm to the Company or to any person(s);
- (e) The deliberate concealment of information concerning any of the matters listed above.

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 3.0 SAFEGUARDS

Section: 3.1 REQUIREMENT OF GOOD FAITH
3.2 PROTECTION AGAINST DETRIMENTAL ACTION

3.1 REQUIREMENT OF GOOD FAITH

3.1.1 Any person making an allegation of Director's Improper Conduct must have reasonable and probable grounds before reporting such Director's Improper Conduct and must undertake such reporting in good faith, for the best interest of the Company and not for personal gain or motivation.

3.1.2 The element of good faith shall be deemed to be lacking when:

- (a) the person does not have personal knowledge or a factual basis for the report of Director's Improper Conduct; or
- (b) where the person knew or reasonably should have known that the report or any of its contents are false; or
- (c) where the report is frivolous or vexatious; or
- (d) there are any other circumstances that indicate that the report has been made with malicious intent, ulterior motive or for personal gain.

3.1.3 Any person that has not acted in good faith shall not be entitled to any protection under this Directors Policy.

3.1.4 In addition, an Employee making allegations or reports that prove to have been made without good faith will be subject to disciplinary action (which may include termination of employment).

3.2 PROTECTION AGAINST DETRIMENTAL ACTION

3.2.1 Any Employee who makes a report of Director's Improper Conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions ("Detrimental Action") by the Company.

3.2.2 Any report of Director's Improper Conduct made in good faith by an Employee, even if it is not subsequently confirmed by an investigation shall be eligible for this protection under this Directors Policy.

3.2.3 Any person that makes a report of Director's Improper Conduct in good faith and who has been subject to Detrimental Action by the Company may lodge a complaint pursuant to this Directors Policy.

3.2.4 An Employee who takes any Detrimental Action against any Employee who has made a report of Director's Improper Conduct in good faith shall be subject to disciplinary action (which may include termination of employment).

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 3.0 SAFEGUARDS

Section: 3.3 PROTECTION OF CONFIDENTIAL INFORMATION
3.4 WHEN PROTECTION MAY NOT BE AVAILABLE

3.3 PROTECTION OF CONFIDENTIAL INFORMATION

- 3.3.1 Any person having knowledge of a report of Director's Improper Conduct shall make all reasonable efforts to maintain the confidentiality of the Confidential Information, in particular the identity of the Whistleblower.
- 3.3.2 However, there may be circumstances, during the course of the investigation where it will be necessary to disclose the identity of the Whistleblower. If such circumstances exist, Independent Party conducting the investigations shall endeavour to inform the Whistleblower that his/her identity is likely to be disclosed and to obtain his/her consent for the said disclosure.
- 3.3.3 In order not to jeopardise any investigation, the Whistleblower shall make all reasonable efforts to maintain the confidentiality of the Confidential Information, in particular, the fact that a report has been filed, the nature of the Director's Improper Conduct and the identity of the person(s) who have allegedly committed the Director's Improper Conduct.
- 3.3.4 Any person who obtains any Confidential Information in the course of any investigation of an allegation of Director's Improper Conduct shall not disclose any Confidential Information or any part thereof.

3.4 WHEN PROTECTION MAY NOT BE AVAILABLE

- 3.4.1 The Employee may not avail him/herself to the protection against Detrimental Action mentioned in section 3.2 above in the following circumstances:
- (a) If the report of Director's Improper Conduct is not made in good faith; or
 - (b) If the Employee him/herself has participated in the Director's Improper Conduct reported; or
 - (c) The report of Director's Improper Conduct is made solely or substantially with the motive of avoiding dismissal or other disciplinary action; or
 - (d) The Employee breaches his/her obligations of confidentiality under this Directors Policy.

Any Employee who has participated in a Director's Improper Conduct may be subject to disciplinary action. However, in certain circumstances, the Board may, in its discretion, on a case by case basis decide to grant amnesty to the Employee or consider leniency for the Employee.

However, please note that the Company has no power to provide any immunity from criminal prosecution. The Company also does not have any power to grant any protection from Detrimental Action to a Whistleblower who is not an Employee.

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 4.0 REPORTS OF DIRECTOR'S IMPROPER CONDUCT

Section: 4.1 LODGING A REPORT OF DIRECTOR'S IMPROPER CONDUCT
4.2 ANONYMOUS REPORTS

4.1 LODGING A REPORT OF DIRECTOR'S IMPROPER CONDUCT

4.1.1 Reports by Employees

- (a) An Employee having knowledge of a Director's Improper Conduct shall make a confidential report of the said Improper Conduct in writing. The report must provide full details of the Director's Improper Conduct and, where possible, supporting evidence.
- (b) The report must be made directly to the Chairman of the Board. However, if the Chairman of the Board is implicated, such report must be made directly to the SID.

4.1.2 Reports by external parties who are not Employees

- (a) Any report received from any external party about any Director's Improper Conduct will be forwarded to the Chairman of the Board (or the SID, where applicable).

4.2 ANONYMOUS REPORTS

4.2.1 Although the Board is not expected to address any anonymous allegations, the Board may, however, consider investigating an anonymous allegation after having considered the following:

- (a) the seriousness of the concern;
- (b) the credibility of the concern; and
- (c) the likelihood of confirming the concern from credible sources.

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 5.0 INVESTIGATION

Section: 5.1 REPORTS OF DIRECTOR'S IMPROPER CONDUCT
5.2 FULL INVESTIGATION
5.3 FINDINGS OF INVESTIGATION AND DECISION
5.4 CORRECTIVE ACTION

5.1 REPORTS OF DIRECTOR'S IMPROPER CONDUCT

- 5.1.1 After receiving a report of Director's Improper Conduct, the Chairman of the Board (or the SID, where applicable) shall form an opinion on whether he believes the case is a frivolous claim or is a case where there are suspicious circumstances.
- 5.1.2 If necessary, the Chairman of the Board (or the SID, where applicable) may seek independent legal advice or any other professional advice regarding the report made.

5.2 FULL INVESTIGATION

- 5.2.1 The Chairman of the Board (or the SID, where applicable) shall in his discretion decide whether the case shall be closed or to proceed to a full investigation of the allegations or to refer the matter to the relevant authorities or determine any other course of action that he deems fit having regard to the circumstances of the matter reported and the fairness of the conduct of any investigation.
- 5.2.2 In the event a full investigation is to be carried out, the Independent Party appointed to carry out investigations will inform the Whistleblower and the Whistleblower shall give his/her full cooperation during the conduct of the investigation.
- 5.2.3 The procedures of the investigation shall adopt the due processes to avoid any conflicts of interest and to ensure procedural fairness to the particular director involved.
- 5.2.4 All information, documents, records and reports relating to the investigation of a Director's Improper Conduct shall be kept securely to ensure its confidentiality.

5.3 FINDINGS OF INVESTIGATION AND DECISION

- 5.3.1 Upon the conclusion of an investigation, the Board shall review the investigation report and determine whether the allegation could be substantiated or not.

5.4 CORRECTIVE ACTION

- 5.4.1 If there is any corrective action to be taken, the Board shall take the necessary action.

WHISTLEBLOWER POLICY AND PROCEDURES FOR DIRECTORS

Chapter : 6.0 WHISTLEBLOWER PROTECTION ACT 2010 (“ACT”)

Section: 6.1 APPLICATION OF THE ACT

6.1 APPLICATION OF THE ACT

- 6.1.1 In June 2010, the Whistleblower Protection Act 2010 (“the Act”) was passed by Parliament and came into force on 15 December 2010. The Act protects persons making disclosures of improper conduct in the public and private sector from civil and criminal action. In addition, the Act allows for proper investigation to be carried out by an enforcement agency set up by the Federal Government, State Government or local government (“Enforcement Agency”).
- 6.1.2 If an Employee wishes to make a disclosure or report of improper conduct by any Director pursuant to the Act, then the reporting Employee will have to make the said disclosure of improper conduct to an Enforcement Agency. Any investigations and/or actions taken thereafter would be in accordance with the Act and are independent of the procedures described in this Directors Policy.