



PETRA

PETRA ENERGY BHD

WHISTLEBLOWING POLICY



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1.0 CONTENTS, USE, MAINTENANCE AND CONTROL OF MANUAL

1.1. PURPOSE

The objectives of this policy are to:

- Provide a mechanism for employees of PEB Group and members of the public to disclose any improper conduct within PEB.
- To ensure that all parties covered under this policy are given an equal opportunity to exercise their rights and lodge a report with full responsibility, accountability and sense of awareness.
- Have an up-to-date reference available where there is doubt with regard to the application of procedures.
- Protect a Whistleblower from the retaliation as a direct consequence of making the disclosure and to safeguard such person's confidentiality.
- Address and take appropriate action on the report in a timely manner.

1.2. SCOPE

The procedures elaborated within this Policy are confined to those situations where an employee, business associates, agents, contractors or any member of the public may need to make the necessary Protected Disclosure. A disclosure may be made if it relates to one or more of the following misconduct by anyone in dealing with the Company's or Group's activities such as, but not limited to:

- A criminal offence e.g. corruption, fraud, bribery, theft and blackmail;
- A breach of legal obligation;
- An abuse of authority;
- An act which may create a significant impact of danger to safety and lives of the public and environment;
- Violation of the Company's Code of Business Ethics; and
- Any concealments or attempts to conceal malpractices mentioned above.

This Policy shall not cover issues or concerns relating to the following:

- Issues which are malicious in nature;
- Issues raised from personal interest or ill will;
- Issues covered under another Company's procedure; and
- Issues pending or determined through any tribunal or authority or the court of law, arbitration or other similar proceedings.



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1.3. DEFINITIONS

Abbreviations	Definition
BAC	Petra Energy Berhad's Board Audit Committee
Confidential Information	<p>Any information that is by its nature confidential or sensitive and/or not generally available to the public and in this Policy includes</p> <ul style="list-style-type: none"> a) Information about the identity, occupation, residential address or whereabouts of <ul style="list-style-type: none"> i) a whistleblower; and ii) a person against whom a whistleblower has made a disclosure of improper conduct b) Information disclosed by a whistleblower; and c) Information that, if disclosed, may cause detriment to any person.
Detrimental Action	<p>Includes:-</p> <ul style="list-style-type: none"> a) Action causing injury, loss or damage; b) Intimidation or harassment; c) Interference with the lawful employment or livelihood of any person, including discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment in relation to a person's employment, career, profession, trade or business or the taking of disciplinary action; and d) A threat to take any of the actions referred to in paragraphs (a) to (c).
Disciplinary Offence	Any action or omission which constitutes a breach of discipline in a public body or private body as provided by law or in a code of conduct, a code of ethics or circulars or a contract of employment, as the case may be.
Employee	Directors and all individuals directly contracted to the Company on an employment basis, including permanent and temporary



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Abbreviations	Definition
	employees.
GHC	Group Human Capital
GLOA	Group Limits of Authority
HOD	Head of Department
Investigator	Person(s) authorised, appointed, consulted or approached by the BAC or the Board which may include any third party investigator appointed for specific purpose.
Improper Conduct	Any conduct which if proved, constitutes a disciplinary offence or criminal offence.
IO	Integrity Officer
IU	Integrity Unit
PEB	Petra Group of Companies
Protected Disclosure	Any communication made in good faith that disclose or demonstrate information that may evidence malpractice or unethical activity.
Subject	A person against or in relation to whom a Protected Disclosure has been made against or evidence gathered during the course of an investigation.
Whistleblower	<p>An employee or any stakeholder making a Protected Disclosure under this Policy i.e. an individual alert a relevant party that there is a person or persons in the organisation that has committed an act of wrongdoing or is currently practicing acts of misconduct or wrongdoings.</p> <p>Any person who makes disclosure of improper conduct to the enforcement agency under Section 6 of this Policy.</p>
Whistleblower Protection	Protection conferred to a whistleblower under Act 711 (Whistleblower Protection Act 2010)



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1.4. DOCUMENT CONTROL

- 1.4.1 The custodian of this document is the Integrity Officer who shall be responsible for incorporating any amendments and updates into this document, obtaining the approval of the BAC for those amendments and updates and distributing the same to the relevant parties. Any inquiries related to this policy shall be addressed to the Appointed Custodian.
- 1.4.2 The BAC of PEB has overall responsibility for this Policy and shall oversee the implementation of this Policy.
- 1.4.3 The BAC has delegated day to day responsibility for the administration and implementation of the Policy to the Integrity Officer. The use and effectiveness of this Policy shall be regularly monitored and reviewed by the Integrity Officer

2.0 LAWS AND REGULATION

2.1 The Whistleblower Protection Act 2010

The Whistleblower Protection Act 2010 was passed by the Parliament in April 2010 in order to combat corruption and other wrongdoings by encouraging and facilitating disclosures of improper conduct in the public and private sector, to protect persons making those disclosures from detrimental action, to provide for the matters disclosed to be investigated and dealt with and to provide for other matters connected therewith.

2.2 Section 368B of the Companies Act 1965 ("the Act")

The Act provides protection to Company Officers who make disclosures on breach or non-observance of any requirement or provision of the Act or any serious offence involving fraud and dishonesty.

2.3 Other Reference Policies

This Policy should also be cross-referenced with the following policy:

- a) Code of Business Ethics
- b) PEB Employee Handbook
- c) Group Limits of Authority.
- d) Group Supply Chain Management Policies and Procedure on matters pertaining to the procurement and tendering process.



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3.0 DISQUALIFICATIONS

While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection can warrant disciplinary action. Protection under this Policy will not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowingly or with a mala fide intention.

Whistleblowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosure under this Policy. In respect of such Whistleblowers, the Company or the BAC would reserve its right to take or recommend appropriate disciplinary action.

4.0 PROCEDURE AND PROCESS FLOW

- 4.1 All Protected Disclosure can be addressed either:
- i) Directly to the Chairman of BAC, or the Integrity Officer of PEB Group, or
 - ii) Via email to PEB Group's whistle blower account that is managed by the Integrity Unit at *whistleblower@penergy.com.my*
- 4.2 Protected Disclosure should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Bahasa Malaysia or the regional language of the place of employment of the Whistleblower.
- 4.3 Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of the preliminary investigative procedure.
- 4.4 Protected Disclosure shall contain the identity of the Whistleblower, contact details (telephone/ hand phone number and/or e-mail address). The investigation process will be initiated accordingly by the IU upon confirmed receipt of the Protected Disclosure.
- 4.5 If the allegations can be substantiated accordingly and if deemed fit, the findings will be tabled and discussed during the forthcoming BAC meeting. The Committee shall then recommend for appropriate actions to be taken by the Management based on the merit of the findings.



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5.0 INVESTIGATION

- 5.1 The decision to conduct an initial investigation by the above recipient is by itself, not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act has indeed been committed.
- 5.2 The authority to decide whether or not a Protected Disclosure should be further explored is vested within the BAC's jurisdiction after the findings and conclusions of the investigations are tabled and discussed during the Committee's meetings.
- 5.3 The BAC shall have the rights to appoint an external investigator where deemed fit.
- 5.4 The identity of a Subject shall be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 5.5 The subject(s) shall be informed of the allegation(s) at the outset of a formal investigation and have opportunities for providing their input(s) during the investigation.
- 5.6 The subject(s) shall have a duty to co-operate with Investigators during investigation process to the extent that such co-operation sought does not merely require them to admit guilt.
- 5.7 The subject(s) shall not interfere with the investigation process. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened and/or intimidated.
- 5.8 Unless there are compelling reasons not to do so, the subject(s) will be given the opportunity to respond to the findings of the investigation. No allegation of wrongdoing against the subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

6.0 PROTECTION

- 6.1 Disclosure of improper conduct
 - a) A Whistleblower may make a disclosure of improper conduct to the Company based on his/her reasonable belief that any personnel/ or any person related to the Company has engaged, is engaging or is preparing to engage in improper conduct provided that such disclosure is not specifically prohibited by any written law.
 - b) A disclosure of improper conduct under clause 6.1(a) above may also be made:



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- i) although the person making the disclosure is not able to identify a particular person to which the disclosure relates;
 - ii) although the improper conduct has occurred before the commencement of the Whistleblower Protection Act 2010;
 - iii) in respect of information acquired by him while he was an employee/ business associate/ a related party of the Company;
 - iv) on any improper conduct of a person while that person was an employee of the Company or a business associate or any party related to the Company.
- c) A disclosure of improper conduct under clause 6.1(a) above may be made orally or in writing provided that the authorized officer, upon receiving any disclosure made verbally, shall as soon as it is practicable, document it in writing.
- d) Any provision in any contract of employment shall be void in so far as it purports to preclude the making of a disclosure of improper conduct.

6.2 Whistleblower Protection

- a) A Whistleblower shall, upon receipt of the disclosure of improper conduct by the Company, be conferred with Whistleblower protection under this Policy as follows:
- i) protection of confidential information;
 - ii) immunity from civil and criminal action; and
 - iii) protection against detrimental action,
- b) A Whistleblower protection conferred under this section is not limited or affected in the event that the disclosure of improper conduct does not lead to any disciplinary action or prosecution of the person against whom the disclosure of improper conduct has been made.
- c) This Policy does not limit the protection conferred by any other written law to any person in relation to information given in respect of the commission of an offence.

6.3 Protection of confidential information

- a) Any person who makes or receives a disclosure of improper conduct or obtain confidential information in the course of investigation into such disclosure shall not disclose the confidential information or any part thereof.



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- b) Subject to clause 6.3(c) below, confidential information shall not be disclosed or be ordered or required to be disclosed in any civil, criminal or other proceedings in any court, tribunal or other authority.
- c) If any books, documents or papers which are in evidence or liable to inspection in any civil, criminal or other proceedings in any court, tribunal or other authority whatsoever contain any entry in which any Whistleblower is named or described or which might lead to his discovery, the court, tribunal or other authority before which the proceeding is had shall cause all such passages to be concealed from view or to be obliterated so far as is necessary to protect the whistle blower from discovery, but no further.

6.4 Immunity from civil and criminal action

Subject to clause 6.6(a), a Whistleblower shall not be subject to any civil or criminal liability or any liability arising by way of administrative process, including disciplinary action, and no action, claim or demand may be taken or made against the Whistleblower for making a disclosure of improper conduct.

6.5 Protection against detrimental action

- a) No person shall take detrimental action against a Whistleblower or any person related to or associated with the Whistleblower in reprisal for a disclosure of improper conduct.
- b) A Whistleblower may make a complaint to the Company of any detrimental action committed by any person against the Whistleblower or any person related to or associated with the Whistleblower.
- c) A person is deemed to take detrimental action against a Whistleblower or any person related to or associated with the Whistleblower if:
 - i) the person takes or threatens to take the detrimental action because:
 - a Whistleblower has made a disclosure of improper conduct; or
 - the person believes that a Whistleblower has made or intends to make a disclosure of improper conduct.
 - ii) the person incites or permits another person to take or threaten to take the detrimental action for any reason under sub-clause (c)(i) above.
- d) Nothing in this section shall affect the Whistleblower protection to an employee in the Company either at law or under a collective agreement or employment contract.



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- e) No person acting or purporting to act on behalf of the Company shall:
 - i) terminate a contract;
 - ii) withhold a payment that is due and payable under a contract; or
 - iii) refuse to enter into a subsequent contract, solely for the reason that a party to the contract or an employee or employer of a party to the contract has made a disclosure of improper conduct to the Company relating to the Company or any company within the Group.
- f) In any proceedings, it lies on the Subject to prove that the detrimental action shown to be taken against a Whistleblower or any person related to or associated with the Whistleblower is not in reprisal for a disclosure of improper conduct.

6.6 Revocation of Whistleblower Protection

- a) The Company shall revoke the whistleblower protection if it is of the opinion, based on its investigation or in the course of its investigation that:
 - i) the Whistleblower himself has participated in the improper conduct disclosed;
 - ii) the Whistleblower wilfully made in his disclosure of improper conduct a material statement which he knew or believed to be false or did not believe to be true;
 - iii) the disclosure of improper conduct is frivolous;
 - iv) the disclosure of improper conduct is made solely or substantially with the motive of avoiding dismissal or other disciplinary action; or
 - v) the Whistleblower, in the course of making the disclosure or providing further information, commits an offence under the Whistleblower Protection Act 2010.
- b) If the whistleblower protection has been revoked, the Company shall give a written notice to that effect to the whistleblower.
- c) Any person aggrieved by the decision of the Company in respect of the revocation of protection may refer the decision of the Company to the court for determination.



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7.0 DECISION

If an investigation concludes that an improper or unethical act has been committed, the matter should be handled in accordance with the existing Disciplinary Procedures as specified under HR Policy adopted by the Company.

The corrective actions to be taken against the employee will be determined by the BAC and supported by the Management, which may include disciplinary measures, formal warning or reprimand, demotion, suspension or termination of employment or services with the Company or other forms of punishment through normal Human Resource Domestic Inquiry process and procedures.

8.0 RETENTION OF DOCUMENTS

All Protected Disclosures along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven (7) years or in accordance with the applicable legal requirements.

9.0 AMENDMENT AND REVIEW

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

This policy shall be updated from time to time in ensuring that future related issues and treatment are incorporated into this Policy. Amendments and revision of this Policy or any part thereof shall be made known to the BAC for recommendation to the Board of Directors for their approval and adoption accordingly.

————— END —————