

LBI CAPITAL BERHAD

WHISTLEBLOWING POLICY

1) Policy Statement

i) LBI Capital Berhad (“Group”) is committed to the high standard of integrity and maintaining high standard of accountability in the conduct of its business and operation. The Group will conduct its affairs in an ethical, responsible and transparent manner which is vital to the success of the Group.

ii) This whistleblowing policy (“Policy”) is to provide a structured reporting channel and guidance to all employee and external parties without fear of victimization or discrimination.

iii) Procedure that are incorporated in this Policy aim to address issues such as reporting, responsibility, confidentiality, instigation and resolution.

iv) Employee who whistleblow on improper conduct will be protected against victimization or other adverse treatment provide that the whistleblowing is done in good faith. However, any whistleblowing done in bad faith or malicious will be dealt with.

v) The administration of this policy shall be performed by the Audit Committee.

2. Objective

i) Objective of the Policy is to protect the values of transparency, integrity, impartiality and accountability where the Group conducts its business and affairs.

ii) Through an effective implementation of this Policy, the Group aims to enhance its accountability in preserving its integrity and to withstand public scrutiny.

iii) The Policy serves as an early warning system for the Group to remedy any wrongdoing before serious damage is caused.

3) Definition of Whistleblowing

i) Whistleblowing is defined as the deliberate, voluntary disclosure or reporting of an individual or organization malpractice by any person (who has privileged access to information) on any actual (past or

present) or suspected improper conduct within the Group or organization based on his or her reasonable belief.

ii) The person who reports/alerts the serious concerns of improper conduct is referred to as “Whistleblower”.

iii) “Improper conduct” includes among others, fraud, corruption, bribery, blackmail, criminal offence, failure to comply with legal or regulatory obligation or any action that could cause significant harm to the Group or person.

4) Scope

i) This Policy applies to all matters involving the Group’s employees and any other stakeholders/persons providing services to the Group, including consultants, vendors, independent contractors, external agencies and/or any other party with a business relationship with the Group.

5) Reporting Procedures

i) The Whistleblower should immediately come forward with any information that he/she, in good faith and reasonably believes that an improper conduct was committed, is being committed or will be committed.

ii) The Whistleblower shall report the concerns in writing to Audit Committee Chairman by providing full details of the improper conduct and where possible, with supporting evidence.

6) Investigation

i) Upon the instruction from the Audit Committee Chairman, the internal auditor will conduct an investigation to determine on the merits of the concern and report to the Audit Committee Chairman.

ii) The alleged wrongdoer will be informed of the Whistleblower’s disclosure (but not of the identity of the Whistleblower himself) and be given opportunity to respond to the allegations.

iii) Upon the conclusion of the investigation, the CEO shall review the investigation report and recommend the disciplinary action to be taken.