

**YLI HOLDINGS BERHAD
1995038047 (367249-A)**

WHISTLE BLOWING POLICY

1.0 Purpose

This policy establishes the position of YLI Holdings Berhad and its subsidiaries (hereinafter referred to as “YLI Group”) in encouraging employees and/or stakeholders to raise concerns in confidence, disclose any fraud, corruption/bribery/blackmail, criminal offences, failure to comply with a legal or regulatory obligation, miscarriage of justice or endangerment of an individual’s health and safety of which they become aware, and to ensure that the employee and/or stakeholder who reports allegations of such concerns will be protected from possible reprisals or retaliations if he/she has a reasonable belief that the disclosure was made in good faith.

2.0 Definitions

2.1 Whistle Blowing is a specific means by which a worker or stakeholder can report or disclose through established channels, concerns about any fraud, corruption/bribery/blackmail, criminal offences, failure to comply with a legal or regulatory obligation, miscarriage of justice or endangerment of an individual’s health and safety that is taking place / has taken place / may take place in the future.

2.3 Only genuine concerns should be reported under Whistle Blowing procedures. This report should be made in good faith with a reasonable belief that the information and any allegation in it are substantially true, and the report is not made for personal gain. Malicious and false allegations by the whistle blower will be viewed seriously and treated as a gross misconduct and if proven may lead to dismissal or termination of the whistle blower who abuses this policy.

3.0 Policy Statement

It is the policy of YLI Group:

3.1 That YLI Group is committed to achieving and maintaining high standards with regards to behavior at work.

3.2 That all YLI Group employees and stakeholders (i.e. shareholders / suppliers / customers / partners or business associates) are encouraged to report promptly genuine concerns about any fraud, corruption/bribery/blackmail, criminal offences, failure to comply with a legal or regulatory obligation, miscarriage of justice or endangerment of an individual’s health and safety without fear of reprisal should they act in good faith when reporting such concern.

3.3 That YLI Group views any harassments or retaliations in any form or manner against genuine whistle blower seriously and will treat such action as gross misconduct, which if proven, may lead to dismissal or termination of the person/ parties harassing or retaliating in any form or manner against genuine whistle blower.

- 3.4 That YLI Group assures individual employee and stakeholder who raises issues of concern that he/she will be protected from any adverse impact on their employment or relationship with the YLI Group as a result of his/her reporting, provided the report is made in good faith and without malice.

4.0 Procedures

- A. In the case of YLI employees, any concern should be raised with his/her immediate superior, and in the case of YLI stakeholders, any concern should be raised with the immediate superior of the employee concerned.**

If for any reason, it is believed that this is not possible or appropriate, then the concern should be reported to Chairman of YLI Holdings Berhad, and/or Managing Director of YLI Holdings Berhad.

- (i) Channel of reporting to Chairman of YLI Holdings Berhad:

Name: YBhg Dato' Samsuri Rahmat
Via Telephone: +603 77222296
Via Email: samsuri.rahmat@yli.com.my
Via Mail: Mark "Strictly Confidential"
YLI Holdings Berhad
No. 45 Lorong Rahim Kajai 13
Taman Tun Dr Ismail
60000 Kuala Lumpur
Malaysia

- (ii) Channel of reporting to Managing Director of YLI Holdings Berhad:

Name: Mr Seah Heng Chin
Via Telephone: +603 77222296
Via Email: seah_41@yahoo.my
Via Mail: Mark "Strictly Confidential"
YLI Holdings Berhad
No. 45 Lorong Rahim Kajai 13
Taman Tun Dr Ismail
60000 Kuala Lumpur
Malaysia
Attention: Managing Director

B. In the case where reporting to management is a concern, then the report should be made to the Chairman of Audit Committee. Channel of reporting to the Chairman of Audit Committee is:

Name: Dr Abdul Latif Bin Shaikh Mohamed

Via Telephone: +603-77222296

Via Email: corporate@yli.com.my

Via Mail: Mark "Strictly Confidential"

YLI Holdings Berhad
No. 45 Lorong Rahim Kajai 13
Taman Tun Dr Ismail
60000 Kuala Lumpur
Malaysia

Attention: Chairman of Audit Committee

5.0 Action

- (a) All reports will be investigated promptly by the person receiving the report who should promptly report to the management, if appropriate. If required, he/she can obtain assistance from other resources within the YLI Group (e.g. Group Human Resource Department). The progress of investigation will be reported to the Audit Committee no later than at the next scheduled meeting.
- (b) Reports received anonymously will be treated as confidential.
- (c) The person making anonymous report will be advised that maintaining anonymity may hinder an investigation. Notwithstanding this, anonymity will be maintained as long as it is permitted by law or the person making the report indicates that he no longer wishes to remain anonymous.
- (d) Upon completion of investigation, appropriate course of action will be recommended to the Audit Committee for their deliberation. Decision taken by the Audit Committee will be implemented immediately.
- (e) Where possible, steps will be taken to prevent similar situation from arising again.

5.2 Further Action

- (a) If for any reason, the person making the report is not satisfied with the way his/her report had been dealt with, he/she can escalate his/her report to the Audit Committee. Channel of reporting to the Audit Committee is:

Name: Dr Abdul Latif Bin Shaikh Mohamed

Via Telephone: +603-77222296

Via Email: corporate@yli.com.my

Via Mail: Mark "Strictly Confidential"

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No. 45 Lorong Rahim Kajai 13
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Malaysia

Attention: Chairman of Audit Committee

- (b) Chairman of Audit Committee will deliberate the report with his Committee members and decide on the appropriate course of action.