



INTERNAL WHISTLEBLOWER POLICY 2013

INTERNAL AUDIT SECTION

Whistleblowing Policy (Internal)

Definition

1. Whistleblowing is a disclosure by a person, usually an employee, in an enforcement agency, government agency or private enterprise or even members of the public to those in authority either within the organization or at the discretion of the whistleblower to another enforcement agency, of mismanagement, corruption, illegality, or any other wrongdoing carried out by an individual or group of individuals within the organization. Such an act by the said individual(s) may be punishable by any legislated law of Malaysia. For the purposes of this policy, all such acts shall come to be known as improper conduct (as defined under the Whistleblower Protection Act 2010 (WPA 2010)).

2. A whistleblower is as defined under the WPA 2010.

Purpose

3. The Policy serves to encourage SSM's employees, vendors or any external party to disclose (whistleblow) any improper conduct (as defined under the WPA 2010) which has come to their knowledge and to provide protection for

employees, vendors and external parties who report allegations of improper conduct (as specified under Section 6 of the WPA 2010)

Scope of Policy

4. The policy is established to encourage and guide employees, vendors and external party to report alleged improper conduct. This policy also serves to ensure that all such reports are thoroughly investigated and suitable action are taken where necessary. For the purpose of this policy, the phrase improper conduct although defined by WPA 2010 shall also include but not limited to the following:

- (a) which is an offence or a breach of any legislated law or SSM policy;
- (b) disclosures related to miscarriages of justice to any employee or external party perpetrated by an employee or with the collusion of an employee of SSM;
- (c) affecting health and safety risks, including risks to the public as well as other employee

- deliberately;
- (d) relating to unauthorised use of SSM funds detrimental to its interests;
- (e) involving fraud and corruption;
- (f) involving abuse of power and position for personal gain or causes detriment to the organisation; or
- (g) relating to discrimination against race, religion or gender or disability.
- (h) Deliberate withholding information or unauthorized sharing of information to the detriment of SSM.

Types of Whistle blower

5. The whistleblower covered by the policy is set out below:

- (a) Internal:
 - (i) Employees
 - (ii) Contract employees
 - (iii) Temporary employees
- (b) External:
 - (i) Vendors

- (ii) Members of the public (in so far as to the services of SSM)

Protection

6. The policy protects the whistleblower who lodged a report/complaint, provided the report is made in good faith. Anyone engaging in retaliatory conduct against the whistleblowing employee will be subjected to enforcement action under Section 10 (6) of the WPA2010. Any employee who has made report in good faith is protected against adverse employment actions which will affect his/her livelihood (e.g. discharge, demotion, suspension, harassment or other forms of discrimination) for reporting improper conduct.

7. An employee or any other party is protected even if the report made proved to be incorrect or unsubstantiated. The revocation of whistleblower protection can only be made in the event the conditions specified under Section 11 (1) of the WPA 2010 are met in the opinion of SSM namely:

- (a) The whistleblower himself has participated in the improper conduct disclosed.

- (b) 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
- (c) The disclosure of improper conduct is frivolous or vexatious
- (d) The disclosure of improper conduct principally involves questioning the merits of government policy, including policy of a public body (SSM)
- (e) The disclosure on improper conduct is made solely or substantially with the motive of avoiding dismissal or other disciplinary action
- (f) The whistleblower, in the course of making the disclosure or providing further information, commits an offence under the WPA2010.

Assurance of Confidentiality

8. All reports and identity of the whistleblower will be treated in a confidential and sensitive manner. A report will only be disclosed to those who are authorised to carry out investigation into matters relating to the report. The identity of the whistleblower shall always be withheld in

these circumstances The whistleblowers shall be informed where a referral is made.

Anonymous Report

9. This policy encourages the whistleblower to state his/her name to their respective report, whenever possible. Reports expressed anonymously are much less credible but will nevertheless, be considered at the discretion of Audit and Risk Management Committee (ARMC). In exercising this discretion the factors to be taken into account includes the following:

- (a) the seriousness of the issues raised;
- (b) the credibility of the report; and
- (c) the likelihood of confirming the allegation from attributable sources.

10. The decision of the ARMC on this matter shall be final. All deliberations of ARMC on any whistleblower allegations are strictly to be minuted by an Internal Audit Officer appointed by the Chairman of ARMC.

11. The Internal Audit Section (IAS) shall maintain records

of all reports and supporting documentations on investigations into any reports lodged by whistleblower. These records are to be kept by the Head of the IAS.

12. The decision to make an anonymous report may result in the whistleblower not being conferred protection under the WPA2010.

Mala fide Report

13. If the employee makes a report in good faith, which is not substantiated and confirmed by subsequent investigations, no action will be taken against the employee. In making a report, an employee must exercise due care to ensure the accuracy of the information given. If, however, an employee makes *mala fide* report, disciplinary action may be taken against such employee. The onus is on the organization to prove that the said employee had made a mala fide report. On the other hand, if a Vendor lodges *mala fide* report, SSM may consider lodging a police report and/or take other necessary actions deemed appropriate.

Responsible Officer

14. The Internal Audit Section (IAS) is solely authorised to investigate and address all whistleblowing cases reported to them. The Head of IAS will be responsible to monitor and report all cases investigated pursuant to this whistleblowing Policy to ARMC. The identity of the whistleblower shall be kept in strict confidence.

15. In the event a report has been made on any IAS officer, the complaint shall be handled by the chairman of ARMC or any person appointed by ARMC in order to prevent any conflicts of interest or biasness in the said investigation.

Making a Report

16. All employees and vendors are encouraged to make a report via the format attached (Refer to Appendix 2). The format is introduced to ensure all relevant information are disclosed. It also serves as a guideline to all parties. **The employee is free to report directly to any enforcement agency if he/she so chooses and may**

choose any other format as they please.

17. The whistleblower shall receive a preliminary report within five (5) business days of the initial report, regarding the investigation, disposition or resolution of the issue. If the investigation of a report, that was done in good faith and investigated by internal personnel, is not to the whistleblower's satisfaction, then he/she has the right to report to the relevant enforcement agencies. In the event the alleged offence is punishable under a legislation enforced by another agency, the said report would then be forwarded to the relevant agency with the concurrence of the whistleblower or where the complainant is anonymous, the ARMC.

18. In the event investigations by IAS has revealed that there were individuals connected to any company, business or any entity who by utilizing any SSM employee breached any legislated law enforced by SSM, notification should be made immediately to the Chief Executive Officer who may in discretion order enforcement action against the parties concerned. The identity of the whistleblower shall be protected at all times.

Escalation of Report

20. The escalation guide for a whistle blower report (only the nature of the report whilst the identity of the whistle blower is safeguarded) are as set out below:

- (a) Report regarding Internal Audit Officers:
(Escalate to Chairman of ARMC)

- (b) Report regarding Director/HOD:
(Escalate to Chairman of ARMC/CEO)

- (c) Report regarding other officers or support staffs:
(Escalate to Director/CEO)

- (d) Report regarding CEO, DCEOS and SD:
(Escalate to Chairman of ARMC and Chairman of the Commission)

- (d) Report regarding any member of the Commission:
(Escalate to the Chairman of the Commission)

- (e) Report regarding the Chairman of the Commission:
(Escalate to the Minister of Domestic Trade, Cooperatives and Consumerism)

21. Reports may be raised verbally or in writing. A whistleblower who wishes to make a written report is invited to use the attached form (Appendix 2) or use the open format. Minimally, the following information should be disclosed in open format :

- (a) The background and history of the concern
(giving relevant dates, time, names, etc);
- (b) The reason why you are particularly concerned about the situation.

Method of Submission

22. The complaints, on prescribed form or on open format, should be submitted in a sealed envelope to the authorised personnel identified in Paragraph 14 who would escalate the nature of complaint as stated in the escalation guide in

paragraph 20 of the escalation procedure. In addition, the whistleblower may e-mail his complaint to the Head of IAS if he/she so wishes.

23. The respective individual who wish to file a complaint verbally can call the Head of IAS directly on the given phone number (03-22995288) or e-mail at khtoh@ssm.com.my.

-DOCUMENT END-