

**BOARD WHISTLE-BLOWING COMMITTEE  
REVISED TERMS OF REFERENCE**

*As approved by the Board of Directors on 18 December 2018*

**1.0 STATUS**

1.1 The Board Whistle-Blowing Committee ("WBC") is a committee established by the Board of Directors ("Board") of Velesto Energy Berhad ("Velesto Energy").

**2.0 MEMBERSHIP**

2.1 The WBC shall be appointed by the Board from amongst its Directors and shall comprise no fewer than three (3) members, all of whom must be Non- Executive Directors ("NEDs"), with a majority of them being Independent Directors.

2.2 No Alternate Director can be appointed as a member of the WBC.

**3.0 PRIMARY PURPOSE**

3.1 The primary objectives of the WBC include:-

- (a) Reviewing, investigating and disposing complaints (in consultation with the Chairman of the Board and the President of Velesto Energy) received against any member of the Board of Directors of Velesto Energy Group, senior management employees of Velesto Energy Group holding Job Grades 20 and above and all Heads of Division and Heads of Strategic Business Unit (irrespective of their job-grade).
- (b) Reviewing and disposing all complaints received against all other employee of Velesto Energy Group, upon receiving recommendation or report from the Management Whistle Blower Committee ("WMC").
- (c) The WBC shall exercise its powers and carry out its duties and responsibilities in accordance with the WBC Policy and General Guidelines of the Group.

#### **4.0 RESPONSIBILITIES**

4.1 The WBC's responsibilities include:

- (a) Receive, review and investigate complaints obtained through the whistle-blowing mechanism including disposal of complaints received against any member of the Board of Velesto Energy Group, senior management employees of Velesto Energy Group holding Job Grades 20 and above and all heads of Strategic Business Unit (irrespective of their job-grade);
- (b) Designate an Investigating Officer ("IO") to investigate any complaints received through the whistle-blowing mechanism and also to supervise IO;
- (c) To authorise the IO or any member of the WMC to lodge reports against any employee of the Velesto Energy Group, if necessary; and
- (d) Carry out such other function as defined by the Board.

#### **5.0 AUTHORITY**

5.1 The WBC shall have authority to:

- (a) Carry out its duties and responsibilities as guided by the Whistle-Blowing Policy and General Guidelines of the Group;
- (b) Seek, obtain and access any information it requires from any employee of Velesto Energy Group in order to perform its duties;
- (c) Obtain at Velesto Energy and/or Velesto Energy Group's expense, external legal or, professional advice on any matter within its terms of reference;
- (d) Call any employee to be questioned at a meeting of the WBC as and when required; and
- (e) To lodge reports on its own or to authorise the IO or any member of the WMC to lodge reports with the relevant authorities.

- 5.2 Where it involves matters relating to complaints against any member of the Board of Velesto Energy Group, senior management employees of Velesto Energy Group holding Job Grades 20 and above and all Heads of Division and Heads of Strategic Business Unit (irrespective of their job-grade), the WBC shall act and dispose of the investigation, in consultation with the Chairman of the Board and the President of Velesto Energy.

## **6.0 PROCEDURES FOR DEALING WITH COMPLAINTS**

- 6.1 All complaints may be directed to either the Chairman of the Board of Velesto Energy, Chairman of the WBC, the President or the Chairman of the WMC.
- 6.2 All complaints must be either in writing duly signed by the whistle-blower or verbally in person by the whistle-blower. Where verbal complaint is received, it shall be reduced in writing and recorded accordingly.
- 6.3 The procedures on disclosure of any wrongdoing by a whistle-blower are stipulated in the Whistle-Blowing Policy and General Guidelines of the Group.

## **7.0 MEETINGS**

- 7.1 The Chairman of the WBC shall call for a meeting as and when necessary.
- 7.2 The quorum for the WBC shall be a majority of the Members of the WBC.
- 7.3 Each member of the WBC is entitled to one (1) vote on all matters deliberated at the meeting. In case of an equality of votes, the Chairman of the WBC shall be entitled to a second or casting vote.

## **8.0 COMMUNICATION TO THE BOARD**

- 8.1 The IO shall prepare a report on the outcome of any investigation made in all cases, to each member of the WBC for deliberation and decision.
- 8.2 The IO shall maintain record of proceedings for each and every complaint and investigation carried out.

## **9.0 CIRCULAR RESOLUTION**

- 9.1 A resolution in writing signed by a majority of the members shall be valid and effectual as if it had been passed at a meeting of the WBC. Any such resolution may consist of several documents in like form, each signed by one (1) or

more members. The expression "in writing" or "signed" includes approval by legible confirmed transmission such as facsimile, e-mail, or any other forms of electronic communication.

**10.0 SECRETARIAT**

10.1 The IO shall be the Secretary of the WBC.

10.2 The Secretary of the WBC shall be responsible for preparation of the agenda, in consultation with the Chairman of the WBC, and for the distribution to all members, the papers to be deliberated at the meeting.

**11.0 APPOINTMENT PROCESS**

11.1 The term of office and the performance of the WBC as a whole and of individual WBC members are evaluated by the Board annually to determine whether WBC and its members have carried out their duties in accordance with their terms of reference.