

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

Approved by the Board of Directors on 19 September 2019

1.0 STATUS

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

2.0 MEMBERSHIP

2.1 The BWBC shall be appointed by the Board from amongst its Directors and shall comprise no fewer than four (4) members, all of whom must be Non-Executive Directors, with a majority of them being Independent Directors.

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

3.0 PRIMARY PURPOSE

3.1 The primary objectives of the BWBC include:-

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

4.0 RESPONSIBILITIES

4.1 The BWBC'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, senior management employees of Velesto (holding Job Grades 20 and above), all Heads of Division or 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 MWBC to lodge reports against any employee of the Velesto Group if necessary; and
- (d) Carry out such other function as defined by the Board.

5.0 AUTHORITY

5.1 The BWBC shall have authority to:-

- (a) Carry out its duties and responsibilities as guided by the Whistle-Blowing Policy and General Guidelines of the Velesto Group;
- (b) Seek, obtain and access any information it requires from any employee of Velesto Group in order to perform its duties;
- (c) Obtain at Velesto and/or Velesto'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 BWBC as and when required; and
- (e) To lodge reports on its own or to authorise the IO or any member of the MWBC to lodge reports with the relevant authorities.

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

6.0 PROCEDURES FOR DEALING WITH COMPLAINTS

- 6.1 All complaints may be directed to either the Chairman of the Board, Chairman of the BWBC, the President or the Chairman of the MWBC.
- 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 Velesto.

7.0 MEETINGS

- 7.1 The Chairman of the BWBC shall call for a meeting as and when necessary.
- 7.2 The quorum for each meeting shall be at least three (3) members.
- 7.3 Each member of the BWBC is entitled to one (1) vote on all matters deliberated at the meeting. In case of an equality of votes, the Chairman of the BWBC shall be entitled to a second or casting vote.
- 7.4 A meeting of the BWBC shall be normally be conducted face-to-face to enable effective discussion; however, meetings may also be conducted via telephone conferencing, video conferencing or other appropriate means as determined by the BWBC.

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 BWBC 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 BWBC. 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 letter, facsimile, e-mail or any other forms of electronic communications.

10.0 SECRETARIAT

- 10.1 The IO shall be the Secretary of the BWBC.
- 10.2 The Secretary of the BWBC shall be responsible for preparation of the agenda, in consultation with the Chairman of the BWBC, 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 BWBC as a whole and of individual BWBC members are evaluated by the Board annually to determine whether BWBC and its members have carried out their duties in accordance with their terms of reference.