KK MART RETAIL BERHAD

REGISTRATION NO.: 202301037992 (1531914-U)

WHISTLEBLOWING POLICY

1.0 PURPOSE

The purpose of this Whistleblowing Policy is to:

a) Establish a **formal mechanism** for employees, contractors, and stakeholders to report concerns, suspected misconduct, improper conducts, unethical behavior, wrongdoing or illegal activity, committed or about to be committed.

b) Protect the **integrity, transparency, and reputation** of KK Mart Retail Berhad ("**Company**") and its subsidiaries ("**KK Mart Retail Group**").

c) Ensure **early detection and prevention** of any illegality, improper conduct and/or wrongdoing in the KK Mart Retail Group.

d) Provide **clear guidance** on reporting, investigation, and resolution of concerns and improper conduct while safeguarding the **rights and Confidentiality** of Whistleblowers.

e) Promote a **speak-up culture**, empowering employees, contractors, and stakeholders to act ethically without fear of Retaliation.

It should be emphasised that this Whistleblowing Policy is intended to assist whistleblowers who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by the Company and/or the KK Mart Retail Group nor should it be used to reconsider any matters which have already been properly addressed under other procedures or means.

2.0 SCOPE

This Whistleblowing Policy applies to:

a) **All employees of the KK Mart Retail Group**, including full-time, part-time, contract, temporary staff, interns, and apprentices.

b) **Directors, officers, and senior management** of the KK Mart Retail Group.

c) **Consultants, contractors, vendors, and business partners** associated with the KK Mart Retail Group.

d) **Franchisees, agents, and third parties** with a legitimate business relationship with the KK Mart Retail Group.

e) **Members of the public**.

3.0 POLICY STATEMENT

3.1 The KK Mart Retail Group is committed to:

a) Encouraging open communication and ethical conduct.

b) Ensuring that Whistleblowers are protected against Retaliation.

c) Investigating reports objectively, confidentially, and promptly.

d) Taking appropriate corrective action where misconduct is confirmed.

3.2 Employees and stakeholders are expected to report any concerns, suspected misconduct, improper conducts, unethical behavior or illegal activity, committed or about to be committed in Good Faith. Reports made maliciously or knowingly false may be subject to disciplinary action.

3.3 The objectives of this Whistleblowing Policy are as follows:

a) To encourage and enable employees and any members of the public with knowledge of any wrongdoing to raise genuine and legitimate concerns internally (and also to define clearly the situations in which they may raise the matter externally), as early as possible and in a responsible manner;

b) To address a disclosure in an appropriate and timely manner. When disclosure matters are addressed, they may then be prioritized according to the nature and gravity of the alleged wrongdoings or reported risks and the magnitude of the repercussions;

c) To protect Whistleblowers from reprisals or victimization as a direct consequence of making a disclosure, and to safeguard such person's confidentiality;

d) To provide avenues for employees and any members of the public with knowledge of any wrongdoing to raise concerns in confidence, in an independent and unbiased manner and to receive feedback in relation to any action taken;

e) To treat both the Whistleblowers and the alleged wrongdoer fairly. The alleged wrongdoer will be informed of the allegations (though not necessarily at the start of the investigation) and will be given an opportunity to answer the allegations. The identities and personal information of the Whistleblowers and the alleged wrongdoer will be revealed to persons involved in the investigations or any other processes on a "need to know" basis only;

f) To deter serious malpractice; and

g) To promote accountability throughout the KK Mart Retail Group.

4.0 DEFINITION

Term	Definition
Whistleblower	A person who reports concerns or improper conduct in Good Faith.
Good Faith	Reporting based on a reasonable belief that wrongdoing occurred, regardless of whether it is later substantiated.
Retaliation	Any adverse action against a Whistleblowers, such as demotion, harassment, or termination.
Confidentiality	Maintaining the privacy of the Whistleblowers's identity and the details of the report, except where disclosure is legally required.

5.0 REPORTABLE CONCERNS AND IMPROPER CONDUCT

Whistleblowers may report concerns or improper conduct including but not limited to:

a) Human Resources ("**HR**") related Issues

i. Harassment, discrimination, or bullying.
ii. Favoritism, nepotism, or conflicts of interest in recruitment, promotion, performance evaluation, or disciplinary actions.
iii. Misuse of company assets, HR systems, or confidential employee data.
iv. Failure to comply with the rules, instructions, policies and procedures of the KK Mart Retail Group.
v. Deliberate concealment of any of the above.
vi. Knowingly directing and advising a person to commit any of the above or assisting a person to commit any of the above.

b) Business/Operational related Issues

i. Fraud, bribery, corruption, or financial irregularities.
ii. Misstatement of accounts, manipulation of data, or misrepresentation of reports.
iii. Safety, health, or environmental violations.
iv. Misuse of confidential or sensitive information.
v. Procurement malpractice, vendor collusion, or unethical business dealings.
vi. Theft or embezzlement.
vii. Conflict of interest, abuse of power, criminal offences, failure to comply with legal or regulatory obligations.
viii. Gross mismanagement.
ix. Misuse of the KK Mart Retail Group's funds or assets.
x. Financial irregularity or impropriety within the KK Mart Retail Group.
xi. Breach of internal controls.
xii. Improper conduct, serious non-professional or non-ethical behaviour.
xiii. An act or omission which creates a substantial and specific danger to the lives, health or safety of the KK Mart Retail Group's employees or the public, or the environment.
xiv. Deliberate concealment of any of the above.
xv. Knowingly directing and advising a person to commit any of the above or assisting a person to commit any of the above.

6.0 REPORTING CHANNELS

Whistleblowers may submit reports to the Whistleblowing Committee by completing the Whistleblowing Report Form (per **Appendix WHB – 1**) confidentially and securely via:

6.1 Internal Channels

a) **By Email**: whistleblower@kkgroup.my

b) **By Post**: Whistleblowing Committee, Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor.

6.2 Anonymous Reporting

a) Anonymous reports are permitted, but Whistleblowers are encouraged to provide **sufficient details** (who, what, when, where, how) to enable investigation. A Whistleblower is encouraged to identify themselves with name and contact details to facilitate further examination and **notification** whenever deemed necessary. Concerns expressed anonymously are much less credible and less capable of being addressed, but they may be considered at the discretion of the Audit Committee. In exercising this discretion, the factors to be taken into account will include:

i. The seriousness of the issues raised
ii. The credibility of the concern
iii. The ability of the Audit Committee/Management or any persons appointed to investigate the matter to discover the facts
iv. Justification for maintaining anonymity
v. The likelihood of confirming the allegation from attributable sources

b) Protection under this Whistleblowing Policy applies even for anonymous reports, provided they are made in Good Faith.

7.0 INVESTIGATION PROCEDURE

7.1 Acknowledgment: The Whistleblowing Committee will confirm receipt of the report if contact details are provided.

7.2 Preliminary Assessment: The Whistleblowing Committee will determine the seriousness and credibility of the report.

7.3 Investigation:

a) A formal investigation will be conducted and/or initiated by the Whistleblowing Committee which is chaired by an independent non-executive director. The Whistleblowing Committee may include representatives from the HR Department, Legal Department, Compliance Team and Internal Audit Department, as applicable.

b) Investigations will be objective, fair, and confidential.

7.4 Findings & Resolution:

a) Recommendations for and undertaking of corrective action, including HR disciplinary action, process improvement, or legal escalation, will be documented.

b) The Whistleblower will be informed of the outcome where appropriate, while maintaining Confidentiality.

7.5 Documentation: Complete records of the report, investigation, and outcomes will be maintained securely in the Whistleblowing Register.

8.0 WHISTLEBLOWER PROTECTION

8.1 The KK Mart Retail Group guarantees strict non-Retaliation against any Whistleblower reporting in Good Faith. Protection measures include:

a) Protection from demotion, harassment, termination, or other adverse treatment.

b) Confidential handling of identity and report details.

c) Reassignment or temporary relocation if necessary to protect the Whistleblower.

8.2 Retaliation by any employee will result in disciplinary action up to termination.

8.3 All such disclosures will be treated in a confidential and sensitive manner. The identity of the individual making the allegation shall be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required.

8.4 The Whistleblower may assume that only the Audit Committee and person(s) assigned to investigate the complaint will know the Whistleblower's identity. The Whistleblower's identity shall not be revealed outside of the KK Mart Retail Group except:

a) Where there is a legal or regulatory obligation to do so, or where requested by a competent regulatory authority (i.e. any court, governmental body or regulatory authority having authority over the KK Mart Retail Group or its businesses);

b) Where that information is already in the public domain;

c) On a strictly confidential basis to a professionally qualified lawyer or accountant for the purposes of obtaining advice; or

d) To the police or as otherwise required by any competent regulatory authority.

9.0 FALSE OR MALICIOUS REPORTS

9.1 Knowingly false or malicious reports, and particularly if the Whistleblower persists with making the disclosure other than via the internal channels, may lead to revocation of whistleblower protection and disciplinary action being taken against the Whistleblower.

9.2 An employee would not be disciplined for raising a genuine and legitimate concern, provided that he/she does so in good faith and follows the whistleblowing procedures.

9.3 If a Whistleblower was or is involved in the wrongdoing, the Whistleblower is encouraged to make a disclosure and voluntary admission and such voluntary admission would be given due consideration. The protection provided by this Whistleblowing Policy may not usually apply depending on the nature or gravity of the Whistleblower's involvement or the wrongdoings.

10.0 TRAINING AND AWARENESS

10.1 Annual whistleblowing training for all employees, with separate modules for retail staff and corporate office personnel.

10.2 This Whistleblowing Policy is included in employee onboarding.

10.3 Regular reminders to promote a speak-up culture and reinforce protection measures.

11.0 RECORD KEEPING & MONITORING

11.1 The Audit Committee has overall oversight for this Whistleblowing Policy.

11.2 HR Department shall maintain a secure Whistleblowing Register including report date, nature of concern or improper conduct, investigative actions, and resolution, together with the Whistleblowing Case Closure & Outcome Notification Form (per **Appendix WHB – 2**).

11.3 Audit Committee reviews trends, ensures accountability, and recommends preventive measures.

11.4 Retention period: minimum seven (7) years.

12.0 ESCALATION AND REPORTING TO BOARD OF DIRECTORS OF THE COMPANY

12.1 All disclosures will be escalated to the Audit Committee of the Company.

12.2 Periodic reports on whistleblowing activity, trends, and resolutions will be provided to the Audit Committee of the Company and the Board of Directors of the Company, maintaining Confidentiality of Whistleblowers.

13.0 REVIEW AND AMENDMENT

13.1 The policy will be reviewed annually or from time to time, as and when necessary or upon significant operational, regulatory, or legislative changes.

13.2 Updates may include changes in reporting channels, legal requirements, or organizational structure.

14.0 APPENDICES

14.1 **Appendix WHB – 1:** Whistleblowing Report Form

14.2 **Appendix WHB – 2**: Whistleblowing Case Closure & Outcome Notification Form