

**WHISTLEBLOWING
POLICY & PROCEDURES**

*(Procedure for expressing concerns about suspected serious
Misconduct at Low Keng Huat (Singapore) Limited)*

CORPORATE GOVERNANCE PROGRAM

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SECTION 1: POLICY

This Policy address the commitment of Low Keng Huat (Singapore) Limited (the “Company”) to integrity and ethical behavior by helping to foster and maintain an environment where employees can act appropriately, without fear of retaliation. To maintain these standards, the company encourage its employees who have concerns about suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, to come forward and express these concerns without fear of punishment or unfair treatment.

The Company conducts business based on the principles of fairness, honesty, openness, decency, integrity and respect. It is the company’s policy to support and encourage its employees to report and disclose improper or illegal activities, and to fully investigate such reports and disclosures. It is also the Company’s policy to address any complaints that allege acts or attempted acts of interference, reprisal, retaliation, threats, coercion or intimidation against employees who report, disclose or investigate improper or illegal activities (the “Whistleblowers”) and to protect those who come forward to report such activities. The Company assures that all reports will be treated strictly confidentially and promptly investigated and that reports can be made anonymously, if desired.

The Company’s internal control and operation procedures are intended to detect and to prevent or deter improper activities. However, even the best systems of controls cannot provide absolute safeguards against irregularities. The Company has the responsibility to investigate and report to appropriate parties, allegations of suspected improper activities and to take appropriate actions. Employees and others are encouraged to use guidance provided by this policy for reporting all allegations of suspected misconduct or improper activities.

SECTION 2: BACKGROUND

Companies all over the world recognize that employees, from time to time, have concerns about what is happening at work, but are afraid to report those concerns.

Reports are not limited to fraud, theft or corruption, but about possible misconduct, cover a much wider range of bad practices, including behaviour that is not in line with Company's values. Such bad practice can be happening, likely to happen or even have happened. These procedures are designed to encourage and provide a channel to employees and any other persons to report, in good faith and in confidence, concerns about possible fraud, improprieties in financial reporting or other matters.

The objective of such an arrangement is to ensure independent investigation of such matters and for appropriate follow-up action.

Section 2.1: Compliance

This Policy sets out procedures for making complaints about accounting and auditing issues directly to the Audit Committee ("AC"), which acts as whistleblowing committee of the Company. However, the procedures laid out in this document are not limited to complaints about accounting and auditing. It also extends to operational activities of the Company. Depending on the nature of the complaint AC is authorised to appoint other independent directors of the Board to serve in the investigation of the complaint of the Whistleblower.

SECTION 3: OBJECTIVES AND SCOPE

Section 3.1: Objectives of this Policy

The intended objectives of this policy are:

- To provide avenues for employees to raise concerns and define a way to handle these concerns.
- To enable Management to be informed at an early stage about acts of misconduct.
- To reassure employees that they will be protected from punishment or unfair treatment for disclosing concerns in good faith in accordance with this procedure.

- To help develop a culture of openness, accountability and integrity.

Section 3.2: Scope of this Policy

This Policy governs the reporting and investigation of improper or illegal activities at Low Keng Huat (Singapore) Limited and its subsidiaries as well as the protection offered to Whistleblowers. This Policy DOES NOT apply to or change the Company's policies and procedures for individual employee grievances or complaints relating to job performance, terms and conditions of employment, which will continue to be administered and reviewed by the Company's Human Resources Department.

SECTION 4: DEFINITIONS

a. Whistleblower:

A person or entity making a protected disclosure about improper or illegal activities is commonly referred to as a whistleblower. Whistleblower may be the Company's employees, applicants for employment, vendors, contractors, customers or general public. The whistleblower's role is as a reporting party. They are not, investigators or finders of facts, nor do they determine the appropriate corrective or remedial action that may be warranted.

b. Good Faith:

Good faith is evident when the report is made without malice or consideration of personal benefit and the employee has a reasonable basis to believe that the report is true; provided, however, a report does not have to be proven to be true to be made in good faith. Good faith is lacking when the disclosure is known to be malicious or false. If the employee makes an allegation frivolously, maliciously or for personal gain, appropriate action including disciplinary action may be taken.

c. Misconduct / Improper Activities:

Examples of misconduct include, but not limited to, fraud, including financial fraud and accounting fraud, violation of laws and regulations, violation of Company policies, unethical behaviour or practices, endangerment to public health or safety and negligence of duty.

d. Confidentiality

All whistleblowing reports will be handled with strictest confidentiality except when it is necessary or appropriate to conduct investigation and to take remedial action in accordance with the applicable law and regulations. In this regard, the identity of the Whistleblower making the allegation will be kept confidential and confined to disclosures on a need-to-know basis to the following parties:

- (a) the Audit Committee
- (b) assigned investigating officers
- (c) the Board of Directors of the Company; and
- (d) any party to whom the identity of the Whistleblower is required to be disclosed by law

The Whistleblower's consent will be obtained prior to disclosing his or her identity to parties other than those identified above.

The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. Furthermore, no person should suffer reprisal as a result of reporting a genuine concern, even if he/she turns out to be mistaken. While this Policy is meant to protect the Whistleblower from any unfair treatment, it strictly prohibits malicious, frivolous and untrue complaints made in bad faith. Whistleblowers that report in bad faith may be subject to internal disciplinary actions and legal action if deemed necessary.

SECTION 5: PROCEDURES

Section 5.1: General Guidance

This Policy presumes that employees will act in good faith and will not make false accusations when reporting of misconduct by the Company's employees. An employee who knowingly or recklessly makes statements or disclosures that are not in good faith may be subject to disciplinary procedures, which may include termination. Employees who report acts of misconduct pursuant to this Policy can and will continue to be held to the Company's general job performance standards and adherence to the Company's policies and procedures.

Section 5.2: Reporting Allegations of Misconduct or Improper Activities

1. Any person may report allegations of suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, the Company's customers, shareholders, employees, investors or the public at large.

2. Acts of misconduct may be disclosed in writing, telephonically or in person. However, all reports are to be made in writing, for a clear understanding of the issues raised. (The format provided in **Appendix 1** may be used for reporting purposes.)
3. Individuals are recommended to self-identify, though it is not a requirement of this Policy.
4. All reports should be sent directly to Chairman of the AC. Contact information of the Chairman AC are as follows:
Chairman of AC
Independent Director
Jimmy Yip
Tel: 6531 2502
Email: Jimmy.Yim@drewnapier.com
5. When reports are sent through e-mail, it is recommended to mark the subject as “Low Keng Huat (Singapore) Limited Whistleblower” for ease of identification.
6. Although the Whistleblower is not expected to prove the truth of an allegation, he /she needs to demonstrate to the AC that there are sufficient grounds for concern.

Section 5.3: Investigating Alleged Misconduct or Improper Activities

- The AC Chairman who receives a report will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days.
- The AC members shall meet to discuss about the action / investigation on the reports received from Whistleblowers. The AC may also exclude from its meetings any persons it deems appropriate, depending on the nature of the complaint.
- The AC has the responsibility to conduct investigations. Other parties may also be involved in the investigations. Depending on the nature of the concern raised or information provided, the investigation will involve one or more of the following persons or entities:
 - the AC;
 - the Internal / External Auditors;
 - Forensic Accountants;
 - Private Investigators;
 - Experts with relevant knowledge or experience

- The AC is authorized to use any appropriate channels, resources and expertise including legal advice in their investigations.
- Some reported concerns may be resolved by agreed action without the need for investigations. Concerns which fall within the scope of specific procedures of Low Keng Huat (Singapore) Limited will be referred to the Company for consideration under those procedures.
- The AC will report to the Board on a periodic basis about the reports received and actions taken.
- The Board reserves the right to make any decision based on the findings of the AC.

Section 5.4: Reporting of Outcomes

1. A report of all whistleblowing concerns and subsequent actions taken will be prepared by the AC and submitted to the Board. The report must be dated and signed by the Chairman of the AC.

SECTION 6: ROLES AND RESPONSIBILITIES

Whistleblowers:

Whistleblowers should act in good faith and should not make false accusations when reporting misconduct by the Company's employees.

Suspects:

Suspects have a duty to cooperate with investigators. The identity of the suspect shall remain confidential.

Investigators:

All investigators must handle all matters seriously, confidentially and promptly. All investigators shall be independent and unbiased both in fact and appearance.

Investigation Participants:

Employees who are interviewed or asked to provide information have a duty to fully cooperate with the investigators. Participants should refrain from discussing or disclosing matters concerning the investigations.

SECTION 7: PROTECTION & NON-PROTECTION

1. A Whistleblower is accorded complete protection from reprisal. Complete protection will include freedom from retaliation, threat or intimidation of termination/suspension of employment or service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosures. Whistleblower who violates this blanket protection extended to the Whistleblower will face disciplinary action including termination of employment or service.
2. No action will be taken against a Whistleblower who makes an allegation in good faith even if the allegation is not subsequently confirmed valid by the investigation.
3. Protection of the Whistleblower's interest shall, however, not mean protecting the Whistleblower from disciplinary action including termination of employment or service if the whistleblower has made false or bogus allegation against an individual employee knowing it to be false or bogus or acting with malicious intention.
4. A Whistleblower will also not enjoy immunity from disciplinary action if he/she is involved in the matter that is being investigated unless the AC so decides otherwise.

SECTION 8 : OVERSIGHT AND MONITORING OF WHISTLEBLOWING

1. The AC is responsible for oversight and monitoring of whistleblowing including-
 - (a) ensuring that a whistleblowing policy is established;
 - (b) ensuring effective whistleblowing operations;
 - (c) reviewing whistleblowing reports and cases and
 - (d) disclosing whistleblowing policy and procedures.

WHISTLEBLOWER REPORT FORM

Please provide the following details for any suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company and submit directly to any of the Audit Committee members. Please note that you may be called upon to assist in the investigation, if required.

Note: Please follow the guidelines as laid out in the Whistleblowing Policy and Procedure

REPORTER'S CONTACT INFORMATION <i>(This section may be left blank if the reporter wants to be anonymous)</i>			
NAME/EMPLOYEE NO.			
DESIGNATION			
DEPARTMENT			
CONTACT NUMBERS			
E-MAIL ADDRESS			
SUSPECT'S INFORMATION			
NAME/EMPLOYEE NO.			
DESIGNATION			
DEPARTMENT			
CONTACT NUMBERS			
E-MAIL ADDRESS			
WITNESS(ES) INFORMATION <i>(If any)</i>			
NAME		NAME	
DESIGNATION		DESIGNATION	
DEPARTMENT		DEPARTMENT	
CONTACT NUMBERS		CONTACT NUMBERS	
E-MAIL ADDRESS		E-MAIL ADDRESS	

ALLEGATION NO.		ALLEGATION NO.	
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<p>COMPLAINT: <i>Briefly describe the misconduct / improper activity and how you know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation and use as many pages as necessary.</i></p>	
1. What misconduct / improper activity occurred?	
2. Who committed the misconduct / improper activity?	
3. When did it happen and when did you notice it?	
4. Where did it happen?	
5. Is there any evidence that you could provide us?*	
6. Are there any other parties involved other than the suspect stated above?	
7. Do you have any other details or information which would assist us in the investigation?	
8. Any other comments?	
Date:	Signature (Optional):

Note: * - You SHOULD NOT attempt to obtain evidence for which you do not have a right of access since whistleblowers are “reporting parties” and NOT “investigations”.

<i>For Audit Committee Use</i>	<i>Report No.</i>
Received By	Received On:
	Acknowledgement Sent On:
Investigation Required (Yes / No)? <i>(If no, please state the reason)</i>	
Investigation Done By:	
Investigation Results:	
Action Taken / Conclusion:	
Reported to Audit Committee Chairman On:	
Signed Off by:	