



# **SERBA DINAMIK HOLDINGS BERHAD**

## **WHISTLE-BLOWER POLICY**

19 June 2019

## 1. PURPOSE

The Whistle Blower Policy is intended to directly support the Company's Core Values, Code of Ethics and Governance requirement.

Serba Dinamik Holdings Berhad & its Group of Companies ("the Group") places high value on the level of trust and integrity expected of its employees.

It is also intended to encourage and enable employees and others to raise concerns within the Group prior to seeking resolution outside the Group.

In line with this, the Group has adopted a Whistle Blower Policy that outlines the Group's commitment to ensure that employees and other stakeholders are able to raise concerns regarding any illegal conduct or malpractice at the earliest opportunity without being subject to victimization, harassment or discriminatory treatment, and to have such concerns properly investigated.

This Policy sets out the mechanism and framework by which employees, contractors, consultants and any other individuals or organization who have dealings with the Group can confidently voice concerns / complaints in a responsible manner without fear of discriminatory treatment.

## 2. SCOPE

This Policy applies to the Group.

All employees (whether permanent, contract, part-time or casual), Directors, Shareholders, Consultants, Vendors, Contractors, external agencies or any parties with a business relationship with the Group are encouraged to disclose any wrongdoing that may adversely impact the Group.

## 3. DEFINITIONS

- Whistleblowing – This occurs when an employee / other stakeholder raises a genuine concern about a dangerous or illegal activity or improper conduct that he / she is aware of through his / her work / dealing.
- Whistleblower – The employee / other stakeholder who discloses or reports the wrongdoing.

## 4. POLICY

- The Group encourages the employees / other stakeholders to make any disclosures openly and honestly and that concerns / complaints raised will be treated fairly and properly.
- All disclosures made under this Policy will be dealt with in a confidential manner.
- Disclosures received under anonymity will not be entertained to prevent invalid malicious reporting, poison letters, exploitation and victimization.

- The Whistleblower is required to identify himself / herself and provide contact information in his / her report. This will facilitate the investigator to obtain further information, if required and communicate on results of investigation to the Whistleblower.

## 5. IMPROPER CONDUCT

The following shall constitute "Improper Conduct" under this Policy:

- Incidents of fraud, corruption or bribery;
- Conduct or activity which breaches any law or regulatory obligation;
- Breach of the Group's policies, practices, procedures or other rules of conduct;
- Improprieties in matters of financial reporting; and
- Situation which pose a danger to health, safety or any individual or significant danger to the environment.

(Other improper conducts as provided in the following **Appendix 1**)

## 6. COMMUNICATION CHANNEL

- Disclosure of information should initially and promptly be made by the Whistleblower to the Chief Integrity Officer ("Appointed Person") of the Group at:-  
e-mail: [whistleblowing@e-serbadk.com](mailto:whistleblowing@e-serbadk.com).
- Employees who have raised concerns will be informed of who is handling the matter, how they can make contact with and if there is any further assistance required.

## 7. REQUIRED EVIDENCE

- The Whistleblower should be able to provide the disclosure in writing, information regarding the type of activity or conduct, identity of the person(s) suspected as being involved, when it occurred and who was affected.
- The Whistleblower must have first-hand knowledge or information of the facts, i.e. information obtained from third party or "hearsay" will not be entertained. However, the Whistleblower should not be discouraged from making a report because they are unsure whether there is sufficient evidence to support their allegations.

## 8. CONFIDENTIALITY & PROTECTION

- A Whistleblower must identify himself / herself when submitting a complaint / disclosure.
- Upon making the disclosure in good faith:
  - The Whistleblower will be protected from any reprisal within the Group as a direct consequence of the disclosure. ("Reprisal" means disciplinary measures, demotion, suspension or termination of employment or service);

- The Whistleblower's identity shall be protected i.e. kept confidential unless otherwise required by law or for purposes of any proceedings by or against the Group; and
- The identity and personal information of the Whistleblower and the alleged wrongdoer may be revealed to persons involved in the investigations or any other process.
- Protection as above will be accorded by the Company only when the Whistleblower satisfies all the following conditions:
  - The disclosure is done in good faith and not for personal gain or interest;
  - The whistleblower is aware that the information and any allegations disclosed are true; and
  - The whistleblower has not communicated the disclosure to any other party not related to the disclosure.
- The Group views seriously any false, malicious or defamatory allegation.  
This can be considered as gross misconduct where appropriate disciplinary action may be taken by the Group.
- Suppliers/ Vendors of the Group and members of the public who become a Whistleblower will also be protected by the Group as to his / her / its identity subject to satisfying all conditions in as above.
- Employee and industrial relations related issues and human resources related issues are excluded from the operation of this Policy because they are other established mechanisms to raise such complaints.

## 9. PROCEDURES

- All complaints / disclosures received would be placed before an Appointed Person for action.
- Either of the Appointed Person shall have authority to, upon consultation with the Audit & Risk Committee ("ARC").:
  - determine the legitimacy of the disclosure;
  - direct further action; and
  - determine who should conduct the investigation i.e. engage external expertise, the Management or Group Internal Audit, whichever appropriate.
- If, the Appointed Person (or other assigned investigator) is tasked to investigate, he / she must take all reasonable

steps to ensure that investigations regarding the disclosure are fair and unbiased.

- The Appointed Person (or other assigned investigator) will keep detailed records of all evidence gathered, interviews conducted and all records received which affect the outcome of the investigation.

## 10. REPORTING

- Upon conclusion of the investigation, the Appointed Person (or other assigned investigator) will present the outcome to the ARC.
- The register of all complaints made in respect to this Policy would be included as permanent agenda of the ARC's meetings.

## 11. ACTION SUBSEQUENT TO REPORT

- If the Appointed Person is satisfied with the outcome of the investigation, it will communicate to the Management / Audit & Risk Committee / Board of Directors, whichever appropriate, for exclusion of conflict of interest, to proceed for the necessary action to be taken immediately.  
Instituting the action will be the responsibility of the Management and / or the Board, whichever appropriate.  
If the case is involving members of the Board, it will be deliberated by the Board of Directors of the Group, which the Conflicting Director shall abstain himself / herself from the Meeting.
- The Management, of non-conflicting, must also take into account recommendations contain in the investigation report to prevent the conduct from continuing or occurring in the future.  
Actions to be taken may also be directed to remedy any harm or loss arising from the conduct.

## 12. REVIEW OF THIS POLICY

The Board of Directors can modify this Policy unilaterally at any time without notice.

Modification may be necessary, among other reasons, to maintain compliance with laws and regulation and / or accommodate organizational changes within the Group.

However, the modification made shall be effective after the same is circulated to employees in writing or electronically.

## **APPENDIX 1 – LIST OF COMPLAINTS UNDER WHISTLEBLOWING POLICY**

The list of complaints / concerns includes, but is not limited to;

- Corruption or bribery;
- Breaching of legal obligation;
- Misuse of Group's information;
- Any dishonest or fraudulent act;
- Any act of conflict of interest with suppliers, vendors or contractors;
- Forgery or alteration of any document or account belonging to the Group;
- Forgery or alteration of a cheque, bank draft or any other financial document;
- Misappropriation or theft of funds, supplies or other assets;
- Providing or accepting gifts or material value to/from customers, contractors, vendors or other persons doing or attempting to do business with the Group that are intended to influence a business decision or selection process;
- Destruction, removal or inappropriate use of the Group's records, furniture, fixtures and equipment;
- Falsifying payroll records or overtime claims;
- Falsifying travel and entertainment expenses and/or utilizing company funds to pay for personal expenses;
- Fictitious reporting or receipts, delivery orders, etc. from suppliers or shipment to customers;
- Misappropriation of Group -owned computer hardware, software, data, etc.;
- Acceptance of fictitious quotations from suppliers, vendors or contractors in favouring for a particular entity;
- Inventory or asset theft; and
- Any other detrimental wrongdoing which nature of the wrongdoing is subject to absolute discretion of the Board of Directors.

## APPENDIX 2 - WHISTLEBLOWING FORM

Whistleblowing Report		
To:		
Incident Date & Time	Date:	Time:
Incident Location		
Name of Alleged Person/ Unit/Division/Department/Company		
Description / Circumstances of alleged incident (Please use attachment if necessary)	<ul style="list-style-type: none"><li>• What, Who, When, Where, How, Witness</li><li>• Please provide evidence to support the claim</li></ul>	
Signature:		
Name:		
Unit/Department/Division/Company:		
Telephone Number:		
Date:		

Note: It is necessary to provide your name and contact number so that we can contact you for additional information of the reported concern.

Please place the completed form in the sealed envelope and kindly address it to the either or both of Appointed Person.