

**CONFIDENTIAL**



**SERBA DINAMIK HOLDINGS BERHAD**

**WHISTLE BLOWER POLICY**

**(Approved by the Board of Directors on 20 May 2020)**

Prepared by:



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## 1. PURPOSE

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

SDHB & 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.

This Policy shall be read together with established acts, regulations, procedures and policies, in which definition of dangerous or illegal activity or improper conduct is well defined.

Any person can provide input & comment in event that they are in view that the Policy is inadequate, through the established communication channel.

## 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.
- Whistle-blower – 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.  
The whistle-blower 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 whistle-blower.
- Disclosures received under anonymity may not be entertained to prevent invalid malicious reporting, poison letters, exploitation and victimization.  
Nevertheless, the ARC or any other committee or individual which is designated by the GMD / CEO or any members of the Board, has the right to open investigation in respect to disclosure received under anonymity.

#### 5. IMPROPER CONDUCT

Other than specifically defined in the established acts, regulations, procedures and policies, the following may 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 definition of improper conducts as provided in the **Appendix 1**.

#### 6. COMMUNICATION CHANNEL

- Disclosure of information should initially and promptly be made by the Whistle-blower to the CIO ("Appointed Person") of the Group at [whistleblowing@e-serbadk.com](mailto:whistleblowing@e-serbadk.com).
- To ensure integrity and independence of handling of the disclosure of information, the Board has designated the CIO to only has access to the designated e-mail address in event that the disclosure of information is not related to the CIO.
- The CIO is independent personnel from the Management, which has direct & unlimited access to the Chief Executive Officer, the members of the Board and the Chairman of the Group.

- The CIO shall report and address all contents of received whistleblowing to the GMD / CEO and / or Chairman of the ARC and / or Chairman of the Group and / or any members of the Board, subject to relativeness of the disclosure of information.
- In event that the disclosure of information is related to the CIO, kindly refer to subsequent paragraph on the Multiple Reporting Authority.
- Employees & stakeholders who have raised concerns will be informed of who is handling the matter, how they can make contact with them and if there is any further assistance required and the outcome of the investigation.

## 7. MULTIPLE REPORTING AUTHORITY

NO.	DISCLOSURE ABOUT	DISCLOSURE TO	COMMUNICATION CHANNEL
1	<ul style="list-style-type: none"> <li>• Stakeholder</li> <li>• Employee</li> <li>• GMD / CEO; or</li> <li>• Chairman of the ARC</li> <li>• Any members of the Board</li> <li>• Chairman of the Group</li> </ul>	<ul style="list-style-type: none"> <li>• CIO</li> </ul>	Designated e-mail address at whistleblowing@e-serbadk.com.
2	CIO	<ul style="list-style-type: none"> <li>• GMD / CEO; or</li> <li>• Chairman of the ARC</li> <li>• Any members of the Board</li> <li>• Chairman of the Group</li> </ul>	Designated e-mail address of the respective personnel as "Disclosure To".

## 8. 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.

Nevertheless, the ARC or any other committee or individual which is designated by the GMD / CEO or any members of the Board, has the right to open investigation in respect to disclosure received based on information obtained from third party or 'hearsay'.

## 9. CONFIDENTIALITY & PROTECTION

- A Whistle-blower must identify himself / herself when submitting a complaint / disclosure.
- Upon making the disclosure in good faith:
  - The Whistle-blower 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 Whistle-blower'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 Whistle-blower 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 Group only when the Whistleblower satisfies all the following conditions:
  - The disclosure is done in good faith and not for personal gain or interest;
  - The whistle-blower is aware that the information and any allegations disclosed are true; and
  - The whistle-blower 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 Whistle-blower 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 there are other established mechanisms to raise such complaints.

## 10. PROCEDURES

- a. The CIO, or ARC or any other committee or individual which is designated by the GMD / CEO or any members of the Board shall have the authority to:
  - Determine the legitimacy of the disclosure;
  - Direct further action; and
  - Determine who should conduct the investigation i.e. engage external expertise, management or Human Resource Manager.
- b. The above designated committee or personnel is tasked to investigate, and he / she must take all reasonable steps to ensure that investigations regarding the disclosure are fair and unbiased.
- c. The above designated committee or personnel will keep detailed records of all evidence gathered, interviews conducted and all records received which affect the outcome of the investigation.

## **11. REPORTING**

- Upon conclusion of the investigation, the above designated committee or personnel will present the outcome of the investigation to the GMD / CEO and / or Chairman of the ARC and / or Chairman of the Group and / or any members of the Board, individually and / or collectively, subject to relativeness of the disclosure of information and the Reporting Authority.
- The register of all complaints made in respect to this Policy would be included as permanent agenda of ARC's meetings.

## **12. ACTION SUBSEQUENT TO REPORT**

- If the GMD / CEO and / or Chairman of the ARC and / or Chairman of the Group and / or any members of the Board, individually and / or collectively, is satisfied with the outcome of the investigation, he / she / they shall suggest to proceed with action, based on established policy and procedures for the necessary disciplinary action to be taken immediately, and for remedy any harm or loss arising from the conduct.
- 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 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.

## **13. REVIEW OF THIS POLICY**

The Board can modify this Policy unilaterally at any time.

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 Group 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.

**WHISTLEBLOWING FORM**

<b>Whistleblowing Report</b>		
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.