



PIMPINAN EHSAN BERHAD
(201601021838) (1192777-W)
(Incorporated in Malaysia)

WHISTLE-BLOWING POLICY

INTRODUCTION

In line with the Malaysian Code of Corporate Governance (“MCCG”) Practice 3.2, Pimpinan Ehsan Berhad (“PEB” or “the Company”) strives to promote and maintain high standards of ethic, integrity and transparency, while achieving excellence and effectiveness.

The Board of Directors is overall responsible for this policy and shall ensure the implementation of it by Management. As such, the Board will set the tone by communicating that every employee has a role to play in detecting, preventing and correcting misconducts and that whistle blowing is an important means for that purpose.

OBJECTIVE

This Whistle-blowing Policy is formulated as a mechanism for employees to lodge a complaint or expose on any improper conduct or activities carried out by PEB’s personnel.

This policy is designed to:

- a) promote and maintain high transparency and accountability in the Company;
- b) promote good corporate governance practices in the Company;
- c) ensure that employees can raise concerns without fear of reprisals and safeguard such person’s confidentiality;

- d) protect a whistle-blower from reprisal as consequence of making a disclosure;
- e) provide a transparent and confidential process for dealing with concerns;
- f) protect the long-term reputation of the company;
- g) support the company's values; and
- h) maintain a healthy working culture and an efficient company.

This policy does not only covers improprieties in matters of financial reporting, but also:

- a) negligence in carrying out work obligations;
- b) fraud;
- c) corruption, bribery or blackmail;
- d) criminal offences;
- e) failure to comply with a legal or regulatory obligation;
- f) miscarriage of justice;
- g) endangerment of an individual's health and safety; and
- h) concealment of any, or a combination, of the above.

SCOPE

This policy applies to all PEB's Directors and employees, as well as external parties who has become aware of an Improper Conduct being committed.

DEFINATION OF WHISTLE-BLOWING

Whistle blowing is defined as a deliberate, voluntary disclosure or reporting of an individual or an organisation of a malpractice by a person or a group of people who has or had privileged access to certain authority or people in authority, data, events or information about an actual, suspected or anticipated Improper Conduct within the Company.

IMPROPER CONDUCT

Disclosure may be made if it relates to an “Improper Conduct”, committed or about to be committed, involving:

- corruption, bribery and fraud;
- negligence in carrying out work obligations;
- criminal offence or any breach of the laws of the Country (Any criminal act, of sabotage including criminal breach of trust, extortion, fraud, misstatement of claims, under or deliberately over stating / declaring of production output, production ratios, inventories and any sabotage);
- acceptance of gifts / favour beyond the threshold allowed by the Company;
- misuse and / or misappropriation of the Company’s funds or assets;
- impropriety within the Company (Act that is likely to cause significant financial loss or operational costs to the Company including any intentional misrepresentation of the Company’s costing or financial statements);
- gross mismanagement within the Company (including serious potential breach to the interest of society and environment, breach of any law, regulation or rule that is applicable to the Company/Group. i.e. a breach of environment, safety, labour, immigration laws);
- breach of the Code of Conducts of the Company;
- act or omission which jeopardises the health and safety of the Company’s employees or the public;
- abuse of power, oppression, miscarriage of justice, threatening, harassment; and
- any other action that would cause significant harm to the Company or to any person(s).

CONFIDENTIAL INFORMATION

- a) The identity and personal information of the whistle-blower will be protected and kept confidential, unless the whistle-blower agrees otherwise or unless otherwise required by law.

- b) The whistle-blower will be protected from reprisal, including any form of harassment and victimisation, as a consequence of his/her disclosure.
- c) The whistle-blower can be protected under the Whistle-blower Protection Act 2010 when he or she makes a disclosure in good faith to the enforcement agency.
- d) Any person having knowledge of a report of an Improper Conduct shall make all reasonable efforts to maintain the confidentiality of the Confidential Information, in particular the identity of the whistle-blower.
- e) However, there may be circumstances, during the course of investigation where it will be necessary to disclose the identity of the whistle-blower. If such circumstances exist, Independent Party conducting the investigations shall endeavour to inform the Whistle-blower that his/her identity is likely to be disclosed and to obtain his/her consent for the said disclosure.
- f) Any person who obtains any Confidential Information in the course of any investigation of an allegation of Employee / Director's Improper Conduct shall not disclose any Confidential Information or any part thereof.

DISCLOSURE OF CONCERN

We take whistle-blowing seriously. A disclosure of concern may be made in writing via a letter to our registered office address or electronic e-mail to **whistleblowing@pebhd.com.my**

Whistle-blowers are advised to provide sufficient details which include the following:

- description of the Improper Conduct that was committed;
- name of individuals who have committed or are involved in the Improper Conduct; and
- supporting documents or evidence, if any.

Whistle-blowers are encouraged to provide their identities or contact details to facilitate the Company in clarifications and obtaining further information for proper investigation into the case. Any person who choose to remain anonymous should

acknowledge that no whistle-blower protection will be accorded and the Company's ability to investigate the alleged Improper Conduct is limited to the extent of the report.

The Board shall not be expected to address any anonymous allegations, however the Board may, consider investigating an anonymous allegation after having considered the following:

- Seriousness of the Improper Conduct reported;
- Credibility of the allegation/report and the source.

REQUIREMENT OF GOOD FAITH

Any person making an allegation/report of Improper Conduct must have reasonable and probable grounds before reporting such Improper Conduct and must undertake such reporting in good faith, for the best interest of the Company and not for personal gain or politic reason.

Any individual that has not acted in good faith shall not be entitled to any protection under this policy.

FULL INVESTIGATION

- a) The Chairman of the Board in his discretion shall decide whether to proceed to a full investigation of the allegation, to refer the matter to the relevant authorities, or to determine any other course of action that he deems fit having regard to the circumstances of the matter reported and the fairness of the conduct of any investigation.
- b) In the event a full investigation is to be carried out, the Independent Party appointed to carry out investigation will inform the whistle-blower and the whistle-blower shall give his/her full cooperation during the conduct of the investigation.
- c) The procedures of the investigation shall adopt the Human Resource processes to avoid any conflicts of interest and to ensure procedural fairness to the particular employee/director involved.

- d) All information, documents, records and reports relating to the investigation of the Improper Conduct shall be kept securely to ensure its confidentiality.
- e) Outcome of investigation shall be made known to the Internal and External Auditors for their knowledge by the Chair of Audit and Risk Management Committee.
- f) The Chairman of the Board shall decide if the case is serious that requires reporting to Bursa Malaysia or Securities Commission for their action.

FINDINGS OF INVESTIGATION AND DECISION

Upon the conclusion of an investigation, the Board shall review the investigation report and determine whether the allegation could be substantiated or not.

CORRECTIVE ACTION

If there is any corrective action to be taken, the Board shall take the necessary action.

NOTIFICATION

The whistle-blower shall be informed of the outcome of the investigation and/or any action taken by the Company in respect of the disclosure in accordance with the policy.

CONSEQUENCES OF WRONGDOING OR WRONGFUL DISCLOSURE

If the Person (i.e. the whistle-blower) has, or is found to have:

- committed a wrongdoing;
- taken serious risks which would likely cause a wrongdoing to be committed;
- made a disclosure not in accordance with the requirements of this policy (for instance dishonest, mischievous or malicious complaints); or
- participated or assisted in any process pursuant to this policy otherwise than in good faith.

The corrective actions to be taken against that whistle-blower will be determined by the Executive Director or, if so delegated by the Executive Director, which may include, disciplinary measures, formal warning or reprimand, demotion, suspension or termination of employment or services or monetary or other forms of punishment which is deemed fit to the extent of damages / grievances caused to an individual and/or damages to the Company.

PROTECTION AGAINST DETRIMENTAL ACTION

- a) Any individual who makes a report of an Improper Conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions (“Detrimental Action”) by the Company.
- b) Any report of an Improper Conduct made in good faith, even if it is not subsequently confirmed by an investigation, shall be eligible for this protection under this policy.
- c) Any person that makes a report of an Improper Conduct in good faith and who has been subjected to Detrimental Action by the Company may lodge a complaint pursuant to this Whistle Blowing Policy.
- d) An Employee/Director who takes any Detrimental Action against any Employee/Director who has made a report of an Improper Conduct in good faith shall be subject to disciplinary action; which may include termination of employment/contract.

PROTECTION UNDER THE ACT

- a) The Whistle-blower Protection Act 2010 (“the Act”) came into force on 15 December 2010 and the Act protects person(s) making disclosures of improper conduct in the public and private sector from civil and criminal actions. Additionally, the Act calls for proper investigation to be carried out.

- b) Hence, if an individual wishes to make a disclosure or report of improper conduct by any Employee/Director pursuant to the Act, then the reporting person (whistle-blower) shall make the said disclosure of improper conduct to an Enforcement Agency. Any investigations and/or actions taken thereafter would be in accordance with the Act and are independent of the procedures described in this policy.
- c) The identity and personal information of the whistle-blower shall at all times be protected and kept confidential, unless the whistle-blower agrees otherwise or unless otherwise required by law. The whistle-blower will also be protected from reprisal, including any form of harassment and victimization, as a consequence of his disclosure.
- d) If a whistle-blower reasonably believes that he is being subjected to reprisal, including harassment and victimization, as a consequence of whistle-blowing, he may consult or report/call directly to the Chairman of the Board.

WHEN PROTECTION MAY NOT BE AVAILABLE

The Employee/Director may not avail him/herself to the protection against Detrimental Action mentioned above in the following circumstances:

- a) If the report of Director's Improper Conduct is not made in good faith; or
- b) If the Employee him/herself has participated in the Director's Improper Conduct reported; or
- c) The report of Director's Improper Conduct is made solely or substantially with the motive of avoiding dismissal or other disciplinary action; or
- d) The Employee breaches his/her obligations of confidentiality under this policy.

This policy has been approved and adopted by the Board of Directors on 28 April 2021.