

# WHISTLE BLOWING POLICY

## Policy Statement

Sycal is committed to promote and sustain a corporate culture of high degree of integrity, transparency, professionalism, accountability, and ethics at workplace. Such a corporate culture will provides an environment to support the employees to voice genuine concerns in a responsible and appropriate manner.

This Policy, is accorded in spirit with the requirements of the Companies Act 2016, the Capital Markets and Services Act 2007 (Amendment 2012), the Whistleblower Protection Act 2010 and the Malaysian Anti-Corruption Commission Act 2009.

The Board of Directors ("the Board") of Sycal Holdings Berhad ("Sycal") is committed to achieving and maintaining the highest standard of work ethics in the conduct of business in line with the: (i) Code of Conduct and Business Ethics ("COBE"), (ii) Anti-Bribery and Corruption Policy and Manual ("ABC Policy" and "ABC Manual") and (iii) any relevant corporate governance best practices as outlined by Bursa Malaysia (example: Malaysian Code on Corporate Governance 2012).

Sycal and its subsidiaries ("Sycal") encourage its employees to report suspected and/ or known moral issues, misconduct, wrongdoings, corruption, bribery, fraudulent activities, waste, and/ or abuse ("Misconduct") involving the business activities or resources of the Group (Remark: Refer to the definition of "Misconducts" below).

## Objective

This Policy is formulated and published to:

- Encourage, support, and facilitate employees as well as any relevant third parties or stakeholders to voice out/ report possible or existing irregularities occur in the company, without fear of reprisal or detrimental action.
- Provide a platform for all Sycal employees and members of the public to disclose any improper conduct in accordance with the procedures as provided for under this policy.
- Provide protection for the employees and members of the public who report such allegations.
- Complement the normal channels of communication and reporting lines within Sycal, as described in the Code of Conduct and Business Ethics ("COBE"), and Anti-Bribery and Corruption Policy and Manual ("ABC Policy" and "ABC Manual").
- Exercise Corporate Citizenship and the moral duty to protect the interest of all stakeholders.

## Scope of this Policy

This Policy applies to all employees and any relevant third parties who has become aware of or genuinely suspects on a reasonable belief that an Sycal employee, any relevant person acting on behalf of Sycal or even Board member has engaged, is engaged or is preparing to engage in any Misconduct (Remark: Refer to the definition of "Misconducts" in the next section below).

A person who has whistle-blown is referred to as “Whistle-Blower” in this Policy. “Whistle-Blowing” is a form of disclosure. It involves a person, i.e., the Whistle-Blower, who raises serious concerns about risks of wrongful activities or reports a wrongdoing (“Misconduct”). Whistle-Blowing at an earlier stage may help prevent or reduce harm, damages or costs arising from wrongful activities. It is supposed to help to protect the assets, performance and reputation of Sycal; aside from safeguarding the interest of various stakeholders.

Items	Descriptions
Who can/ should disclose/ whistle-blow?	Sycal employees, be it on the permanent, contractual, temporary, internship or assignment basis. Any agents and consultants working for Sycal. Any members of the public
Issues to be disclosed	A disclosure on misconduct may be/ should be made if any individual has reasonable belief that the alleged wrongdoer has engaged, or is prepared to engage in conduct prohibited by Sycal or any relevant or applicable legislations, laws and regulations.

### General Guidelines Prompting Whistle-Blowing

A Whistle-Blower shall come forward with any information or document(s) that they, in good faith, reasonably believes in and discloses a wrongdoing, which is likely to happen, is being committed or has been committed.

The Whistle-Blower needs to demonstrate that they have reasonable grounds for the Whistle-Blowing. However, the Whistle-Blower is not expected to first obtain substantial evidence of proof beyond reasonable doubt, or even be able to identify a particular person to which the Whistle-Blowing relates, when making a Whistle-Blowing.

If the Whistle-Blower knows as a matter of fact that there are reasonable grounds of suspicion that a wrongdoing is going to take place, such genuine concerns shall be raised at an early stage.

### Definition of “Misconduct”

Misconduct can be divided into two categories: (i) General Misconduct/ Improper Conduct/ Unethical Conduct; and (ii) Unlawful/ Illegal Conduct.

**General Misconduct/ Improper Conduct/ Unethical Conduct** is any conduct which, if proved, constitutes a disciplinary action:

- Vulgar or abusive language and/ or behaviour against fellow colleagues or a superior or any individuals having direct or indirect business relationship with Sycal
- Intentional insubordination or disobedience, be it in the case of acting individually or in collaboration with others, to any lawful and reasonable instructions of a superior
- Intentional slowdown of work (or the act influence others to do so) which in turn cause disruption to the business activities/ progress
- Abuse of power by an officer of the Company
- Threatening or use of violence and or oppression against other individuals, be the Sycal's employee or any other having business dealings with Sycal
- Unsafe work practices or substantial wasting of company resources

- Misuse of the Company's funds or assets
- Sexual harassment (Refer to the Code of Practice on the Prevention and Eradication of Sexual Harassment in the Workplace 1999 by the Malaysia Ministry of Human Resource)
- Religious or racial or sexual discrimination
- Breach of the company Data Protection and Confidentiality policy;
- Financial irregularity or impropriety within the company
- Breach of the Code of Conduct and Business Ethics (example: failure to disclose acceptance of a small gift; failure to disclose a conflict of interest)
- Serious non-professional or non-ethical behavior
- Knowingly directing or advising a person to commit any of the above wrongdoings
- Concealment of any of the above/ attempt to conceal information relating to improper conduct

**Unlawful/ Illegal Conduct** is any conduct which, if proved, may constitutes a criminal offence.

- Any unlawful acts, fraud, corruption, and blackmail
- acceptance, involvement or solicitation of a bribe, or a favour in exchange for direct or indirect personal benefits;
- Forgery, cheating, breach of trust, insider trading, abetting or intending to commit criminal offence
- involvement or conviction in any criminal activities, or criminal acts
- Failure to comply with legal or regulatory obligations;
- act of theft;
- An act or omission which creates a substantial and specific danger to the lives, health or safety of the employees or the public or the environment
- Serious breach of the company Data Protection and Confidentiality policy
- Serious financial irregularity, shenanigans, or impropriety within the company (example: breach of the Money Laundering and Counter-Terrorism Financing Act; Malaysian Anti-Corruption Commission Act 2009; and etc.)
- knowingly directing or advising a person to commit any of the above wrongdoings
- concealment of any of the above/ attempt to conceal information relating to improper conduct

Do notice that Misconduct may occur in the course of the Sycal's business or affairs or at any workplace, be it on the company, sister company, or its subsidiaries' premises, or, at any location due to an event organised by the company, or, even during a conference/ seminars/ meetings attended by the company personnel in the course of executing their tasks on behalf of Sycal.

If you are unsure whether a particular act can be regarded as Misconduct under this Policy, the Person is encouraged to seek advice or guidance from Chief Integrity Officer or any senior members under the Enterprise Risk Management Committee.

Understood that the list mentioned above is not exhaustive. Employees are therefore advice to act in an ethical, lawful, professional and morally manner. Besides, employees as well as other personnel working for or on behalf of Sycal should strive to avoid conflict of interest as much as possible.

To avoid conflict of interest, all of the personnel should: (i) ensure that their personal financial outcomes, circumstances and transactions do not jeopardise their independent and professional judgment or adversely affect their job performance; and (ii) not have any direct or indirect involvement in other employment (remunerated or otherwise) except otherwise agreed by the management.

Take note that all conflicts of interests should be disclosed to the management/ CIO.

### **Raising a Concern & The Whistle-Blowing Reporting Procedures**

Whistle-Blowing may be made orally or in writing (i.e., can be in hardcopy letter, electronic e-mail/ WhatsApp, or equivalent). When a Whistle-Blowing is made orally, the person receiving the information shall, as soon as it is practicable, document the information accurately in writing.

Any Misconduct that is discovered or genuinely suspected by the Whistle-Blower shall be reported immediately to the Chief Integrity Officer.

### **For Employees to Make Reports**

- a) Any Whistle-Blowing issue should be reported to the immediate superior. However, if it is not possible or suitable to do so, the concern should then be reported to the Internal Auditor, Group Managing Director, or even the Chairman.
- c) Upon receipt of the concern, the Internal Auditor, Group Managing Director or the Chairman shall set up an investigating team to conduct investigation on the issue raised.
- d) The progress of the investigation shall be reported to the Group Managing Director or the Chairman.
- e) Upon completion of the investigation, the Investigators shall submit their full report together with recommendation to the Group Managing Director or the Chairman.
- f) Actions mandated shall be carried out accordingly.
- g) If the whistleblower is not satisfied with the way the concern/matter is dealt with, he/she can escalate the report to the Audit Committee Chairman. The Audit Committee will deliberate the matter reported and decide on the appropriate action.

### **For Stakeholders/ Public to Make Reports**

Stakeholders, who have suspected fraud, misconduct or any integrity concerns, are encouraged to fill up a Whistle Blowing Report Form as attached and email to:

Attention : Mr Chin Kok Wah  
Designation : Executive Director  
Email : corporate@sycalberhad.com

Attention : Mr Wilson Lim  
Designation : Chief Integrity Officer  
Email : corporateaffairs.sycal1@gmail.com

## Assessment and Investigation

The Designated Recipient (i.e., the very first personnel receiving the whistle-blowing report), with assistance from the CIO, shall assess the disclosure, including leading the investigation, and have a view if wrongdoing was indeed committed. The Designated Recipient shall report to the "Direct Report" (i.e., can be the CIO, Managing Director, or the ad-hoc Board Committee), based on his/her assessment.

- In the case of minor misconduct disclosure against staff up to middle management ranking, the *CIO* may proceed with evaluation and investigation in accordance with the Code of Conduct and Business Ethics.
- In the case of major misconduct disclosure against staff up to senior management ranking, the *Managing Director* shall decide if an investigation is to be conducted.
- Where disclosure involves a Chief Officer, the Managing Director, or the Executive Director, the non-conflicted Directors may form amongst themselves an *ad-hoc Board Committee* to investigate, evaluate and manage the Whistle-Blowing case.

The Designated Recipient shall table the results of the investigation to the ad-hoc Board Committee.

A major misconduct may indicate a significant weakness of Sycal's internal control system and as such, the misconduct is to be reported to the Board Committee overseeing integrity matters.

The persons, teams or committees responsible to conduct an investigation in accordance with this Policy shall be referred to as the "Investigation Team".

The initial process of addressing a disclosure should take not more than two weeks from the day the Designated Recipient receives the disclosure. The investigation should be completed as soon as practicable, and given priority weeks if the wrongdoing is capable of causing significant financial or reputational harm to Sycal or the stakeholders.

If the veracity of the disclosure is rejected, the Whistle-Blower shall be informed within two weeks of the decision.

The Direct Report has the authority to make the following decisions, provided such decisions fall within the Direct Report's limits of authority:

- Rejection of the disclosure;
- Directing the concerns or any part thereof for consideration under other internal procedures or disciplinary procedures, if appropriate and applicable;
- Resolution without recourse to an investigation;
- Directing investigations of the disclosure and any persons involved or implicated;
- Suspending the alleged wrongdoer or any other implicated person from work to facilitate any fact-finding or to avoid any employee's exposure to threat or harm;
- Designating any other persons, aside from the designated recipient, to conduct any investigation or to carry out any other process pursuant to this policy;
- Obtaining any other assistance (for instance, external auditors or legal advice); and
- Referral to the police or any other appropriate enforcement authority.

## Confidentiality and Anonymity

All Whistle-Blowing reports must be treated as top confidential and anonymous. The senior management in charge of the Whistle-Blowing policy must strive not to reveal the Whistle-Blower's identity, with the exception in the event the disclosure of identity is required by law.

The Whistle-Blower is to be given an assurance that his or her identity will be only known by a few senior management (i.e., on a need-to-know-basis). The outcome of the investigation will be feedback within reasonable timeframe to the Whistle-Blower. This is to encourage and affirm the Whistle-Blower that the complaint will be taken seriously and investigated.

Remark: All Whistle-Blowing reports should to be made in good faith with reasonable belief that the information and allegation is true and not frivolously/ maliciously and not for personal gain; otherwise, disciplinary or relevant action may be taken against the Whistle-Blower.

## Protection Granted for the Whistle-Blower

This policy provides assurance that the Whistle-Blower, if an employee of Sycal, having the right for immunity from disciplinary action from the Whistle-Blower's superior, superior or any personnel with higher authority over the Whistle-Blower in the organization.

The Whistle-Blower or persons related to him or her shall be protected from any detrimental action (example: reprisals, retaliation or any negative outcomes) as a direct consequence of the act of Whistle-Blowing.

Nonetheless, the protection conferred under this Policy is not valid, under the following circumstances:

- The Whistle-Blowing disclosure or report is made in not good faith;
- The Whistle-Blower provide false or misleading information knowingly, negligently or recklessly;
- The Whistle-Blowing disclosure is made with malicious intent or ill will;
- The Whistle-Blowing disclosure is frivolous or vexatious; and
- The Whistle-Blowing disclosure is manipulated for personal gain or agenda.

Sycal trusts that every Whistle-Blower able to and can conduct themselves with high degree of accountability, ethics, integrity and responsibility. To establish a sound relationship of trust, individuals who make disclosures are encouraged to identify themselves and their contact (phone number/ email). This is especially so when more detail information is required to support the investigation process. Whenever necessary by law, the Whistle-Blower may be required to stand as the witness for the appropriate disciplinary action to be effective.

Nonetheless, be affirmed that all information received will be treated with strictest confidentiality.

## Notification

The Whistle-Blower shall be informed of the result of any investigation and/ or any action taken by the Company in respect of the disclosure in accordance with the Policy.