

PENSONIC HOLDINGS BERHAD (300426-P)
Whistleblowing Policy

1. Introduction

This Whistleblowing Policy and Procedure (“Policy”) seeks to enhance corporate governance by helping to foster an environment where integrity and ethical behavior is maintained and any illegality, improper conduct and/or wrongdoings in the company may be exposed.

2. Objectives

This policy aims to provide the employees and stakeholders, acting in good faith, a formal, confidential and secured channel in reporting / disclosing any misconduct, non-integrity or unethical behavior in the business affairs.

3. Ownership & Scope

Chairman & Group Managing Director

The Chairman of Pensonic Holdings Bhd has the overall responsibility of this Policy and shall oversee the implementation of this Policy.

The Chairman has delegated day to day responsibility for the administration and implementation of the Policy to the Group Managing Director. The use and effectiveness of this Policy shall be regularly monitored and reviewed by the Group Managing Director.

In Scope: Employees, & Stakeholders

This Policy is applicable to all employees and stakeholders and covers all reports/disclosures against any employee and/or stakeholder that has committed an improper conduct against the interest of the company.

Not in Scope: Employees’ Grievances

This Policy is not applicable for employees to lodge any Employee Grievances or any sort of appeals against disciplinary actions, management decision that is affects their own individual working conditions, environment and interest. Employees can lodge a separate grievance complaint with Human Resources department of the company.

4. Definition

4.1	Chairman	-	The Chairman of the Board of Directors of Pensonic Holdings Berhad.
4.2	Company	-	Pensonic Holdings Berhad
4.3	Confidential Information	-	any information that is by its nature confidential or sensitive and / or not generally available to the public and in this Policy includes:- <ul style="list-style-type: none">• Information about the identity, rank, position or other personal details of the whistle-blower.• A person against whom a Whistle-Blower has made a disclosure; or• Information disclosed by a Whistle-Blower; or• Information that, if disclosed, may cause detriment to any person

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4.4	Group	-	Pensonic Holdings Berhad and its subsidiaries
4.5	GMD	-	Group Managing Director
4.6	Policy	-	Whistleblowing Policy and Procedures for Pensonic Holdings Berhad.
4.7	Whistle-Blower	-	Person that makes a report of Improper Conduct under this Policy
4.8	Employees	-	All levels including the board of directors, executive officers, members of the management, permanent employees, contracted employees having employment relationships with our company, as well as temporary workers and any seconded employees working under the control, supervision and payroll of the company.
4.9	Employee Grievances	-	Applicable to personal dissatisfaction or complaints by employees on matters related to their working conditions, environment and any other matters or personal interest. (This is not in the scope of this Policy).
4.10	Stakeholder	-	These categories cover suppliers, contractors, agents, consultants, distributors, customers and such other business partners which has direct or indirect business dealings with the Company.

5. Policy

5.1 Employees and stakeholders should make a disclosure at earliest possible if it relates to one or more of the followings wrongdoings by any person in the conduct of the company's business or affairs:

- Acceptance of favor
- Corruption of fraud
- Criminal offence
- Misuse of the Groups' funds or assets
- Gross mismanagement within the Company
- Serious financial irregularity or impropriety within the Company
- Serious breach of the Groups' Code of Conduct / Ethics
- Actions or omissions that creates a significant risk to or endanger the lives, health or safety of the Company's stakeholders including its employees, the public or the environments
- Non-Compliant to the provisions of other laws and regulations where the wrongdoer intentionally disregards or simply non-comply
- Breach of Customer confidentiality or privacy
- Conflict of Interest
- Unauthorized use of confidential information
- Intentionally directing or advising or abetting a person or a group of persons to commit any of the above wrongdoings
- Withholding or cover up on the any of the above

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5.2 Whistle-blowing

Whistle-Blower, in good faith can come forward with any information or documents with reasonable grounds for concerns that it is disclosing a wrongdoing that is happening and or being committed.

5.3 Required Evidence

The Whistle-Blower should be able to provide the disclosures in writing, providing information related to type of activities or conduct and identify the person(s) suspected to be involved, the date/time when it occurred and who was affected.

The Whistle-Blower is required to have first-hand knowledge or information of the facts. Information obtained from any third party or “hearsay” will not be entertained.

The Whistle-Blower should not be discouraged from making a report due to the fact they are not sure if the evidence on hand is sufficient.

5.4 Protection to the whistle-blower

A Whistle-Blower will be accorded with protection against being dismissed or penalised by the Group, provided that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the Whistle-Blower is mistaken as to the facts and the rules and procedures involved.

The Group gives the assurance that it will not reveal the identity of the Whistle Blower to any third party not involved in the investigation or prosecution of the matter. The only exception to this assurance relates to an overriding legal obligation to breach confidentiality. The Group is obligated to reveal confidential information relating to a whistle-blowing report, if ordered to do so by a court of law.

The protection to the Whistle-Blower can be revoked under the following circumstances among others:-

- the Whistle-Blower participated in the improper conduct;
- the Whistle-Blower willfully discloses a false statement;
- the disclosure is made with malicious intent; or
- the disclosure is frivolous or vexatious.

6. Procedures

Any disclosures related the abovementioned policies should be made to the following either verbally or in writing, and forwarded in a sealed envelope:

Chairman of the Audit Committee, Pensonic Holdings Berhad

Address:

Pensonic Holdings Berthed

1165 Lorong Perindustrian Bukit Minyak

16 Taman Perindustrian Bukit Minyak

14100 Simpang Ampat, Penang, Malaysia.

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The Chairman of the Audit Committee shall receive the information on the reported allegation and convene a Whistle-Blower Committee meeting as soon as practicable, once all the evidence has been presented.

The Whistle-Blower Committee (“WBC”) shall comprise of the following members:

- Chairman
- Audit Committee Chairman and Members

The WBC 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 Compliance Department.

Should any of the WBC member be named as a suspected party involved in the reported allegation, he/she will automatically abstain from attending the WBC meeting.

If the Head of Compliance Department (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 Compliance Department (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.

7. Reporting & Action Subsequent to the Report

Upon conclusion of the investigation, the Head of Compliance Department (or other assigned investigator) will present the outcome of the investigation to the WBC.

If the WCB is satisfied with the outcome of the investigation, it will communicate to management to proceed with action based on established policy and procedures for the necessary disciplinary action to be taken immediately.

Instituting the disciplinary action will be the responsibility of Human Resources Department. If the case is involving members of the Board, it will be deliberated by the Board of Directors of Pensonic Holdings Berhad.

Management 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.

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8. Periodic Review and Disclosure

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

This policy was approved by the Board of Directors of Pensonic Holdings Berhad on 13 September 2018.