

## **WHISTLE BLOWING POLICY**

### **1. Introduction**

The Board and Management of Kobay Technology Bhd. acknowledged the importance of good corporate governance practices and with the introduction of the Whistleblower Protection Act 2010 by the regulatory bodies, the Group encourage its employees (inclusive associates, herein refers to as “the reporting party”) to report suspicious or alleged misconduct, wrongdoings, corruption, fraud, waste, sexual harassment, discrimination and/or abuse in utilizing the resources of the Company/Group.

### **2. Objective**

The objective of this policy and procedures is to provide and facilitate a mechanism on how the reporting party (“RP”) dealt with suspicious or alleged misconduct, wrongdoings, corruption, fraud, waste, sexual harassment, discrimination and/or abuse.

### **3. Policies and Procedures**

#### **3.1 General**

The Policy allows the RP to either, identify themselves or prefer to be remain anonymous, when reporting a suspected or alleged instances or event of misconduct, wrongdoings, corruption, fraud, waste, sexual harassment, discrimination and/or abuse.

The Group Human Resource Policy and Procedures has governed the reporting channel for any internal affairs/report (therein termed as “grievances”). The ultimate channel to report to for any internal event is the Executive Committee, the Board’s Committee then the Board of Directors.

#### **3.2 Scope and Definition**

##### **3.2.1 Misconduct and wrongdoings**

The Group Human Resource Policy and Procedures has clearly ruled out in its Chapter 7 on all potential misconduct and wrongdoings as well as the disciplinary action procedures to be taken against the employee.

##### **3.2.2 Corruption, Gift or Questionable Payments**

It is the Group’s Code of Business Conduct that employees are involve in accepting any gift or gratuities or corruption either by accepting or making questionable payments will be subject to disciplinary action or in a serious scenario will be subject to civil or criminal offenses imposed by the related law and regulations.

##### **3.2.3. Fraud**

Fraud is an act of making false and misleading representations of material facts, whether by words or conduct, for personal benefits.

Fraud includes (but not limited to) any questionable accounting practices or irregularities in the Company's report or financial statements and non-compliance to the Company's Internal Control Policy.

RP may or may not be the interested party however if the act is committed knowingly, wilfully and intentionally, it is deemed to be fraud.

#### 3.2.4 Waste

Waste is using resources whether is of monetary, goods or services in excess of the actual need. It does not necessary benefit the RP but may be an act of poor management or mismanagement of the Company's resources.

#### 3.2.5 Abuse

Abuse is of a practice where caused the Company to incur unnecessary cost utilizing the Company's time, information or resources for own use or benefits.

### 3.3 Procedures

- 3.3.1 Save for any internal affairs which governed under the Group Human Resource Policy and Procedures, if the RP suspects of any misconduct, wrongdoings, corruption, fraud, waste, sexual harassment, discrimination and/or abuse, he/she shall contact the Chairman of the Audit and Risk Management Committee ("ARMC") (and copy for internal affairs to Group Human Resource Head, if needed).

Mr. Khaw Eng Peng  
Chairman of Audit and Risk Management Committee  
Wisma Kobay,  
No. 42-B, Jalan Rangoon,  
10400 Georgetown,  
Penang.  
Tel.: 04-3711338  
Email : [cosec@kobaytech.com](mailto:cosec@kobaytech.com)

In the event if there is a need to contact Group Human Resource Head for internal affairs matter, the RP may report the matter via [hrdept@kobaytech.com](mailto:hrdept@kobaytech.com).

- 3.3.2 If the RP wish not to disclose himself/herself, he/she may download the form from Kobay website under the Whistleblower Policy and direct the duly completed form and submit via online by clicking the relevant person addressed to (either the Chairman of the ARMC or Group Human Resource Department or both) for investigation.
- 3.3.3 The RP may follow up the matter to the person either via email or by call after seven (7) working days.
- 3.3.4 Save as the internal affair (Grievances) for which was governed under the Group Human Resource Policy and Procedure, upon receipt of the compliant, the Chairman may himself or through his assignee shall commence on a preliminary investigation to establish whether the complaint is of genuine and substantiated prior to evidence collection.

- 3.3.5 The Chairman or his assignee may contact the RP for further fact and disclosure during the investigation.
- 3.3.6 If the case is covered under the Group Human Resource Policy and Procedures, the Group Human Resource Head shall initiate the investigation in accordance to the Group Human Resource Policy and Procedures.
- 3.3.7 Otherwise, upon the compilation of sufficient evidence on the disclosure, the Chairman or his assignee, other than those need the Board awareness and action, shall concluded the solution or resolve the matter with proper record from the date of complaint received, the investigation and the solution and disclose to the ARMC on the quarterly basis.
- 3.3.8 If there is no solution to the complaint, the Chairman shall notify the Board for advice on the next course of action.

#### 3.4 Assurance and Confidentiality to RP

Where the RP chosen not to reveal his/her identity, it is the Company's policy to kept his/her identity as private and confidential and whereas if the RP chosen to reveal his/her identity, it is the Company's policy to provide assurance that the RP identity shall be will be protected against any reprisals from his/her immediate superior and without the RP's prior written permission, shall not reveal his/her identity to any party.

The Company shall also assures that no disciplinary action will be taken against the RP as long as he/she does not provide any false information in reporting the instances or event which is basically malicious in nature.

The Company shall treat the report as highly confidential and sensitive and will only reveal the information on a "need to know" basis or if required by the law, court or authority.

#### 3.5 Protection

The RP shall be protected against the following :-

- (i) action causing injury, loss or damage;
- (ii) intimidation or harassment;
- (iii) interference with the lawful employment or livelihood of the RP, including discrimination, demotion, suspension, termination or adverse treatment in relation to the RP's employment, career, profession, trade or business; and
- (iv) a threat of any action to be taken against the RP under the abovementioned situation.

Where necessary, any person related or association with the RP, including the immediate family members, shall accorded with the similar protection mentioned herein.

The Company reserves the right to relocate the RP's place of employment if there is a need to do so in protecting the RP.

However, the protection stated above will be revoked should the Company found that :-

- (i) the RP is personally participated in the improper conduct, wrongdoings, corruption, fraud, waste and/or abuse;
- (ii) the RP wilfully or maliciously made his disclosure, knowingly and believing that the information is false or untrue;
- (iii) the disclosure is of frivolous or vexatious; or
- (iv) the disclosure is made with the intention or motive to avoid dismissal or other disciplinary action to be taken against him/her.

4. Administration of the Policy

The Policy shall be review regularly to ensure that it continues to remain relevant and appropriate.

**REPORT OF MISCONDUCT, WRONGDOINGS, CORRUPTION, FRAUD, WASTE &/OR ABUSE**

Kindly complete the form and submit to :-

- ☐ Chairman of ARMC (cosec@kobaytech.com)
- ☐ Group Human Resource Manager (hrdept@kobaytech.com)

\* tick whichever is applicable

1. Name of the person/(s) you are reporting.

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2. Name of the division/department in which the person/(s) works.

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3. Please provide a summary of the alleged misconduct, wrongdoings, corruption, fraud, waste &/or abuse that you are reporting. (inclusive the day, month and year of each event occurs and how you come to know the alleged activities)

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4. Please attach a separate narrative report, if necessary, as well as the documents to support your claim.
5. Please provide the information of relevant witnesses, if any, including email, telephone and/or the best way to get in touch with them.

**Witness No. 1**

Name : .....

Phone contact : .....

Email Address : .....

**Witness No. 2**

Name : .....

Phone contact : .....

Email Address : .....

Any additional information concerning these witnesses :-

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6. Please explain why you are of view that the person you are reporting has allegedly commit these acts knowingly, wilfully and intentionally.

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7. Please provide any other information for which you may find relevant on the investigation.

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8. If you decide to remain as anonymous, please ignore this section.

Your Name : .....

Your Phone Contact : .....

Your Email Address : .....