

# **WHISTLEBLOWER POLICY AND PROCEDURE**

**CPE TECHNOLOGY BERHAD**

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Document Title: <b>Whistleblower Policy and Procedure</b>	Department	Internal Audit and Compliance
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*To be reviewed and approved by the Audit and Risk Management Committee*

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## 1.0 INTRODUCTION

CPE Technology Berhad and its group of companies are committed to foster an environment where high standards of integrity and ethical behaviour of its directors, key senior management and employees are maintained. The Company encourages its employees, contractors, suppliers, customers and other stakeholders to report of any suspected and/or known improper activities within the control of the Company. The improper activities may include any of the following:

- 1.1 Fraud
- 1.2 Corruption, Bribery and Blackmail
- 1.3 Misconduct and Wrongdoings
- 1.4 False Financial Statement Reporting
- 1.5 Breach Code of Conduct
- 1.6 Abuse of Power/Authority or Company Properties
- 1.7 Breach of Contract or Law
- 1.8 Non-compliance with Regulatory Requirements
- 1.9 Miscarriage/Failure of Justice or Unfair Treatment

## 2.0 OBJECTIVE

The objective of this policy and procedure is to establish a platform for reporting improper activities mentioned in para 1.0 above by any employee or any person who has the concern to prevent, detect and correct improper activities that may lead to negative impact to the company in the short or long-term period.

## 3.0 SCOPE OF POLICY AND PROCEDURE

This policy and procedure is a guide for any employee or any person who has or had privileged confidential information to report any suspected and/or known improper activities involving the resources of the Company.

### 3.1 DEFINITIONS

#### 3.1.1 COMPANY

Refers to CPE Technology Berhad and /or any of its group of companies

#### 3.1.2 CONFIDENTIAL INFORMATION

Refers to information that is confidential or sensitive in nature and/or not generally available to the public and includes information about the identity, position, residential address or other personal information of a Whistleblower and a person against whom a Whistleblower has reported.

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### **3.1.3 FRAUD**

Refers to the act of making false representations of material facts whether by words or conduct, by concealing information, or by making misleading statements in order to obtain some benefit or payment that would otherwise not exist.

Fraud includes (but is not limited to) any questionable accounting practices or irregularities in the Company's reported financial statements and non-compliance with the Company's internal financial controls.

### **3.1.4 CORRUPTION**

Refers to an improbity or decay in the decision-making process in which a decision-maker consents to deviate or demands a deviation from the requirements set which shall rule his/her decision making in exchange for a reward or for the promise of the rewards.

### **3.1.5 BRIBERY**

Refers to the offer or acceptance of anything valuable in exchange for influence on authority, government, public affairs and employees.

### **3.1.6 BLACKMAIL**

Refers to act of attempting to obtain money or any term of reward by intimidation, as by threats to disclose discreditable information.

### **3.1.7 MISCONDUCT**

Refers to unacceptable or improper behaviour especially by an employee or professional person.

### **3.1.8 WRONGDOING**

Refers to illegal or dishonest behaviour.

### **3.1.9 RESOURCES**

Refers to a means to undertake a company to achieve the desired outcome. The most basic resources are material and, labour and capital.

### **3.1.10 FALSE STATEMENT**

Refers to a statement that is known or believed by its maker to be incorrect or untrue and is made especially with intent to deceive or mislead.

### **3.1.11 BREACH**

Refers to the act of failing to perform or obey mutual agreement involving one or more parties and actively violating the term and conditions.

### **3.1.12 ABUSE**

Refers to act of practices that cause the unnecessary cost to the Company. Abuse can be use similar to fraud, except that it is not

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necessary to prove that abuse was performed knowingly, willfully and intentionally.

### **3.1.13 WASTE**

Refers to the act of spending money or using resources on goods or services in excess of actual need. Waste does not necessarily produce a benefit for the Whistleblower but is an act of poor management of resources.

### **3.1.14 REPRISAL**

Refers to an act of injury, violence or harm or damage against the Whistleblower for making a Whistleblowing report.

### **3.1.15 RETALIATION**

Refers to repay in kind or to get revenge.

### **3.1.16 WHISTLEBLOWER**

Refers to reporting by any individual/person of any suspected and/or known instances of improper activities as stated in para 1.0 above.

### **3.1.17 AUDIT COMMITTEE AND RISK MANAGEMENT COMMITTEE (AC / RMC)**

Refers to the Company's AC and RMC

## **3.2 REPORTING RESPONSIBILITY**

Any person has an obligation to report any suspected and/or known instances of improper activities as stated in para 1.0 above.

## **3.3 PROTECTION**

The identity and personal information of the Whistleblower will be protected, secured and kept confidential unless agreed by Whistleblower or required by law.

Whistleblower will be protected from any form of reprisal including but not limited to the following:

- i. Action causing injury, loss or damage;
- ii. Mental and physical torture;
- iii. Intimidation/harassment;
- iv. Discrimination, discharge, abandon, suspension, demotion;
- v. Termination, victimisation of consequence in relation to her/his employment, career, profession, trade or business or the taking of disciplinary action due to his/her disclosure; or
- vi. Any threat to take any of the action referring to items i-iv above.

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Where necessary, any person related or associated with the Whistleblower (e.g immediate family members) shall be accorded with similar protection under para 3.3 above.

### **3.3.1 ANONYMITY**

It is the policy of the Company that Whistleblower should identify himself/herself when making a report. The Company will generally not investigate any anonymous allegations.

However, if there are anonymous allegations reported on suspected and /or known instances of misconduct, wrongdoings, corruption, fraud, waste and/or abuse, the Company will consider investigating an anonymous allegation after having considered the following:

- (i) the seriousness of the allegation;
- (ii) the credibility of the allegation; and
- (iii) the information and supporting evidence provided by the Whistleblower.

### **3.3.2 ASSURANCE AGAINST REPRISAL AND/OR RETALIATION**

Where the Whistleblower has chosen to reveal his/her identity, it is the policy of the Company to provide assurance that the Whistleblower would be protected against reprisals and/or retaliation from his/her immediate superior or head of department/division.

In addition, the Company provides assurance that no disciplinary action can be taken against the Whistleblower as long as he/she does not provide false information in the report “purposely, knowingly or recklessly” i.e. the report is basically malicious in nature.

### **3.3.3 CONFIDENTIALITY**

The company shall treat all reports or disclosures as sensitive information and take all reasonable efforts to maintain the confidentiality of the information. However, there may be circumstances, during the course of the investigation where it will be necessary to disclose the identity of the Whistleblower. If such circumstances exist, the independent party conducting the investigations shall endeavour to inform the Whistleblower that his/her identity is likely to be disclosed and to obtain his/her consent for the said disclosure.

## **4.0 REVOCATION OF POLICY, PROCEDURE AND PROTECTION**

The protection mentions in para 3.3 above shall be revoked by the Company under the following circumstances:

- i. Withdrawal of reporting by Whistleblower due to insufficient evidence-based fact; or

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- ii. The Whistleblower him/herself has participated, suspected and/or known of improper activities mentioned in para 1.0 above; or
- iii. The Whistleblower has wilfully or maliciously made his/her disclosure, knowing or believing the information is false, untrue or emotionally driven; or
- iv. The disclosure is made with the intention or motive to avoid dismissal or other disciplinary action.

## 5.0 REPORTING PROCEDURES

- 5.1 The Whistleblower shall make a confidential report of the improper activities mentioned in para 1.0 above, in writing. The report must provide full details of the improper activities which may not be limited to date, time, location, person (s) involves and, where possible with supporting evidence.
- 5.2 The report must be made directly to the immediate superior or the Group Chief Executive Officer (“**GCEO**”).
- 5.3 If for any reason, it is believed that this is not possible or appropriate to report to the persons as specified in para 5.2 above, then the report should be made directly to:

**MS. LAI HOOI YIM**

**Chairman**

**1. Audit Committee / Risk Management Committee**

[whistleblowing@cpetbhd.com](mailto:whistleblowing@cpetbhd.com)

## 6.0 PROCESS OF INVESTIGATION

- 6.1 If the Whistleblower report is made to the immediate superior or GCEO, the key senior management shall decide whether an investigation should be carried out. If an investigation is to be carried out, the Company will carry out its own investigation and shall table the investigation report to the AC and/or RMC for review.
- 6.2 If the Whistleblower report is made to the AC and/or RMC’s Chairman, the Chairman in consultation with other members shall decide whether the allegation has merit and could be substantiated.  
  
If an investigation is to be carried out, the AC and/or RMC’s Chairman may appoint the internal auditor of the Company or an independent party to carry out the investigation. The Whistleblower shall give his /her full cooperation during the course of the investigation if required.
- 6.3 Upon completion of the investigation as mentioned in paras 6.1 and 6.2 above, the AC and/or RMC shall review the investigation report and if there is an action to be taken, the AC and/or RMC shall refer the investigation

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report to the Board of Directors of the Company for appropriate action to be taken.

6.4 The Whistleblower will be informed of the outcome of the investigation.

6.5 All information, documents, records and reports relating to the investigation of the Whistleblower report shall be kept securely by the Internal Audit and Compliance Department to ensure its confidentiality.

Approved by AC, RMC and the Board on 29 December, 2022.