

**WHISTLE-BLOWER POLICY**

**1. POLICY STATEMENT**

Pecca Group Berhad (“**Pecca** or the **Company**”) and its subsidiary companies (“**Group**”) strive to conduct its business relationships and dealings with the highest level of integrity and accountability and adopt zero-tolerance approach towards any misconduct that would jeopardise its good standing and reputation.

**2. PURPOSE**

This whistle-blower policy (“**Policy**”) is intended to encourage and enable the directors, employees and Stakeholders of the Group to raise concerns about suspected and/or known malpractices, misconduct or wrongdoings (“**Improper Activities**”).

For the purposes of this Policy, Stakeholders shall have the meaning of shareholders, suppliers, contractors, agents, consultants, business partners and customers which have business dealings (whether direct or indirect) with the Group.

**3. SAFEGUARDS**

A person or entity making a disclosure related to a reasonable belief that any person has engaged, is engaging or is preparing to engage in Improper Activity is commonly referred to as a “**Whistle-blower**”.

All Whistle-blowers who report the Improper Activities in good faith will be accorded with (i) protection of confidentiality; and (ii) protection against retaliation under this Policy.

In order for the Whistle-blower to be protected under this Policy, the disclosure of the Improper Activities must at least have the following details:

- (a) person(s) involved;
- (b) nature of allegation(s);
- (c) when and where the incident took place; and
- (d) supporting evidence.

**Acting in Good Faith**

All reports must contain genuine concerns and have to be made in good faith with reasonable belief that the information and any allegation in it are substantially true. The Whistle-blower should not submit reports that contain any false or malicious or defamatory statements or concerns without proper basis or sufficient evidence.

If the investigation later reveals that the report of the Improper Activities is without proper basis or without sufficient evidence or is frivolous or is vexatious or is made with malicious intent or where ulterior motive is for personal gain or where the Whistle-blower participated in the Improper Activities disclosed, the Company reserves the right to take appropriate action, up to and including revoking the protection accorded to the Whistle-blower under this Policy, taking disciplinary action and/or legal action, where applicable, against such Whistle-blower.

#### **4. RETALIATION, HARASSMENT OR VICTIMISATION**

Retaliation, harassment or victimisation for reporting Improper Activities under this Policy will not be tolerated.

Provided always that the reports are made in good faith with reasonable belief that the information and any allegation in it are substantially true and do not contain any false or malicious or defamatory statements or concerns without proper basis or sufficient evidence (as envisaged under Paragraph 3 of this Policy), complete protection will be given to Whistle-blower against any unfair practice including, without limited to retaliation, threat or intimidation of termination/ suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or including any direct or indirect use of authority to obstruct the Whistle-blower's rights to continue to perform his/her duties including making further disclosure.

For avoidance of doubt, a Whistle-blower's right to protection from retaliation does not extend immunity for any complicity in the matters that are the subject of the allegations or an ensuing investigation.

#### **5. CONFIDENTIALITY**

Provided always that the reports are made in good faith with reasonable belief that the information and any allegation in it are substantially true and do not contain any false or malicious or defamatory statements or concerns without proper basis or sufficient evidence (as envisaged under Paragraph 3 of this Policy), every effort will be made to treat the Whistle-blower's identity with appropriate regard for confidentiality. 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 unless it 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 Group's assurance of confidentiality can only be completely effective if the Whistle-blower likewise maintains confidentiality.

#### **6. ANONYMOUS ALLEGATIONS**

This Policy encourages the directors, employees and Stakeholders of the Group to provide their names in the allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns on the Improper Activities which expressed anonymously will be explored appropriately, but consideration will be given to:-

- the seriousness of the issue raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

## 7. PROCEDURES

### 7.1 Process for disclosure

#### I) Examples of Improper Activities to be reported

- corruption or bribery;
- misappropriation of assets;
- abuse of position;
- involvement in conflict of interest;
- sexual harassment;
- improprieties or irregularities (including financial and operational);
- suspected fraud or criminal offences;
- breach of confidentiality;
- miscarriage of justice;
- endangerment of an individual's health and safety;
- failure to comply with legal or regulatory requirements; and
- deliberate concealment on any of the above activity.

*\*In respect of bribery, please refer to Pecca Group Berhad's Anti-Bribery and Anti-Corruption Policy for more information and instances of bribery.*

*\*The above list is not exhaustive.*

#### II) Reporting

The directors, employees and Stakeholders of the Group shall report to the reporting person(s) as stated below on any allegations of suspected Improper Activities or employment-related concerns.

- (a) Disclosure on Improper Activities, including those relating to corruption or bribery, financial reporting, unethical or illegal conduct, may be reported directly to:

##### Chairman of Audit and Risk Management Committee ("ARMC")

Attention : Datuk Leong Kam Weng  
Address : Messrs. Iza Ng Yeoh & Kit  
Suite 13.08, 13th Floor Plaza 138, Jalan  
Ampang, 50450 Kuala Lumpur  
Email : joryleong@inyk.com

Disclosures can be made by using the Whistler-Blower Report Form and forwarded in a sealed envelope to the abovementioned contact person(s) labelling with a legend such as "*Strictly Confidential to be opened by the Chairman of ARMC only*".

- (b) Disclosure on employment-related concerns can be reported to:

##### HR Department

Attention : Au Lai Chan / Angelina Tan  
Address : Pecca Group Berhad  
No.1, Jalan Perindustrian Desa Aman 1A,  
Industri Desa Aman, Kepong, 52200 Kuala Lumpur  
Email : laichan.au@peccaleather.com/angelina@peccaleather.com

Disclosures can be made by using the Whistler-Blower Report Form and forwarded in a sealed envelope to the abovementioned contact person(s) labelling with a legend such as "*Strictly Confidential and for the attention of Au Lai Chan & Angelina Tan only*".

### III) Handling of a reported allegation

The action taken by the Group in response to a report of Improper Activities under this Policy will depend on the nature of the concern on the Improper Activities. The Chairman of ARMC or HR Department shall receive information on each report of Improper Activities or employment related and follow-up information on actions taken.

#### **7.2 Investigator**

The Internal Auditor shall be the named Investigator unless the Chairman of ARMC assigns/appoints another Investigator. For avoidance of any doubt, the Investigators must be free from conflict of interest, impartial and independent of all parties concerned.

The Investigator is required to report all concerns related to the Improper Activities raised by the Whistle-blowers, the status of all pending and on-going investigations, and any action taken or to be taken as a result of the investigations, to the Chairman of ARMC.

#### **7.3 Inquiries**

Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation.

If an investigation leads to the Investigator to conclude that a crime has probably been committed, the results of the investigation shall be reported to the police or other appropriate law enforcement agency.

If an investigation leads the Investigator to conclude that the suspect has engaged in conduct that may be a violation of the Group's policies and procedures, the results of the investigation shall be reported to the CFO in accordance with the applicable procedures for company conduct and the administration of discipline. Any charges of misconduct brought as a result of an investigation under this Policy shall comply with established disciplinary procedures.

### **8. POLICY MATTERS**

This Policy shall be published at the Company's website and made available to all employees.

### **9. MONITORING AND PERIODIC REVIEW OF POLICY**

The Group must diligently monitor these procedures to ensure that they meet the objectives of relevant legislations and remain effective for the Group and, if necessary, implement changes subject to the approval of the Board of Directors.

This policy will be reviewed periodically to assess its effectiveness.

*(This Policy was first approved and adopted by the Board of Directors on 24 May 2018 and revised on 22 May 2020.)*

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