



# **SPRING ART HOLDINGS BERHAD**

## **WHISTLEBLOWING POLICY AND PROCEDURES**

## **1.0 INTRODUCTION**

### **What is Whistleblowing?**

Whistleblowing is defined as a deliberate, voluntary disclosure or reporting of an individual or an organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated improper activities as stated here below within the Company's and that is within its ability to control.

Whistleblowing encourages and enables employees to raise serious concerns within the organisation rather than overlooking a problem or 'blowing the whistle' outside. Employees are often the first to realise that there is something seriously wrong within the organisation. However, they may not express their concerns as they feel that speaking up would be disloyal to their colleagues or to the organisation.

### **Our Organisation Commitments**

Spring Art Holdings Berhad ("Spring Art" or "the Company") and its group of companies ("the Group") are committed to the highest possible standard of openness, probity and accountability to foster an environment where high standards of integrity and ethical behaviour of its directors, management and employees are maintained. In line with that commitment the Company encourages its employees, contractors, suppliers, customers, stakeholders and others whom we deal with, who have concerns about any aspect of the organisation to come forward and voice those concerns.

### **What Type of Concerns Are Covered?**

- All low cases at start, conduct which is an offence or a breach of law
- Non-compliance with Regulatory Requirements
- Disclosure related to miscarriages of justice and discriminations
- Possible fraud, corruption, bribery and blackmail.
- Health and safety risks, including risks to the public as well as other employees.
- Damage to the environment.
- False Financial Statement Reporting
- Breach of Code of Ethics and Conduct
- Abuse of Power/Authority or Company Properties
- Other Improper conducts are provided in Appendix 1

## **2.0 OBJECTIVE**

To establish a platform for reporting improper activities mentioned in para 1.0 above by any employee or any person who has concern to prevent, detect and correct improper activities that may lead to negative impact to the Company in the short or long-term period. This Policy shall made reference to Whistleblower Protection Act 2010.

## **3.0 SCOPE AND APPLICATION**

This Policy applies to all employees as defined in para 4.8 below or any person who has or had privileged confidential information to report any suspected and/or known improper activities related to Company.

## **4.0 DEFINITIONS**

### **4.1 Whistleblowing Owner**

Audit and Risk Management Committee ("ARMC") responsible to manage the Whistleblowing Policy including reporting and investigation.

### **4.2 Blackmail**

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

### **4.3 Breach of Code of Ethics and Conduct**

Refers to improper behaviour that breaches the Company's Code of Ethics and Conduct.

### **4.4 Bribery**

Refers to the offer or acceptance of anything of value in exchange for influence on authority, public affairs and employee.

### **4.5 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 endeavor to inform the Whistleblower that his/her identity is likely to be disclosed and to obtain his/her consent for the said disclosure.

### **4.6 Confidential Information**

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

### **4.7 Corruption**

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

### **4.8 Employees**

Refers to all member of the Board of Directors, Senior Management, Permanent and Contract Staff including temporary and seconded employees working under the control and supervision of our Company.

### **4.9 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.

### **4.10 Fraud**

Refers to the act of making false representation of material facts whether by words or conduct, by concealing information, or by making misleading statements in order to obtain some benefits or payment that would otherwise not exist. Fraud includes any questionable accounting practices or irregularities in the Company's reported financial statements and non-compliance with the Company's internal financial controls.

### **4.11 Stakeholders**

Refers to third party suppliers, contractors, agents, consultants, distributors, customers and other business partner which has provide their services direct or indirect with our Company.

### **4.12 Whistleblower**

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

## **5.0 REPORTING RESPONSIBILITY**

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

## **6.0 PROTECTION**

**6.1** The organisation recognises that the decision to report a concern can be a difficult one to make. If what you are saying is true, you should have nothing to fear because you will be doing your duty to your employer and those for whom you provide a service. In line with this recognition the company will not tolerate any harassment of victimisation and will take appropriate action to protect the Whistleblower when he/she raises a concern in good faith.

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

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

- a) Action causing injury, loss or damage;
- b) Mental and physical torture;
- c) Intimidation/harassment;
- d) Discrimination, discharge, abandon, suspension, demotion;
- e) Termination, victimisation of consequence on relation to her/his employment, career, profession, trade or business or the taking of disciplinary action due to his/her disclosure; or
- f) Any threat to take any of the action referring to items a-e above.

**6.4** Where necessary, any person related or associated with the Whistleblower (e.g., immediate family members) shall be accorded with similar protection as provided under para 6.3.

### **6.5 Confidentiality**

All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish.

### **6.6 Anonymity**

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/and known instances of misconduct, wrongdoings, corruption, fraud, waste and/or abuse, the Company will consider to investigate an anonymous allegation after having considered the following:

- a) the seriousness of the allegation;
- b) the credibility of the allegation; and
- c) the information and supporting evidence provided by the Whistleblower.

### **6.7 Assurance Against Reprisal and/or Retaliation**

Where the Whistleblower has chosen to reveal his/her identity, it is policy of the Company to provide assurance that the Whistleblower would be protected against reprisals and 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.

## 7.0 REVOCATION OF POLICY, PROCEDURE AND PROTECTION

The protection mentions in para 6.0 above shall be revoked by the Company under the following circumstances:

- a) Withdrawal of reporting by Whistleblower due to insufficient evidence-based fact; or
- b) The Whistleblower him/herself has participated, suspected and/or known of improper activities mentioned in para 1.0 above; or
- c) The Whistleblower has willfully or maliciously made his/her disclosure, knowing or believing the information is false, untrue or emotionally driven; and
- d) The disclosure is made with the intention or motive to avoid dismissal or other disciplinary action.

## 8.0 REPORTING PROCEDURES

**8.1** 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 following:

- a) Details of the Complainant
- b) Type of improper activity/conduct
- c) Details of suspected personnel involved
- d) Information on incident (Date, Time and Place of incident)
- e) Any document, information or physical evidences relating to the complaint.

**8.2** The report must be made directly to Mr. Law Sang Thiam, the Chairman of Audit and Risk Management Committee of the Company through:

- (i) E-mail: [whistleblower@springart.com](mailto:whistleblower@springart.com)
- (ii) Mail: Fill up the Whistleblowing Form in Appendix 2, attention to Mr. Law Sang Thiam (mark "Strictly Private and Confidential") and forward to mailing address below:

**Spring Art Holdings Berhad**  
**Lot PLO 49, Jalan Rami 4,**  
**Kawasan Perindustrian Bukit Pasir,**  
**84300 Bukit Pasir, Muar, Johor, Malaysia.**  
***Attention: Audit and Risk Management Committee Chairman***

## 9.0 PROCESS OF INVESTIGATION

**9.1** If the Whistleblower report is made to the superior or Managing Director/Group Chief Executive Officer of the Company, the 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 ARMC for review.

**9.2** If the Whistleblower report is made to the ARMC Chairman, the Chairman in consultation with other members, shall decide whether the allegation has merit and could be substantiated.

**9.3** If an investigation is to be carried out, the ARMC 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.

**9.4** Upon completion of the investigation as mentioned in paras 6.1 and 6.2 above, the ARMC shall review the investigation report and if there is an action to be taken, the ARMC shall refer the investigation report to the Board of Directors of the Company for appropriate action to be taken.

**9.5** The Whistleblower will be informed of the outcome of the investigation.

**9.6** All information, documents, records and reports relating to the investigation of the Whistleblower report shall be kept securely by the Chairman of ARMC & Compliance to ensure its confidentiality.

## **10.0 REVIEW OF POLICY**

The Board of Directors or ARMC 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 adopted by the Board on 24 May 2022 and is made available on the Company's website, <https://www.springart.com>.*

## Appendix 1

### List of Complaints under Whistleblowing Policy

The list of complaints / concerns includes, but is not limited to:

- Any dishonest or fraudulent act
- Any act of conflict of interest with suppliers, vendors or contractors
- Acceptance of fictitious quotations from suppliers, vendors or contractors in favouring for a particular entity
- Breaching of legal obligation
- Corruption or bribery
- Destruction, removal or inappropriate use of the Company's records, furniture, fixtures and equipment
- Falsifying payroll records or overtime claims
- Falsifying travel and entertainment expenses and/or utilizing company funds to pay for personal expenses
- Fictitious reporting or receipts, delivery orders, etc. from suppliers or shipment to customers
- Forgery or alteration of any document or account belonging to the company
- Forgery or alteration of a cheque, bank draft or any other financial document
- Inventory or asset theft
- Misappropriation or theft of funds, supplies or other assets
- Providing or accepting gifts or material value to/from customers, contractors, vendors or other persons doing or attempting to do business with the Company or its Group of Companies that are intended to influence a business decision or selection process
- Misappropriation of Company-owned computer hardware, software, data, etc.
- Misuse of company information
- Sexual harassment
- Any other detrimental wrongdoing which nature of the wrongdoing is subject to absolute discretion of the Committee. Any action which is intended to conceal any of the above.

## Appendix 2

### WHISTLEBLOWING FORM

| WHISTLEBLOWING REPORT  |       |           |
|--|-------|-----------|
| To:  |       |           |
| Incident Details   |       |           |
| Date:  | Time: | Location: |
| Type of Improper activity/conduct :  |       |           |
| Details of suspected personnel involved :  |       |           |
| Information on incident<br><i>(Please use attachment if necessary)</i><br><br><i>The complaint shall support with documents physical evidence)</i> |       |           |

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Date : \_\_\_\_\_

Company/Department : \_\_\_\_\_

\*Contact No. : \_\_\_\_\_

*\*Contact No is compulsory in order to reach out the whistleblower for further clarification and notify the outcome of the report.*