

HPMT HOLDINGS BERHAD

ANTI-FRAUD AND WHISTLEBLOWING POLICY

Introduction

HPMT Holdings Berhad (“HPMT” or “the Company”) has a commitment to high legal, ethical and moral standards and its whistleblowing policy. All members of staff are expected to share this commitment aligning with the Company’s Code of Business Conducts and Ethics. This policy is established to facilitate the development of anti-fraud procedures which will aid in the investigation of fraud and related offences.

This policy, together with the fraud response plan, is intended to provide a direction and a procedure to help the employees who find themselves having to deal with suspected cases of theft, fraud or corruption. These documents provide a framework for a fraud response and advice and information on various aspects and implications of an investigation.

If an employee raises a genuine concern under this policy, he or she will not be at risk of losing their job, nor will they suffer any form of detriment as a result. As long as the employee is acting in good faith and in accordance with this policy, it does not matter if they are mistaken.

Objectives

The objectives of the establishment of Anti-Fraud and Whistleblowing policy are as follows:-

- To ensure HPMT’s business is conducted in compliance with the law
- To promote and cultivate an environment of honesty and integrity
- To enhance the employees’ awareness of the Company’s stand on illegal, unethical and dishonest acts and the consequences of such acts
- To create employees’ awareness of their roles, rights and responsibilities pertaining to illegal, unethical and dishonest acts

Scope of Anti-Fraud and Whistleblowing Policy

This policy applies to any irregularity, or suspected irregularity, involving employees as well as consultants, suppliers, and/or any other parties with a business relationship with the Company. Any investigative activities required will be conducted without regard to any person’s relationship to the Company, position or length of service.

Actions Constituting Fraud

Fraud comprises both the use of deception to obtain an unjust or illegal financial advantage and intentional misrepresentations affecting the financial statements by one or more individuals among management, staff or third parties. The terms of the above mentioned refer to, but are not limited to:-

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to the Company
- Forgery or alteration of a cheque, bank draft, or any financial document
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of securities activities
- Disclosing to other persons the securities activities engaged in, or contemplated by the Company
- Accepting or seeking anything of material value from vendors or persons provide services/materials to the Company (refer to “HPMT Code of Business Conducts and Ethics”)
- Destruction or disappearance of records and assets
- Similar or related irregularities unique to the Company

Fraud Reporting Procedure

If an employee discovers or suspects fraudulent activity, he or she should consider the following:-

1. Raising it initially with their departmental manager. If an employee feels that they are unable to raise a particular with their departmental manager, for whatever reason, they should raise the matter with the human resource & administration manager or the finance director. This may be done orally or in writing. An employee should specify outset if they wish the matter to be treated in confidence so that appropriate arrangements can be made; or
2. Whistleblower it to the Audit Committee Chairman Ms. Patricia Chua at email patriciachua@hpmt-industries.com. This service is strictly confidential and whistleblower will not be asked to give their name if they do not want to.

Once an employee has informed the Company on his or her concern, the concern raised will be examined and the Company will assess what action should be taken and this may involve below, but are not limited to:-

- Conduct an internal enquiry or a more formal investigation
- The employee will be told who is handling the matter, how they can contact him/her and whether any further assistance may be needed
- The employee will have to make a declaration at the outset if he/she has any personal interest in the matter

If the employee’s concern falls more properly within the grievance procedure, then they will be advised of this.

Protecting The Employee

The Company will not tolerate harassment or victimisation of anyone raising a genuine concern under the Anti-Fraud and Whistleblowing policy. If an employee requests that their identity to be protected, all possible steps will be taken to prevent the employee's identity becoming known. If the concern is unable to be resolved without revealing the employee's identity (e.g. if the employee's evidence is needed in court), the Company will discuss with the employee on the best way to proceed with the matter. Legal assistance may be provided where necessary and at the sole discretion of the management.

Amended on 01 July 2023