

## **Whistleblowing Policy & Procedures**

### **1. Introduction**

Deswell Packaging is committed to the highest standard of ethics and integrity in its conduct of business and operations. As part of this commitment, this policy and procedure serves as an avenue for disclosure of any improper conduct in good faith.

This Policy may be reviewed and amended, from time to time, as and when necessary, to ensure its relevance and effectiveness. Changes to the Policy, if any, shall only be made with the approval of Senior Management in writing.

### **2. Objectives**

2.1 The objectives of this Standard Operating Procedure are: -

- (a) Enhance company governance by helping to foster an environment where integrity and ethical behavior is maintained and any illegality, improper conduct and/or wrongdoings in the company shall be disclosed in good faith;
- (b) To provide a confidential and effective platform for any reporting of suspected violations; and
- (c) To provide guidelines on the investigation process.

### **3. Scope**

3.1 This Whistleblowing Policy & Procedure is applicable to all employees and stakeholders of Deswell Packaging (M) Sdn Bhd to disclose any improper conduct through internal channel. Such inappropriate conducts may include the followings: -

- (i) Fraud;
- (ii) Corruption;
- (iii) Bribery or blackmail;
- (iv) Criminal offences such as breach of trust, theft or embezzlement;
- (v) Failure to comply with legal or regulatory obligation;
- (vi) Sexual harassment;
- (vii) Any breach of law, regulation or rule that is applicable to the Company,
- (viii) Any action that could cause significant harm to the Company or to any person(s); and
- (ix) Concealment of any or combination of the above.

- 3.2 This SOP is to ensure that only genuine disclosure should be subjected to further investigation. Any disclosure which is found to be frivolous shall not be entertained.
- 3.3 This document will cover activities related to the handling of the reporting and includes responsibilities of various parties.

#### **4. Safeguards**

##### **4.1 General Guideline on Whistleblowing**

Employee and stakeholders are presumed to act in good faith when reporting any form of improper conduct.

An employee who knowingly makes statements or disclosure that are not in good faith may be subjected to disciplinary procedures, which may include termination.

It is obligatory on the part of the Whistleblower to maintain the confidentiality of the case reported and not to disclose to any parties so as not to jeopardise the investigation.

##### **4.2 Protection to Genuine Whistleblower**

A Whistleblower will be accorded with protection under the Whistleblowing Policy provided that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the Whistleblower is mistaken as to the facts, rules and procedures involved.

##### **4.3 Types of Protection for Whistleblowers: -**

- (a) Identity of Whistleblower will be kept confidential and shall not be exposed to anyone including during court proceedings.
- (b) No civil, criminal, or disciplinary action will be taken against the Whistleblower.
- (c) The Whistleblower shall be protected from any detrimental action in retaliation for making the disclosure.
- (d) Anyone who retaliates against the Whistleblower shall be subjected to disciplinary action, which may include termination of employment, demotion, or other form of legal actions.

##### **4.4 Revocation of Whistleblower Protection**

- (a) The Whistleblower participated in the improper conduct;
- (b) The Whistleblower intentionally discloses a false statement;
- (c) The disclosure is frivolous or vexatious;
- (d) The disclosure is made with malicious content; or
- (e) The Whistleblower breaches his/her obligations of confidentiality.

## 5. Reporting

5.1 Employees and stakeholders who are aware of, or suspects that an improper conduct has been conducted, or is on-going, or anticipated, are deemed responsible to report the improper conduct through any of the below whistleblowing reporting channels.

### 5.2 In person reporting channel

The Whistleblower can lodge a report in person with the following, who will assist the Whistleblower to complete the Whistleblowing Form (Appendix A):

- (a) Head of Department;
- (b) Department Manager;
- (c) HR Executive;
- (d) Any of the WBC members; or
- (e) Senior Management

### 5.3 Writing reporting channel

The Whistleblower may opt to disclose any act of improper conduct by filling up the Whistleblowing Form that can be accessed from the HR department (Refer to Appendix I) or report in writing directly via below channels, in a strict confidential manner: -

- (i) Email to [whistleblowing@deswell.com.my](mailto:whistleblowing@deswell.com.my); (This email shall be received by Management)
- (ii) By writing to below address:
  - a. Lot 1261, Batu 14, Jalan Kapar, 42200, Kapar, Selangor, Malaysia.
  - b. Suggestion Box placed in between Production Notice Boards.
    - i. Attn: Khoo Yew Nuan (Managing Director)
    - ii. Mark: **Strictly Confidential**
- (iii) If the wrongdoing involves the director, the Whistleblower is to report the matter in writing to other member of Senior Management of the Company.

5.4 Disclosure should include following information in order for proper investigation of the matter (Any personal details will be kept confidential):

- (i) Full Name
- (ii) Department
- (iii) Phone No./ Email Address
- (iv) Details of the person(s) involved;
- (v) Nature of the allegation;
- (vi) Where and when the alleged misconduct/ wrong doing took place;
- (vii) Any witness(es) available;
- (viii) Other relevant information; and
- (ix) Any supporting evidence if available
- (x) Whistleblower's signature and date of disclosure

- 5.5 The Whistleblower is required to provide his/her disclosure of identity and personal details in order to enable the Company to accord the Whistleblower as well as to seek further clarification on the reporting. These personal details will be kept confidential.
- 5.6 Anonymous disclosure is not encouraged as it may pose difficulties in following up or to obtain further details of the disclosure. Hence the Company reserves the right to investigate into any anonymous disclosure after considering the following:
- (i) The seriousness of the case disclosed;
  - (ii) The credibility of the claim; and
  - (iii) The likelihood of confirming the disclosure from credible sources.
- 5.7 If the Whistleblower changes his/her mind on reporting of an improper conduct, he/she is not allowed to withdraw or retract the disclosure, unless the supporting reason(s) for the withdrawal is reasonable and accepted by the WBC.

## **6. Investigation Procedures**

- 6.1 The HR executive who receives the report will assess the report to determine whether it is related to a wrongdoing and shall decide the validity of the report, then make general recommendations to the Managing Director. The Managing Director may decide to designate any person, from the Company or external party, to conduct any investigation or to carry out any other process pursuant to this Policy.
- 6.2 The Managing Director has the authority to make the final decisions including, but not limited to, any of the following:
- (i) Rejection of the report;
  - (ii) Directing the concerns or any part thereof for consideration under other internal procedures or disciplinary procedures, if appropriate and applicable;
  - (iii) Resolution without recourse to an investigation;
  - (iv) Directing investigations on the report and any persons involved or implicated;
  - (v) Suspending the alleged wrongdoer or any other implicated person from work to facilitate any fact finding or to avoid any employee's exposure to threat or harm;
  - (vi) Obtaining any other assistance (for instance, external auditors or legal advice); and
  - (vii) Referral to the police or any other appropriate enforcement authority.
- 6.3 If the wrongdoing involves the Managing Director, the report shall be made to other member of Senior Management of the Company. The Senior Management shall then authorise one of its members to be responsible for the investigation and recommendation to the other members. The other members in the Senior Management team shall have the authority to make the final decisions regarding the disclosure of wrongdoing.

6.4 The Whistleblower and the alleged wrongdoer are expected to give their full cooperation in any investigation or any other process carried out pursuant to this Policy. They may be asked to attend a meeting to discuss the allegations and must take all reasonable steps to attend the meeting. The alleged wrongdoer will be given an opportunity to answer the allegations at the meeting.

6.5 The Whistleblower will be informed of the result of any investigation or action or decision taken by the Company as soon as possible.

6.6 If the Whistleblower is implicated or discovered to be or have been involved in any wrongdoing, the Whistleblower may also be investigated so as to complete the fact-finding process. An investigation in this instance shall not be treated as a reprisal against the Whistleblower, but to facilitate decision making.

## **7.0. Confidentiality**

7.1 Reasonable steps will be taken to maintain the confidentiality of the Whistleblower and report made by the Whistleblower, unless:

- The Whistleblower expressly agrees otherwise, and provides his agreement in writing; or
- Otherwise required by law.

7.2 The Whistleblower or any person who is involved in the investigation process, shall not disseminate to third parties information regarding the wrongdoing or any part thereof, including the status or outcome of an investigation into it, except:

- To those who are authorised under this Policy;
- By lodging a report with an enforcement party in accordance to the law;
- If required by law; and
- On a strictly confidential basis to a professionally qualified lawyer for the purpose of obtaining legal advice.

7.3 The Whistleblower shall not:

- Contact the suspected individual to determine facts or demand restitution; and
- Discuss the case, facts, suspicions, or allegations with anyone except to assist in the investigation.

Dated 15<sup>th</sup> May 2023

## Appendix A

DESWELL PACKAGING (M) SDN. BHD.		Rev: V1-0 15/05/2023	
WHISTLEBLOWER REPORTING FORM			
WHISTLEBLOWER'S CONTACT INFORMATION			
Name:			
Contact Number:		Email Address:	
SUSPECT'S INFORMATION			
Name:			
Position:			
Department:			
Contact Number:		Email Address:	
WITNESS(ES) INFORMATION (IF ANY)			
Name (1):			
Department:			
Contact Number:		Email Address:	
Name (2):			
Department:			
Contact Number:		Email Address:	
<b>COMPLAINT:</b> Briefly describe the misconduct/ improper activity and how you know about it. Specify what, who, when, where and how. If there is more than one allegation, number each allegation and use as many pages as necessary.			
1. What misconduct/ improper activity occurred?			
2. Who committed the misconduct/ improper activity?			
3. When did it happen and when did you notice it?			
4. Where did it happen?			
5. Is there any evidence that you could provide?			
6. Are there any other parties involved other than suspect stated above?			
7. Do you have other details or information which would assist us in the investigation?			
8. Any other comments?			
Date:		Signature:	