

i-Stone Technology Sdn. Bhd. and its subsidiaries (the “Group”) committed to the highest standards of transparency, probity, integrity and accountability.

Whistleblowing is a specific means by which any Employees or Stakeholders (i.e. shareholders/ customers /suppliers) can report or disclose through established channels, genuine concerns about unethical behaviour, malpractices, illegal acts or failure to comply with regulatory requirements (“reportable misconduct”) that is taking place / has taken place / may take place in the future; of which they become aware and to provide protection for the party, who report allegations of such malpractice / misconduct / wrongdoings

To blow the whistle on someone is to alert a third party that a person has done, or is doing, something wrong. So, literally, “whistle-blowing” means that one makes a noise to alert others about misconduct.

By blowing the whistle on misconduct in an organization, one alerts the organization to the fact that its stakeholders are being wrongfully harmed, or that they are at risk of harm.

This procedure is intended to provide a means of making whistleblowing about standards, conduct, financial irregularity or possible unlawful action in a way that will ensure confidentiality and protect those making such allegations in the reasonable belief that it is in the public interest to do so from being victimised, discriminated against or disadvantaged.

This procedure does not replace other policies and procedures such as i-Stone Grievance Procedures, Code of Conducts and other specifically laid down statutory reporting procedures.

1.0 SCOPE

This procedure applies to all the Group employees, including associates and contractors. This procedure does not replace other policies or procedures. For example, if the employees has a grievance about the working conditions, they should use i-Stone Grievance Procedure.

This policy applies to, but is not limited to, whistleblowing about any of the following:

- Conduct which is an offence or breach of the law
- Alleged miscarriage of justice
- Serious Health and Safety risks
- The unauthorised use of company fund
- Bribery
- Sexual, physical or verbal abuse, or bullying or intimidation of employees, customers or service users
- Abuse of authority
- Breach of company policies
- Other unethical conducts

2.0 REPORTING PROCEDURE

If an employee has a concern about the conduct of a fellow employee in the working environment (e.g. that they are not treating colleagues with respect) they should raise these concerns to their reporting manager, or if that is not possible, the concerns should be reported directly to:

- i) Managing Director of the Group
Name : Tee Sook Sing
Email : rebecca.tee@i-stone.com.my
Mail : Attention to Managing Director of the company
(Marked 'Strictly Confidential to be opened by Addressee only')
12-2, Jalan Persiaran Teknologi,
Taman Teknologi Johor,
81300 Senai, Johor, Malaysia

OR

- ii) Executive Director of the Group
Name : Chan Kok San
Email : kschan@i-stone.com.my
Mail : Attention to Managing Director of the company
(Marked 'Strictly Confidential to be opened by Addressee only')
12-2, Jalan Persiaran Teknologi,
Taman Teknologi Johor,
81300 Senai, Johor, Malaysia

The report shall contain the following information:

- (1) Types of misconduct or wrongdoings
- (2) Name of person/persons involved
- (3) Time, location and dates of misconduct or wrongdoings occurred
- (4) How the misconduct or wrongdoings were perpetrated
- (5) Other witness to the misconduct or wrongdoings
- (6) Documentation or evidence available

The Group will take appropriate action to protect a whistleblower who makes a serious allegation in the reasonable belief that it is in the public interest to do so from any reprisals, harassment or victimisation.

3.0 CONFIDENTIALITY

All whistle-blowing reports will be treated as utmost confidential and every effort will be made not to reveal a whistleblower's identity unless the whistleblower requests. However, if the whistle-blowing results in court proceedings then the whistleblower may have to give evidence in open court if the case is to be successful.

The Group will not, without the whistleblower's consent, disclose the identity of a whistleblower to anyone other than a person involved in the investigation/allegation.

4.0 ANONYMOUS ALLEGATIONS

This procedure encourages whistleblowers to put their name to an allegation wherever possible as anonymous allegations may often be difficult to prove. Whistleblows made anonymously are much less powerful but anonymous whistleblows will be considered at the discretion of the CEO/Executive Director

In exercising discretion to accept an anonymous whistleblows, the factors to be taken into account:

- The seriousness of the issue raised
- The credibility of the allegation; and
- Whether the allegation can realistically be investigated from factors or sources other than the complainant

5.0 UNTRUE ALLEGATIONS

No disciplinary or other action will be taken against a whistleblower who makes whistleblowing in the reasonable belief that it is in the public interest to do so even if the whistleblowing is not substantiated by an investigation. However, disciplinary action may be taken against a whistleblower who makes whistleblowing without reasonable belief that it is in the public interest to do so, for instance, making a whistleblow frivolously, maliciously or for personal gain or personal agenda).

6.0 ALLEGATION

Whether a written or oral report is made it is important that relevant information is provided including:

- (1) Types of misconduct or wrongdoings
- (2) Name of person/persons involved
- (3) Time, location and dates of misconduct or wrongdoings occurred
- (4) How the misconduct or wrongdoings were perpetrated
- (5) Other witness to the misconduct or wrongdoings
- (6) Documentation or evidence available

7.0 ACTION ON RECEIPT OF AN ALLEGATION

The investigator (HR department manager) will record details of the whistleblow, as much as possible, (within 5 working days of receipt of the whistleblow) including:

- The record of the whistleblow;
- The acknowledgement of the whistleblow;
- Any documents supplied by the whistleblower

The investigator will ask the whistleblower for his/her preferred means of communication and contact details and use these for all communications with the whistleblower in order to preserve confidentiality.

If the whistleblow relates to fraud, potential fraud or other financial irregularity the Finance Manager will be informed within 5 working days of receipt of the whistleblow. The Treasurer will determine whether the allegation should be investigated and the method of investigation.

If the whistleblow discloses evidence of a criminal offence it will immediately be reported to the Board of Directors and a decision will be made as to whether to inform the Police. If the whistleblow concerns suspected harm to children the appropriate authorities will be informed immediately.

8.0 TIMETABLE

- An acknowledge the whistleblow in writing within 10 working days with
 - An indication of how the Group propose to deal with the matter
 - An estimate of how long it will take to provide a final response
 - An indication of whether any initial enquiries have been made
 - Information on whistleblower support mechanisms
 - Indication whether further investigations will take place and if not, why not

Where the whistle blow has been made internally and anonymously, obviously the Group will be unable to communicate openly on what action has been taken.

9.0 SUPPORT

The Group will take steps to minimise any difficulties which may be experienced as a result of making a whistleblow.

10.0 RESPONSIBILITY FOR THE POLICY

The Managing Director and Executive Director have overall responsibility for the operation of this policy and determining the administrative processes to be followed and the format of the records to be kept.

11.0 Monitoring

A Register will record the following details:

- The name and status (e.g. employee) of the whistleblower
- The date on which the whistleblow was received
- The nature of the whistleblow
- Details of the person who received the whistleblow
- Whether the whistleblow is to be investigated and, if yes, by whom
- The outcome of the investigation
- Any other relevant details

The Register will be confidential and only available for inspection by the Board of Directors. The Executive Director, Head of HR/Admin will report annually to the Board of Directors on the operation of the policy and on the whistleblowing made during the period covered by the report. The report will be in a form which does not identify whistleblowers.