

WHISTLE-BLOWING POLICY

PESTECH Board of Directors wishes to provide all directors, management staff, employees, vendors of PESTECH and its subsidiaries as well as members of the public (“Persons”) with mechanisms to confidentially and anonymously bring to the attention of the Board of Directors any concerns related to matters covered by the Company's Code of Business Conduct and Ethics, legal issues and accounting or audit matters.

The Whistle-Blowing Policy (“Policy”) allows the management to take appropriate preventive and corrective actions within the company without the negative effects that come with public disclosure, such as loss of company image or reputation, financial distress, loss of investor confidence or drop in value of share prices.

This Policy is designed to facilitate the Persons to disclose any improper conduct (misconduct or criminal offence) through internal channel. Such misconduct or criminal offences include the following:-

- a) Fraud;
- b) Bribery, illicit and corrupt practice;
- c) Abuse of Power;
- d) Sexual harassment;
- e) Criminal breach of trust
- f) Theft or embezzlement;
- g) Misappropriation of company’s assets and property;
- h) Misuse of confidential information; or
- i) Acts or omissions which are deemed to be against the interests of the company, laws, regulations or policies.

The above list is not exhaustive and includes any act or omissions, which if proven, will constitute an act of misconduct under PESTECH Code of Conduct and Code of Ethics or any criminal offence under relevant legislations in force.

The Board of Directors gives assurance that the Persons will not be at risk to any form of victimization, retribution or retaliation from their superiors or from any of his management. However, they must act in good faith in their reporting. This assurance does not however extend to those who are found to have raised the matter under false or malicious intention. Any attempt to retaliate, victimize or intimidate against anyone (whistle-blower) making report in good faith is a serious violation and shall be dealt with serious disciplinary actions and procedures.

Persons are able to report their concerns related to matters on the Company's code of business conduct and ethics, legal issues and accounting or audit matters to the dedicated whistleblowing email address as below:-

Dedicated Whistle-Blowing email address : whistleblower@pestech.com.my

By phone : +60 3 7845 2186

By fax : +603 7845 2187

By mail to : No 26, Jalan Utarid U5/14, Seksyen U5, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia

Administrative matters

This Policy, shall be reviewed, at the Board’s discretion, and amended from time to time, as and when necessary, to ensure its relevance and effectiveness in keeping with the Group’s changing business environment, administrative or operational needs as well as changes to legislations. Changes to the Policy, if any, shall only be made with the Board’s approval in writing.

The Policy shall be held in custody of, and filed by, the Company Secretary of PESTECH.

SUMMARY OF PROCEDURES ON WHISTLE-BLOWING

Notification & Procedure

1. Whistleblower shall make a confidential report of misconduct in writing to the mail address as above or by email to the dedicated Whistle-Blowing email address at whistleblower@pestech.com.my. The report must provide full details of the misconduct and, where possible, supporting evidence; and directed to the dedicated Whistle-Blowing reporting channel.
2. All reports of misconduct, findings of investigations and monitoring and corrective actions shall be centralised and logged in a log administered and monitored by the Directors. The Board shall be informed of any new reports of misconduct and may request to review the log at any time.
3. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Department immediately.
4. Persons can report their concerns related to matters on the company's Code of Business Conduct and Ethics, legal issues and accounting or audit matters to the dedicated whistleblowing email channel.

Investigation Procedures

1. Upon receiving a report of misconduct, the authorised personnel will provide the whistleblower an acknowledgement of receipt of the report of the misconduct within two (2) working days of receipt.
2. Subsequently, if necessary, the authorised personnel may consult (to the extent possible, without disclosure of the whistleblower's identity and the person that allegedly committed the misconduct) with the Board to assist and to provide relevant advice.

Preliminary Investigation

1. The authorised personnel shall conduct a preliminary investigation of every report of misconduct received to determine whether there are merits to initiate a full investigation.
2. The findings of the preliminary investigation and recommendation shall be referred to the Board for a decision on whether to close the case or to proceed to a full investigation of the allegations. The Board would have an option to consult with other external specialist before deciding.
3. In the event a full investigation is to be conducted, the authorised personnel shall conduct the investigation and endeavour to complete such investigation within two (2) months or extended time as may be approved by the Board.
4. In the event a full investigation is to be conducted on a report of misconduct by the Senior Management/Directors and the Board decides to appoint an external independent third party to conduct or to assist in conducting the investigation, the terms of appointment of the said external independent third party shall be approved by the Board.
5. All information, documents, records and reports relating to the investigation of a misconduct shall be kept securely to ensure its confidentiality.

Findings of Investigation

Upon the review of such investigation report, the Directors shall determine whether the allegation could be substantiated or not. In the event the allegation is substantiated, the Board will identify and recommend the corrective action to be taken to mitigate the risks of such misconduct recurring and recommend if disciplinary action is to be taken against the wrongdoer.

Decision

The Board will review the documents and decide on the corrective action to be taken and/or the disciplinary action to be taken (if any). Any communication to the whistleblower on the decision or the progress of the case is at the discretion of the Board.

Corrective Action

The Management shall carry out the decisions of the Board in relation to the findings of the investigation. Where applicable, the Management shall institute the appropriate controls or actions to prevent any further wrongdoings or damage to the Company.

Disciplinary Action

Any disciplinary action against any employee or the Directors shall be carried out in accordance with the procedures for disciplinary action stipulated in PESTECH's Employee Handbook.