



**EP MANUFACTURING BHD**  
Registration No. 199601017765 (390116-T)  
(Incorporated in Malaysia)

## **EMPLOYEES' CODE OF CONDUCT AND ETHICS**

### **1. INTRODUCTION**

EP Manufacturing Bhd (“EPMB” or “the Company”) and its subsidiaries as well as affiliated companies (“the Group”) has adopted this Employees’ Code of Conduct and Ethics (“Code”), which outlines the standards of behavior expected from all employees within the organization. The purpose of the Code is our formal commitment to conduct ourselves professionally at all times, and to do business in a transparent, appropriate manner. The key message that the Code conveys to all relevant parties inclusive of Directors, Management and Employees, is that in doing business with EPMB, under no circumstances will ethical principles be compromised or tainted.

Through the policies set forth in the Code, EPMB’s expectations is that all parties:

- Strive towards high standards of professionalism
- Serve with honesty and integrity; and
- Give undivided loyalty to EPMB at all times and in all occasions.

### **2. COMPLIANCE WITH LAWS**

2.1 All employees must observe the company’s policies and the laws of Malaysia and play an active role in protecting the company’s legality.

2.2 Employees are expected to be ethical and responsible while discharging their duty and uphold the highest standard of ethics.

### **3. RESPECT IN THE WORKPLACE**

3.1. Employees must respect their colleagues and be professional in their day-to-day dealings be it in the workplace or outside.

3.2. The Company does not tolerate discriminator behaviour, harassment, or victimization.

3.3. Employees should conform to our equal opportunity policy in all aspects of their work, from recruitment and performance evaluation to interpersonal relations.

### **4. PROFESSIONALISM IN THE WORKPLACE**

4.1. Employees shall observe the highest standard of professional conduct and always conduct themselves with integrity and decorum and must not under any circumstances commit any act or omission that would bring damages to the Company, its property, reputation or general interest.

4.2. The Company does not tolerate behaviour that interferes with the employee’s ability to perform his or her duties.

4.3. Use or effects of alcohol or illegal substances/drugs are not acceptable.

4.4. Participation in the political process is allowed, provided it does not interfere with the employee’s work and position.

## **5. COMPANY PROPERTY AND PROPRIETARY INFORMATION**

- 5.1 Employees shall treat all company's property, whether material or intangible and all its intellectual property with respect and care.
- 5.2 Maintain confidentiality and proprietary information such as product datasheet, pricing, financial data, customer names/addresses or non-public information about other companies, including current or potential suppliers and vendors.
- 5.3 Avoid misuse of company's equipment or using it frivolously and avoid damage or vandalism.
- 5.4 Safeguard and prevent abuse and unauthorized use of the company's intellectual properties and materials.

## **6. DRESS CODE**

- 6.1 All employees must be clean and well-groomed. Grooming styles dictated by religion and ethnicity are allowed so long as it is appropriate and does not offend others.
- 6.2 All clothes must be work-appropriate and must project professionalism. Clothes that are too revealing or inappropriate are not allowed.
- 6.3 All clothes must be clean, in proper condition and maintained adequate personal hygiene.
- 6.4 Employees must avoid clothes with stamps that are offensive or inappropriate and do not indicate or carry any political affiliation.

## **7. SEXUAL HARASSMENT**

- 7.1 The following are prohibited by the Company;
  - i. Commenting on somebody's appearance, sexual orientation, or gender in a derogatory or objectifying way, or in a way that makes them uncomfortable.
  - ii. Proposing, demanding, or insinuating sexual favours.
  - iii. Sexual assault.
  - iv. Creating or posting sexually offensive materials in the workplace.
  - v. Flirting at an inappropriate time, even if these advances would have been welcome in a different setting. These actions can damage a person's professional reputation and expose them to further sexual harassment.
  - vi. Flirting with somebody or pursuing them persistently against their will.
  - vii. Using obscene comments, gestures, pranks, and jokes that degrade or offend somebody.
  - viii. Sending or displaying sexually explicit objects or messages.
  - ix. Invading somebody's personal space, for example by touching them inappropriately.
  - x. Threatening, coercing, stalking, or intimidating somebody to pressure them to engage in sexual acts.

## **8. CONFLICT OF INTEREST**

- 8.1 Employees are strongly prohibited from;
  - i. Use their position in the company for personal advantage.
  - ii. Engage in activities that bring direct or indirect profit to the competitor
  - iii. Owning shares in a non-listed competitor.
  - iv. Carrying out side-line activities that are not declared and carrying out side-line jobs during work hours.
  - v. Using connections obtained through their position in the company for private purposes.
  - vi. Engage in any acts that are not in the company's fundamental interest be it directly or indirectly.

## **9. GIFTS OR ENTERTAINMENT**

- 9.1 Employees are not allowed to accept any form of gifts or favours from business partners, contractors, suppliers, clients, customers or any other parties having business dealings with the Company. This includes gifts to family members.
- 9.2 Employees shall not accept any gratuitous entertainment from any of the Company's clients, customers, suppliers, contractors or any party with whom the Company has business dealings.
- 9.3 Gifts, entertainment or business courtesy cannot be offered to or accepted from the government or political officials.
- 9.4 Employees shall not in any manner or form offer on behalf of the Company or receive an offer of graft or a bribe for his/her benefit or the benefit of his/her relatives or spouse.

## **10. WHISTLEBLOWING**

- 10.1 The Company encourages employees to report or disclose any improper conduct by any employee, supplier, business partner, client or any parties that have come to their knowledge which includes but is not limited to:
  - i. Fraud
  - ii. Bribery
  - iii. Abuse of Power
  - iv. Conflict of Interest
  - v. Theft or Embezzlement
  - vi. Misuse of Company's Property
  - vii. Non-Compliance with Procedure
- 10.2 Report should be expressed in writing to the Group Chief Executive Officer who is designated as the person primarily responsible for oversight of this procedure. Verbal reports will not be entertained.
- 10.3 A whistle-blower will be accorded the protection of confidentiality of the identity, to the extent reasonably practicable. In addition, the employee who whistle blows internally will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed, to the extent reasonably practicable, provided is accorded even if the investigation later reveals that the whistle-blower is mistaken as to the facts and the rules and procedures involved.
- 10.4 Any anonymous disclosure will not be entertained. Any employee or member of the public who wishes to report improper conduct is required to disclose his/her identity to the Company for the Company to accord the necessary protection to him/her. However, the Company reserves its right to investigate any anonymous disclosure.

## **11. WORK HOURS AND TARDINESS**

- 11.1 Employees must report for work at the assigned/scheduled work hours. The immediate superior must be notified immediately if the employee is late to work.
- 11.2 Employees are prohibited from leaving work before the end of work hours without the prior approval of their immediate superior.
- 11.3 An employee shall be deemed to have broken his/her contract if he/she has been continuously absent from work for more than two consecutive working days without prior notification, unless with a reasonable excuse for such absence and has informed or attempted to inform his/her employer of such excuse before or at the earliest opportunity during such absence.

## **12. BREACH OF CONFIDENTIALITY**

- 12.1 During the course of employment within the Group, an employee may have gained knowledge or confidential information meant only for the Company personnel. After the employee leaves the Group, he/ she must not divulge or disclose such information to other parties, failing which legal actions may be taken against him/ her.

## **13. DISCIPLINARY ACTIONS**

- 13.1 Employees are advised to adhere to the company's policies and the code of conduct.
- 13.2 Failure to comply with the above shall result in disciplinary actions including dismissal if found guilty. In some cases, suspension or demotion may be meted out.
- 13.3 Legal action may have to be pursued in cases related to corruption, theft, embezzlement or other unlawful behaviour.

## **14. ANTI-BRIBERY & ANTI-CORRUPTION (ABAC)**

### **14.1 OVERVIEW**

- i. The Company is committed to conducting its business based on principles of fairness, honesty, openness, decency, integrity and respect.
- ii. The company is focused on fostering a business environment with high standards of integrity in all its conduct as well as business practices and adopts a zero-tolerance policy against all forms of bribery and corruption to achieve a higher level of professionalism in reaching corporate governance and social responsibility.
- iii. The Anti-Bribery & Anti-Corruption Policy (ABAC Policy) will serve as the core of the company's compliance guidelines. It is put in place to prevent, detect and correct acts of fraud, bribery, corruption and other acts defined in this policy.
- iv. The policy requires compliance with all applicable laws and regulations on bribery and corruption, i.e., subsection (5) of section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Act 694) ("MACC Act 2009"), as stated in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Amendment Act 2018").

### **14.2 RESPONSIBILITIES**

#### **14.2.1 Board of Directors**

- a. Responsible for policy approval, including any amendments to the policy, and overseeing the efficacy of this policy's implementation.
- b. Enforcement of this policy and set the tone from the top.

#### **14.2.2 Heads of Department**

- a. Set a precedent for ABAC compliance and eventually monitor bribery and corruption concerns.
- b. Responsible for the assurance of compliance with the policy and relevant anti-corruption legislation by business associates, third parties, and/or external parties.

#### **14.2.3 Head of Human Resource Department**

- a. Responsible for the design, implementation, monitoring, and management of ABAC framework and activities.

#### **14.2.4 Middle management / Supervisory role**

- a. Responsible for informing all workers about the ABAC policy and its obligations.
- b. Responsible for ensuring the company's Code of Conduct, ABAC Policy and requirements are communicated to business associates, third parties, and/or external parties.

### **14.3 ANTI-BRIBERY & ANTI-CORRUPTION**

- 14.3.1 The Company adopts zero tolerance and strictly prohibits all forms of corruption, including bribery, all forms of corruption including passive corruption, embezzlement, theft, fraud, extortion, favouritism and nepotism, money laundering, creating and exploiting conflicting interests and improper political contributions.
- 14.3.2 Bribery can be also associated in the form of promises, offers or providing “anything of value” (cash, material, property or in similar values proposition) whether directly or indirectly, with the intention to induce or reward a person to act or tolerant from acting in respect of any matter or transaction (actual or proposed or likely to take place) or performance of that person’s duty.
- 14.3.3 Employees should not participate in activities mentioned above including offering, giving or receiving any item of value in an attempt to unlawfully influence the decisions or actions of a person in a position of trust within an organisation, either to benefit the company or the persons involved in the transaction, whether directly or indirectly.
- 14.3.4 It is prohibited to provide any contracts, employment positions (hiring or promotions) or business opportunities to third parties (directly or indirectly) without going through the appropriate channel within the company.
- 14.3.5 The Company will not penalise an employee in any form or other adverse consequences for refusing to participate in any activities that are against this policy even if such refusal may result in the company losing business or experiencing a delay in business operations.

### **14.4 CONFLICT OF INTEREST**

- 14.4.1 A conflict of interest in the company varies in many situations under different contexts.
- 14.4.2 In an overall perspective, conflict of interest occurs when an Individuals' personal interests, family, relationships, political, or social issues may impair their judgement, decisions, or actions at work.
- 14.4.3 The use of position, company’s property or the offering of company’s contracts is strictly prohibited from being associated with a personal gain or interest of the employee.
- 14.4.4 To avoid a conflict-of-interest situation from occurring, all employees are required to take decisions in the best interest of the company and not allow personal interests to influence business choices made on behalf of the company.
- 14.4.5 Employees that encounter a conflict-of-interest situation while performing their duty, are required to officially report or declare it to their Head of Department to avoid any misunderstanding and seek proper resolution.

### **14.5 GIFTS, ENTERTAINMENT AND HOSPITALITY**

- 14.5.1 Although the act of receiving gifts, favours and other sorts of hospitality is understandable and is an act commonly accepted as a gesture of good nature and in building a good relationship, it is strictly prohibited to give or receive any gift (in cash, in kinds or in any forms or material) to and from anyone.
- 14.5.2 The civility exchanged between stakeholders covered in this policy are:
  - a. Gifts including any type of gifts, whether material or monetary including personal gifts.
  - b. Entertainment such as invitations to social, cultural or sporting events.

- c. Hospitality such as meals, drinks, as well as lodging and travel expenses.
- 14.5.3 As such its highly important to adhere to the below clauses:
  - a. Employee are not permitted to accept or offer, or approve anybody to accept or offer gifts, entertainment, or hospitality to influence their business decision.
  - b. Employee are not permitted to accept or offer any gifts, entertainment, or hospitality to improperly influence a government/public official.
  - c. In situations that compel the employee to accept any gifts, entertainment and hospitality, the employee must declare it to the Human Resource Department for official record keeping. The records will be necessary during compliance and risk assessment audits.

#### **14.6 CHARITABLE DONATION & SPONSORSHIP**

- 14.6.1 Donations for charitable causes and sponsorship are widely supported as part of the company's Corporate Social Responsibilities (CSR) direction.
- 14.6.2 It is highly important for an employee which may be handling this particular portfolio in the company to vet through the organization or event in which the fund will be provided to a cause that properly benefits them and the programme to be legitimate.
- 14.6.3 Any sort of donation and sponsorship must be provided through the right channel and approved by the Human Resource Director or the Group Chief Executive Officer with no personal, political, unethical intention or favouritism associated. All such donations and sponsorship must be able to be disclosed publicly throughout the whole company.

#### **14.7 FACILITATION PAYMENT**

- 14.7.1 Company strictly prohibits facilitation payment done by both external third parties to the company or by the company personnel towards external third- party stakeholders in order to further expedite or secure any business transactions.
- 14.7.2 If any circumstances require any facilitation payment, the employee is required to immediately report it to their respective department head or the human resource director.
- 14.7.3 Under due circumstances such as an imminent threat such as loss of life, or liberty, a facilitation payment may be permitted. When such payment is made, you must disclose it immediately to the company.

#### **14.8 VIOLATIONS**

- 14.8.1 Should any violations of this policy take place, the Company shall take steps to prevent a repetition of any violations. This may include;
  - a. Institute strong disciplinary actions and/or legal actions.
  - b. Build additional mechanisms to prevent future occurrences.
  - c. Ensure all employees affected (including those who may unknowingly be involved) are put through rigorous training on the conditions of this policy.
  - d. Notify the relevant regulatory authorities of any identified acts or incidents that have been proven beyond a reasonable doubt.
  - e. Provide full cooperation to relevant authorities.

#### **14.9 POINT OF CONTACT**

- 14.9.1 Violations of this policy, whether actual or potential, shall be reported directly to Company or via the compliance channel or in writing to the internal compliance team.

14.9.2 All information provided will be treated anonymously. Employees and third parties such as suppliers, their employees or customers, are free to report any violations at any time.

#### **14.10 MAKING A REPORT**

14.10.1 The Company presumes that whistle-blowers will act in good faith and will not make false accusations when reporting violations of this policy by the Company's employees or other parties.

14.10.2 Any person may report allegations of suspected serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, the Company's customers, shareholders, employees, investors or the public at large.

14.10.3 Whistle-blowers are encouraged to lodge the report timely and also to ensure there is a timely response from the company on the same.

14.10.4 Acts of misconduct may be disclosed in writing or in person telephonically. However, all reports are encouraged to be made in writing, so as to assure a clear understanding of the issues raised.

14.10.5 Although the whistle-blower is not expected to prove the truth of an allegation, he/she needs to demonstrate to the person contacted that there are sufficient grounds for concern. Adequate information will assist greatly in the investigation.

14.10.6 Individuals are recommended to self-identify, though it is not a requirement.

14.10.7 Reports can be raised :

- In person or via any written communication to any Company Officials such as the Group Chief Executive Officer and/ or the Head of Human Resources Department
- In writing to the Company addressed to the Chairman of the Audit and Risk Management Committee ("ARMC") and/or the outsourced Internal Auditor ("IA"), an independent professional firm
- Via email at [whistleblowing@epmb.com.my](mailto:whistleblowing@epmb.com.my) which will be channeled directly to the Chairman of ARMC and/or the IA
- Or other means comfortable to the whistle-blower but directed to the persons mentioned above.

#### **14.11 INVESTIGATION MANAGEMENT**

14.11.1 Any report received by the director, the Company officials, or employee should be forwarded immediately to the Internal audit team.

14.11.2 Should a report involve or implicates the senior leadership team, he/she shall promptly recuse himself/herself from the investigation and inform the Internal Audit Department in writing. The Audit Department may thereafter promptly appoint impartial attorneys to investigate the report. Those attorneys will conduct an investigation of the report and report their conclusion to the Audit Committee consistent with the Whistleblowing Policy.

14.11.3 The investigation team shall carry out the investigation in a very transparent way while maintaining confidentiality so as not to endanger the whistle-blower.

14.11.4 The Company may or may not respond to the whistle-blower and shall be done on case-to-case basis subject to the nature of the complaint raised.

#### **14.12 Protection of Whistle-blower**

14.12.1 Consistent with the policies of the Company, the Company will not retaliate or

attempt to retaliate, and will not tolerate any retaliation or attempted retaliation by any other person or group, directly or indirectly, against anyone who, in good faith, makes a report or provided assistance to Company's Management or any other persons or group, including any governmental, regulatory or law enforcement body, investigating or otherwise helping to resolve a report.

## **15. GRIEVANCE REPORTING & MANAGEMENT**

### **15.1 PRE-STEPS TO GRIEVANCE REPORTING**

- 15.1.1 A grievance is a concern, problem, or complaint that an employee has about their work, the workplace, or someone they work with—this includes management. Something has made them feel dissatisfied, and they believe it is unfair and/or unjust to them.
- 15.1.2 Most grievances can be resolved quickly and informally through discussion with the employee's colleagues or immediate superior. However, if an employee feels unable to speak to their superior, for example, because their complaint concerns him or her, they can speak informally to a more senior person or to the Human Resources Department. Where the matter is not resolved informally or if the matter is of a very serious nature, the employee could raise the grievance through the grievance reporting channel.

### **15.2 GRIEVANCE CAN ARISE FROM ISSUES BELOW BUT IS NOT LIMITED TO:**

- a. Victimization at the workplace
- b. Bullying and workplace harassment
- c. Health and safety at the workplace
- d. Poor supervision and/or management behavior
- e. Unjust or adverse changes made to the employment agreement
- f. Violation of policies/guidelines.
- g. Disputes between co-workers, suppliers, superior or management
- h. Employee development or training
- i. Leave allocation/approval
- j. Performance Appraisal
- k. Pay and benefits
- l. Work conditions and other work-related issues
- m. Problems faced due to facilities provided
- n. Other employment-related issue

### **15.3 COMPANY'S APPROACH IN MANAGING GRIEVANCES**

- 15.3.1 The company recognises that employees may not perform to the best of their ability if they feel they are being treated unfairly or are feeling aggrieved.
- 15.3.2 Accordingly, the company will endeavor to provide a fair working environment, by aiming to ensure that employees have access to processes for the resolution of genuine personal grievances related to the workplace.
- 15.3.3 As such, the company will use its reasonable endeavor to:
  - a. Encourage employees to come forward with personal grievances.
  - b. Deal with the personal grievances in a supportive way, without victimization or intimidation of any person connected with the grievance.
  - c. Encourage fairness, impartiality and the resolution of personal grievances as reasonably, promptly and as close as possible to the source of grievance.



- 15.3.4 Maintain confidentiality and ensure the morale and psychological state of the employee are managed.

#### **15.4 FILING A GRIEVANCE**

- 15.4.1 When filing a grievance, employees have the option of reporting their complaints using the company's official grievance channel or contacting their direct supervisor or the Human Resources department. In both cases, employees will be required to complete and file a Grievance Complaint Form or raise the complaint via the established channel.
- 15.4.2 The Complainant is advised to provide adequate information to assist in resolving the grievance. The information below will be helpful:
- The nature of the grievance.
  - Details of any relevant facts, individuals involved or evidence (including copies of any relevant documents).
  - Any action taken by the employee to resolve the matter so far.
  - How the employee thinks it can be resolved.
- 15.4.3 Once the complaint has been submitted to the Human Resources department, employees have the right to attend meetings with a witness or workers' representative, appeal decisions, and depending on the severity of the complaint, refuse to attend work until the grievance is resolved.
- 15.4.4 When a grievance is filed against another employee, the accused also reserves the right to:
- View and request a copy of the official grievance complaint.
  - Formally respond to the complaint after consulting Human Resources Department.
  - Attend all formal meetings.
  - Appeal the final decision if the employee is not satisfied with the outcome of the investigations and/or action taken by the Company.

#### **15.5 RESPONSIBILITIES OF PARTIES INVOLVED**

- 15.5.1 Employee
- i. Attempt to resolve their issues through their superior or through internal processes at the earliest opportunity.
  - ii. Provide adequate information to enable the grievance to be investigated and managed.
  - iii. Co-operate fully and promptly in any investigation.
  - iv. Seek help or support if required from immediate superior or Human Resources Department.
- 15.5.2 Immediate superior
- i. Identify, prevent and address potential problems before they become formal grievances.
  - ii. Be aware of and committed to the principles of communicating and information sharing with their employees.
  - iii. Handle the grievances in the most appropriate manner at the earliest opportunity.
  - iv. Treat all employees fairly and without any fear of intimidation.
- 15.5.3 Human Resources Department
- i. Accept and thoroughly investigate all grievances raised.

- ii. Ensure that the grievance is resolved within a reasonable timeframe depending on the severity of each case.
- iii. Treat both the complainant and the accused fairly throughout the grievance process.
- iv. Adhere to the no-retaliation policy when employees file a complaint against management.
- v. Organize mediation meetings with the appropriate parties.
- vi. Practice a high level of confidentiality throughout the grievance process.
- vii. Accept and investigate all appeals.
- viii. Ensure that the final decision is implemented.
- ix. Maintain accurate and comprehensive records of each grievance.

## **15.6 GRIEVANCE MANAGEMENT PROCESS**

15.6.1 The general grievance management process is as follows.

- i. Talk with the employee to ensure the matter is understood completely.
- ii. Provide the employee who faces allegations with a copy of the grievance.
- iii. Organize mediation procedures (e.g. arranging a formal meeting).
- iv. Investigate the matter or ask the help of an investigator when needed.
- v. Keep affected employees informed throughout the process.
- vi. Communicate the formal decision to all employees involved.
- vii. Take actions to ensure the formal decision is adhered to.
- viii. Deal with appeals by gathering more information and investigating further.

15.6.2 This procedure may vary according to the nature of a grievance. For example, if an employee is found guilty of racial discrimination, the company will begin disciplinary procedures.

## **15.7 OUTCOME OF THE GRIEVANCE MANAGEMENT PROCESS**

15.7.1 The outcome will depend upon the nature of the grievance and the procedure followed to address the grievance.

15.7.2 Where an investigation results in the finding that the accused is unequivocally proven to have committed the grievance, he/she is being accused of, he/she shall be subject to disciplinary actions to ensure that the matter is resolved justly and according to company's guidelines.

15.7.3 The type and severity of disciplinary action will depend upon the nature of grievance and other relevant factors.

15.7.4 The company may also take a range of other non-disciplinary outcomes to resolve a grievance.

- i. Training to assist in addressing the problems underpinning the grievance;
- ii. Monitoring to ensure that there are no further problems;
- iii. Requiring an apology or an undertaking that certain behaviour stops;
- iv. Change of work arrangements.

## **15.8 APPEALS**

15.8.1 If any party (or parties) to the grievance is not satisfied with the outcome, they may appeal.

15.8.2 They should write to the Human Resource Department within five (5) working days of notification of the outcome, setting out the full reasons for their appeal.

15.8.3 Where possible, a different person who has not previously been involved in the case will be appointed and will hear the appeal impartially.

- 15.8.4 Whoever hears the appeal will decide if any further meetings or investigations are required.
- 15.8.5 Appeal hearings should be held promptly and employees have the right to be accompanied by a representative (if applicable) to any meeting.
- 15.8.6 Once the appeal has been considered, the manager hearing the appeal will confirm their final decision and this will be confirmed to the employee in writing.
- 15.8.7 If any party (or parties) intend to further appeal, they may write to the Group Chief Executive Officer. There shall be no further right of appeal from the decision made by the Group Chief Executive Officer.

#### **15.9 GRIEVANCE DOCUMENTATION**

- 15.9.1 Adequate and accurate recordings and documentation is required in every phase of the grievance process not just as a matter of record or for future reference but to be kept appraised and up to date on the progress of the process.
- 15.9.2 In case of severe misconduct, a record of disciplinary action which has been taken by the management will be placed on the personnel file of the employee who is disciplined.
- 15.9.3 In case any similar grievance may crop up in the future, the management will have the previous record of that employee.

#### **15.10 CONFIDENTIALITY**

- 15.10.1 The company, Human Resource Department, immediate superior, management and any parties involved in the grievance process must keep all information confidential and not disclose it to others or discuss the grievance with anyone.
- 15.10.2 The complainant and those that stand accused of a grievance are prohibited from discussing the matter with anyone including other employees.
- 15.10.3 Discussing the grievance before and after it has been resolved is prohibited.

#### **15.11 POLICY VIOLATIONS**

- 15.11.1 Anyone found to have violated this policy will be subject to disciplinary actions, up to and including dismissal.
- 15.11.2 The severity of each case will determine the type of disciplinary action, which may include a verbal or written warning, suspension, and/or termination.

### **16. DISCIPLINE & CONSEQUENCE MANAGEMENT**

#### **16.1 DEFINITION OF MISCONDUCT**

- i. Misconduct is an act or omission which violates or affects the employee's expressed or implied obligations to the Company.
- ii. The misconduct must be related to the employees' duties or work or his/her position as an employee of the Company both within the Company's premises or outside.
- iii. Act or behave in a way that affects the Company's image or reputation both directly or indirectly outside of the Company's premise.

#### **16.2 TYPES OF MISCONDUCT**

- 16.2.1 Tardiness, punctuality, attendance and mannerism at work
  - a. Tardiness at work or at keeping appointments including being late to meetings without prior notification.

- b. Reporting to work late.
  - c. Absent to work or absence from authorized workplace during work hours.
  - d. Taking breaks that are longer than authorised.
  - e. Failure or refusal to attend scheduled meetings, trainings, workshops or any engagements without apologies or without sending an authorised representative (where applicable).
  - f. Not turning up for overtime work after having agreed to do so.
  - g. Sleeping while on duty.
  - h. Failure to scan at the guardhouse/attendance system and tailgating.
- 16.2.2 Negligence of duty and conditions of employment
- a. Negligence or gross negligence of duty including not understanding an instruction irrespective of whether it has resulted in a loss to the Company or otherwise.
- 16.2.3 Safety and security
- a. Gross disregard of security measures.
  - b. Parking vehicles outside the designated areas or general parking offences such as double parking or haphazard parking within the Company's premises or other designated areas provided by the Company.
  - c. Non-compliance to security procedures or failure to obey the instruction of security personnel.
  - d. Driving vehicles without due care and attention within Company premises.
  - e. Tampering with safety devices, fitting or machinery with or without mal intent.
- 16.2.4 Safety and health
- a. Fail to adhere to safety rules and/or not using personal protective equipment (PPE) according to prescribed manner including face mask or other PPEs as required by the Company.
  - b. Removing any company's instructions or health and safety equipment with the intent to create confusion or to cause harm to other employees or any acts inconsistent with the intent of the company in maintaining a safe and healthy work environment.
  - c. Gross disregard for health and safety measures.
  - d. Late in reporting workplace accidents and other accidents that should be reported to relevant authorities and immediate superior.
  - e. Failure to report to the Company on contacts regarding infectious disease.
  - f. Making false declaration(s) on coming into contact with person(s) with an infectious disease or any other false declaration(s) in order to be relieved from work or to gain an advantage(s) from the Company or Health authorities.
  - g. Failure to follow any quarantine orders or quarantine protocols enforced by the Company or Health authorities.
- 16.2.5 Dressing and uniforms
- a. Not wearing a uniform as required by the Company.
  - b. Not adhering to Company's dress code rules/policy.
  - c. Putting additional emblems or markings on the uniforms worn.
- 16.2.6 Handling and preservation of Company's property/environment
- a. Vandalise or writing graffiti on Company's property.
  - b. Refusal to return keys, badges or any other Company's property when directed.
  - c. Unauthorized removal, stealing of Company's property or aiding, abetting or

- condoning such act (including borrowing without prior approval).
- d. Unauthorized removal or detachment of notices, circulars or documents.
- e. Wilful damage to Company's property including the building with its fittings, machinery, completed or partially completed products of the Company, raw materials and Company's vehicles.

#### 16.2.7 Prohibited activities

- a. Involvement in money lending within Company premises.
- b. Carrying out prohibited union activities within Company premises which are against Company's rules or the code of industrial harmony.
- c. Conducting missionary or any religious activities within Company premises without the approval of the Company.
- d. Conducting political activities within Company premises or bringing Company's image to disrepute in political events outside of the Company premises.
- e. Participation in illegal strikes or abetting, inciting, instigating or acting in furtherance thereof. Wilful slowing down of work or instigating others to do so shall also be construed as illegal strikes.
- f. Interference with the work of other employees.
- g. Gambling within Company premises.

#### 16.2.8 Liquor and drugs

- a. Bringing in or consuming or being under the influence of liquor or being insobriety during work.
- b. Bringing in or consuming or being under the influence of dangerous or prohibited drugs during work.
- c. Getting drunk during official Company functions.

#### 16.2.9 Side-line work, conflict of interest and personal activities

- a. Engaging in private and personal businesses or trades within the Company premises.
- b. Failure to declare Side-line activities or personal business.
- c. Engage in dual employment.
- d. Holding non-work-related meetings within Company premises without prior permission of the relevant approving authority.

#### 16.2.10 Insubordination and refusal to follow instructions

- a. Refusal to go for medical examinations when directed to by the Company.
- b. Refusal to produce documents, certificates of qualification and photographs when directed for official Company purposes.
- c. Refusal to accept transfer orders.
- d. Insubordination by refusing to carry out or accept a rightful order from the superior.
- e. Insubordination by defying of persons in authority whether such persons are the direct superior or otherwise.
- f. Refusal to sign acceptance or acknowledgment when required by Company.

#### 16.2.11 Sexual harassment, behaviour and language used

- a. Using foul or abusive language or making indecent gestures.
- b. Sexual harassment which includes sending of pornographic material to other employees, regardless of the method of sending.
- c. Display improper or riotous conduct or indecent or disorderly behaviour.

- d. Use of foul or offensive language and verbal abuse to any employees, vendors, visitors or any others that the Company comes in contact with.
- e. Engaging in immoral activity that brings disrepute to the employees concerned and to the Company at large.
- f. Writing and distributing poison pen letters.
- g. Distribution or exhibition of newspaper articles, handbills, pamphlets or posters within Company premises without prior permission of the relevant approving authority.
- h. Rude or improper behaviour towards members of public or Company stakeholders.
- i. Inciting racial, political or religious trouble within Company premises which includes e-mailing information that is racially, politically or religiously sensitive in content.
- j. Defamation of the Company and its officials or employees.
- k. Aiding, abetting, conspiring, instigating, inciting or condoning any misconduct.

16.2.12 Improper usage of company's IT facilities and assets and improper usage of media which includes but not limited to the below;

- a. Using Company's Notebook or PC for personal use.
- b. Installing or downloading software without approval from the Company.
- c. Usage of personal thumb drive or external storage devices on any Company' Notebook, Desktop PCs and any machinery or assets.
- d. Recording and capturing images of conversations, meetings or events without approval from the organizer or facilitator.

16.2.13 Improper behaviour on Social Media

- a. Posting or discussing or making disparaging opinion or gestures or otherwise unwarranted and unwanted comments on any Company related topics that could embarrass or damage the Company's reputation or that of its employees, clients, any other stakeholders or member of the public in social media or in the internet or any electronic media.

16.2.14 Fraud, dishonesty, bribery and breach of trust

- a. Making false reports or declaring knowingly or failed to verify prior to submission.
- b. Falsifying, destroying or removal of Company's records.
- c. Manipulation of Company's process/documentation.
- d. Fraud or dishonesty while discharging duty or manipulation in order to deceive Company.
- e. Making false payment claims or false entries with the intention to cheat the Company.
- f. Requesting or accepting bribes, favours, kickbacks or commission from the Company's suppliers or customers, or any other party.
- g. Soliciting donations of any kind from suppliers.
- h. Misappropriation of Company's funds and criminal breach of trust.
- i. Cheating or using manipulative ways on attendance records in whatsoever manner in order to deceive the Company.

16.2.15 Violent and dangerous behaviour

- a. Being violent, abusing, assaulting or threatening to assault, injure or harm any employees, customers or members of the public within or outside Company premises as well as behaviour that provokes violence.

- b. Extortion or attempted extortion.
- c. Possession of any weapon within Company premises.
- d. Carrying on subversive activities within Company premises.

#### 16.2.16 Confidentiality and data protection

- a. Disclosure and unauthorised use of Company proprietary, confidential or sensitive information including to unauthorised person without prior permission of the relevant approving authority.
- b. Disclosure and unauthorised use of personal information of employees including to unauthorised persons in a non-judicious manner or without prior permission of the relevant approving authority.
- c. Making matters concerning their duties or the Company known to the public without prior permission of the relevant approving authority. This includes but is not limited to publishing articles, books, photographs or letters; giving press interviews or releases; and giving lectures, speeches or presentations.
- d. Loitering in prohibited and restricted areas.

#### 16.2.17 Others

- a. 2.18.1. The acts or behaviours that are not acceptable and prohibited by the Company shall not be limited to those outlined in this Code. So long as such act/conduct brings disrepute to the Company or affect the image of the Company, disciplinary action shall be taken against an employee.

### 16.3 DISCIPLINARY PROCESS AND ACTIONS

- 16.3.1 Disciplinary action shall be taken when there is reasonable and clear evidence of misconduct and shall be based on the principle of natural justice and substantial justice.
- 16.3.2 For cases where an employee commits multiple types of misconduct over a period of twelve (12) months, the Company may pursue progressive punishment deemed necessary as though the misconduct committed is of the same nature.
- 16.3.3 The Employee shall be given the opportunity to be heard in order to present his/her evidence and statement and where necessary seek pre-advice to defend their actions.
- 16.3.4 An Employee who is a member of the union may seek help from the union in preparation for their inquiry.
- 16.3.5 Upon concluding the disciplinary inquiry process, the Company shall issue either a Counselling, 1st Warning, 2nd Warning, or Final Warning Letter to the employee as a reminder to his/her current behaviour and avoid repetition in the future. An Employee may also be dismissed from employment.
- 16.3.6 There is no compulsion on the Management to follow a progressive punishment pattern.
- 16.3.7 Disciplinary action taken shall commensurate with the gravity of the offence.

### 16.4 VALIDITY OF THE WARNING LETTERS

- 16.4.1 The disciplinary action will be effective immediately after the seven (7) days allowed for appealing.
- 16.4.2 All warning letters shall be valid for one (1) year. The period of the validity of the consequence management shall be decided by the Company.

**16.5 CONSEQUENCE MANAGEMENT**

- 16.5.1 An employee who has been issued a warning letter shall result in any of the following consequences;
- a. Reduced annual increment
  - b. Suspension of annual increment
  - c. Deferment of annual increment
  - d. Suspension of wages
- 16.5.2 The Management reserves the right to amend or institute other types of consequence management at its sole discretion.

**16.6 APPEALS AGAINST DISCIPLINARY ACTION**

- 16.6.3 Aggrieved employees may appeal to the Head of the Company who may set aside, alter or decrease the penalties imposed.
- 16.6.4 The appeals must be made within seven (7) days of the meeting out of the disciplinary action.
- 16.6.5 The appeals must be made in writing and include grounds for them.
- 16.6.6 Employees may continue to work within the Company premises whilst appealing against the disciplinary action except when appealing against dismissals. Appealing against dismissals must be made from outside the Company premises.
- 16.6.7 When employees appeal against the disciplinary action meted out to them within seven (7) days, the disciplinary action will be suspended until the appeal is disposed of.
- 16.6.8 Employees who have been dismissed will not be allowed to work until the appeal is disposed of.
- 16.6.9 The Head of the Company can dispose of the appeals in any of the following ways and the decision made by the Group Chief Executive Officer is final and conclusive.
- Uphold the decision of the Inquiry Panel or HR.
  - Revoke the decision of the Inquiry Panel or HR.
  - Substitute the disciplinary action with less severe punishment.
  - Order a fresh inquiry by another Inquiry Panel.

**16.7 CRIMINAL PROCEEDINGS AGAINST EMPLOYEES BY THE AUTHORITIES**

- 16.7.1 Employee must inform the Company if there is any criminal proceeding against them.
- 16.7.2 The Company will decide whether to allow the employees to continue working or to suspend them from their duties during the criminal proceedings.
- An Employee who has been suspended will not receive any wages during the period of suspension.
  - The period of suspension may be extended even though the employees have been acquitted, until the disposal of appeals in a higher court (if applicable).
- 16.7.3 If the criminal proceedings are discharged or dropped, the employee will be allowed to continue working.
- 16.7.4 Being convicted of a criminal offence that in the Company's opinion is relevant to your continued employment, or your trustworthiness, which may adversely impact your ability to perform your role satisfactorily or which is likely to bring the Company into disrepute or otherwise affect our reputation or relationships with our staff, customers or the public shall result with dismissal.



## **16.8 DETENTION AND BANISHMENT**

16.8.1 Employee who has been detained or banished under any laws of Malaysia for a period of thirty (30) day or more shall be deemed to have also broken the Company rules and shall have his/her contract frustrated with immediate effect upon such detention or banishment.

## **17. SIDE-LINE WORK & OWNER INTEREST**

### **17.1 Definitions**

#### 17.1.1. Side-line work/job/activities

- Defined as work/job/activities (hereafter called “side-line work”) undertaken by an employee regardless of whether it comes with financial gain or otherwise.
- Work/job/activities performed through an undertaking of the company that is wholly or partly owned by the employee are also considered side-line work/job/activities.
- It applies to any side-line work of any nature that impedes or delays the employee's work at the company. It also applies to any side-line jobs where the employee is in doubt as to whether the side-line jobs require no-obligation consent.

#### 17.1.2. Owner interest

- Defined as an employee directly or indirectly owning a business, and has a financial interest in a business or securities or other assets that are used to generate financial returns or income for the employee.

### **17.2 Governing Principal**

17.2.1 The Company's policies and employment terms require all employees to devote their whole time, attention, energies and skills solely to the business of the Company, and shall not be concerned or interested directly or indirectly in any business or work other than that of the Company

17.2.2 The Company, however, has no objection to employees undertaking side-line work/job/activities or owner interest activities subject to the terms specified in this policy.

### **17.3 Declaration & No-Objection Consent**

17.3.1 Employees intending to undertake any side-line work or owner interest are required to inform and seek a no-objection consent from the company prior to such undertaking.

17.3.2 New employees reporting for work shall declare any side-line work or owner interest no later than thirty (30) days upon commencement of employment and shall seek a no-objection consent from the company prior to such undertaking unless the employee has made a prior declaration during the application and hiring process.

### **17.4 Conditions for No-Objection Issuance**

17.4.1 The Company may provide a no-objection issuance if all of the below conditions are met and agreed upon by the employee for any side-line work or owner interest;

- i. It is not in direct conflict with the company's nature of business
- ii. It is not in direct conflict with the employee's scope of work or profession
- iii. It is not carried out during employee's work hours (including during lunch or tea

break)

- iv. It is not carried out on the company's premises and is not carried out using the company's facilities including mobile phones, notebooks or using any other facilities.
- v. Employee does not solicit support or perform any transaction involving other employees that may affect the relationship at the workplace unless they are voluntary.

17.4.2 The Company may revoke the no-issuance issued if any of the following takes place;

- Company receives complaints from other employees on the side-line activities or owner interest activities are performed at the workplace or if other employees are pressured or forced to support or purchase or involved in the side-line job.
- The employee's work performance is affected.
- The employee is found to have breached any conditions in this policy.
- The employee misuses his/her position and authority to solicit support from other employees.
- The company's image is affected as a result of the side-line work.

#### **17.5 Declaration & Application for No-Objection Consent**

17.5.1 Employees are required to submit the Side-line Work, Owner Interest & Conflict of Interest Declaration form to Human Resources Department at least thirty (30) days prior to commencement of the side-line work.

17.5.2 The application for no-objection issuance shall be supported by the immediate superior.

#### **17.6 Failure to Declare**

17.6.1 Failure to make a declaration required by this policy shall be a breach of employment terms and the company may take disciplinary action which may include dismissal.

### **18. HEALTH, SAFETY & ENVIRONMENT (HSE)**

18.1 The Company adopt stringent policies to ensure the wellbeing of all employees and care for the environment.

18.1.1 Safety in the Company is the responsibility of both the Company and employees. Employees can do their part in the following ways.

- a. OBSERVE strictly all safety rules and regulations.
- b. ALWAYS USE safety equipment and apparatus at all times.
- c. REPORT any unsafe conditions and hazards including fire, chemical, physical, biological, ergonomic and others immediately to the Company.
- d. REPORT any injuries regardless of degree in the Company premises immediately to the department manager or supervisor, the Company's Safety & Health Officer, or the Human Resource Department.

18.1.2 A Safety & Health committee consisting of representatives from the management as well as employees from various sections or departments will meet on a regular basis to discuss issues on safety and health.

18.1.3 For the safety of the Company and its employees, smoking is restricted to designated smoking area only.

18.1.4 In the event of fire outbreak, inform the department manager or supervisor and immediately evacuate the area in a calm and orderly manner in accordance with the Company's Fire Evacuation Procedure.

18.1.5 In the case of power failure, employees must maintain at their respective

workplace until receive further instructions from the department's manager or supervisor.

- 18.1.6 All employees must strictly follow and observe safety and health guidelines communicated by respective worker representative and Company.
- 18.1.7 The Company shall not compromise if any employees deviate from the safety and health guidelines as communicated.
- 18.1.8 Employees who are unwell must immediately seek treatment at the in-house clinic or notify their superior, hostel warden or workers representatives for help to be rendered.
- 18.1.9 Isolation and quarantine from others shall apply upon the advice from our panel doctor or an in-house doctor in situation such as a pandemic outbreak or in any health-related situations.
- 18.1.10 Employees must practice social distancing and act in good faith to avoid the spread of the illness to other employees either in workplace or hostel during any pandemic outbreaks or in any health-related situations.

## **19. SECURITY**

- 19.1 All employees are required to give their full cooperation to the Company's security team and guards.
- 19.2 Employees shall not be permitted entry into or shall be ordered to leave the Company's premises if he/she commits the following acts or falls into the following category:
  - a. Carrying firearms or any dangerous weapons or substance.
  - b. Company uniform and/or personal attire being in an unhygienic state which may affect the health and work of other employees.
  - c. Suspended from work.
  - d. Acting in an irresponsible manner which is detrimental to the reputation or maybe harmful to the Company or prejudicial to the order of good discipline and conduct.
- 19.3 Any Company goods or property taken out of the premises must be accompanied by authorized valid documents e.g., delivery order (i.e., Transfer Form, Disposal Form, Sample Requisition Form) and must be declared to the security guards on duty.
- 19.4 Employees are strictly prohibited from engaging in any other activities, employment, business, or any dealing that may or will conflict with his/her employment or the interest of the Company.

## **20. FREEDOM OF ASSOCIATION**

- 20.1 The Company acknowledges and respects the right of all employees in regard to their participation in the formation, membership & lawful activities of a trade union such as the right to bargain collectively as accorded by the Industrial Relations Act 1967 and the Trade Unions Act 1959 with no fear of any negative repercussions.
- 20.2 The Company supports the International Labour Organization's (ILO) Declaration on Fundamental Rights and Principles at Work, including the ILO declaration on the freedom of association and the right to collective bargaining.
- 20.3 Employees are free to form and join organizations of their own choosing so long as it is not against any prevailing laws of the country. The Company fully respects and supports workers' democratic rights to participate or not participate in trade unions without fear of intimidation, pressure or reprisal.
- 20.4 The Company support and promotes employees to form a Workers' Representative and engage in collective bargaining.
- 20.5 All workers, without distinction, have the right to join or form trade unions of their own choosing without prior authorization, and to bargain collectively.

- 20.6 The company does not discriminate against individuals based on union or committee membership. Workers that are part of unions or workers' committees are treated equally. Any worker who feels discriminated against is encouraged to raise their grievance via the company's established grievance channels.

## **21. REVIEW OF THE CODE**

This Code shall be kept under review, updated and be revised as and when required in accordance with the needs of the Group, development of corporate governance practices, and/or any other applicable laws enforced at the time being. Any changes to the terms of the Code shall be subject to the approval of the Board.

APPROVED BY THE BOARD ON 25 AUGUST 2023.