Introduction to the Employee Handbook (EXECUTIVE)

The Employee Handbook serves as an introduction to the Alam Maritim Group, and encloses the terms and conditions of service, benefits and other related matters pertaining to the employee's service.

The Group Managing Director, Head of Departments or any other person of Alam Maritim Group authorized by any or all of them may, from time to time, within their respective Limit of Authorities, amend, add to, delete or vary any terms or conditions of the Handbook. Such amendments will be announced by the Human Resource Department of Alam Maritim Group and henceforth shall form part of the Handbook.

The employee of Alam Maritim Group is expected to use the Handbook as a reference, to be read together with and forming part of their Individual Employment Offer Letters and Letter of Undertakings. Where there is any ambiguity or conflict difference in respect to the meaning or interpretation of any matter arising there from, the Senior Management Committee shall be referred to for clarification and resolution, whose decision shall be final and binding.

English is used in the Handbook, to adhere to the language requirements under labour regulations and practice of Malaysia. The language application is based on relevancy of the subject matter.

The Handbook is to be kept in strict confidence. It shall not be reproduced in any manner, in whole or in part. Access to the handbook is only via the intranet and restricted to your respective salary scale.

The introduction shall form an integral part of the Handbook.

For and on behalf of Alam Maritim Group:

AZMI BIN AHMAD
Group Managing Director/CEO
EMPLOYEE HANDBOOK

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## APPENDICES

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PART 1 - GENERAL

1. Interpretation
   Unless the context requires, words importing the masculine gender shall include the feminine gender and words importing the singular shall include the plural.

2. Definitions

   Company
   Refer to Alam Maritim Group which includes Alam Maritim Resources Berhad and its subsidiaries.

   Each company in the Alam Maritim Group may be referred to in short form as follows:

   AMRB - Alam Maritim Resources Berhad
   AMSB - Alam Maritim (M) Sdn Bhd
   AHSB - Alam Hidro (M) Sdn Bhd
   AOLS - Alam Offshore Logistics & Services Sdn Bhd
   (formerly known as Najdah Gemilang Sdn Bhd)
   AFI - Alam Food Industries (M) Sdn Bhd
   TH Alam - TH Alam Management (M) Sdn Bhd
   ASW - Alam Swiber Offshore (M) Sdn Bhd
   Alam Swiber DLB 1 (L) Inc

   Employee
   Refer to a person who is employed under a contract of service, either on a contract basis or permanent basis, by the Company.

   Confirmed Staff
   Refer to employees who have successfully completed the probationary period (or extended period, as the case may be) and are confirmed in the Company’s service.

   Spouse
   Refer to an employee's lawful wife or husband.

   Children
   Refer to an employee’s lawful children under the age of 17 years old and pursuing full time education.

   Family
   Refer to an employee’s spouse, children and parents.

   Immediate Family
   Refer to an employee’s brothers, sisters, grandfathers, grandmothers and parents-in-law.
**Outstation**
Outstation shall refer to locations or destinations which are beyond 90 km radius from the employee's normal place of employment.

**Day**
Refer to a continuous period of twenty-four hours beginning at midnight.

**Leave without Pay or Unpaid Leave**
Refer to leave taken by employees without salary or compensation given.

**Misconduct**
Refers to an act or omission, which is inconsistent with the fulfillment of the expressed or implied conditions of the employee’s contract of service.

**Incompetence**
Refers to performance of work, which is below the Company's requirements repeated over a period of time.

**Salary**
Salary means an amount of money paid to the employee under the contract of service.

**Week**
Refer to a continuous period of seven days.

**Promotion**
Refer to the movement in salary grade from one job group to another higher job group.

**Grievance**
Refer to a complaint by an employee to his immediate superior and which subsequently is not resolved to his satisfaction.

**Sexual Harassment**
Means any unwanted conduct of sexual nature having effect of verbal, non-verbal, visual, psychological or physical harassment that might, on reasonable grounds, be perceived by the recipient as placing a condition of a sexual nature on his/her employment.
PART II - EMPLOYMENT

1. Place of Appointment
The employee's place of employment shall be any Company's offices, subsidiaries or its associated companies or any such place as may be determined by the Company.

2. Probation

2.1 All new employees shall be required to serve a probationary period of six (6) months.

2.2 The Company may at its absolute discretion extend the probationary period for up to another three (3) months.

2.3 Notwithstanding Clause 2.1 above, the Company may at its absolute discretion waive the probation period or reduce it to less than six (6) months.

3. Confirmation

3.1 An employee who has satisfactorily completed his probation period shall be confirmed in his employment.

3.2 The period of service of an employee shall be deemed to have commenced from the date of his reporting for duty on entering the service of the Company.

3.3 Employees who satisfactorily complete their probation period (or extended period, as the case may be) shall be informed in writing of their confirmation.

4. Transfers

4.1 The Company reserves the right to transfer any employee within the group or its subsidiaries company or to any parts within Malaysia and overseas. Disciplinary action may be taken against the employee who refuses to go on transfer without valid reasons.

4.2 The affected employee will be communicated formally in writing prior to the transfer. The Company shall pay transfer allowance and/or any other allowances to the employee who is transferred from one location to another where the distance between the two locations is beyond a radius of ninety (90) km from the original location.
5. **Termination of Service**

5.1 During the probationary period either party may terminate the contract of employment by giving to the other party fourteen (14) days’ notice. It must be in writing or paying salary in lieu of notice.

5.2 Upon confirmation of service either party may terminate the contract of employment by giving to the other party one (1) month notice. It must be in writing or paying salary in lieu of notice.

5.3 The Company may dismiss an employee without notice if the employee is found guilty by a domestic inquiry panel of misconduct.

5.4 The employee's service may be terminated on medical grounds upon advice of the Company's panel doctor.

5.5 On termination or dismissal from service, an employee shall surrender all documents, files, keys, vehicles (if any) and any other assets belonging to the Company and to settle all outstanding liabilities, loan and other obligations to the Company.

5.6 The Company may vary the notice period for termination of service as it deems fit provided it obtains a written consent from the employees affected.

6. **Retirement**

6.1 All staff shall retire upon reaching the age of sixty (60) years.

6.2 The re-employment of a retired employee shall be at the sole discretion of the Company and shall be solely on a contract basis.
PART III - HOURS OF WORK

1. Official Working Hours

1.1 All employees are expected to be at their workstations in accordance with hours of work established by the Company. For certain locations and positions the Company may institute a flexible work schedule. Complying with the official working hours and maintaining a good attendance record are necessary. Employees who are late for work, leave early, or absent continuously, will be subjected to a disciplinary action.

1.2 The official working hours for the Company per week are as follows:-

(i) Head Office, Lumut & Labuan Office
   a. Monday to Friday - 9.00 a.m. to 5.30 p.m.
   b. Saturday - 9.00 a.m. to 1.00 p.m.
      (Alternate)
   c. Sunday - Rest Day

(ii) KSB Office
   a. Sunday to Thursday - 9.00 a.m. to 5.30 p.m.
   b. Saturday - 9.00 a.m. to 1.00 p.m.
      (Alternate)
   c. Friday - Rest Day

1.3 The Company may from time to time vary the prescribed working days and hours to suit its operational requirements and all employees shall be notified accordingly.

1.4 Employees are not allowed to alter their working hours without approval of Head of Department who should, prior to giving approval, study the possible effects of such alterations and discuss with HR & Admin Department.

2. Break Time

2.1 All employees are entitled to the following break times:-

(i) Head Office & Labuan Office
   2.1.1 Monday to Thursday - 1.00 p.m. to 2.00 p.m.
   2.1.2 Friday - 12.30 p.m. to 2.30 p.m.

(ii) KSB Office
   2.1.1 Sunday to Thursday - 1.00 p.m. to 2.00 p.m.
3. Public Holidays

3.1 All employees shall be entitled to paid holidays for all gazette Federal and State public holidays applicable to the Federal Territory / State in which the employees serve.

3.2 If a public holiday is declared under Section 8 of the Holidays Act 1951, the Company shall recognize it as a paid public holiday.

3.3 If any of the said public holiday falls on an employee’s designated rest day, the working day following immediately this rest day shall be a paid holiday in substitution of that public holiday.

3.4 If any of the said public holidays falls on the day when an employee is on annual leave the employee shall be given another day as a public holiday in substitution.

4. Rest Days

Sundays or Fridays wherever applicable, shall be considered as Rest Days.

5. Working outside Rest Days

5.1 All employees shall consent to perform work in excess of their normal working hours as and when required by the Company.

5.2 An Employee who is required to work on his rest day or public holiday shall be given replacement leave on condition that:

5.2.1 Staff perform a full day’s work and

5.2.2 The replacement leave is taken on another working day.
PART IV - SALARY ADMINISTRATION

1. **Salary**

1.1 Employee will be paid in accordance with the salary structure of the Company. Each employee shall be informed of the grade and salary code applicable to him at the time of his appointment or whenever he is promoted and/or transferred.

1.2 No employee shall be paid below or above salary range of the Company.

1.3 Wages, less lawful deductions, shall be paid to employees not later than the seventh day after the last day of the wage period.

2. **Increment**

2.1 The awarding of increments shall be at the sole discretion of the Company.

2.2 Increments, if awarded, are based on the employee and company’s performance.

2.3 Increments, if awarded, shall be on a Calendar year basis, i.e. 1st January of each year.

2.4 Increments, if awarded, shall be payable to all confirmed employees subject to conditions as may be determined by the Company.

3. **Bonus**

3.1 Bonus is non-contractual and shall be at the sole discretion of the Company.

3.2 Bonus, if declared, shall be payable to all confirmed employees according to the period of service in the calendar year and subject to conditions as may be determined by the Company.

4. **Performance Reward**

4.1 Payment of Performance Reward shall be at the sole discretion of the Company.

4.2 Performance Reward, if awarded, is a lump-sum payment to be paid to eligible employees based on the employees’ job performance and subject to conditions as may be determined by the Company.
PART V - PERSONAL ASSISTANCE SCHEME

1. Personal Assistance Scheme

1.1 At the discretion and approval by the Company, confirmed employee is eligible to apply for advance under the scheme up to a maximum of one (1) month of last drawn salary.

1.2 The provision of the assistance is subject to the following conditions:

1.2.1 Only confirmed permanent employees are eligible to apply.

1.2.2 The repayment period is by six (6) equal monthly deductions from his salary.

1.2.3 The total advance is subject to 4% administration fee per year.

1.2.4 If the employee resigned before settling the advance, the outstanding advance will be deducted from the last drawn salary.

1.2.5 The employee shall be granted the facility only once until full settlement has been made for the existing assistance before applying for a new one.

1.2.6 The employee is not under any disciplinary proceeding or no notice in respect thereof has been issued.
PART VI - ALLOWANCES AND REIMBURSEMENT

1. Transfer Reimbursement

1.1 Upon confirmation of transfer to new place of employment which is outside 90 km radius from the original place of employment, the employee is eligible to claim the following Transfer Reimbursement/Expenses:

1.1.1 Pre-Transfer Expenses

If deemed necessary, the Company may at its discretion pay the cost of transportation including board and lodging based on Domestic Traveling (set out in Appendix 1) for a maximum period of three (3) days (inclusive of traveling time) for the employee to make a visit to the new place of employment work location prior to the transfer.

1.1.2 Travel Expenses

The Company shall pay for the traveling expenses to the new place of employment, for employee, spouse and dependent children based on either one of the following modes of transportation:

- First Class train fares; or
- Appropriate air passage; or
- Mileage Allowance if own transport is used.

1.1.3 Transportation of Household and Personal Effects

1.1.3.1 The transportation of household and personal effects shall be arranged by the Company or in the event of such arrangement cannot be made, an employee is entitled to claim the expenses (with receipt) incurred up to a maximum of 40 footer container.

1.1.3.2 The Company shall also bear the cost of storage and insurance including service tax on household and personal effects up to the maximum load that may be levied on the household and personal effects provided that such items have been bought prior to notification of transfer.

1.2 The Transfer Allowance/Expenses stated above shall not apply to transfer made on employee’s personal request.

1.3 Transfer Reimbursement will be subject to GST payment. All claims pertaining to GST payment must be made by using GST Claim Forms subject to the existing Terms & Conditions.
2. **Domestic Traveling**

2.1 An employee who is required to travel and work on the Company's business outside ninety (90) km radius from his place of employment is entitled to a Subsistence Allowance as set out in Appendix 1.

2.2 When traveling on Company's business, an employee is required to use the most economical means of transportation available and the shortest possible route to his destination. However, practicality and convenience of travelling will be considered.

2.3 An employee who is approved by the Company to use his own vehicle in the performance of his duties shall be reimbursed of his transport expenses at the following rate:-

2.3.1 RM 0.45/ km for all type of car

2.4 The Company shall reimburse any parking fees and toll charges incurred by the employee during the course of such business trip provided his claims shall be supported by documentary evidence.

2.5 An employee shall not be entitled to mileage claim when travelling by the Company's vehicle.

2.6 For domestic travelling by air – Economy Class subject to para 2.2 above.

2.7 GST arising from Domestic Travelling by air on staff own arrangement can be claim using GST Claim Form supported with Full Tax Invoice under Company's name and address.

3. **International Travelling**

3.1 An employee who is required to travel and work overseas on Company's business for more than eight (8) hours is entitled for the overseas reimbursement as set out in Appendix 1.

3.2 GST arising from International Travelling by air on staff own arrangement can be claim using GST Claim Form supported with Full Tax Invoice under Company's name and address.
4. **Subsistence Allowance**

4.1 **Local**

An employee who is required to travel outstation on company’s business beyond ninety (90) km radius from office shall be entitled to Subsistence Allowance as stated in Appendix 1.

4.2 **Overseas**

An employee who is away overseas on official duty is entitled to claim Overseas Subsistence Allowance as stated in Appendix 1.

5. **Clothing Reimbursement**

5.1 An employee who is required to travel overseas to temperate countries on Company’s business is entitled for the Clothing Reimbursement at a rate up to RM750.00.

5.2 The Clothing Reimbursement can only be claimed once in every three (3) years.

5.3 GST arising from Clothing Reimbursement can be claimed using GST Claim Form supported with Full Tax Invoice under Company’s name and address.

6. **Acting Allowance**

6.1 An employee shall be paid an acting allowance, over and above his usual salary, throughout the duration of the acting period prior to his confirmation of promotion in the higher job group.

6.2 The monthly acting allowance is computed as follows:-

\[
5\% \times \text{median salary of the higher salary grade.}
\]

7. **Covering Allowance**

7.1 An employee shall be paid a covering allowance, over and above his usual salary if he is assigned temporarily to cover a higher position for a period of not less than one month but not exceeding one year.

7.2 The monthly covering allowance is computed as follows:-

\[
5\% \times \text{median salary of the higher salary grade.}
\]
8. **Meal Allowance**

8.1 Employees who work outside normal working hours for a minimum of four (4) hours are eligible to the followings:

(i) Meal allowance of RM20.00 for working after normal working hours, rest days and public holidays apply.

(ii) Entitled to claim mileage as stated in Clause 2 of Domestic Travelling para 2.3.
PART VII - LEAVE ENTITLEMENT

1. Annual Leave

1.1 Confirmed employees shall be eligible for eighteen (18) days annual leave.

1.2 Rest days and gazette public holidays recognized by the Company shall not be included when computing the leave entitlement of an employee.

1.3 Unutilized leave by the employee at the end of the year without any valid reason shall be forfeited.

1.4 The employee is allowed to carry forward the unutilized leave to the following year up to maximum of seven (7) days only provided written approval is obtained from the Company and subject to any condition(s) as may be imposed by the Company.

1.5 Carry forward leave has to be utilized before the end of the following year or else it will be automatically forfeited.

1.6 The Company has the right to recall employees who are on leave or to cancel the approved leave if the exigencies of the service require the employees’ presence in the office.

1.7 Notwithstanding the above, if an employee leaves the service of the Company, for whatever reason, or if his services is terminated by the Company, after he has taken the entire or any part of his annual leave during the year in excess of his entitlement, then in such event, the Company is entitled to deduct from his final month’s salary a sum which is derived from the formula $A \times \frac{C}{B}$:

$$A = \text{Employee's basic salary for the final month}$$
$$B = \text{Number of days in the final month}$$
$$C = \text{Number of days of unearned leave taken}$$

1.8 An employee can use the balance of his annual leave to set-off the whole or part of the required notice period of his resignation.

1.9 If an employee's service is terminated (for reason other than misconduct) or if he resigns by giving due notice, he is entitled to proportionate annual leave or payment in lieu for the completed months of service.

2. Emergency Leave

An employee may be granted emergency leave for the purpose of attending to unforeseen domestic emergencies requiring his personal attendance. This leave will be set-off against the annual leave.
3. **Leave without Pay**

3.1 An employee may be granted leave without pay for personal reasons provided he has exhausted all his annual leave or he is not eligible for paid annual leave.

3.2 Subject to the conditions as may be determined by the Company, prior written approval must be obtained from the Management to go on leave without pay.

3.3 Unapproved leave without pay shall be considered as absence without leave and disciplinary action may be taken against him for such absence.

3.4 Leave without pay normally should not exceed thirty (30) days inclusive of rest days and public holidays, except in certain extenuating circumstances when longer periods of leave without pay are required.

4. **Compassionate Leave**

4.1 An employee shall be entitled to pay compassionate leave for the following situations:

   4.1.1 Employee’s first marriage
   
   *(confirmed staff only)*
   
   - 3 working days

   4.1.2 Paternity leave
   
   - 2 working days

   4.1.3 Critical illness of child or spouse
   
   *(must be hospitalized)*
   
   - 1 working day per occasion

   4.1.4 Death of family and immediate family
   
   - 2 working days

4.2 All applications for compassionate leave shall be supported by documentary evidence where applicable.

4.4 All approved compassionate leave have to be taken on the day the event occurs or as close as possible to the event and shall not be accumulated or carried forward to the following year.
5. **Maternity Leave**

5.1 Female employees shall be granted paid maternity leave for a period of not less than sixty (60) consecutive calendar days inclusive of off days, rest days and public holidays in respect of each confinement.

5.2 Paid maternity leave shall not be granted to a female employee who at the time of her confinement has five (5) or more surviving children.

5.3 Absence from work due to miscarriage before the 28th week of pregnancy shall not be considered maternity leave but as normal sick leave.

5.4 Application for maternity leave shall be supported by a recommendation from the Company’s doctor.

6. **Haj Leave**

6.1 A Muslim employee who has served the Company for not less than three (3) years shall be eligible for a maximum of forty (40) consecutive days of paid Haj leave.

6.2 The paid Haj Leave shall be granted only once during his employment with the Company.

7. **Sick Leave**

7.1 Paid sick leave shall only be granted on the recommendation of a registered medical practitioner or dental surgeon.

7.2 Only in cases of genuine emergency, when the services of a panel doctor cannot be obtained immediately, a certificate from any other registered medical practitioner shall be accepted as evidence entitling the employee to sick leave.

7.3 An employee who seeks medical attention from a panel doctor but is not recommended for sick leave by the said doctor must report for duty as soon as he has been examined by the said doctor.

7.4 An employee shall be entitled to said paid sick leave:

7.4.1 Where no hospitalization is necessary:

7.4.1.1 Fourteen (14) days in the aggregate in each calendar year if the employee has been employed for less than two (2) years.

7.4.1.2 Eighteen (18) days in the aggregate in each year if the employee has been employed for two (2) years or more but less than five (5) years.
7.4.1.3 Twenty-two (22) days in the aggregate in each calendar year if the employee has been employed for five years or more; or

7.4.2 Sixty (60) days in the aggregate in each calendar year if hospitalization is necessary (as may be certified by such registered medical practitioner or medical officer):

7.4.2.1 provided the total number of days of paid sick leave in a calendar year which an employee is entitled to under this section shall be sixty days in aggregate;

7.4.2.2 And provided further that if an employee is certified by such registered medical practitioner to be ill enough to need hospitalization but is not hospitalized for any reason whatsoever, shall be deemed to have been hospitalized for the purpose of calculating sick leave.

7.5 Sick leave without hospitalization in excess of the entitlement shall be deductible from the annual leave entitlement of the employee concerned.

7.6 Paid sick leave in excess of the above limits shall be deductible from the annual leave entitlement. If the annual leave has been fully utilized, it shall be considered as leave without pay at the sole discretion of the Company.

7.7 The Company has the discretion to grant an employee sick leave in excess of sixty (60) days on the recommendation of a panel doctor, provided always that the employee who is on sick leave is under the care of the said doctor.

7.8 An employee who absents himself from work due to illness and does not inform or attempt to inform his immediate superior within 48 hours of his absence, shall be deemed to have been absent without reasonable excuse and disciplinary action may be taken against him.

8. Prolonged Sick Leave

8.1 A confirmed employee who has served the company for not less than three (3) years if certified by the Company's doctor or Government Hospital Authority to be mentally unsound, or suffering from illness requiring prolonged treatment such as tuberculosis, cancer, leukemia, poliomyelitis, leprosy or cerebral thrombosis shall upon confirmation by the appropriate medical authorities in addition to his paid sick leave in para 7.4 above is entitled:

8.1.1 a maximum of six (6) consecutive months leave on full pay; and

8.1.2 a further six (6) consecutive months leave on half pay if deemed necessary by the Company.
8.2 A confirmed employee who has served company for less than three (3) years is entitled for para 8.1.1 only.

8.3 After the expiration of the half pay leave of absence as per para 8.1 and para 8.2, the Company shall review the situation and decide on the next course of action.

8.4 The employee will not be entitled to any paid leave if he refuses to undergo the course of treatment recommended by the Company's doctor, or the appropriate Government Hospital Authority.

8.5 The employee may return to work only after he has been certified as fully recovered by the Company's doctor, or the appropriate Government Hospital Authority. Should the employee fail to recover sufficiently to the satisfaction of the Company, the Company may consider terminating the employee’s service at the end of the prolonged medical period (“medical boarding out”).

9. Transfer Leave

9.1 An employee who is transferred away from his normal work area, which necessitates him to move house and family, is entitled to Paid Transfer Leave as follows:

9.1.1 Within Peninsular Malaysia/East Malaysia: 2 working days (including traveling day)

9.1.2 From Peninsular to Sabah/Sarawak and Vice-versa: 3 working days (including traveling day)

9.1.3 From Malaysia to any Asian Country: 4 working days (including traveling day)

9.1.4 From Malaysia to any oversea countries and Vice-versa: 5 working days (including traveling day)

9.2 The above provision on transfer leave shall not apply to transfer made on employee’s personal request.
10. **Unrecorded Leave**

10.1 An employee may be granted unrecorded leave under the following circumstances:-

10.1.1 Sitting for an examination which is beneficial to the employee in his present work or future assignment.

10.1.2 Performing Rukun Tetangga, Askar Wataniah or RELA duties.

10.1.3 The granting of unrecorded leave for purposes other than those stated in para 10.1.1 and para 10.1.2 above shall be based on the merits of each case.

11. **Hardship/Offshore Leave**

11.1 An employee who is assigned to work in areas where normal community facilities are out of reach is entitled to hardship/offshore leave of 6 days per every 30 days on pro-rated basis.

11.2 An employee who is on offshore leave may be recalled for work if required by the Company.
PART VIII - BENEFITS

1. Housing Loan Interest Subsidy

1.1 An employee is eligible to apply the subsidy for the Housing Loan Interest to:-

1.1.1 Purchase a landed/non-landed house or continuation of an existing loan.

1.1.2 Purchase land with the intention of building a house thereon within twelve (12) months from the date of purchase.

1.1.3 Build a house on own land.

1.1.4 Refinance existing housing loan taken from another Financial Institution.

1.1.5 Based on Islamic loan and company's panel of Financial Institution.

1.2 The Housing Loan Interest Subsidy shall be provided for the purchase of house as stated in para 1.1 above for own use only and shall not be used for commercial purposes.

1.3 The provision of the subsidy for the housing loan interest is subject to the following conditions:-

1.3.1 Only confirmed permanent employees are eligible to apply and has served the Company for the minimum of three (3) years.

1.3.2 The employee shall be granted the facility only once in the employment with the Company.

1.3.3 The employee is not under any disciplinary proceeding or no notice in respect thereof has been issued.

1.4 Provided that his monthly deduction is not more than one third (1/3) of his monthly gross salary, the eligible loan amount for assistance shall be equivalent to sixty (60) months of the employee's monthly basic salary or whichever is lower subject to a maximum of the following:

<table>
<thead>
<tr>
<th>Salary Grades</th>
<th>Maximum Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive</td>
<td>RM 180,000.00</td>
</tr>
<tr>
<td>Assistant Manager</td>
<td>RM 220,000.00</td>
</tr>
</tbody>
</table>

1.5 The assistance shall be paid for the duration of the employee's loan subject to a maximum repayment period of thirty (30) years and as long as the employee remains with the Company.
1.6 The Company shall be responsible to subsidize interest of 3.0% p.a. imposed by the Financial Institution(s) and the employee shall bear the difference between 3.0% p.a. and the actual interest rate imposed by the Financial Institution(s).

1.7 The staff is fully responsible to enter into an agreement with a financial institution for the purpose of obtaining a loan to finance the purchase of a house and pay all such costs pertaining to the agreement.

2. Car Loan Interest Subsidy

2.1 The provision of the assistance is subject to the following conditions:-

2.1.1 Only confirmed permanent employees are eligible to apply.

2.1.2 The employee shall be granted the facility to a maximum of every five (5) years whichever is earlier.

2.1.3 The employee is not under any disciplinary proceeding or no notice in respect thereof has been issued.

2.2 Provided that his monthly deduction is not more than one third (1/3) of his monthly gross salary, the eligible loan amount for assistance is up to a maximum of RM 100,000.00.

2.3 Purchase of used car will be on case by case basis but limited to maximum of five (5) years old from the date of manufactured.

2.4 The assistance shall be paid for the duration of the employee's loan subject to a maximum repayment period of five (5) years and as long as the employee remains with the Company.

2.5 The Company shall be responsible to subsidize interest imposed by the Financial Institution(s) 50% of the actual interest rate or up to 2.0% p.a. whichever is lower.

2.6 The employee is fully responsible to enter into an agreement with a financial institution or the purpose of obtaining a loan to finance the purchase of a vehicle and pay all such costs pertaining to the agreement.
3. **Medical Benefits**

3.1 The Company shall provide the following medical benefits and services/facilities to the employee and their dependants:

3.1.1 **Outpatient Treatment**

Employees are entitled to claim reimbursement of medical treatments subject to the following conditions:

i. Employee : RM 1000 per annum.
   Dependent : RM 600 each per annum.

   Subject to total maximum entitlement of RM 3,600 per family per annum.

ii. Treatment is obtained from the General Practitioner clinic and outpatient Hospital Specialist.

iii. The coverage is for the employees and their dependants.

iv. Claims for reimbursement are based on actual receipts.

v. Outpatient treatment falls under Blocked Input Tax and the GST cannot be claimed.

Employees will not be reimbursed for the following:

i. Cost of artificial devices, optician's charges, dental artificial devices, psychiatric care or nursing care.

ii. Treatment by an acupuncturist and traditional medicine practitioner.

iii. Contraceptive treatment such as family planning pills, IUD, sterilization, abortion etc.

iv. Infertility treatment which is not curative in nature such as IVF and GIFT.

v. Medical checkup not specially required by the Company.


The Company shall not bear any expenses incurred in respect of illness, injury or disablement, arising from:
i. Any proven fault, participation in or attending any hazardous sport, pursuit or past time.

ii. Attempted suicide.

iii. The performance of any unlawful act.

iv. Exposure to any unjustifiable hazards (except when endeavoring to save or to protect his property or the property of the Company or to save human life).

v. Provoked assault.

vi. The use of drugs not prescribed by a registered medical practitioner.

vii. Illegal abortifacient measures.

viii. Any illness or disease caused by misconduct or disorderly conduct.

ix. Illegal public assembly

The employees who are on duty in locations where no doctor on the Company's panel doctor is available may seek treatment from a non-panel registered medical practitioner.

Reimbursement for consultation and treatment at a non-panel doctor will be given for emergency cases only where the panel clinic is not available or close at the time of occurrence.

3.1.2 Dental Benefit

The dental benefit is made available to all employees only subject to a maximum of RM 200.00 per year. The dental benefit does not cover cosmetic improvement treatment.

The dental benefits include the following types of dental treatment:

i. Extraction

ii. Dressings and Medication

iii. Treatment of Swellings

iv. Minor surgeries and X-rays
v. Amalgam Fillings
vi. Composite Fillings
vii. Scaling and Polishing
viii. Gum and Bone Minor Surgeries
ix. Root Canal Treatments
x. Apisectomies

Any unutilized amount remaining at the end of each year shall not be carried forward to the following year.

3.1.3 Group Hospitalization Surgical (GHS)

The employee and dependants (spouse and children) are entitled for the medical benefits under the medical insurance scheme for the hospitalization and surgical (in-patient) only whereby the expenses incurred shall be borne by the insurance company subject to a maximum coverage determined under its scheme and any other terms as may be determined by the Company during the employee's employment with the Company.

The above provisions shall not cover the following:-

(i) Cost of artificial devices, spectacles, optician's charges, dental artificial devices, psychiatric care or nursing care.

(ii) Treatment by an acupuncturist, homoeopathist and traditional medicine practitioner.

(iii) Contraceptive treatment such as family planning pills, IUD, sterilization, abortion etc.

(iv) Infertility treatment which is not curative in nature such as IVF and GIFT.

(v) Medical checkup not specially required by the Company.

(vi) Plastic surgery/treatment for beautification purposes. The Company shall not bear any expenses incurred in respect of illness, injury or disablement, arising from:-

(i) Any proven fault, participation in or attending any hazardous sport, pursuit or past time.
(ii) Attempted suicide.

(iii) The performance of any unlawful act.

(iv) Exposure to any unjustifiable hazards (except when endeavoring to save or to protect his property or the property of the Company or to save human life).

(v) Provoked assault.

(vi) The use of drugs not prescribed by a registered medical practitioner.

(vii) Illegal abortifacient measures.

(viii) Any illness or disease caused by misconduct or disorderly conduct.

3.1.4 Group Personal Accident (GPA)

All employees will be covered under GPA insurance scheme which covered against loss of life or limb and bodily injuries resulting from any accident caused by external means. This coverage will be in addition to any benefit that may be due from SOCSO.

3.1.5 Periodical Medical Examination

(i) The following category of confirmed employees is eligible for periodical medical examination with prior approval from the management.

<table>
<thead>
<tr>
<th>Category of Employees</th>
<th>Frequency of Medical Examination</th>
<th>Maximum Cost (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) 35 – 39 years</td>
<td>once in two (2) years</td>
<td>500</td>
</tr>
<tr>
<td>(ii) 40 years and above</td>
<td>Annually</td>
<td></td>
</tr>
<tr>
<td>(iii) Employees who are directly exposed to occupational health hazards irrespective of age limit.</td>
<td>Annually or twice a year as recommended by panel doctors</td>
<td></td>
</tr>
</tbody>
</table>
4. **Employee Provident Fund (EPF)**

Unless subsequently varied by law, the Company and the employees shall contribute to the Employee Provident Fund (EPF) at the prevailing rate as follows:-

(i) The Company
    - As per statutory requirement.
(ii) The Employee
    - As per statutory requirement.

5. **Social Security Occupation (SOCSO)**

Unless subsequently varied by law, the Company and the employees shall contribute to the SOCSO at the prevailing rate as per statutory requirement.

6. **Hand phone Bills**

6.1 The Company shall pay up to a maximum of RM300.00 per month for official calls only.

6.2 The eligibility for the facility is limited to employees whose nature of duties and responsibilities meeting the following requirements:

   (i) On-call or call back situation.
   (ii) Frequent mobility.
   (iii) Critical service group such as safety, security, technical and project business operations.
   (iv) Key business decision makers in the Company.

6.3 The name / address of the phone bill must be Company’s registered name and address for the staff to claim the GST.

7. **Staff Welfare Contributions**

At the sole discretion of the Company, the following contribution is given:-

(i) Death of employee
    - RM 3,000
(ii) Death of employee’s family
    - RM 1,000
11. **Professional Association Membership**

11.1 The Company shall reimburse the annual membership fees of up to one (1) relevant and approved local professional association or one (1) relevant and approved foreign professional association for all employees.

11.2 The Company shall from time to time, review and approve the list of all relevant professional associations.

11.3 Professional Association Membership falls under Blocked Input Tax and the GST cannot be claimed.
PART IX - CAREER DEVELOPMENT

1. Promotion

1.1 It is the Company’s policy to upgrade or promote qualified employees to fill job openings as and when such vacancies arise.

1.2 Promotion, if considered, is based on the following criteria:

1.2.1 Availability of Position

Promotion depends upon the availability of an approved vacant position or new position which carries a higher grade.

1.2.2 Eligibility of Candidates

Eligibility of the candidates depends on formal qualification, experience, age, and performance track record.

1.2.3 Suitability of Candidate

Suitability of the candidate will depend upon his current job grade, years in position, attitude, relevant experience, skill and knowledge. In certain cases pertaining to project-based positions, acceptance of the Company’s project client may also be a condition for suitability.

1.3 An employee who is promoted may be required to serve an acting period of six (6) months (or extended period, as the case may be) during which his performance shall be reviewed for confirmation in the higher position.

1.4 In the event an employee’s performance is deemed unsatisfactory after the expiry of the acting period, the employee shall revert to his formal position before the promotion or any other position deemed fit.

1.5 Employees who complete their acting period successfully and satisfactorily shall be informed of their confirmation in writing.

1.6 Notwithstanding para 1.3 above, the following shall be at the absolute discretion of the Company:-

1.6.1 The selection of an employee for promotion and the date of their promotion.

1.6.2 The duties and responsibilities of employees promoted.

1.6.3 The salary grade or category of employees promoted.
1.7 An employee may be considered for promotion on the same job if:-

1.7.1 The job scope has expanded and confirmed to be of a higher grade than the incumbent’s current salary grade;

1.7.2 He is recognized by Management as performing highly specialized functions.

2. Performance and Development Appraisal (PDA)

2.1 All eligible employees shall be appraised on their performance based on the accomplishment of tasks and objectives set for the period under review.

2.2 While the review process by a superior of his subordinate is an ongoing exercise, the formal performance appraisal exercise will take place once every calendar year.

2.3 The PDA form shall be used as an official tool for the PDA exercise.

2.4 Employees shall be appraised on their performance and rated on the overall assessment with one of the following ratings:

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exceeds Requirements</td>
<td>3</td>
</tr>
<tr>
<td>Meets Requirements</td>
<td>2</td>
</tr>
<tr>
<td>Below Requirements</td>
<td>1</td>
</tr>
</tbody>
</table>

2.5 Employees rated “Below Requirements” in the Performance Appraisal exercise for the respective year:

2.5.1 Shall undergo an observation period of three (3) months to improve their performance in the following year.

2.5.2 Upon satisfactory completion of the observation period be eligible for an annual salary increment and bonus, if any. Such increment shall not be made retroactive to January of the respective year but will be effective on the month immediately following the completion of the observation period.

2.5.3 However, if the employees' performance remains unsatisfactory at the end of the observation period, they shall not be awarded the salary increment for the respective year and the Company may take appropriate actions within its ambit as an employer.
1. Grievance

1.1 An employee may express his grievance through the following procedure:-

1.1.1 Within 7 days submit such grievance to his immediate superior.

1.2.2 If the grievance submitted is not resolved within 7 days by his immediate superior, the employee shall 14 days thereafter request for a formal meeting between himself, his Head of Department and the Head of Human Resources.

1.2.3 If the grievance remains unresolved after the formal meeting or any subsequent formal meetings para 1.2.2 above, either party involved in the formal meetings (including the employee concerned) may by written notice refer the matter to the General Manager/Directors. The meeting between the General Manager/Directors and the employee concerned shall take place not later than 14 days after the notice is served.

1.2.4 If grievance remain unresolved after the meeting with the General Manager/Directors, either party involved in the meeting (including the employee concerned) may by written notice refer the matter to the Head of Company. The meeting between the Head of Company and the employee concerned shall take place not later than 14 days after the notice is served.

1.2 If at any time, the employee concerned fails to take the next step in the grievance procedure within the limit specified or if the employee fails to attend any meeting arranged in connection therewith, the employee’s grievance shall be deemed to be fully considered, resolved and settled.

2. Separation

2.1 While it is the Company’s objective to provide security of tenure of employment to its employees, there may arise circumstances, other than indiscipline, whereby the Company may decide to discontinue the employment of certain employees.

2.2 The company may offer voluntary separation incentive to the following categories of employees:-

a. Redundant employees.
b. Confirmed employees who are undergoing long-term medical treatment whose illness affect their performance/contribution and who do not come under the medically boarded-out provision.

2.3 The quantum of such voluntary separation incentive will be at the Company’s absolute discretion.

2.4 An employee who receives payment under the Company’s Voluntary Separation Scheme shall comply with the relevant Income Tax regulations.
PART XI - CODE OF CONDUCT AND DISCIPLINE

1. General Guidelines

1.1 It is the Company’s expectation that an employee should inculcate in himself the following values:

a. strive towards a high standard of professionalism;

b. give his undivided loyalty and devotion to the Company at all times and on all occasions;

c. have a strong 'esprit de corps';

d. serve with honesty and integrity, goodwill and courtesy;

e. display a high sense of cooperativeness and proactiveness in carrying out his duties;

f. generate new ways or approaches in the course of his work.

1.2 In view of the above values an employee shall not:

a. subordinate his duties to the Company in favour of his private interest.

b. conduct himself in such a manner as likely to bring his private interests into conflict with his duties.

c. conduct himself in any manner as likely to cause a reasonable suspicion that:

i. he has allowed his private interests to come into conflict with his duties so as to impair his usefulness as an employee of the Company;

ii. he has used his position in the Company to his personal advantage.

d. conduct himself in such a manner as likely to bring the Company into disrepute or bring discredit to the Company.

e. bring or attempt to bring any form of outside influence or pressure to support or advance a claim relating to the Company whether the claim is his individual claim, or that of other executives of the Company.

f. conduct himself in such a manner as can reasonably be construed as lacking in efficiency.
g. be dishonest and conduct himself in such a manner as to lay himself open to suspicion of being dishonest.

h. conduct himself in an irresponsible manner.

i. conduct himself in such a manner as may be construed as an act of insubordination.

1.3 An employee who is in breach of the above code of conduct will render himself liable to disciplinary action.

1.4 An employee shall also strictly:

a. observe all statutory laws and regulations applicable to the Company business,

b. comply with the Company established rules and procedures.

1.5 Stern disciplinary action will be taken against any employee for non-compliance of such laws, rules and procedures.

2. Activities outside the Company

2.1 Save insofar as he is required to in the course of his duty or expressly permitted by the Company to do so, no employee may take part directly or indirectly in the Management or business activities of any company or companies, firms, corporations or other activities whatsoever, whether for gain or otherwise.

2.2 Any permission granted may be withdrawn at any time without assigning any reason therefore.

2.3 Any employee having any interest either directly or indirectly through nominees or trustees in any Company, firms or business, must declare his interest to the Company.

3. Serious Pecuniary Indebtedness

3.1 Serious pecuniary indebtedness from whatever cause, will be regarded as necessarily impairing the efficiency of an employee and rendering himself liable to disciplinary action.

3.2 An employee shall be required to disclose the full extent of his serious pecuniary indebtedness to the Company.

An employee who fails or delays in reporting his serious pecuniary indebtedness or who reports the same but fails to disclose its full extent or gives false or misleading account thereof, shall be guilty of a serious breach of discipline.
(whatever the first cause of the indebtedness may be), and shall render himself liable to disciplinary action.

3.3 For the Purpose of this Section, the expression "serious pecuniary indebtedness" means the state of an employee's indebtedness which, having regard to the amount of debt incurred by him has actually caused financial hardship to him, and an employee shall be deemed to be in serious pecuniary indebtedness :-

a. Where he is a judgement debtor, for as long as the judgement debt remains unsettled; or

b. Where he is a bankrupt or an insolvent wage earner, for as long as he remains as an undischarged bankrupt or for as long as any judgement debt against him in favour of the Official Assignee remains unsatisfied, as the case may be.

3.4 If serious pecuniary indebtedness which has occurred is the result of unavoidable misfortune, the Company may give the employee such assistance as the circumstances appear to warrant.

3.5 An employee who obtains annulment of his bankruptcy may be treated as having fully restored his credit.

4. Inventions

4.1 If at any time while in the employment of the Company an employee makes or contributes to the making of any technological and research oriented invention, employing company data and time, he shall forthwith supply the Company with full particulars of the invention and subject as hereinafter provided :-

4.1.1 An employee shall not, without the written consent of the Company, make, exercise, use or sell the invention or dispose of any of his rights therein, whether by assignment, license, in cumbrance or otherwise.

4.1.2 An employee shall not, without the written consent of the Company, publish the invention or any information relating thereto to any person whomsoever except the Company and its duly authorised agents.

4.1.3 Paragraphs a. and b. above shall not apply at the expiration of 4 months from the time when the Company has received full particulars of the invention from the employee, unless before the expiration of the said period of four months the Company gives notice to the employee that it wishes him to assign his rights in the invention to the Company.

4.2 The Company shall not been entitled to give such a notice as aforesaid unless, in the judgement of the Company,
4.2.1 The invention is wholly or partly attributable to the executive's knowledge of or association with any of the Company activities; or

4.2.1 The invention pertains to or is capable of being operated in connection with any actual or projected activities of the Company.

4.3 Where any such notice is given, the employee shall, at the expense of the Company, provide the Company with all such documents, information and assistance, execute all such instruments, and otherwise do all such acts and render all assistance as the Company may reasonably require for the purpose of vesting the invention in the Company, providing the Company with patent and other protections therefore in any part of the world, or otherwise enabling or assisting the Company to exploit and develop the invention and enjoy the property therein in any country. In any case in which the employee is not the sole inventor, his obligations under this Section, so far as they relate to vesting the invention in the Company and enabling or assisting the Company to enjoy the property in the invention, shall extend only to such interests in the invention, as he is able to secure for the Company having regard to the interests of the other inventors.

4.4 If no such notice is given within the said period of four (4) months, then after the expiration of the said period the rights of the employee to publish, exploit, develop and protect the invention shall be subject to the following restrictions only:

4.4.1 The said rights shall not be exercised so as to interfere with the duties of service which the employee owes to the Company, and

4.4.2 If at any time in the judgement of the Company, any actual or projected activity of the employee in the exercise of the said rights is or will be detrimental to the interests of the Company, the Company may impose such restrictions on the employee as the Company thinks reasonable for the protection of the said interests.

4.5 The duties of an employee under this Section shall be part of the normal duties owed by the employee to the Company in consideration of the employee's remuneration and the Company shall not be bound to provide the employee with any additional reward in respect of the performance of his duties under this Section. Nevertheless, in order to promote the advancement of technical arts, the Company may in its sole discretion award the employee such ex-gratia recognition as it may think fit whenever in its opinion such recognition is justified having regard to all the circumstances of the case.

4.6 Without prejudice to its rights under this Section, the Company is prepared in special cases to consider requests from an employee for permission to publish original papers, in an appropriate form, whenever in the opinion of the
Company the subject matter thereof is calculated to be of benefit to the community.

4.7 In this Section, the expression "invention" includes any new or improved substance, material, plant machinery or apparatus produced or capable of being produced by manufacture, any new or improved method or process of manufacturing or of testing or of sampling, and any discovery in a field of science or applied technology.

5. Publication of Books

5.1 Except with the written permission of the Company, an employee shall not publish or write any article, book, documentary, journal or other works which are based on official information.

5.2 If permission is granted it shall be subject to an implied condition that:-

5.2.1 the proposed publication shall not be so published as may reasonably be implied that it has received an official support or backing or sponsorship of the Company; or

5.2.2 the proposed publication shall not under any circumstances bear the words "approved publication" or words to that effect by whatever name called.

6. Making of Public Statements

6.1 An employee shall not either orally or in writing or in any form make or circulate any public statement on the policies or decisions of the Company, provided always that it shall not apply to a public statement made by an employee in relation to or in connection with the performance of his duty.

6.2 Except with the permission of the Company, an employee shall not either orally or in writing or in any other form make any public statement or comment on any matter relating to the work of the department or organization in which he is or was employed, or relating to any organization in which the Company has dealings with:-

6.2.1 where such statement or comment may reasonably be regarded as indicative of the policy of the Company; or

6.2.2 where such statement or comment may embarrass or is likely to embarrass the Company.

6.3 Except with the consent of the Company, an employee shall not either orally or in writing discuss publicly any measures taken by the Company or any official matters taken or carried out by the employee.
6.4 In this sub-section "public statement" or "discuss publicly" includes the making of any statement or comment to the press or the public or in the course of any lecture or speech or the broadcasting thereof by sound or vision.

7. Participation in the Media

7.1 An employee shall not participate in any form of advertisement or broadcasting whether in the newspapers, magazines, radio or television or any other media with the exception of the Company publications, without prior written consent from the Company.

7.2 An employee may be allowed to contribute literary or academic articles to any publication, i.e. Newspaper, magazine or journal, provided he gets prior written permission/consent from the Company. Any monetary rewards thereby obtained by the employee should be declared to the Company who will use his discretion to decide whether the employee may retain such monetary rewards.

8. Giving of Reference

Save insofar as required in the course of normal business, executives other than those who are on the Senior Management group, may only give reference in a private capacity, and no use shall be made of the Company name or stationery with the Company emblem.

9. Absence without Leave or Without Reasonable Cause

9.1 An employee who absents himself without leave or without reasonable cause shall be liable to disciplinary action.

9.2 Where an employee is absent for more than two (2) consecutive working days without obtaining leave beforehand and without informing the Company the reason for his absence, he is deemed to have broken his contract of service.

9.3 Where the employee has informed the Company of the reason for his absence, the Company may reject the reason if in the Company's opinion it is unacceptable.

9.4 The Company may initiate appropriate steps to terminate the employee's service if it is satisfied that the employee has broken his contract of service.
10. **Officer to Report**

10.1 If an employee finds that his subordinate is inefficient or has committed any breach of any of the Terms and Conditions of Service, the employee shall forthwith report either orally or in writing to his immediate superior or Head of Department. If the report is made orally he has to subsequently confirm it in writing.

10.2 An employee who fails to report shall himself be considered to be guilty of inefficiency and render himself to disciplinary action.

11. **Secrecy and Leakage of Information**

11.1 An employee shall not, either during or after his employment hereunder, divulge or utilize any confidential information belonging to the Company (including confidential information as to formulae, processes and manufacturing methods, and confidential information as to the business and affairs of the Company) which may have come to his knowledge during his employment under any previous contract of service with the Company and he shall, both during and after his employment hereunder, take all reasonable precautions to keep all such information secret.

11.2 Except so far as may be necessary for the purpose of his duties hereunder, an employee shall not, without the consent of the Company retain or make originals or copies of telegrams, letters, maps reports, drawings, calculations, specifications, formulae, forms, licences, agreements or other documents of whatever nature belonging to the Company or notices thereof, nor retain samples of specimens in which the Company may be or may have been interested and which have come into his possession by reason of his employment hereunder. If on termination of his employment hereunder an employee is in possession of any originals or copies of telegrams, letters, maps, reports, drawings, calculations, specifications, formulae, forms, licenses, agreements, or other documents of whatever nature belonging to the Company, or any notices thereof or any such samples or specimens as aforesaid, he shall deliver the same to the Company without being asked, except so far as consent to retain them has been given to him by the Company. Any such consent shall not of itself relieve the employee from his obligations under para 11.1 above.

11.3 The employees are also subject to the provision in the Official Secrets Act 1972 (Act 88), and all subsequent amendment thereto, where it prohibits the free access and indiscriminate use of documents containing matter or information which is prejudicial to the safety or interests of Malaysia.

11.4 Failure to observe the provisions in para 11.1 or para 11.2 above, may render an employee in breach of these provisions liable to be charged and prosecuted under the Official Secrets Act 1 972 (Act 88).
12. **Liability of Employees**

12.1 An employee may be liable to an extent to be determined by the Company for any the Company's facilities given or any other action taken by him with the approval of the Company.

12.2 Any payment that has to be made by the Company as a result of the employee's negligence or careless action or as a result of action taken without approval shall be recoverable from the employee by way of deduction from his salary or the Company at its discretion may take any other action against such employee.

13. **Conflict of Interest**

13.1 An employee may not own, either directly or indirectly e.g. through his immediate family, shares or other forms of beneficial interest (herein collectively called "Equity") in:

(i) Privately owned entities which derive the major part of their income from contractual or other business arrangements with the Company;

(ii) Privately owned entities which are listed in the Company's lists of authorised contractors, even if the entities concerned do not derive most of their income from contractual or other business arrangements with the Company;

(iii) Privately owned entities supplying materials, equipment, property and/or services to the Company,

13.2 Should an employee directly or indirectly (e.g. through immediate family) become the owner of Equity in such entities which have the foresaid relationship with the Company, then the employee has an immediate obligation to inform the Company in writing the same. The Company will then consult with the employee concerned as to the most appropriate way to prevent conflict of interest.

14. **Conflict of Interest where an employee is A Party to Decision Making**

An employee whose family has interests (whether this be in the form of Head of Department, partnerships, share holdings or through agencies) in entities, which are on the Company lists of authorised contractors which have contractual or supply arrangements with the Company, and who are involved in any decisions regarding or dealings (whether directly or indirectly) with such entities in the course of their duties with the Company, should inform the Company in writing of such interests prior to entering into any such decisions/dealings. The Company will then consult with the employee concerned as to the best possible way to prevent a conflict of interest.
15. Gift

15.1 An employee is discouraged to receive or give, nor allow his immediate family to receive or give on his behalf gifts or provision of gratuitous services from or to the Company’s contractors, suppliers, bankers, dealers or customers, as this could place such executives in a position whereby their independent business judgement may be prejudiced.

15.2 All gifts of whatever nature or the offer of gratuitous services received by an employee or his immediate family, either directly or indirectly, from the Company’s contractors, suppliers, bankers, dealers or customers, other than souvenir items such as calendars, diaries, desk diaries, which have little or no monetary value, must, on receipt, be reported in writing and surrendered by the recipient to his Departmental/Divisional Head.

15.3 In each case, the Head of Department/Division will at his discretion decide whether or not the gift may be retained by the individual. Depending on the value of the gift to the recipient the Head of Department/Division may assign a token price to the gift and allow the recipient to retain the gift after he has paid the said token price to the party who gave him the gift.

16. Entertainment

16.1 It is not unusual, in the course of business, for employees and their spouses to be entertained by contractors, dealers, suppliers, or customers.

16.2 If such entertainment becomes a regular feature or when it exceeds a reasonable scale, executives are advised to report this to their Head of Department.

16.3 An occasional dinner on a reciprocal basis is acceptable but lavish entertainment or a paid holiday is not.

17. Public Service, Recreational, Sport, Union and Community Activities

17.1 Employees who are invited to serve on local bodies, or as an appointed or elected club official are required to notify their Heads of Department immediately upon being so appointed or elected and must be able to combine their outside activities with full-time the Company employment.

17.2 Such employees shall discharge their dual responsibilities satisfactorily both in respect of the time taken up by the outside activity and the competitive nature of duties involved.
18. Political Activities

18.1 The Company recognises that employees in their capacity as citizens may wish to involve themselves in legitimate political parties.

18.2 While the Company does not wish to discourage employees from doing so and in order that the Company can avoid involvement or identification with any political party, such employees would be required to use their off duty time, or leave entitlement for such matters. No time off, with or without pay, will be granted for this.

18.3 However, the Company exercises certain restraint to employees who are seeking election or have been appointed to the positions of Head, or its equivalent, Secretary or Treasurer at Division or National level. In this instance, the employee concerned would need to obtain approval from the Company.

19. Living beyond Official Emoluments and Legitimate Private Means

19.1 Where in the opinion of the Company, an employee is or appears to be:

   i. Maintaining a standard of living which is beyond his official emolument and other legitimate private means, if any; or

   ii. In control or in possession of pecuniary resources or property, movable or immovable, the value of which could not reasonably be expected to have been acquired by the employee with his official emoluments and any legitimate private means;

19.2 The Company may call upon the employee to explain in writing how he is able to maintain the said standard of living or how he acquired his pecuniary resources or property.

20. Borrowing Money

20.1 An employee is not encouraged to borrow from any person or stand as surety or guarantor to any borrower, or in any manner place himself under any serious obligation to any person:

   20.1.1 Who is directly or indirectly subject to his official authority.

   20.1.2 With whom the employee has or is likely to have official dealings.

   20.1.3 Who carries on the business of money lending.

20.2 An employee may, however, borrow from banks, insurance companies, cooperative societies, or financial companies licensed under law or incur debt through acquiring goods by means of hire purchase agreements provided that:
20.2.1 Such institutions from which the employee borrows are not directly subject to his official authority;

20.2.2 Such borrowing shall not lead to public scandal or be construed that the employee has abused his position to his private advantage; or

20.2.3 The aggregate of his debts does not or is not likely to cause him serious pecuniary indebtedness as defined under Clause 3 above.

21. **Prohibition of Action as Editor**

An employee shall not act as the editor, or take part directly or indirectly in the management of, or in any way making financial contributions to, any publications, including newspaper, magazine or journal except the Professional publication and Publication of non-political voluntary organization.

22. **Institution of Legal Proceedings and Legal Aid.**

22.1 Where an employee desires legal aid as provided under para 22.3 below, he shall not institute legal proceedings in his own personal interests in connection with matters arising out of duties without the prior consent of the Company.

22.2 An employee who receives a notice of the intended institution of legal proceedings against him in connection with matters arising out of his duties or who receives any process of court relating to the said legal proceedings shall immediately report the matter to the Head of Department for instruction as to whether and how the notice or, as the case may be, the process of court is to be acknowledged, answered or defended.

22.3 An employee who desires legal aid to retain and instruct an advocate and solicitor for the purpose of legal proceedings in connection with matters arising out of his duties may take an application to the Company. The said application shall contain all the facts and circumstances of the case together with the considered opinion of the Head of Department as to the nature of the employee’s involvement.

22.4 On receipt thereof, the Company may approve or reject the said application subject to the advice from General Counsel Division on any matters which may consider advisable.

22.5 Charges for employing an advocate and solicitor retained and instructed by or on behalf of an employee in legal proceedings in connection with matters arising out of his duties without prior approval by the Company will not be paid for by the Company.
23. **Dress code**

23.1 An employee should be neatly, appropriately and decently attired during office hours.

23.2 In choosing a fashion, an employee should always bear in mind the criteria of decency and present ability in keeping with the Company good image.

23.3 Slippers, round neck T-shirts and jeans are not allowed in head office during working hours.

23.4 The Company will undertake to provide Company's uniform to its employee. An employee shall require wearing the uniform for office attire. The facility shall be revoked upon the eligible employees:

   23.4.1 Terminate the employment with the Company.

   23.4.2 They involve in the disciplinary actions.

24. **Sexual Harassment**

Sexual harassment is a form of conduct or behaviors. It is important to identify what behavior constitutes sexual harassment.

24.1 The Company further realizes that the physical, emotional and psychological well being of its human resources is of primary importance and therefore, resolves that:

   24.1.1 No employee is harassed by his/her superior into granting favors of a sexual nature, for the purpose of security any advantage or presenting any detriment in relation to his/her positions in the Company.

   24.1.2 No employee shall perpetrate any act of sexual assault or sexual blackmail against any subordinate, peer or superior.

   24.1.3 All employees shall adhere strictly to the rules of decency in relation to sexual conduct.

24.2 Sexual harassment encompasses various conducts of a sexual nature which can manifest themselves in five possible forms:

   24.2.1 Verbal harassment:

       Offensive or suggestive remarks, comments, jokes, jesting, kidding, sounds, questioning.
24.2.2 Non-verbal/gesture harassment:

Leering or ogling with suggestive overtones, licking lips or holding or eating food provocatively, hand signal or sign language denoting sexual activity, persistent flirting.

24.2.3 Visual harassment:

Showing pornographic materials, drawing sex-based ketches or writing sex-based letters, sexual exposure.

24.2.4 Psychological harassment:

Repeated unwanted social invitations, relentless proposals for dates or physical intimacy.

24.2.5 Physical harassment:

Inappropriate touching, patting, pinching, stroking, brushing up against the body, hugging, kissing, fondling, sexual assault.

24.3 Further, sexual harassment is divided into two categories:

24.3.1 Sexual coercion which results in some direct consequence to the victim’s employment status or employment benefit:

The perpetrator, as a superior abuses his power in the employment relationship by taking undue advantage of the economic vulnerability and economic dependency of the subordinate to coerce the subordinate into granting sexual favors. If the subordinate accedes to the superior’s sexual solicitation tangible job benefits follow, and conversely, if the subordinate refuses, job benefits are denied.

24.3.2 Sexual annoyance or hostile environment harassment.

No direct link to the victim’s employment status or employment benefits. However, the offensive and annoying conduct creates a hostile and bothersome work environment which the victim has to tolerate. This category of sexual harassment can be committed either by superior against a subordinate or by an employee against a co-employee or by a client against an employee.
25. Disciplinary Procedure

25.1 The Company may impose any one or combination of the following disciplinary actions against an employee in the event of misconduct or procedure:

a. Give him written warning

b. Suspend him with or without pay for a period to be determined by the Management.

c. Withhold his increment for a period to be determined by the Management.

d. Stop his increment for a period to be determined by the Management.

e. Defer his increment for a period to be determined by the Management.

f. Stop payment of bonus if such bonus is declared.

g. Demote him

h. Terminate his service

i. Summary dismissal.

25.2 The Head of the Company or any employee authorized by him may suspend an employee before or after an investigation has been carried out and an employee shall be notified accordingly.

25.3 Exception to the above, before any disciplinary action is taken, an employee shall be given an opportunity to be heard and the Management decision after the hearing shall be final.

26. Grounds for disciplinary action

26.1 Any of the above-stated disciplinary action as outlined in para 25.1,(a) to (i) of Clause 25 can be taken on the ground (s) of:

a. Inefficiency

b. Dishonesty

c. Misconduct

d. Indiscipline

e. Negligence
f. Carelessness

g. Bankruptcy

h. Serious pecuniary embarrassment

i. An act of insubordination

j. Abuse of position of office

k. Conviction for a criminal offence

l. Default against any of the Terms and Conditions of Service

m. Any other act or neglect considered serious.

26.2 Exception to the provision of this Handbook, where it is represented to or is found by the Head of Company or any other officer acting on his behalf that it is desirable that any employee should be required to leave the service in the interest of the Company or on grounds which cannot suitably be dealt with by any of the procedure above-stated, the Head of Company may terminate the service of the employee on giving one month's written notice or one month's salary in lieu of such notice.

27. Appeal procedure

An employee who is aggrieved by the decision in a disciplinary action has the right to appeal to have the decision reviewed within thirty (30) days from the date of the service or posting of the written disciplinary serve (whichever is the later).
Appendix 1

OUTSTATION ALLOWANCES

A. DOMESTIC TRAVELLING

An employee who is required to travel on the Company’s business outside his place of employment is entitled for an outstation reimbursement as follows:

1. Subsistence Allowance

   1.1 Full day outstation trip:

       Peninsular Malaysia : RM 50.00 per day
       Sabah, Sarawak & Labuan : RM 70.00 per day

   1.2 Partial day outstation trip:

       Subject to the time spent on their outstation trips as follows:

       Breakfast (6.30am – 9.30am) : 20% of Subsistence Allowance
       Lunch (12.00pm – 2.30pm) : 40% of Subsistence Allowance
       Dinner (7.30pm – 9.00pm) : 40% of Subsistence Allowance

2. Offshore Allowance

   RM 200.00 per day.

3. Accommodation

   (i) An employee shall be entitled for a single standard room and may claim the actual amount of hotel accommodation upon production of original receipt subject to the maximum daily entitlement of RM 120 per day.

   (ii) For purpose of claiming GST on accommodation, the hotel receipt must be under Company’s name. If not, Company will not pay the GST amount.

   (iii) Un-receipted lodging is RM 50.00 per day.

   (iv) Actual laundry expenses are reimbursable based on actual receipt subject to minimum stay of two (2) days. For purpose of GST claim, laundry receipt must be under Company’s name. If not, Company will not pay to the staff the GST amount.

4. Transportation

   4.1 Subject to Part VI, Clause 2 of Domestic Travelling.
B. INTERNATIONAL TRAVELLING

1. An employee who is required to travel overseas on the Company's business or attending training program outside Malaysia is eligible for Outstation Traveling Allowance as follows:

1.1 Air Travel

Economy Class subject to the most economical means of transportation available and the shortest possible route to destination. However, practicality and convenience of travelling will be considered.

1.2 Public Transportation

An employee may claim the actual expenses incurred when traveling using public transportation such as taxi, bus, trains and commercial passenger ship/ferry.

1.3 Hotel Accommodation

(i) An employee shall be entitled for a single standard room and may claim the actual amount of hotel accommodation upon production of original receipt.

(ii) For purpose of claiming GST on accommodation, the hotel receipt must be under Company's name. If not, Company will not pay the GST amount.

(iii) Actual laundry expenses are reimbursable subject to a minimum stay of two (2) days. For purpose of GST claim, laundry receipt must be under Company's name. If not, Company will not pay to the staff the GST amount.

1.4 Subsistence Allowances

1.4.1 Duration of three (3) months & below:

1.4.1.1 Receipted: USD 35 per day for all countries.

1.4.2 Duration of more than three (3) months will be treated on a case by case basis.

1.5 Excess Baggage

An employee shall be entitled to claim expenses on excess baggage on official items only upon production of original receipt.
1.6 **Passport Charges**

Should the employee be required to apply or renew his international passport for the purpose of attending training or business travel overseas, he is eligible to claim the passport charges and other expenses incurred for such application.
2. **MEDICAL INSURANCE**

   During business travel or training, the employee will be covered for medical benefit either through reimbursement or a medical insurance policy, whichever