

1. INTRODUCTION

Affluent Cycle Industries Sdn. Bhd. (ACI) is committed to advancing fundamental human rights and responsible labor practices throughout our operations. We strive to uphold fundamental human rights principles in all the ways that we interact with people as employees, consumers, customers, suppliers, contractors, and community members wherever we conduct business.

This Labor and Human Rights Policy applies to all employees in Affluent Cycle Industries Sdn. Bhd. We expect all of our employees to uphold this policy, and we expect our vendors and suppliers to do the same.

2. EMPLOYEE HEALTH AND SAFETY

At Affluent Cycle Industries Sdn. Bhd., we live by the principle of "Safety First". Creating a safe workplace for all is one of our core business values and is everyone's shared responsibility. ACI concerns on the employee health and safety and targets to provide a safe and healthy workplace that is free from any unsafe acts and conditions under the cooperation of all. Regular review on facility's health and safety practices across the factory is conducted alongside with the regular review on fire-fighting equipment, the preparedness of workers to response to emergency situations, the availability of personal protective equipment, the knowledge on chemical safety and the needs on safety and health training.

ACI will review the effectiveness of health and safety training and the needs for additional training. Regular assessment will be done through Occupational Health and Safety Committee Meeting to highlight any violations of health and safety, thus relevant correction and corrective actions will be enforced to improve ACI's health and safety.

ACI upholds ISO 45001 Occupational Health and Safety policy, integrated with other SHEQ standard policies as the guidelines to ensure the employee health and safety.

3. WORKING HOURS, BENEFITS & WAGES

ACI strives for an ethical working environment among employees that promotes a harmonious working atmosphere by which can help improve the business efficiently.

Working hours shall comply with legal limits. Overtime work will be voluntary and compensated according to applicable laws.

ACI is committed to paying fair wages and benefits according to relevant standards wherever we operate. The Company makes sure that workers have the authority to check and verify with HR regarding their own records on wages, benefits and deductions or any discrepancies.

4. SOCIAL DIALOGUE

ACI aims towards mutual understanding and great communication within individuals related with the factory (employees, shareholders, customers, the communities where we operate and civil society groups).

Employees are also open to communicate with Management through HRA department and we encourage their full participation in the business. ACI allows the employees to address their point of view through Employer-Employee Dialogues which is arranged twice yearly lead by the Managing Director himself.

5. CAREER MANAGEMENT & TRAINING

ACI encourages career improvement within the company and supports the need for trainings. This is to ensure that employees are provided with necessary knowledge and skills to perform their jobs.

New employees will be trained by HOD with On-Job-Training to provide them with the necessary knowledge and skill to perform their work. This is also applicable whenever an employee is transferred to another department, if there is new machinery and if there is any change in Work Instruction.

Our HRA department will come out with a Training Plan that is being planned annually or whenever needed to ensure that employees are well-educated with knowledge and skills which can improve productivity within the company.

Therefore, ACI commits to provide at least 8 hours training per employee for a year.

6. CHILD LABOR, FORCED LABOR AND HUMAN TRAFFICKING

ACI is against child labor under any circumstances, thus only accept candidates with the minimum age of 18 years old at point of job application. ACI prohibits any kind of slavery or forced labor including bonded labor, indentured labor or human trafficking. Workers are free to move around and leave the workplace once their shift ends.

7. HIRING PROCESS, DIVERSITY & DISCRIMINATION

ACI is committed to providing equal employment opportunities to all applicants and ensuring a fair, transparent, and non-discriminatory recruitment process. All hiring decisions shall be based solely on the individual's qualifications, skills, experience, and ability to perform the essential functions of the job.

ACI does not tolerate discrimination in any form throughout the recruitment process, including but not limited to discrimination based on race, color, gender, age, religion, nationality, ethnicity, marital status, parental status, disability, sexual orientation, political belief, or any other characteristic protected by applicable laws.

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ACI also strictly prohibits the employment of any worker below the age of 16, any form of forced or compulsory labor, and any practices involving discrimination at any stage of employment, including recruitment, training, job assignments, promotions, or terminations.

8. HARASSMENT

ACI is committed to provide a violence-free workplace. Any act of violence committed is unacceptable conduct and will not be tolerated. It has to be reported regardless of who the alleged offender(s) might be.

ACI promotes an environment free of discrimination and harassment where all employees are employed based upon their abilities and will be given the opportunity to progress within The Company without regard to their gender, marital or parental status, ethnic or national origin, sexual orientation, religious belief, political affiliation, age (subject to contractual retirement age), disability or any other characteristics unrelated to an individual's ability to perform the work required by the job.

Employees must not engage in the Bullying of other Employees or any other person performing work or services. Discrimination, Harassment and Bullying have the potential to create a risk to a person's health and safety.

9. SEXUAL HARASSMENT

ACI is committed to providing a safe, respectful, and professional workplace that is free from all forms of sexual harassment.

Sexual harassment refers to any unwelcomed sexual conduct, whether verbal, non-verbal, visual, psychological, or physical, creates an intimidating, hostile, or offensive work environment. Interferes with an individual's work performance. Is used as a condition for employment-related decisions (e.g., promotions, salary, or evaluations). Examples of sexual harassment include but are not limited to, lewd or suggestive remarks or jokes, gestures or facial expressions with sexual connotations, unwanted physical contact or touching, displaying pornographic or sexually explicit materials, sending inappropriate messages or content (physically or digitally).

Employees are encouraged to report any incidents to HR, a supervisor, or through the company's designated complaint channel. All reports will be treated with strict confidentiality and will be investigated promptly. Disciplinary actions may include formal warning, suspension, or dismissal, depending on the severity of the violation.

ACI strictly prohibits any form of retaliation against individuals who report sexual harassment.

10. EMPLOYEE RELATIONS

The Company strives towards a non-discriminatory company culture based upon responsibility, excellence and respect, which builds upon the talents of our workforce.

It is the policy of The Company to treat all current or potential employees fairly and without prejudice. The Company is committed to eradicating any unfair or discriminatory practises should they occur.

The Company will demonstrate good faith and mutual respect in dealing with employees and their representatives in the workplace. The Company will not use corporal punishment or other mental, physical or verbal abuse or coercion on its employees.

Slogan : *“May you, no matter what colour, race or religion you may be, always remember to serve willingly, cheerfully, efficiently all those who need your help and you will do so with love and humanity”..... Lee Sook Ching.*

11. RESPECT FOR HUMAN RIGHTS

The Company respects fundamental human rights and will be guided in its operations by the provisions of this code of conduct.

The Company supports and respects the protection of human rights within its sphere of influence; in particular the effective elimination of compulsory labor and child labor, forbidding physical/verbal/psychological/sexual abuse of workers, and it will make this criteria in the choice and management of its relationships with suppliers and subcontractors.

12. COMMUNICATIONS AND PRIVACY DATA

The Company will respect the privacy of data relating to individual persons (whether employees or third parties), which it may hold or handle as part of its information processing activities.

No employee shall without proper authority access, modifies, disclose or make use of any confidential group or personal information for any purpose other than is allowable legitimately.

13. WHISTLE-BLOWING PROCEDURE

To help ensure compliance with the Human Rights Policy, the Company whistle-blowing web-based reporting and phone line are available to encourage employees and its stakeholders, which include contractors, suppliers, customers and anyone else, who have questions about the Policy and the Code of Conduct or want to confidentially report human rights concerns. The Company encourages speaking up and prohibits retaliation for reporting concerns.

Any employee who is aware of a violation of applicable law or of this policy should report that information immediately to his/her supervisor. If the immediate supervisor is involved in the situation, or is conflicted in any other way, the situation is to be reported to his or her immediate superior as well as to the Managing Director.

Respective supervisors and managers are required to investigate and resolve all such complaints and report progress to the Managing Director.

If, as an employee, you have raised a concern and the issue has not been resolved, report the issue to the Managing Director.

The Managing Director is also available as an independent source of advice to any employee requiring assistance, advice or clarification on issues pertaining to this policy.

14. GRIEVANCES / COMPLAINT PROCEDURE

ACI tailored the grievance mechanism to provide employees an additional channel to address concerns and complaints related to workplace matters that do not fall under the purview of the Whistleblowing Policy. While the Whistleblowing Policy primarily deals with serious misconduct and unethical behavior, this grievance mechanism is intended to address broader workplace grievances, disputes, or concerns. It is also typically an internal procedure for complaints followed by consideration, management response and feedback. Grievance can arise from issues below but is not limited to:-

- Victimization at the workplace
- Bullying and workplace harassment
- Health and safety at the workplace
- Poor supervisor and/or management behaviour
- Unjust or adverse changes made to the employment agreement
- Policy guidelines are violated.
- Disputes between co-workers, suppliers, superior or management
- Employee development or training
- Leave allocation/approval
- Performance Appraisal
- Pay and benefits

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- Work conditions and other work-related issues
- Problems faced due to facilities provided
- Other employment-related issue

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Respective supervisors and managers are required to investigate and resolve all such complaints and report progress to the Managing Director.

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The Managing Director is also available as an independent source of advice to any employee requiring assistance, advice or clarification on issues pertaining to this policy.

All reports are handled confidentially. Complaints will be investigated promptly and disciplinary actions may include warnings, suspension, or dismissal.

15. APPLICABILITY

All officers, executives and managers of The Company and its subsidiaries are responsible for the ongoing enforcement of and compliance with this policy, including necessary distribution to ensure employee knowledge and compliance.

This policy is not all-inclusive and any employee, who is in any doubt as to whether a proposed course of conduct might infringe it, should seek the advice of his/her supervisor before taking action.

The practical application of this policy will be regularly monitored and openly communicated.

16. RESPONSIBILITY AND ACCOUNTABILITY

As the Managing Director, I assume full responsibility and accountability for compliance to all the stipulations of this Company Labor and Human Rights.

Approved by:

Teoh Khim How
Managing Director