

**SEM Matic Sdn Bhd is committed to continually improve to ensure:**

**COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS**

- operate in full compliance with relevant laws and regulations applicable to our operations

**COMPLIANCE WITH RBA CODE OF CONDUCT REQUIREMENTS**

- compliance with RBA code of conduct requirements

**FREELY CHOSEN EMPLOYMENT**

- all employees are working by their own free choice, without any form of bonded, involuntary or exploitative prison, trafficked or slave labor
- no deposit, agent's recruitment fees or incur debt as part of the employment required from workers to enter the Company
- there are formal employment contracts between the employees and employer
- all employees to have copies of their employment contracts
- not hold, destroy or deny access of employees to their identity or immigration documents
- pay workers appropriate amounts for all hour's workers when employment has been terminated voluntarily or involuntarily
- freedom of movement

**YOUNG WORKERS**

- no child labor below 15 years old in the organization
- if child labor is identified, assistance/remediation is provided
- ensure protection of young worker (age between 15 – 18 years old) and student workers; young workers working in the company shall not perform work that is likely to jeopardize their health or safety
- identification and assignment of young workers to non-hazardous positions
- restriction on time of day worked (young workers are not allowed night work or overtime)
- provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. If child labor is identified, assistance/remediation shall be provided.

**WORKING HOURS**

- time – off as per national law;
- there shall be written procedures to manage the working hours of the Company
- hour worked in a workweek does not exceed 60 hours
- all workers are entitled to one day off per week
- hours worked, days off, sick leave, holidays, vacation and paternity/maternity leave are provided
- mandated meal and rest breaks, leave periods, holidays, and vacation days are provided

**WAGES AND BENEFITS**

- all compensation paid to employees complies with all applicable laws
- "pay equals time worked" applies
- no disciplinary wage deductions
- all wages, benefits and overtime are calculated correctly at pay rates in compliance with Malaysian laws
- overtime rate shall be paid at a premium as specified in the relevant laws at the time
- the payment of wages is on time

<b>SEM MATIC SDN BHD</b>	<b>LABOUR &amp; ETHICS POLICY</b>		
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- there shall be no punitive and illegal deduction of salary
- deductions on behalf of government agencies are remitted within the time frame.
- all temporary, dispatch, outsourced workers shall be within the Malaysian laws

**HUMANE TREATMENT**

- a workforce free of inhumane treatment with absence of harassment, corporal punishment, coercion, verbal and physical abuse and intimidation
- efficient internal communication in which open & honest communication among employees is valued & respected; and views & ideas of the employees are utilized
- disciplinary policies and procedures in support of RBA requirements shall be clearly defined and communicated to workers.
- investigate, address & respond to the concerns of employees & take appropriate corrective action in response to any violation
- provide appropriate gender-responsive measures shall be taken for pregnant women and nursing mothers in the company, which protect them from working conditions that are hazardous to them or their child and to provide reasonable accommodations for nursing mothers

**NON-DISCRIMINATION**

- not engage in discrimination based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, accommodation, benefits, rewards, and access to training.
- reasonable accommodation for religious practice is provided

**FREEDOM OF ASSOCIATION**

- respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities

**NO IMPROPER ADVANTAGE**

- uphold the highest standards of integrity in all business interactions with a zero tolerance to any and all forms of bribery, corruption, extortion and embezzlement
- gifts to or from suppliers and customers is not excessive in cost and frequency
- bribes or other methods of obtaining undue or improper advantage are not being promised, offered, authorized, given or accepted
- no conflicts of interest
- ensure compliance with anti-corruption laws and appropriate sanctions when a violation is confirmed/proven and preventive action plan
- appropriate sanctions when a violation is confirmed/proven and preventive action plan

**DISCLOSURE OF INFORMATION**

- information received from suppliers, customers as part of the contracting process is protected.

**INTELLECTUAL PROPERTY**

- IP ownership and IP are protected

**FAIR BUSINESS, ADVERTISING AND COMPETITION**

- fair business, advertising and competition standards are upheld



- no collusion with other companies on product pricing or other factors that could reduce competition

**PROTECTION OF IDENTITY AND NON-RETALIATION**

- protection of identity and non-retaliation
- Protection of whistleblowers and/or users the of the grievance mechanism(s) (internal and external)

**PRIVACY**

- prevent unauthorized disclosure of personal information

**MATERIAL RESTRICTIONS**

- adequate and effective program is in place for Materials Restrictions as a formal part of the procurement and manufacturing processes

**RESPONSIBLE SOURCING OF MATERIALS**

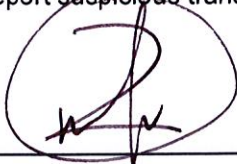
- adequate and effective Conflict Minerals Supply Chain Policy and Management System that is designed and implemented to reasonably assure the 3TG in the products they manufacture are sourced in a way consistent with the OECD Due Diligence Guidance or an equivalent and recognized due diligence framework

**SUPPLIER RESPONSIBILITY**

- communicate the RBA requirements to the next tier of suppliers
- adequate process to ensure next tier suppliers are comply to the RBA requirements

**ANTI - MONEY LAUNDERING POLICY**

- SEM Matic Sdn Bhd is committed to prevent all practices related to money laundering, including dealing in the proceeds of criminal activities and terrorism financing.
- The following activities are taken to prevent money laundering, but not limited to the following:
  - a) Conduct customer due diligence at the start of a new business relationship or any change in the business relationship (taking steps to identify customers obtaining a customer's name, copy of their business registration document)
  - b) Keep proper record on the customer and transactions;
  - c) Prohibit payments made in currencies that differ from invoices;
  - d) Do not allow cash transaction exceeding the threshold amount specified, where applicable
  - e) Do not allow attempts to make payment in cash or cash equivalent (out of normal business practice)
  - f) Do not allow attempt to split large sum of payments
  - g) Do not allow payments made by third parties that are not parties to the contract;
  - h) Do not allow payments to or from accounts of third parties that are not parties to the contract.
  - i) Implement AML/CFT compliance programme;
  - j) Report suspicious transaction report (STR) to Bank Negara



**Sam Law**  
**Chief Executive Officer**  
**Date : 15 July 2024**