Etheos Imprint Technology Sdn Bhd.

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Standard Operating Procedure

Rev.: 0

Social Compliance Procedure

Effective Date: 15/Dec/2023

Revision History

Revision No.	Description of Change	Effective Date
0	Newly established	15/Dec/2023

Documentation	Prepared By	Reviewed & Approved By
Signature		
Position	Management Representative	Managing Director
Date	15/Dec/2023	15/Dec/2023

Social Compliance Procedure

1.0 Purpose

1.1 The objective of this policy is to ensure that the organization and all its employees adhere to Social Compliance Initiatives in line with the legal regulations and requirements.

2.0 Scope

2.1 This procedure covers all employees of the organization.

3.0 Reference Procedure

3.1 FSC-STD-40-004 – Chain of Custody Certification

4.0 Appendics

4.1 Nil

5.0 Applicable Records

5.1 Nil

6.0 Definition

6.1 FSC – Forest Stewardship Council

6.2 CoC – Chain of Custody

7.0 Responsibility

7.1 It is the responsibility of Management Representative (MR) to ensure the organization comply with the procedure requirements.

8.0 Procedure

8.1 Freely Chosen Employment & No Forced Labour

8.1.1 No forced (working under threat of penalty), bonded or indentured (forced to work to pay off debt) labor.

8.1.2 Involuntary prison labor; slavery or trafficking of persons shall not be used.

8.1.3 Employer do not hold the employee's original documents. Please refer Employee Handbook

8.1.4 Appointment Letter shall be provided in the language understandable by the employee before engaging into employment

8.1.5 The Appointment Letter shall consist of description of their duties, information on working hours, rate of pay and other benefits.

8.1.6 In case the employee is illiterate, an experienced employee shall translate the content of the Employee Handbook prior to obtaining the consent to engage into employment.

8.1.7 Either employer or employee may at any time give notice to the other party to express the intention to terminate such contract of service.

8.1.8 The length of such notice shall be the same for both employer and employee and shall be determined by the provision made in the Appointment Letter.

8.1.9 Employment contract can be terminated immediately with compensation in lieu of notice

8.2 No Underage Employees

8.2.1 Each individual's age is verified based on the information provided in his/her personal documents before engaging into employment.

8.2.2 Considering that the organization operated in a manufacturing environment, no one under the age of 18 shall be hired as employee.

8.2.3 In the event of accidental hiring of child / young person, he/she shall be removed from site immediately with compensation in lieu of notice

8.2.4 Further investigation will be conducted and disciplinary actions will be taken against departments that are found violating these regulations.

8.3 Minimum Wage and Working Hours

8.3.1 Compensation paid to employees shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits.

8.3.2 Working hours and overtime shall be limited to what is acceptable by local laws and the information shall be communicated to all employees in written via memos or other channels of communications.

8.3.3 Disciplinary actions will be taken against departments that are found violating these requirements without valid reasons.

8.3.4 Wages shall be paid at regular intervals.

8.4 Freedom of Association and Rights to Collective Bargaining

8.4.1 Employees have the rights to associate or not associate with third-party organizations, join or not join labor unions, seek representation, bargain or not bargain collectively in accordance with local laws.

8.4.2 The organization does not discriminate the members of any trade union as they are given equal opportunity as other employees.

8.5 Anti-Discrimination (Humane Treatment)

8.5.1 Harassment and unlawful discrimination are not tolerated at any stage of employment and occupation; including race, color, religion, national origin, age, disability, disease, sexual orientation, gender identity, marital status (including pregnancy), family responsibilities, social background, and criminal record.

8.5.2 Harsh or inhumane treatment is not tolerated; including all types of harassment (sexual/physical/verbal), sexual abuse, corporal punishment, slavery, mental or physical coercion or verbal abuse of employees, nor is there to be the threat of any such treatment.

8.5.3 Employees shall strive to maintain healthy, safe and productive work environment by adhering to the highest standard of professional conduct. They should in all respect and at all time, conduct themselves with honesty, propriety and must not in any circumstances, commit any act that would bring damage to the organization, its employees, property, reputation or general interest

8.5.4 Employees are expected to have respect and tolerance for culture and religion and maintain a work environment that is free from discrimination or harassment.

8.5.5 Employees shall avoid any conduct in the workplace that creates, encourages or permits and offensive, intimidating or inappropriate work environment including, but not limited to:

8.5.5.1 Threats or comments that contain discriminatory or harassment elements.

8.5.5.2 Unwelcome sexual advances.

8.5.5.3 Violent behavior or actions.

8.5.5.4 Misuse or abusive of positions of authority.

8.5.5.5 Inappropriate dressing in violation of the dress code policy of the organization

8.6 Integrity

8.6.1 Anti-Corruption & Bribery

8.6.1.1 The organization shall not tolerate any form of corruption and bribery. Please refer to organization's Code of Ethic.

8.6.1.2 Employees shall record and report all information accurately and with integrity.

8.6.1.3 Records shall be managed securely in line with their importance and in compliance with legal, tax, regulatory, accounting and other business retention requirements as required by the laws in the country and also in accordance with the requirements of the legal requirements.

8.6.1.4 Employees shall not offer, give, solicit or accept bribes in order to achieve business or personal advantages for themselves or others or engage in any transaction that can be construed as having contravened the anti-corruption laws.

8.6.1.5 Employees shall be aware of the fact that bribes may be in any form, monetary or otherwise including but are not limited to unauthorized remuneration such as referral fee, commission or other similar compensation, material goods, services, gifts, business amenities, premiums or discounts of an inappropriate value or of an unreasonable level or that are not generally offered to others or that are prohibited by law or may reasonably be viewed as having crossed the boundaries of ethical and lawful business practice

8.6.1.6 Prior to giving or accepting any business amenity or other gifts (in whatever form or value), employees shall assess the appropriateness of their actions by assessing if the action could influence or could reasonably give the appearance of influencing the business relationship of the organization with that organization or individual or any business decision arising out of that business relationship.

8.6.1.7 Employees shall declare all gifts received to their respective HOD or immediate superior and handover such gifts to the HR Department.

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8.6.3 Privacy and Information Security

8.6.3.1 The organization shall comply with privacy and information security law and regulatory requirements when collecting, using, processing or storing personal information.

8.6.3.2 No employees are permitted whether during or after termination of their employment with the organization, to discuss or divulge confidential information pertaining to the organization's businesses and its customers' details directly and indirectly to anybody, especially to competitors.

8.6.3.3 Employees should not discuss whether among themselves or with others, within the workplace or outside the organization's premises, confidential information regarding the organization, its business partners, its customers or clients, its employees or any other confidential information except in the course of carrying out the organization's business

8.6.3.4 Any information pertaining to the organization in any way whatsoever and which is not generally available to the public shall be treated with the utmost confidence. Such information must not be shared or used by any employee whether directly or indirectly to influence an investment decision in connection with the purchase or sale of securities.

8.6.3.5 The first obligation of any employee who receives an order or other request seeking the disclosure of confidential information pertaining to the organization is to contact his/her immediate supervisor or HR Manager for guidance

8.6.3.6 An employee should inform his/her immediate supervisor if a member of the media approaches him/her for any information, statement or opinion concerning the organization. The immediate Supervisor shall provide guidance to the employee on the appropriate response to the media's request.

8.6.3.7 An employee shall not make any public statement, about the policies or decisions of the organization whether orally or in writing or in any form whatsoever nor shall he/she circulate or cause to be circulated any such statement.

8.6.1.8 Employees shall not accept any gratuitous entertainment from any of the organization's clients, customers, suppliers, contractors or any part with whom the organization has business dealings without the prior consent of the management

8.6.1.9 Employees are not permitted to sell, distribute or act as agent for the sale or distribution of any type of food or merchandise in the office premises whether during or outside office hours.

8.6.1.10 Disciplinary actions will be taken against the employee who is found to have breach the organization procedures.

8.6.1.11 The organization will not hesitate to terminate the service and/or take legal actions against irresponsible / unprofessional business partners who are found bribing the organization's employees or instigating them to accept bribe.

8.6.2 Anti-Employee Poaching

8.6.2.1 The organization practice ethical recruitment and invest in a lot of resources and time to train its employees. Please refer Employee Manual.

8.6.2.2 Employee poaching is an unwholesome practice and the organization demands its business partners to be socially responsible and ethical in their approach and should not engage in poaching talents by enticing the organization's employees to join them.

8.6.2.3 Business partners who are found poaching the organization's employees shall be viewed as unethical and unprofessional, which may affect the business relationship

8.6.3.8 Employees are not permitted to publish or distribute in any written or printed form, articles, books, periodicals, leaflets, brochures etc containing information relating to the organization without prior written approval of the organization.

8.6.3.9 Any employee who has been invited to appear as a guest speaker in a public forum must, if he/she intends to make such appearance, submit the details and/or the topic(s) of his/her proposed speech to his/her immediate supervisor. The immediate supervisor shall in turn submit the same to the management for their consideration. An employee may only make such appearance if prior approval has been obtained.

8.6.3.10 Disciplinary actions will be taken against the employee who is found to have breach the organization procedures.

8.7 Workplace Health and Safety

8.7.1 The organization ensure its employees are in a safe environment, protected from hazards of the job.

8.7.2 Where necessary, employees are provided safety equipment as appropriate to the work being performed.

8.7.3 The organization provides ready access to clean toilet facilities, potable water and hygienic food preparation, storage and eating facilities for its employees.

8.7.4 The dormitories provided are maintained clean and safe with adequate ventilation

8.7.5 Procedure is in place to manage, track and report occupational injury and illness as per Incident and Corrective Action Procedure. Emergency Preparedness and Response Procedures is also in place to address unforeseen situations.

8.7.6 Occupational Safety and Health Policy shall communicate the organization's commitment statement towards occupational health and safety.

8.8 Environment

8.8.1 The organization is committed to continuously protect the environment.

8.8.2 Environmental Policy shall communicate the organization's commitment statement towards environment.

8.9 Disciplinary Actions

8.9.1 Any employee who commits misconduct or a breach of rules established by the organization, shall be subject to disciplinary action

8.9.2 Misconduct in employment can be broadly dealt with under three (3) headings namely:

8.9.2.1 Misconduct relating to integrity and duty, such as carelessness, misappropriation, insubordination, breach of confidential organization information, etc;

8.9.2.2 Misconduct relating to discipline, such as fighting, fraud, theft, assault, quarrel, gambling, damage to organization property, drug abuse, etc; and

8.9.2.3 Misconduct relating to morality, such as committing an indecent act, sexual advancement, pornography, keeping or distributing indecent or pornographic literature at the workplace, etc.

8.9.3 A panel appointed at the discretion of the organization shall conduct all inquiries. The inquiry panel shall not include a member(s) whose presence may affect the impartiality of the panel in its conduct of the proceedings and its recommendations.

8.9.4 The proceedings of an inquiry shall be duly recorded by the panel for submission to the Head of Human Resources (HR) or to the appropriate higher authority for decision.

8.9.5 The organization may suspend an employee on half pay for a period of not exceeding two (2) weeks pending an inquiry.

8.9.6 All disciplinary actions taken by the organization shall comply with the organization's established procedures and current legislation. Where there is any conflict between the two, current legislation shall prevail.

8.9.7 Head of Departments may issue written warnings on the advice of the HR department. All written warnings shall be recorded in the employee personal file. In the event where three (3) warning letters have been issued within a period of twelve (12) months, the employee shall be subject to an inquiry to determine further disciplinary action.

8.9.8 Depending on the seriousness of the offence committed and after due inquiry, the employee may be subject to any of the following punishments:

8.9.8.1 Dismissal without notice

8.9.8.2 Demotion

8.9.8.3 Suspension from work without pay

8.9.8.4 Written warning

8.9.8.5 Impose any other punishment as the organization deems just and fit

8.9.9 The organization reserves the right to dismiss an employee after due inquiry for misconduct.

8.9.10 This right is in addition to and does not prejudice its other rights under law.

8.9.11 An employee who has been imposed a disciplinary action shall have the right to appeal in writing within thirty (30) days of the announcement of the decision to Managing Director.

9.0 Records

9.1 Nil