Gradiant & Its Group of Subsidiaries

For Malaysia

Employee Handbook

January 01, 2023

About Our Employee Handbook

The content of this employee handbook is provided as a guideline. The source for the employment legislation in this handbook is extracted from the Ministry of Human Resources of Malaysia website and Gradiant's corporate policies.

Sigma Water Engineering (M) Sdn Bhd reserves the right, at any time, in its sole discretion, to modify or vary from anything stated in this handbook. Sigma will notify employees in writing when it makes such policy and procedure changes.

No legal liability or other responsibility is accepted by or on behalf of Gradiant and its group of subsidiaries, including Sigma Water Engineering (M) Sdn Bhd, for any errors, omissions, or statements made within this handbook. Gradiant and its group of subsidiaries, including Sigma Water Engineering (M) Sdn Bhd, accepts no responsibility for any loss, damage or inconvenience caused as a result of reliance on the information contained in this handbook.

This handbook is not intended to constitute a contract between Sigma and any of its employees or to establish an employment relationship for any particular length of time.

Employee Handbook Update History

REVISION#	DATE	DESCRIPTION	REMARKS
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Dear Gradiant Family,

Your presence here represents our belief in your capability and commitment and that you will be an integral part of building and growing Gradiant into a lasting, impactful, technology driven service organization.

Water is perhaps the most valuable natural resource and its conservation and responsible use is critical for the sustained growth of the world's industry, economy, and standard of living. Gradiant's goal is to enable this conservation and responsible use by employing technology and innovation to solve industries' most challenging water treatment problems in an efficient, economical way. We are demonstrating our ability to fulfill this goal via our field operations today.

Gradiant has its origins in water technologies initially invented at MIT. Even though technology is the core of our existence, the company was founded with the mission of building an organization "of the people", a culture and environment powered by passionate, dedicated, hard-working people who share our values of humility, service and sustainable growth. We strive to stay true to that mission but need the contribution of every single member of the family to continue to grow in strength and stability without losing our creativity, our dynamism, and most importantly while keeping Gradiant a fun place to work.

Gradients are driving forces for all movement, patterns of nature, chemical and physical reactions, and for all information processing, one form of which is life. Let's all do our part and continue to make Gradiant a driving force for the economy, quality of life, and for environmental stewardship.

Anurag Bajpayee
Chief Executive Officer

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1. Introduction

About these guidelines and principles of the employee handbook.

This employee handbook is a summary of policies, procedures and practices related to human resources management at Gradiant Corporate and its subsidiaries, namely Sigma Water Engineering (M) Sdn Bhd (herein after referred to as “The Company”).

The following terms in this handbook, unless otherwise specified, shall have the respective meanings set out below:

- Company or SWE shall mean Sigma Water Engineering (M) Sdn Bhd.
- “Employee” shall mean any person serving the Company under contract of service and does not include trainees or interns.
- “Permanent Employee” shall mean an employee employed under a permanent employment contract.
- “Contract Employee” shall mean an employee employed under a fixed term employment contract.
- “Confirmed employee” shall mean an employee who has successfully completed his/her probationary period.
- “Immediate Family” shall mean the spouse, children, parents, brothers, and sisters of the employee.
- “Extended Family” shall mean the parents-in-law, grandparents, and grandchildren.
- “Spouse” shall mean the employee’s first legal wife or husband. For Muslim employees who have more than one spouse, he must declare to the necessary information of his first legal spouse to the Company for legal purposes.
- “Dependents” shall mean the spouse and children of the employee as registered in Company records.
- “Children” shall mean for eligibility of benefit, the unmarried children of an employee, under the age of 21 years, for whom the employee is financially responsible.
- “Basic Salary” shall mean the base salary payable to the employee. It does not include any allowances, incentive payments or other monetary entitlements.
- “Service” shall mean continuous service (as defined in the Employment Ordinance) within the Company.

The business leaders are accountable for leading an effective team and are thereby accountable for the development and implementation of the policies outlines in this handbook. Managers are responsible for human resources management within their own teams and should reference to this handbook to ensure organizational consistency in the application of these practices.

The Country Human Resources Manager or its appointed Human Resource Representative is responsible for maintaining the procedures and systems which support human resources management for Sigma and is available to answer any questions or provide clarification on the contents of this handbook.

1.1 Scope

The content of this handbook is applicable to all employees within the Company. Adherence to these policies and procedures is the responsibility of all employees of Sigma.

The Handbook is a live document, and the Company retains the right, in its sole discretion to add or modify or revoke any policy or procedure, in whole or in part, at any time, with or without prior notice. It will be your responsibility to read the amended information and to take any necessary copes to keep your records up to date.

In the event and /or conflict between the terms of the (Employment Agreement/Employment Handbook) and any legislation as applicable to the employee and situation at hand, the prevailing legislation shall supersede any such inconsistent clauses, to the extent that they are inconsistent.

Unless stated otherwise, the policies and procedures contained in this handbook are only applicable to employees of the Company, who are on a local Malaysian ringgit payroll, and who have a valid employment contract with Sigma and these employment agreements are subject to the applicable laws and regulations in Malaysia. The provisions of the Employment Act 1955 (the “Act”) shall be applicable to employees who fall within the scope of the Act.

Employees who are seconded on expatriate terms will need to refer to their home employment contracts and Gradiant’s expatriate policy.

No legal liability or other responsibility is accepted by or on behalf of the Company for any errors, omissions, or statements made within this document. The Company accepts no responsibility for any loss, damage or inconvenience caused as a result of reliance on such information.

1.2 Company Profile

Gradiant was founded in 2013 on the premise of delivering sustainable water solutions using innovative, game-changing technologies. Through our products, divisional structure, and experienced team, Gradiant strives to meet and exceed the unique needs of our customers and partners.

1.3 Our Vision

To enable industrial growth in harmony with nature.

At Gradiant, we believe in delivering solutions that help to make a positive impact on both the economy and the environment. Our core focus is on solving the most complex water and wastewater challenges with innovative, sustainable solutions.

1.4 Our Approach

We bring a unique approach to water treatment, ensuring industrial operators can meet their needs easily, often at a lower total life cycle cost than incumbent techniques. In certain cases, we enable the treatment of wastewaters that have previously not been treated.

Our approach to water treatment is based on the foundation that with right technology, we can transform water use and recycling for industrial operators that need:

- Unmatched technology to treat difficult wastewaters.
- Custom solutions for varying industrial applications.
- Competitive solutions that improve the bottom line.
- Regulatory and environmental compliance.

2. Business Integrity Program

Long-term profitability is essential to achieving our business goals and to our continued growth. It is a measure both of efficiency and of the value that customers place on Gradiant products and services. Any investment decisions should include sustainable development considerations - economic, social, and environmental.

We do not tolerate any violations of applicable laws.

2.1 WHAT WE HAVE TO DO

Act according to professional conduct. We follow Gradiant internal policies that guide our respective professions. This is the second step to demonstrate our ability to generate value even with complex regulations.

2.2 WHAT WE SHOULD DO

Act responsibly towards the planet and civil society. We can do more to meet the needs of all our stakeholders with fair competition and sustainable development always at the heart of our everyday actions.

Our approach is to encourage employees to exercise their rights to express any ethical concern. It's also to reinforce the role of the Manager who is the key person to advise, answer questions, align practices with objectives and set the tone for the team.

We believe that this is truly compatible with a vision of prosper business. We call this the Business Integrity Program.

2.3 YOUR ROLE

Each one of us, regardless of our position, shares the responsibility for creating a positive environment.

All employees should be:

- Informed of the Business Integrity Program and its Three Pillars. All employees must have access, understand, and respect the principles of the Business Integrity Program.
- Aware of our new Ethics & Compliance Reporting Tool. This can be found on here.
- Trained yearly on the main fundamental principles of the Business Integrity Program. You will have to refresh your knowledge on the Three Pillars and pass the on-point knowledge test by the due date on a yearly basis.

2.4 HOW SHOULD YOU DEAL WITH AN UNETHICAL SITUATION?

Doing your part to build communication and promote safety, security, and ethical behaviour.

- Consult Gradiant “Code of Conduct” to know more about how you should handle an unethical situation.
- Identify the relevant people to talk to: manager, HR, or Local Compliance Contact.
- Use “Ethics point” - Gradiant Whistle Blowing Tool - Web-based reporting system to communicate your concerns confidentially and anonymously.

2.1 Code of Conduct



Version:	Prepared:	Reviewed:	Approved:	
	By:	By:	By:	On:
V1	Legal & Compliance Department	CFO	CEO	

1. Introduction

1.1 WHO IS OUR CODE OF CONDUCT FOR?

This Code applies to every employee, director and officer in the Gradiant Group[1]. Contract staff working for Gradiant must also follow the Code. Contractors and consultants who are agents of, or working on behalf of, or in the name of Gradiant (through outsourcing of services, processes or any business activity), are required to act consistently with the Code when acting on our behalf.

Independent contractors and consultants must be made aware of the Code as it applies to their dealings with our staff.

1.2 HOW CAN THE CODE OF CONDUCT HELP YOU?

Inside you will find practical advice about laws and regulations, expectations and guidance. We also provide directions to further information sources to help you use your own good judgement.

1.3 OUR CORE VALUES AND BUSINESS PRINCIPLES

At Gradiant, we share a set of core values humility, service and sustainable growth. By making a commitment to these in our working lives, each of us plays our part in protecting and enhancing Gradiant's reputation.

Our shared core values underpin all the work we do and are the foundation of our Code of Conduct. This Code of Conduct describes the behaviour Gradiant expects of you and what you can expect of Gradiant.

We are judged by how we act. Our reputation will be upheld if we act in accordance with the law, and our Code. We encourage our business partners to live by the Code or by equivalent principles.

[1] In this Code, the expressions "Gradiant", "Group" and "Gradiant Group" are sometimes used for convenience where references are made to Gradiant companies in general. Likewise, the words "we", "us" and "our" are also used to refer to Gradiant companies in general or those who work for them. "Gradiant companies" refer to any company in which Gradiant Corporation holds a significant interest, either directly or indirectly.

Knowing and adhering to our core values and principles will help you understand and follow the Code.

1.4 WHY DO WE NEED A CODE OF CONDUCT?

To describe the behaviour expected of our employees and how they relate to our business principles and core values.

1.5 YOUR RESPONSIBILITIES

Whatever your role with Gradiant, we expect you to commit to following the Code in the work you do every day.

This section outlines your responsibilities and offers a guide to ethical decision-making. There is also a section detailing manager's responsibilities.

1.6 DO THE RIGHT THING

The Code of Conduct is for you. It sets the boundaries within which all Gradiant staff must operate every day, without exception.

Read it. Understand it. Follow it.

1.7 YOUR RESPONSIBILITIES

Understand the risks in your role and how to manage them.

Seek advice when things are not clear.

Promptly complete the ethics and compliance training assigned to you.

Make sure that any third-party contractors, agents or consultants you work with are aware that we are bound by our Code and that they should act accordingly.

Speak up. It is your duty to report any suspected violations of the Code.

1.8 WHAT HAPPENS IF I VIOLATE THE CODE?

Violations of the Code, and the relevant policies as indicated, can result in disciplinary action, up to and including dismissal. In some cases, Gradiant may report a violation to the relevant authorities, which could also lead to legal action, fines or imprisonment.

1.9 YOUR INTEGRITY CHECK

Our Code of Conduct cannot give you specific advice for every situation, dilemma or decision. To help you or your team think about any particular dilemma you may have relating to our Code of Conduct, work through the questions in the following Integrity Check.

When in Doubt, Ask Yourself…		
Question	Yes	No
1. Am I keeping to our core values of humility, service and sustainable growth?	Continue	Seek Advice
2. Is what I am doing ethical and in line with our Code of Conduct?	Continue	Seek Advice
3. Is it legal and am I authorised to do it?	Continue	Seek Advice
4. Have I thoroughly understood the potential risks, including the risks to Gradiant's reputation?	Continue	Seek Advice
5. Is it the right thing to do and am I leading by example?	Continue	Seek Advice
6. If this becomes public knowledge, will I still feel I have done the right thing?	Continue	Seek Advice

And of course, you can always ask for help from your line manager!

1.10 SEEK ADVICE AND SPEAK UP

If you would like advice on any matter relating to the Code or wish to report a concern, speak to your line manager or alternatively to the Gradiant Legal & Compliance Department.

If you know or suspect someone is violating the Code, you have a duty to report it. If you do nothing, you risk Gradiant's reputation and financial penalties that would affect Gradiant's bottom line. Reporting a concern also gives Gradiant the opportunity to detect early a potential or actual violation of our Code.

Gradiant will not tolerate any form of retaliation directed against anyone who raises a concern in good faith about a possible violation of the Code. In fact, any act or threat of retaliation against Gradiant staff will be treated as a serious violation of our Code.

1.11 MANAGER'S RESPONSIBILITIES

We depend on our managers to promote our ethical standards and act as role models for their teams. We expect managers to show leadership in following our Code and maintaining a culture of commitment to ethics and compliance, where it is normal to do the right thing and people feel confident about speaking up.

1.12 AS A MANAGER YOU MUST:

Understand and follow the Code.

Understand the main Code violation risks that apply in your business or function, and the procedures to mitigate them.

Ensure your staff make time to complete promptly the Ethics and Compliance training assigned to them.

Ensure your staff understand the procedures they should follow to avoid violating the Code, including recording gifts and hospitality and potential conflicts of interest in the Code of Conduct Register.

Make sure anyone new to your team is briefed promptly on our Code of Conduct and where they can seek advice and support.

Be alert to any violations of the Code and encourage your team members to speak up if they know or suspect a violation.

If you are told of a possible violation of the Code, you have a duty to report it. You may refer it to your line manager or to the Gradiant Legal & Compliance Department. You must also ensure you keep all reported concerns confidential. Never take it upon yourself to investigate the matter.

Decide and implement appropriate consequence management in response to a violation of the Code.

1.13 OUR BEHAVIOURS, PEOPLE AND CULTURE

We want Gradiant to be a great place to work, and we want to protect our reputation among customers, suppliers, governments and communities as a company that always strives to do the right thing. To do that, we need everyone doing business on behalf of Gradiant to live up to our core values of humility, service and sustainable growth.

This section of our Code of Conduct sets out the standards of good behaviour that we expect from you – and that you have the right to expect from your colleagues.

Remember – if you know or suspect someone is violating the Code, please speak up!

2. Health, Safety, Security, Environment And Social Performance

Gradiant is helping to meet the world's growing energy needs in ways that are economically, environmentally and socially responsible.

We are committed to the goal of doing no harm to people and protecting the environment, while developing water resources, products and services in a way that is consistent with these objectives.

We aim to earn the confidence of our customers and shareholders, as well as contribute to the communities in which we operate as good neighbours, creating lasting social benefits.

Gradiant and its contractors are required to have a systematic approach to the management of Health, Safety and Environment (HSE), designed to ensure compliance with the law and to achieve continuous performance improvement, while promoting a culture in which all Gradiant staff and contractors share this commitment. Gradiant is expected to set targets for HSE improvement and measure, appraise and report performance levels.

The Gradiant HSE Manual supports effective and efficient implementation of our HSE Commitment and Policy across Gradiant. This is how we manage the impacts of our operations and projects on society and the environment.

2.1 YOUR RESPONSIBILITIES

You must follow the three Golden Rules:

(i) Comply with the law, standards and procedures

(ii) Intervene in unsafe or non-compliant situations

(iii) Respect our neighbours.

You must ensure that your work complies with the HSE Manual.

You must report and act on a HSE incident, potential incident or near-miss as soon as you become aware of it.

2.2 HUMAN RIGHTS

Conducting our activities in a way that respects human rights is a business imperative for Gradiant and supports our licence to operate. Human rights requirements are embedded in our existing framework, manuals and policies and include:

Social performance. All major projects and facilities must have a social performance plan and address the social impacts of our operations on local communities.

Security. Company-wide security requirements help keep staff, contractors and facilities safe in a way that respects human rights and the security of local communities.

Human resources. Our policies and standards help us establish fair labour practices and a positive work environment.

Contracting and procurement. We seek to work with contractors and suppliers who contribute to sustainable development and are economically, environmentally and socially responsible.

We comply with applicable laws and regulations, including the United Nations Universal Declaration of Human Rights and the core conventions of the International Labour Organisation. We also regularly engage with our external stakeholders and always strive to contribute, both directly and indirectly, to the general wellbeing of the communities in which we operate.

2.3 YOUR RESPONSIBILITIES

You must ensure that your work complies with Gradiant commitments to human rights in Social Performance, Security, Human Resources and Contracting and Procurement.

If you know of or suspect any potential human rights violations relating to our business, it is your duty to speak up.

3. Harassment

Gradiant will not tolerate harassment. We will not tolerate any action, conduct or behaviour which is humiliating, intimidating or hostile. Treat others with respect and avoid situations that may be perceived as inappropriate.

Feedback, criticism and challenge must always be delivered in an appropriate and respectful manner. In particular, be aware of cultural sensitivities – what is acceptable in one culture may not be in another. It is important to be aware of and understand these differences.

3.1 YOUR RESPONSIBILITIES

You must treat others with respect at all times.

You must not physically or verbally intimidate or humiliate others.

You must not make inappropriate jokes or comments.

You must not display offensive or disrespectful material.

Challenge someone if you find their behaviour hostile, intimidating, humiliating or disrespectful. You may always contact your line manager, human resources department or legal department.

3.2 EQUAL OPPORTUNITY

At Gradiant, we offer equal opportunities to everyone. This helps us ensure we always draw on the widest possible talent pool and attract the very best people. We rely on everyone at Gradiant to continue our record on equal opportunity.

Sometimes people can breach equal opportunity policies without even realising it – for example, if they are unconsciously biased towards recruiting people like themselves. Therefore, you should always strive to be objective and ensure your personal feelings, prejudices and preferences are not influencing your employment-related decisions. You also need to be aware of local legislation that may impact employment decisions.

3.3 YOUR RESPONSIBILITIES

When making employment decisions, including hiring, evaluation, promotion, training, development, discipline, compensation, and termination, you must base them solely on objective factors, including merit, qualifications, performance and business considerations.

You should understand the value of diversity and must not discriminate in any way based on race, colour, religion, age, gender, sexual orientation, gender identity, marital status, disability, ethnic origin or nationality.

3.4 USE OF IT AND ELECTRONIC COMMUNICATIONS

Gradiant supplies you with IT and electronic communications so that you can conduct your work in a secure and compliant manner. Your responsibilities when using IT and electronic communications are set out below.

IT and electronic communications include hardware, software and all data that is processed using these. They may include your own IT equipment ('Bring Your Own Device') when this has been authorised for business use by your line manager.

Gradiant logs and monitors use of its IT equipment and any equipment which is connected via the Gradiant network.

3.5 YOUR RESPONSIBILITIES

You must comply with Gradiant IT security requirements.

You must not use personal email accounts for work communications, unless you are authorised to do so by your line manager.

You must not share your Gradiant IT login details with others.

You must not modify or disable security or other configuration settings downloaded by Gradiant to your own IT equipment, unless instructed to do so by Gradiant IT.

You must keep your personal use of Gradiant IT and electronic communications, including social media use, occasional and brief and not use the Gradiant name or brand in personal emails.

If you have a corporate mobile phone, you must follow the policy for acceptable use.

You must not access, store, send or post pornography or other indecent or offensive material when using Gradiant IT and communication facilities, nor must you connect to online gambling sites or conduct unlawful activities.

You must not store or transmit image or (streaming) media files or otherwise generate high network traffic or data storage costs due to personal use.

You must not conduct your personal business activities using Gradiant IT or communication facilities, or support others to do so.

You must only use approved internet-based services (whether commercial, consumer or free-to-use) to store, process or share business information as defined in the Group rules.

4. Insider Dealing

At Gradiant, we comply with national and international laws on insider dealing (i.e., trading in shares or other securities when you have inside information about a company). Inside information is knowledge held within the Group that is precise, not generally available and which, if it did become available, would be likely to have a significant effect on the market price of shares or other securities of any listed company. Dealing based on inside information includes directly trading in securities and also passing inside information on to another person who uses that inside information to trade in shares or other securities. Insider dealing is both illegal and unfair.

4.1 YOUR RESPONSIBILITIES

If you come across inside information about a publicly listed company in the course of your work, you must not deal in that company's shares or securities until any inside information you have becomes public. You must also not share the information with anyone unless you are authorised to do so.

5. Protection Of Assets

Gradiant's assets come in many different forms – physical, electronic, financial and intangible. Whether it is a Gradiant laptop, our brand or even a facility or building, we expect everyone to take good care of our assets.

5.1 YOUR RESPONSIBILITIES

You are personally responsible for safeguarding and using Gradiant assets appropriately. You must not commit, and you must protect Gradiant against, waste, loss, damage, abuse, fraud, theft, misappropriation, infringements and other forms of misuse.

You must protect company property that has been entrusted to you and also play your part in protecting Gradiant shared assets against loss or misuse. Be alert to the risk of theft.

You must not unlawfully conceal, alter or destroy documents.

You must only use your corporate credit card for reasonable and approved business expenses and you must not use it for purchases of items in prohibited categories.

You must also play your part in protecting Gradiant shared assets – such as a photocopier or a building. Although you are not personally accountable or liable for these, you should help to look after them and, if someone else is putting them at risk or using them inappropriately, intervene or report the matter.

You must respect the assets of others.

5.2 PERSONAL GUARANTEES

At Gradiant, we believe that our employees, directors and officers should not be held personally liable for financial obligations contracted by the Group. Gradiant would not request and Gradiant's employees, directors and officers should not provide any type of security to personally guarantee the payment of money, or any other financial obligations taken by any Group Company.

6. Managing Risk In Information And Communication

Our work for Gradiant depends on the use and exchange of information. In our everyday work, we all handle information and communicate in many different ways, and we need to consider the risks associated with these activities. These risks include the risk that personal data or Gradiant's Intellectual Property could fall into the wrong hands. Careless communication or an unauthorised disclosure could also damage our reputation or result in legal action. This section of our Code of Conduct is designed to deal with this type of risk.

Remember – if you know or suspect someone is violating the Code, please speak up.

6.1 DATA PRIVACY

Data privacy laws safeguard information about individuals – their personal data. At Gradiant, we respect the privacy rights of our staff, customers, suppliers and business partners. We are committed to managing personal data in a professional, lawful and ethical way.

Personal data is broadly defined as any information relating to an identified or identifiable individual such as name and contact details. More private information, such as race or ethnic origin, health data, sexual orientation, criminal behaviour or trade union membership is sensitive personal data and subject to more stringent requirements.

We may only process personal data for legitimate purposes and the data must be accurate and relevant for the purpose for which it was collected, as well as properly protected from inappropriate access or misuse. When it is to be transferred to third parties, it must be appropriately safeguarded. If we do not comply with these requirements, we risk causing harm to individuals, being ordered to cease the processing, and could face fines or litigation. We are also putting Gradiant's reputation at risk.

6.2 YOUR RESPONSIBILITIES

You must identify the privacy risks before collecting, using, retaining or disclosing personal data, such as in a new IT system, project or marketing initiative.

You must only process personal data for specific, defined, legitimate purposes.

When you process or share individuals' personal data, you must always inform them. In some cases, you will need to get their prior consent.

You must always protect personal data if it is shared with a third party. If you are not sure whether you need consent or how to protect personal data when sharing with a third party, always seek advice from Gradiant Legal & Compliance Department.

You must ensure that personal data in your possession is kept up to date and disposed of when no longer required.

6.3 INTELLECTUAL PROPERTY

At Gradiant, we have great brands, ideas and technology, which has given us a great reputation that we all need to protect.

These valuable brands, ideas and technology also need protecting, as do trademarks, patents, know-how, trade secrets and other IP rights, and put to optimal use for Gradiant.

It is equally important that we respect, and avoid infringing, the IP rights of others. Not doing so risks damage to our business and reputation and may impact our ability or licence to operate.

6.4 YOUR RESPONSIBILITIES

You must use Gradiant's brands and trademarks appropriately.

You must report your innovations and inventions to Gradiant IP Department.

You must classify and store Gradiant business and technical information appropriately, and with appropriate access controls.

You must not disclose Gradiant's confidential information outside Gradiant without permission or an appropriate written agreement, and you must make a record of the information provided under the agreement.

You must not accept confidential information from a third party unless you have permission to do so and you have agreed to receive it under a prior written agreement.

You must not misuse confidential information of a third party. If you are responsible for introducing new brands in a market or new proprietary technology, you must first consult Gradiant Legal & Compliance Department and Gradiant IP Department to mitigate the risk of Gradiant infringing IP rights of others.

If you notice that a third party is infringing or misusing Gradiant IP rights, for example by passing on documents containing confidential information, it is your duty to speak up.

6.5 INFORMATION AND RECORDS MANAGEMENT

Like all organisations, we depend on the use and exchange of information for our business decisions and day-to-day activities. We need to ensure we create, use responsibly and protect this information, especially when it comes to data such as personal details, commercially sensitive information and intellectual property – both our own and that of others. We need to take special care to protect confidential information when we are away from the Gradiant environment. We also have a duty to ensure we retain proper Records of our business activities to preserve corporate memory and meet legal and regulatory requirements.

6.6 YOUR RESPONSIBILITIES

You must assess the risks associated with any information you handle so you can properly manage the risks and protect the information.

If you are working with third parties, you must ensure you are authorised to share information before doing so.

If you have been instructed by Gradiant Legal & Compliance Department to preserve information, you must ensure it is kept as directed.

6.7 DISCLOSURE AND BUSINESS COMMUNICATIONS

We communicate in all sorts of ways – and, as Gradiant staff, everything we write or say reflects on Gradiant's reputation. Whichever media you use, either within Gradiant or externally, we expect you to follow Gradiant's rules on disclosure and business communications, including the additional rules that apply to email and social media.

All communications made to the public on behalf of Gradiant are subject to disclosure requirements and accordingly must be cleared by the Gradiant Communication Department, and in certain cases Investor Relations. Appropriate disclaimers must be used, especially when the communication contains forward-looking information. Every communication to the public on behalf of Gradiant must be accurate in all material respects, complete, relevant, balanced and in compliance with all applicable laws and regulations. Additionally, in order for any public disclosure not to be considered continuously current, it must contain the date the disclosure is being made. Providing inaccurate, incomplete, or misleading information may be illegal and could lead to fines, sanctions and criminal penalties for Gradiant and the individuals involved.

Use of personal social media for business purposes is strictly prohibited. Whether or not an employee chooses to engage in social media for personal purposes is a personal decision and not a business decision. However, social media activities that affect an employee's job performance, the performance of other Gradiant employees, or Gradiant business and reputation are governed by the Code, whether or not such activities are undertaken through an employee's personal social media account.

6.8 YOUR RESPONSIBILITIES

You must not disclose information about Gradiant's business activities unless you are authorised to do so. That applies to the things you say, as well as anything in writing.

You must not engage with the media on behalf of Gradiant without disclosure clearance from Gradiant Communication Department.

If it is part of your role to provide information to the public and/or the investor community on Gradiant's business and finances, including through social media, you must ensure you have the proper clearance and that the information you give is true, accurate, consistent and not misleading.

You must state which Gradiant company the communication comes from and include details required by local law, as well as your contact details (e.g., appropriate email footer).

You must only commit a Gradiant company if you have corporate authority to do so and you must not issue orders or make decisions for companies that you do not work for.

You must not engage in casual conversation on sensitive or confidential matters or send communications containing material that is racist, sexist, offensive, defamatory, fraudulent or otherwise inappropriate.

You can only use Gradiant-approved social media channels for business use if you are an approved user and have received the required training.

You must not use personal social media accounts for disclosing confidential business information or other business purposes.

If you use personal social media for personal purposes to discuss energy-related topics, or to endorse or provide testimonial of Gradiant and its products/services, you must disclose that:

- You are a Gradiant employee;
- You are not speaking on behalf of Gradiant; and
- The views expressed are your own and do not necessarily reflect those of Gradiant.

7. Managing Risk In Third Party And International Interactions

Every time Gradiant deals with a customer, business partner, joint venture, Government Official, competitor or any other stakeholder, we need to understand the risks as well as the opportunities. We also need to ensure that Gradiant's cross-border interactions comply with all relevant trade legislation.

If we do not comply with the law, it could lead to fines for Gradiant or serious harm to our business. Individuals could also face fines or imprisonment.

This section of our Code of Conduct is designed to help you keep your business interactions legal, ethical and professional, ensuring that you protect yourself from any suspicion of wrongdoing and safeguard Gradiant's reputation.

Remember – if you know or suspect someone is violating the Code, please speak up.

7.1 ANTI-BRIBERY AND CORRUPTION (ABC)

At Gradiant, we build relationships based on trust, and we are determined to maintain and enhance our reputation. For this reason, we never accept or pay bribes, including facilitation payments. Even unsubstantiated claims of bribery and corruption may damage Gradiant's reputation.

Everyone involved in Gradiant's business must comply with the anti-bribery and corruption (ABC) laws of the countries where we operate, as well as those that apply across borders.

7.2 YOUR RESPONSIBILITIES

You must not offer, pay, make, seek or accept a personal payment, gift or favour in return for favourable treatment or to gain a business advantage. You must not allow anybody else to do so on your behalf.

You must not make facilitation payments. If a facilitation payment has been requested or made, you must immediately report it to your line manager and the Gradiant Legal & Compliance Department. If you make a payment because you genuinely believe your life, limb or liberty is at risk, this is not a facilitation payment but must be reported as if it were.

Know who you are doing business with by conducting the appropriate due diligence.

Dealing with Government Officials poses a greater bribery risk so you must follow the mandatory requirements of this Code.

You must report corrupt behaviour. Turning a blind eye to suspicions of bribery and corruption can result in liability for Gradiant and for individuals.

7.3 GIFTS AND HOSPITALITY

It is important to do the right thing – and to be seen to do it. For this reason, we discourage our staff from accepting gifts and hospitality (G&H) from business partners, or offering G&H to them, especially those you would not be comfortable telling your manager, colleagues, family or the public that you had offered or accepted. In particular, you should never allow G&H, either offered or received, to influence business decisions or give other people a reason to suspect there might be an influence. We encourage you to make Gradiant's policy on G&H known to our agents and business partners, including governments and Government Officials.

7.4 YOUR RESPONSIBILITIES

You must not, either directly or indirectly, offer, give, seek or accept:

- illegal or inappropriate G&H, cash or cash equivalents (including per diems unless contractually agreed), vehicles, personal services, or loans in connection with Gradiant business; or

- G&H where the business partner is absent, or during periods when important business decisions are being made; or

- G&H that exceed prescribed value limits, unless line manager and other required approvals have been obtained.

You must register in the Code of Conduct Register: all G&H given or received above the prescribed value limits for Government Officials or other third parties, any G&H that could be perceived as influencing or creating a Conflict of Interest, and declined gifts of cash or of an excessive nature, including personal items.

When offering G&H to a Government Official, you must not offer or pay for: additional days of travel to tourist destinations or private visits; family members/guests (unless approved by the Legal & Compliance Department). In advance of offering any G&H to a Government Official where the value is greater than the prescribed value limits, you must request advance approval via the Code of Conduct Register.

Before accepting a prize obtained in the course of your role above the prescribed value limits, you must enter the details in the Code of Conduct Register and obtain approval from your line manager.

7.5 CONFLICTS OF INTEREST

Conflicts of Interest (COIs) may arise when your personal relationships, participation in external activities or an interest in another venture, could influence or be perceived by others to influence your business decisions for Gradiant. An actual, potential or perceived COI may jeopardise your reputation as well as Gradiant's. You must avoid actual, potential or perceived COIs if possible.

If you have an actual, potential or perceived COI, you must protect yourself from any suspicion of misconduct by being transparent and entering the details in Gradiant's Code of Conduct Register. This only takes a few minutes and could save you from a time-consuming investigation.

Provided that no actual, potential or perceived COI would result, you may acquire interests in other businesses and perform external professional activities in your own time. You are also entitled to be active in your own time in community, government, educational and other non-profit organisations. However, in any such case, you must comply with all relevant laws, regulations and Gradiant policies. If there is any doubt, you must raise your concern with your line manager or the Gradiant Legal & Compliance Department before you start a new activity.

7.6 YOUR RESPONSIBILITIES

You must not let any decisions you make at Gradiant be influenced by personal considerations such as relationships or outside interests of yourself, family or friends.

You must register all actual, potential or perceived COIs in the Code of Conduct Register, whether or not you think it will actually influence your decision.

If you are not sure whether such a conflict exists, you must consult your line manager or the Gradiant Legal & Compliance Department.

Withdraw from decision-making that creates an actual, potential or perceived COI, or could be perceived as creating one.

7.7 ANTI-MONEY LAUNDERING (AML)

Money laundering occurs when the proceeds of crime are hidden in legitimate business dealings, or when legitimate funds are used to support criminal activities, including terrorism. All companies are at risk of being exploited in this way – and we must be on our guard to help protect our reputation and ensure we comply with the law.

7.8 YOUR RESPONSIBILITIES

You must not knowingly deal with criminals, suspected criminals or the proceeds of crime.

You must follow any due diligence requirement specified by Gradiant so that we know who we are doing business with.

You must ensure that your business transactions on behalf of Gradiant do not involve acquiring, using or holding monetary proceeds or property acquired with the proceeds of crime.

You must not hide the origin or nature of criminal property.

You must not facilitate the acquiring, ownership or control of criminal property.

If you have knowledge or suspicion that a counterparty is involved in money laundering in connection with its transaction with Gradiant, you must promptly report it to the Gradiant Legal & Compliance Department. To meet legal requirements, do not let the counterparty know of your suspicions. You must not falsify, conceal, destroy or dispose of relevant documents.

7.9 POLITICAL ACTIVITY AND PAYMENTS

We all have our own interests outside work and you have the right to engage in lawful political activity in your own time. However, we also need to protect Gradiant's interests and reputation. It is therefore important that individuals keep their personal political activities separate from their role at Gradiant.

7.10 YOUR RESPONSIBILITIES

You must not use Gradiant funds or resources, either directly or indirectly, to help fund political campaigns, political parties, political candidates or anyone associated with them.

Gradiant funds may not be used to support political action committees (PACs).

You must not use Gradiant funds to make political payments under the guise of charitable donations.

You must always make it clear that the political views you express or actions you take are your own, and not those of Gradiant, unless you are explicitly required to represent Gradiant's views as part of your role.

You must be aware of the rules on conflicts of interest and ensure that your participation in politically motivated activity does not involve you or Gradiant in a conflict of interest.

If you are standing for public office, you must consult and gain approval from your line manager before standing. You must also declare your interest in the Code of Conduct Register and comply with local laws regulating political participation.

7.11 ANTITRUST

Antitrust laws protect free enterprise and fair competition. Supporting these principles is important to us, not just because it is the law, but because it is what we believe in. We expect Gradiant staff to play their part in combating illegal practices. These include price-fixing, market sharing, output limitation or bid-rigging, and anti-competitive or monopoly practices. Be vigilant in not entering into any kind of inappropriate conversation or agreement with our competitors.

7.12 YOUR RESPONSIBILITIES

You must not agree with competitors, even informally, to fix price or any element of price, such as discounts, surcharges or credit terms.

You must not agree with competitors to reduce or stabilise production, capacity or output.

You must not agree with competitors to divide up particular customers, accounts or markets.

You must not rig bids or tenders.

You must not agree with others to boycott any customer or supplier except in connection with internationally imposed government sanctions.

You must not attempt to set a minimum or any resale price for an independent dealer, distributor or reseller.

You must not share or receive competitively sensitive information without a lawful reason.

You must not discuss with competitors any matter on which competitors are not legally permitted to agree.

You must follow the principle that all decisions on Gradiant's pricing, production, customers and markets must be made by Gradiant alone.

You must leave industry meetings or other events if competitively sensitive issues arise. Ensure your departure is noted and immediately report the matter to Gradiant Legal & Compliance Department.

You must speak up if you know of any potentially anti-competitive practices or if you are uncertain whether or not practices are legal.

8. Trade Compliance

Like any other global company, we must comply with all applicable national and international trade compliance regulations. Trade compliance includes regulations governing the import, export and domestic trading of goods, technology, software and services as well as international sanctions and restrictive trade practices.

Failure to comply with the applicable laws could lead to fines, delays, seizure of goods or loss of Gradiant's export or import privileges, as well as damage to Gradiant's reputation or imprisonment for individuals. It is crucial that you are aware of the requirements and how they apply to your role. By doing so, you are helping the company to continue doing business internationally.

8.1 YOUR RESPONSIBILITIES

You must obtain, retain and communicate correct customs and export control classification on all goods and software moved internationally. For physical movements of goods and software, valuation and origin information are also required.

You must follow company guidance when travelling with company-owned equipment and hardware, including laptops, smartphones and other communication equipment.

You must follow company procedures when utilising the services of trade/ customs agents.

You must follow company procedures when issuing or executing an End User Certificate.

You must ensure third parties you deal with have been properly screened against applicable sanctions lists.

You must stop and seek assistance from the Gradiant Legal & Compliance Department when your dealings with a third party identify suspicious facts or 'red flags'.

You must not deal in a sanctioned country or with a sanctioned party unless specifically authorised in accordance with company procedures. If you are authorised to deal in a sanctioned country or with a restricted or sanctioned party, you must strictly adhere to company guidance.

You must stop and seek advice from a Gradiant Legal & Compliance Department when confronted with a restrictive trade request.

9. Conclusion

Thank you for taking the time to read through our Code of Conduct. It will help you understand the main risks to you and Gradiant and how you can safeguard Gradiant's reputation by knowing and understanding your responsibilities.

Of course, the Code cannot cover every situation, so whenever you are unsure of what to do, you must seek advice. Ask your line manager or the Gradiant Legal & Compliance Department. This is especially relevant if you suspect that someone is violating the Code and putting Gradiant at risk. In that case, it is your duty to speak up.

We hope you will refer to the Code whenever there are changes in your role or you face dilemma, or if you just need to refresh your memory. Above all, we want you to live by the Code every day, and ensure you always make the right decision.

2.2 Suppliers' Principles

To inform any third party engaged by the company of our key messages and values, Business Integrity Health, Safety, Security and Environment, Social Performance as well as Labour and Human Rights.

2.3 Ethics Point

Web-based reporting system to communicate your concerns confidentially and anonymously.

3. Human Resources Internal Control

Human Resources internal control policy which is defined as a set of expectations and tools allowing the company to conduct its business with high ethical standards and achieve its goals on a sustainable mode for shareholders as stakeholders. It has 3 dimensions:

a) Ethical standards with respect to 'Gradiant's Code of Conduct' and clear delegation responsibilities to approve on behalf of the Company

b) Risk assessment

c) Internal control procedures & audits

Areas of control include Human Resources Mission, Manpower Management, Learning & Development, Employee Relations, Legal Compliance, Human Resource and Payroll Administration, Compensation & Benefits, Human Resource Information System including data privacy policy.

3.1 Human Resources Data Privacy Policy

Our employees' data are securely filed in the personnel files which are under safe keep of Human Resources Department.

If there are any changes to your personal information, you are required to notify the Human Resources Department soonest possible. This enables the Company to maintain an updated record so that the best possible assistance can be rendered when need arises.

Provision of false personal records, whether in the application for employment or during service, is a serious breach of contract and is liable to immediate dismissal without compensation or notice.

3.2 Open Door Policy

Grievance Handling

The Company shall always make every reasonable effort to effect full discussion to clear up misunderstandings and to investigate into any employee's grievance in the following procedure:

	Procedure
Step 1:	Any employee who has a grievance may bring the matter to his / her immediate supervisor. If such grievance is against his / her immediate supervisor, the employee may bring to the attention of the next level manager.
Step 2:	If the employee concerned is aggrieved by the manager's decision in step 1, he / she may thereof, refer the matter to the Head of Department.
Step 3:	If the employee is still dissatisfied with the decision given in Step 2, the employee may refer the matter to the Country Human Resource Representative, who will represent the Business Leader for settlement.
Step 4:	If there is no satisfactory settlement in Step 3, the matter shall be dealt with by the Business Leader, whose decision shall be final.

4. Employment and Placement

4.1 Equal Employment Opportunity

With reference to Gradiant Code of Conduct, the Company is committed to the principles of equal employment opportunity. To this end, we ensure equal opportunity to all employees and applicants regardless of race, religion, gender, national origin, age, and citizenship status in accordance with local labour laws.

The policy of equal employment opportunity applies to all policies and procedures relating to recruitment and hiring, compensation, benefits, termination and all other terms and conditions of employment.

The Corporate Human Resource Department and Country Human Resource Department has overall responsibility for this policy and maintains reporting and monitoring procedures.

4.2 Hiring of Relatives

The Company is committed to a policy of employment and advancement based on qualifications and merit and does not discriminate in favour of or in opposition to the employment of relatives.

Due to potential for perceived or actual conflicts, such as favouritism or personal conflicts from outside the work environment, which can be carried into the daily working relationship, The Company will hire or consider other employment actions concerning relatives of persons currently employed only if:

- Candidates for employment will not be working directly for or supervising a relative.
- Candidates for employment will not occupy a position in the same line of authority in which employees can initiate or participate in decisions involving a direct benefit to the relative.
- Candidates for employment do not have personal relationships with other employees or members of the Gradiant's Board of Directors or Committees of Gradiant.

Such decisions include hiring, retention, transfer, promotion, wages and leave requests. This policy applies to all current employees and candidates for employment.

Failure to disclose this information would be considered contradictory to 'The Gradiant Code of Conduct Policy' and therefore subject to disciplinary action, up to and including termination of employment.

The following table will summarize the procedure for hiring of relatives.

	Procedure
Prior to the employment offer	Hiring of relatives must be approved by the Country Human Resource Representative and the Leadership team.
After employment offer	Employees should declare to their immediate supervisor and Country Human Resource Representative if a personal relationship develops with another colleague. In special circumstances, the Company may simultaneously employ family members, however, Human Resource Representative and respective managers will ensure that there is no relating relationship or conflict of interests in their job assignments. Such arrangement will be subjected to employee's relevant competency and position vacancy.

4.3 Promotion

Employees are promoted on basis of their performance in the current jobs and the extent to which they demonstrate the attributes required for the higher grade.

For avoidance of doubt, this Clause 4.3 does not apply to contract employees.

4.4 Transfer/Reassignment/Secondment

The Company may provide career development opportunity to the employee to be transferred to another department or subsidiary. Should any operational need arise, the Company will send the employee to travel outside Malaysia for training purposes and/or specific assignments.

Where relocation is for no less than twelve (12) months as requested by the Company, the employee shall refer to the prevailing global relocation policy and/or interstate transfer policy for the terms and conditions.

4.5 Disablement

Any eligible employee who is suffering from disablement due to sickness or accident which is not self-inflicted, or which is not a consequence of misconduct or misbehaviour, shall be provided with an alternative employment on the condition that he is in a state to carry out the duties allocated to him by the Company. The terms and conditions of the employment, including the salary to be paid, shall be at the sole discretion of the Company.

4.6 Outside Employment

Employee must seek prior written approval from the Company if you wish to take concurrent employment, either full or part time, regular or on a consulting basis, or receive commission, compensation, or profit of any kind from other sources.

4.7 Hours of Work

For employees covered by the Act, the normal working hours shall be 9 hours per day for a five-day week and 7.5 hours per day for a six-day week. For employees who do not fall under the coverage scope of the Act, the normal working hours shall be 9 hours and 5 minutes per day. Employees are entitled to one (1) hour lunch break per day.

Depending on the operational requirement of the Company, a certain category of employees may be required to be engaged in shift work as and when deemed necessary by the Company. For this purpose, a monthly duty roster will be drawn up for this category to adhere to.

The Company reserves the right to vary the commencement time of the working hours due to operational requirements. However, it is to be noted that the commencement, lunch break, and time of cessation of the working hours may defer from sections or departments.

It is the Company policy for employees to clock in and out using the prevailing time attendance system and the Company reserves its right to carry out disciplinary actions in the event of non-compliance.

4.8 Friday Prayers

For Muslim employees who are expected to attend Friday prayers, it shall be done at a mosque nearest to the Company within the rest time.

4.9 Public Holidays

As a guideline, the minimum number of public holidays observed by the Company shall be as per the Act.

Employees who travel overseas shall observe the public holiday, if any, in that country or state which they are sent to. Any public holiday back in home country or local state while being overseas shall not be applicable.

The Company shall observe any unscheduled public holiday declared by the Federal or State government (if applicable) such as mourning, demise of dignitary etc. The Company shall observe such a declaration as an additional holiday.

Employees who are absent on the day immediately preceding or immediately succeeding a public holiday or two or more consecutive public holidays or any day substituted thereof without prior approval from the Company or without acceptable excuse, shall not be entitled to any holiday pay for such holiday.

4.10 Probation Period

Probation period provides an opportunity for both the Company and employees to assess suitability for employment. When the need for separation arises, either the Company or the employee will serve the notice period as indicated in the most recent Company-issued letter or employment contract except on grounds of dismissal due to legal or misconduct.

The probationary period may be extended up to a maximum of another three (3) months if required. In such case, an extension of probationary period letter will be issued to the employee prior to the expiration of the initial probationary period.

The employee will receive the confirmation letter upon successful completion of the probationary period.

For avoidance of doubt, this Clause 4.10 does not apply to contract employees.

4.11 Resignation and Termination of Employment

For all employment terminations, the party initiating the separation must:

- Provide written notice to the other party on his/her intention to terminate employment; and
- Serve the notice period stipulated in the most recent Company-issued letter or employment contract or compensate the other party the equivalent salary-in-lieu of notice.

The notice period includes Saturdays, Sundays and Public Holidays. No verbal resignation will be accepted.

The employee may utilize any balance of earned annual leave during the period of notice. However, all the leave applications shall subject to approval by the Company as per the Leave Application procedure and either party may waive the balance of the annual leave.

On resignation or termination of service, the employee shall settle all outstanding liabilities and obligations with the Company before any monies or payments due to the employee is released. All Company issued properties must be returned to the Company at the time of separation. In the event of loss or damage of any Company properties, the Company has the rights to the recoverable cost of the loss.

If any employee is dismissed due to misconduct or breach of employment terms, the notice period is not applicable. Under such circumstances, the employee will not be entitled to salary-in-lieu of notice.

Human Resource will conduct an exit interview on or before the last day of employment.

4.12 Retrenchment

In the event the Company has to conduct reorganisation and/or restructuring, the Company shall carry out such reorganisation and/or restructuring in accordance with the applicable laws and regulations.

For avoidance of doubt, this clause 4.12 does not apply to contract employees.

4.13 Retirement

Employees shall retire from service upon reaching sixty-five (65) years of age.

In the absence of birth certificate, the date of birth shall be the same as the identity card or passport. In cases where only the year of birth is shown in the identity card, the day and month of birth shall be 30th June.

For avoidance of doubt, this clause 4.13 does not apply to contract employees.

4.14 Rehiring Policy

a) Re-hiring of employees maturing at age 65

At the request of the Company, an employee may agree and continue to remain employed under the Company if he or she is 65 years old and above . The employment shall be on a yearly contract basis, and the terms and conditions of such employment shall be at the sole discretion of the Company.

For avoidance of doubt, this clause 4.14 (a) does not apply to contract employees.

b) Re-hiring of ex-employee

The Company may consider an ex-employee for employment provided the individual meets the following requirements listed out in the below table.

	Requirements for rehire
Eligibility for Rehire	1. Voluntarily left the Company employment; 2. Were laid off due to business slowdown(s); 3. Ex-employees must possess a satisfactory record of work performance; and/or 4. Such other requirements as maybe determined by the Company in its reasonable discretion. The applicant must be the most qualified candidate for the position. Prior work experience and familiarity with the Company's policies and procedures may be a positive consideration in determining qualifications.
Ineligibility for Rehire	1. Ex-employees who had a less-than-satisfactory work performance record; 2. Involuntarily terminated by the Company because of a less-than-satisfactory work performance record; 3. Ex-employee who failed to complete their initial probationary period; 4. Dismissed from the Company due to violation of code of conduct and disciplinary guidelines; and/or 5. Appropriately noted at termination as not being eligible for rehire.

Ex-employee will follow the same employment process as other applicants. The terms and conditions as well as benefits will be based on the position like any new hire.

4.15 Employee Referral Scheme (ERS)

Sigma is always looking for GOOD people, and employees can help!

Research has shown, and our own experience supports this, that new hires that come into a company through employee referrals are excellent contributors, stay with the company longer, and are a more cost-effective recruit.

If you know someone who would be an excellent addition to Sigma or Gradiant and its subsidiaries and they meet the qualifications for an existing open requisition, employees should complete an Employee Referral Form and submit to HR along with their resume.

If your recommended candidate is hired, you will be awarded a referral fee of MYR5,000.00, subject to the following conditions:

- Recommended employee is hired for permanent employment/position and has successfully completed six (6) months' service and probationary period;
- Resigned employee is not entitled regardless of the status of confirmation of the recommended employee;
- Human Resources are not eligible to participate in the ERS;
- Line managers are not eligible to the referral fees when referring candidate for a position for which they are directly or indirectly responsible to;
- For external candidates only; a referred candidate from other Gradiant entities or subsidiaries is not eligible to the referral fee.

For avoidance of doubt, this Clause 4.15 does not apply to contract requisition.

5. Remuneration

5.1 Salary Administration

Employees shall be paid salary on a monthly basis which will be credited to their designated bank account by every 25th of the month. The cut-off date for submission of new hire is every 15th of the month. For new hire after the cut-off date, the first salary payment shall be made in the following month.

An e-payslip will be issued to the employee which can be view from the HR system.

Individual compensation is a personal and confidential matter. Employees should not share their compensation packages with other employees.

Employees are to notify the Human Resource department immediately of any changes to their bank accounts so that salary payments will not be hindered.

5.2 Payment of Overtime Allowance

Employees who fall within the scope of the Act shall be eligible for overtime compensation for the hours worked beyond the normal hours of work at the request of the Company. Overtime shall be compensated at the rates as specified in the Act.

Employees who do not fall within the scope of the Act and engaged in manual labour activities shall be eligible for overtime compensation for the hours worked beyond the normal hours of work at the request of the Company. Overtime shall be compensated based on the hourly basic rate of pay, irrespective of the type of work hour or workday.

Employees shall refer to the Overtime SOP for the terms and conditions on Overtime.

5.3 Employee Provident Fund (EPF) Contribution

In accordance with the EPF Act 1991, both the Company and employee are required to make monthly statutory contribution of EPF. Contribution amount will be deducted from the employee's salary based on the prevailing legislation rates (Third Schedule of the EPF Act 1991).

5.4 Social Security (SOCSO) Contribution

In accordance with the Employee's Social Security Act 1969, the Company shall make monthly contributions of SOCSO for every eligible employee based on the prevailing contribution rates (Act 4 of the Employee's Social Security Act 1969).

5.5 Employee Performance Review

Sigma encourages all line managers and employees to discuss job performance and goals on an informal, day-to-day basis. Employees should initiate conversations with their managers if they feel additional ongoing feedback is needed. In addition, each employee will have a performance evaluation completed annually with regular check-in quarterly.

Formal performance evaluation will be conducted to provide both line managers and employees the opportunity to discuss goals, encourage and recognize strengths, identify and improve on the weaknesses, and discuss positive approaches for meeting goals.

Refer to the performance management SOP for more details on the procedures.

5.6 Salary Review

Salary review is at the discretion of the Company and based on factors including but not limited to individual performance of the employee, Company's performance, and market situation.

The following employees are not eligible to participate in the salary review exercise:

1. Employee who is not confirmed in his/her position as at 31 December;
2. Employee who is on Performance Improvement Plan as at 31 December;
3. Employee who is serving notice during the salary review cycle; and/or
4. Employee who is terminated or dismissed during the salary review cycle.

For avoidance of doubt, this Clause 5.6 does not apply to contract employees.

5.7 Performance Bonus

Payment of performance bonus is at the discretion of the Company and will be based on factors including but not limited to Company's profitability, and the prevailing market performance.

The following employees are not eligible for the payment of any performance bonus:

1. Employee who is not confirmed in his/her position as at 31 December;
2. Employee who is on Performance Improvement Plan as at 31 December;
3. Employee who is serving notice prior to the payment of performance bonus; and/or
4. Employee who is terminated or dismissed from employment prior to payment of the performance bonus.

An employee who does not serve a full year of service during the assessment period will receive pro-rated Performance Bonus computed based on the length of service accordingly.

For avoidance of doubt, this Clause 5.7 does not apply to contract employees.

6. Leave Benefits

6.1 Leave Application

All employees will be given online access to the e-leave module on HR system. All employees are required to submit their leave application through the e-leave portal with relevant supporting documents if required. Failure to provide relevant documents as listed in the following table, the leave will be deducted from any balance of annual leave or treated as unpaid leave.

Type of Leave(s) Application	Supporting Document(s)
Maternity Leave	Original Medical Certificate issued by registered doctor / gynaecologist and Copy of Original Child Birth Certificate
Paternity Leave	Copy of Original Child Birth Certificate and Marriage Certificate (if not submitted previously)
Marriage Leave	Copy of Original Marriage Certificate
Compassionate Leave	Copy of Death Certificate
Exam Leave	Copy of Exam Notice
Sick Leave	Original Medical Certificate issued by the registered medical practitioner or dentist or Traditional Chinese Medical (TCM) practitioner if taken

6.2 Annual Leave

Employees who are confirmed in their service shall be entitled to annual leave. Annual leave entitlement is calculated based on calendar year basis. For employees who have served less than twelve months of continuous service in the calendar year, the annual leave entitlement will be pro-rated based on the number of completed months he/she has worked, rounded to the nearest half day.

Employee Category	Annual Entitlement
Eligible permanent employees with less than five (5) years continuous service	12 paid days of leave
Eligible permanent employees with five (5) years continuous service or more	17 paid days of leave
Contract employees	12 paid days of leave

For planned leave, employees are to notify manager of their annual leave application as early as possible and apply via the HR system; at least three (3) days in advance for one day of vacation; at least thirty (30) days in advance for one week's vacation; sixty (60) days in advance for two weeks' vacation or more. The employee should also communicate and collaborate with fellow team members to ensure that annual leave is taken without disrupting business operations.

For unplanned leave, employees are required to submit their leave application through the HR system within forty-eight (48) hours.

Annual leave applications will be approved at the discretion of the line manager, and the line manager shall consider the following amongst all other times:

- Other team members with similar or complementary duties have already requested for leave during the same/overlapping period.
- The time in question is too busy or includes an important company or project deadline.
- Employee's performance to ensure that all job responsibilities are satisfied.
- An employee's perceived abuse of the policy (examples include, but are not limited to, employees who take excessive amounts of vacation, chronic tardiness, patterns of unapproved absences, or failure to meet performance expectations).

If the leave application is not approved and the employee absent himself/herself from work, the employee is deemed to be absent from work without official leave. This will trigger an investigation and will result in disciplinary consequences.

Where necessary, the Company shall reserve the right to schedule certain days in each year for shutdown in connection with festival and public holidays and the employee shall utilize his/her annual leave entitlement for this purpose.

All annual leave balance must be cleared by 31 December of the year. Any unutilized annual leave balance at the end of each calendar year will be forfeited and there shall be no encashment. Any exceptions will be subjected to the approval of the Leadership team.

6.3 Sick Leave

All employees are entitled for paid sick leave as follows:

Type of Leave	Years of Continuous Service	Annual Entitlement
Outpatient Non-Hospitalization Leave	Less than 2 years	14 days
	2 to less than 5 years	18 days
	5 years and above	22 days
Hospitalization Leave	-	60 days

When an employee is certified by the medical practitioner or medical officer to be ill enough to be hospitalized but he/she is not hospitalized for any reason whatsoever, the employee shall be deemed to be hospitalized. When the employee is on hospitalization leave for a continuous period exceeding one (1) week, such leave shall include off days and rest days, but exclude public holidays.

Employees need to submit their medical certificate (MC) each time they take sick leave.

All unutilized sick leave balance at the end of each calendar year will lapse and cannot be encashed.

6.4 Prolonged Illness Leave

Permanent employees who are confirmed in their position and certified by the SOCSO Board, the Company's panel doctor or the government medical officer to be ill and suffering from prolonged illness such as tuberculosis, cancer, or other terminal illness or due to an accident which renders him incapable of performing his duties, may be granted prolonged illness leave in addition to the normal sick/hospitalization leave. The prolonged illness leave shall commence after the employee has exhausted all his/her annual leave and sick leave entitlement.

For employees who are eligible and granted prolonged illness leave, the following table shall apply.

Prolonged Illness Leave Time Period	Entitlement
First six (6) months of continuous service	Full basic pay
Next three (3) months of continuous service	Half basic pay
Next three (3) months of continuous service	Unpaid leave

After being on twelve (12) months of prolonged illness leave, if the employee continues to be ill, the Company shall have the discretion to terminate, the employee's employment in accordance with the applicable laws and regulations.

For avoidance of doubt, this Clause 6.4 does not apply to contract employees.

6.5 Compassionate Leave

Employees are eligible to three (3) consecutive paid days of compassionate leave per event of the passing of the immediate family member. Immediate family is defined as:

- Employee's and his/her spouse's grandparents;
- Employee's and his/her spouse's parents;
- Employee's children (inclusive of legally adopted children); and
- Employee's siblings

Employees need to submit a copy of death certificate of the family member when they apply for compassionate leave. Any false document submission will trigger investigation and the employee shall be subjected to severe disciplinary action.

It is the employee's responsibilities to submit the names and relationship of the immediate family members to Human Resource department for record purposes.

Any unutilized compassionate leave balance at the end of each calendar year will lapse and cannot be encashed.

6.6 Maternity Leave

Female employees will be entitled to maternity benefit if the following conditions are satisfied.

- She has worked at least ninety (90) days during the nine months immediately before her confinement;
- She has been employed at any time in the four (4) months immediately before confinement; and
- She has less than five (5) surviving children and the newborn child is the first (1st) to fifth (5th) surviving child at the time of confinement.

Eligible female employees will be entitled to ninety-eight (98) consecutive days of paid maternity leave. Maternity leave shall not commence earlier than a period of thirty (30) days immediately preceding the confinement or later than the day immediately following the confinement. Maternity leave commencing earlier than 30 days immediately preceding confinement shall be construed as unpaid leave. Any unutilized maternity leave will lapse and cannot be encashed.

If the employee has more than five (5) surviving children and the newborn child is the sixth (6th) surviving children at the time of the confinement, she shall not be eligible for paid maternity leave. In this scenario, she may apply for unpaid leave.

Employee should notify the Company of her expected commencement of confinement date upon hospital confirmation. This is to ensure that the maternity leave is taken without disrupting business operations.

6.7 Paternity Leave

Married male employees will be entitled to paternity benefit if the following conditions are satisfied.

- He has worked for the Company at least twelve (12) months immediately before the commencement of paternity leave;
- He has notified the Company of the pregnancy of his spouse at least thirty (30) days from the expected confinement or as early as possible after the birth; and
- He has less than five (5) confinements regardless of the number of spouses and the newborn is the first (1st) to fifth (5th) confinement.

Eligible male employees will be entitled to seven (7) consecutive paid days of paternity leave for every birth of his legal child, up to a maximum of five (5) children.

Employees need to submit a copy of the legal child birth certificate and marriage certificate (if not submitted previously).

All unutilized paternity leaves at the end of the twelve (12) months after the birth of the legal child will lapse and cannot be encashed.

6.8 Marriage Leave

Permanent employees who are confirmed in his/her position will be entitled up to three (3) consecutive paid calendar days marriage leave for his/her first legal marriage.

All unutilized marriage leave balance at the end of the calendar year will lapse and cannot be encashed.

Employees need to submit a copy of the marriage certificate when they apply for marriage leave.

For avoidance of doubt, this Clause 6.8 does not apply to contract employees.

6.9 Exam Leave

Permanent employees who are confirmed in his/her position and studying for professional qualifications from legally recognised institute and relevant to his/her course of work will be entitled up to three (3) calendar days exam leave.

All unutilized exam leave balance at the end of each calendar year will lapse and cannot be encashed.

Employees need to submit a copy of the exam notice when they apply for exam leave.

For avoidance of doubt, this Clause 6.8 does not apply to contract employees.

6.10 Calamity Leave

Employees who are directly affected by natural calamity/disaster shall be entitled to five (5) paid days of special emergency leave per event. This benefit shall only be available upon government declaration of a state of calamity.

In case a specific area was not declared under state of calamity but was nonetheless severely affected by the natural calamity/disaster, it is the Company's sole discretion to grant the special emergency leave to the affected employee based on proof or evidence presented or news account.

6.11 Unpaid Leave

Where an employee has exhausted his leave entitlement(s) for the year or not eligible to annual leave, he/she may apply for unpaid leave and the approval shall be based on the sole discretion of the Company.

7. Employee Benefits

7.1 Insurance

As part of the Company's ongoing efforts to provide all employees with effective benefit programme, there is a comprehensive employee benefit scheme to take care of the employee's medical insurance needs.

a) Group Term Life / Total & Permanent Disability

Permanent employees shall be covered under the Company appointed insurer.

b) Group Hospital & Surgical

Permanent employees shall enjoy inpatient medical coverage under the Company appointed insurer. Eligible employees shall refer to the prevailing medical policy for detailed coverage information.

c) Group Outpatient GP / Specialist

Permanent employees shall be covered for outpatient medical coverage under the Company appointed insurer. Eligible employees shall refer to the prevailing medical policy for detailed coverage information.

Eligible contract employees shall be entitled for claim reimbursements for Outpatient GP and Specialist visits to registered medical practitioner up to MYR 250.00 per calendar year. Official receipts are to be submitted together with the claim form.

d) Group Travel Insurance

Employees shall be covered for outpatient medical coverage under the Company appointed insurer. Eligible employees shall refer to the prevailing travel insurance policy for detailed coverage information.

For avoidance of doubt, this clause 7.1 (a) Group Term Life / Total Permanent Disability and (b) Group Hospital & Surgical does not apply to contract employees.

7.2 Personal Protective Equipment

The Company provides for personal protective equipment such as safety footwear, safety helmet and safety jacket vest. Please refer to HSE department for more information.

8. Employee Recognition & Welfare

8.1 Gifts of Occasion

The Company shall send the employee's gifts for occasions as follows:

- Newborn baby
- Hospitalization
- Bereavement Wreath

Gifts will only be arranged should the said occasion took place in local context (Malaysia) and will not be applicable outside Malaysia.

9. Learning & Development

In a spirit of learning and growth, Company will assist employees by providing opportunities and encouragement for continuing learning and development in order to facilitate the achievement of Company's objectives and help employees to realize their potential.

Managers are encouraged, with the advice and assistance of the Human Resource department, to formulate procedures and practices that create and foster a climate in which their team members are challenged and encouraged to learn.

Employees shall refer to the learning & development SOP for details on the policies and procedures.

10. Travel and Expenses

Employees shall refer to the Travel & Expenses policy for details on the guidelines and allowable expenses.

11. Employee Conduct

With reference to Gradiant's Code of Conduct, while it is not possible to list all standards of conduct in the workplace, in general, we expect our employees to refrain from the following:

- Abusive language - Accepting monies and / or other benefits from the Company's customers / clients or suppliers - Acts, which may jeopardize good relations between Company and its suppliers or customers - Excessive or unexcused absences or tardiness - Fighting, assault, disruptive activity, or threatening violence in the workplace. - Possession of dangerous or unauthorized materials in the workplace, such as explosives, firearms or other dangerous weapons. - Gross misconduct, insubordination, and inability to follow work assignments. - Misrepresenting reasons when applying for a leave of absence or for other time off from work - Non-compliance with any Company rule, regulation, procedure, or policy	- Restricting output, or persuading others to do so, or promoting, encouraging, agitating, engaging in, or supporting suspension of work, slowdowns, or another interruption of production or preventing coworkers from performing their jobs - Removing property from the Company without authorization - Stealing or willfully destroying or damaging property of the Company, visitors, customers or other employees - Sleeping, loafing, or loitering while on duty - Unsatisfactory attitude, habits, or acts - - Unsatisfactory work performance - Harassment and/or engaging in any form of sexual harassment, indecent or inappropriate behavior with coworkers, managers, visitors, customers, subcontractors, suppliers, or the public. - Falsifying company records, such as employment applications; time entry; expense accounts, (receipt or invoices) or safety reports in any way.

- Presenting for work under the influence of drugs, alcohol or a controlled substance - see Gradiant's Prohibited Drug & Alcohol Policy. - Discussing or disclosing confidential Gradiant matters, information and/or confidential client information with unauthorized individuals, or in public areas where these conversations may be overheard. - Theft or vandalism, or any act of dishonesty.	- Acts of sabotage, including the deliberate interference or hindering of Gradiant operations. - Making or publishing false or malicious statements concerning Gradiant, any of its employees, or any other individual or organization related to Gradiant. - Distributing, possessing, carrying, using, or being under the influence of illegal drugs.

The type and manner of discipline will be determined on a case-by-case basis, at the sole discretion of Gradiant's Leadership team.

11.1 Disciplinary Actions

Gradiant handles disciplinary actions and involuntary separations in a consistent, timely, and equitable manner. All employees are expected to meet Gradiant standards of work performance including attendance, punctuality, personal conduct, job proficiency, and general compliance with Gradiant policies and procedures. If an employee does not meet these standards, Gradiant may take corrective action.

Corrective Action

Barring extenuating circumstances, Gradiant strives to engage in the following steps when disciplining an employee or terminating an employee for noneconomic reasons:

Step 1: If the offence is minor, the employee will be counselled and advised by the respective manager or business division head not to commit the offence again. The respective manager should note down the counselling session with the employee in a memo and keep it for future reference.

Step 2: A warning letter will be issued if the employee shows no improvement and/or commit the same offence again. A copy of the warning letter will be filed in the concerned employee's personnel file for record purpose.

Step 3: Should the employee again commit the same offence; a second warning letter will be issued to him/her. A copy of the second written warning letter will be filed in the concerned employee's personnel file.

Step 4: If the employee commits the same offence again, depending on the seriousness of the offence, one of the following actions may be taken:

- A final warning letter will be issued. A subsequent similar offence will warrant a termination of service or dismissal. A copy of the warning letter will be filed in the concerned employee's personnel file.
- Where applicable employee's service will be suspended with or without pay
- The employee may be downgraded
- Termination or dismissal based on the appropriate level of discipline as advised by the Country Human Resource Representative

Whether these steps are used or whether one or more steps are bypassed in any circumstance is a decision that rests solely within the discretion of the Company. Certain types of employee problems are serious enough to justify either a suspension or termination of employment without going through any of the above steps.

To safeguard the image of the Company, any employee who has been found guilty of committing crimes or law suits of the locality will be subjected to very serious repercussion, amounting to immediate dismissal.

12. Whistleblowing

Gradiant Whistleblowing Framework provides a platform for individuals to disclose any observed improprieties that involve Gradiant's employees and/or business partners, without fear of reprisal.

All instances of whistleblowing will be independently reviewed and investigated by a third-party consultant from Navex Global. Results of investigation will also be reported to the Corporate General Counsel and designated Human Resource Representative.

Whistleblowers should report their concerns in good faith. The whistleblower's identity and the concerns raised will be kept confidential, unless as required by the law to reveal to parties such as lawyers, the police, or investigators.

Types of Improprieties

Reportable improprieties include the following:

a) Corruption/bribery is the receiving, asking for, offering, promising, or giving any gratification to induce a person or be induced to do a favour with a corrupt intent. Types of gratification include but not limited to money, sexual favours, properties, promises and services. Favours could come in the form of seeking confidential information, leniency, special privileges, and contracts.

b) Fraud is any illegal act characterized by deceit, concealment, or violation of trust. They are perpetrated to obtain money, property, or services; to avoid payment or loss of services; or to secure personal or business advantage. Common examples of fraud include asset misappropriations, forgery and misuse of information acquired in the course of employment.

c) Unlawful Conduct includes all forms of illegal behaviour such as drug sale or use, violence or threatened violence, criminal damage against property, sexual harassment, money laundering, and terrorism financing.

Reporting Channels:

Channels managed by Navex Global:

- Web portal: gradiant.ethicspoint.com
- Mobile URL: gradiantmobile.ethicspoint.com
- QR Code

To enable Gradiant to effectively investigate your concerns, the following information should be provided, where possible:

Your contact information:

- Name(s) of person(s)/company(ies) involved.
- Your relationship with the reported person(s)/company(ies).
- Detailed description of the incident (including date, time, location, methods, and action/ behaviour).
- Period the impropriety had been perpetuated.
- Has Leadership team been informed (if yes, please provide the notification date and contact information of the person notified)?
- Physical evidence and any other information that may substantiate the incident.
- We encourage whistle-blowers to provide their names and contact numbers to facilitate investigations.

Retaliation

Retaliation against any individual who has reported an incident or who cooperates in the investigation of a claim is prohibited. Any person who believes he/she or another individual is being retaliated against for reporting must bring this information to his/her line manager and/or Human Resources attention.

Any person found to have retaliated against another individual for reporting will be subject to disciplinary action, which may include immediate termination.

13. Social Media Policy

All employees shall not represent Gradiant in any way or form and shall not use the Company's name as part of any social media account username without the written permission from the Company.

As a member of the Company, the employees' projection of themselves in the social media may impact the image and branding of the Company. As such, the Company encourages all employees to withdraw from all discussions that go off topic or become profane or any other controversial topics such as religion or politics.

In the event when any employee comes across a post or comment about Gradiant, he/she shall direct to the Corporate Marketing & Communications Department.

13.1 Press and Interviews

Our Corporate Marketing & Communications Department is responsible for all public press and interviews to ensure that the Company's branding and representation is managed professionally.

All employees of Gradiant shall not at any time grant any interview or press conference, make any releases to the press, public, broadcasting media or otherwise on any subjects relating to the Company without prior approval of the Company in writing.

Employee Handbook Acknowledgement Form

I, _____ (Identity No. _____) hereby acknowledge that I have read and understood the contents of the handbook. I am aware that this handbook shall supersede all other existing versions of the handbook.

Signed by:

_____

Name:

Date: