PART I – INTRODUCTION

1 PURPOSE

1.1 This manual contains the following:

1.1.1. Introduction
1.1.2. Classification of Employees
1.1.3. Employment Terms & Conditions
1.1.4. Benefits and Compensation
1.1.5. Performance Appraisal & Wages Administration
1.1.6. General Company Practice

1.2 This manual shall be applicable to all subsidiaries, associates and joint venture companies under the Salcon Berhad Group of Companies. However, it is anticipated that supplementary policies manual may be issued at the subsidiaries or associate/joint venture companies when it is deemed necessary, so as to ensure that policies and procedures are set with the individual company’s operations requirements.

1.3 This manual shall act as a general guide for the administration of Human Resource policies and procedures, so as to achieve both internal and external equity among employees of the Group, as well as to promote greater industrial relations.
2 BINDING EFFECT OF THIS MANUAL

2.1 All terms and conditions of employment, benefits and any limitations of employment stated in this manual shall be applicable to all employees (exclude contract employees) of Salcon Berhad Group of Companies, unless otherwise stated in their initial Letters of Appointment or any subsequent agreements to the effect.

2.2 This Human Resource Policies and Procedures Manual shall be a revised manual to supersede the previous edition 1 January 2006 and all other previous manuals and revisions.
3 CONFIDENTIAL NATURE OF THIS MANUAL

This manual is of a *Private & Confidential* nature to an extent that it should only be accessible to the employees of Salcon Berhad Group of Companies.
4 CREATION AND AMENDMENTS TO CONTENTS OF MANUAL

4.1 The Company reserves the right to unilaterally make revisions and amendments to any of the sections stated in this manual as circumstances warrant.

4.2 Reasonable efforts to keep employees informed of any revisions/amendments will be made and thereafter, it shall be the responsibility of each employee to know of such amendments/revisions which are made from time to time, and to comply with them. No prior notice is required to be served to any employee in circumstances of such revisions and/or amendments to the contents of this manual.
5 AMENDMENTS

5.1 Notwithstanding the provisions of this manual, the Company may from time to time, amend, add, vary, suspend or terminate any of the aforesaid terms and conditions as and when it is deemed necessary to support the operations and business of the Group, without prior consultation with the employees, and such amendments, additions, variations, suspension or termination shall apply forthwith.

5.2 All employees are responsible for familiarising themselves with the terms and conditions of employment and any amendments, additions or variations thereto.

5.3 All amendments shall be subjected to Chief Executive Officer (CEO) approval except for monetary remuneration related issue(s) must get approval from EXCO.
PART II – CLASSIFICATION OF EMPLOYEES

6 JOB GRADE

6.1 Employees of Salcon Berhad Group are categorised into the following Job Grade (JG):

<table>
<thead>
<tr>
<th>CORPORATE GRADING STRUCTURE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Category</td>
</tr>
<tr>
<td>Senior Management</td>
</tr>
<tr>
<td>Managerial</td>
</tr>
<tr>
<td>Executive</td>
</tr>
<tr>
<td>Non-Executive</td>
</tr>
</tbody>
</table>

6.2 Relevant terms and conditions including benefits contained in this manual shall apply to all employees unless the context indicates otherwise or implies that the provision relates to only certain employees / grades.
PART III – EMPLOYMENT TERMS AND CONDITIONS

7 APPOINTMENTS

7.1 Any appointment shall be deemed valid only when a Letter of Appointment is issued, acknowledged and the Form of Acceptance signed by the applicant and forwarded to the Company.

7.2 Where an appointment is subject to variation of the terms and conditions herein and shall not be binding on employer/employee relations, a Contract for Service shall apply.
8 PRE-EMPLOYMENT MEDICAL EXAMINATION

8.1 Employment of new employees is conditional upon passing a pre-employment medical examination including a chest x-ray by the Company’s appointed registered medical practitioners.

8.2 The Company reserved the right to keep the Medical Examination Report.

8.3 If the result of the pre-employment medical report shows that the employee is not fit for employment, the Company has the right to terminate the employment contract with immediate effect, without any compensation.
9 REFERENCE CHECK

Reference check prior to employment of new employee shall be conducted by Human Resource Department when deemed necessary.
10 PROBATIONARY PERIOD

10.1 All new employees of the Company shall undergo a probationary period before they are confirmed as permanent employees. Probationary period for each JG of employee is as follows:

<table>
<thead>
<tr>
<th>JG</th>
<th>First Instance</th>
<th>Maximum Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1 &amp; above</td>
<td>6 months</td>
<td>12 months</td>
</tr>
<tr>
<td>NE6 &amp; below</td>
<td>3 months</td>
<td>6 months</td>
</tr>
</tbody>
</table>

10.2 Where applicable, the probationary period may be reduced or extended at the discretion of the CEO if the employee’s performance merits it and upon recommendation by his/her immediate superior / Heads of Department/Division / Subsidiary.

10.3 The Company shall inform in writing to the employee concerned should there be any extension of the probationary period.

10.4 At the end of the probationary period, a formal performance assessment will precede the written notice of confirmed status, which will be provided to employees. Procedures for assessing a probationer can be referred to Part V – Performance Appraisal & Wages Administration, Section 50 of this manual.

10.5 During the probationary period or any extension thereof, employment may be terminated by either party (i.e. the employer or the employee) giving to the other party the following notice period or payment of wages in lieu of such notice without assigning any reason thereto:

<table>
<thead>
<tr>
<th>JG</th>
<th>Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1 &amp; above</td>
<td>2 weeks’ notice (14 working days)</td>
</tr>
<tr>
<td>NE6 &amp; below</td>
<td>1 week’s notice (7 working days)</td>
</tr>
</tbody>
</table>
11 WORKING HOURS AND DAYS

11.1 The Company’s official working hours are as follows:

**Head Office**
- **Mondays to Fridays**: 8.30 am to 5.30 pm
  *with one hour lunch break from 12.30 noon to 1.30 pm*
- **Saturdays/ Sundays**: Off-days/ Rest-days

**Project Site**
- **Mondays to Saturdays**: 8.00 am to 5.00 pm
  *with hour lunch break from 12.30 noon to 1.30 pm*
- **Sundays**: If necessary – with consent of both parties

11.2 On Friday, the lunch break may be extended to one and a half (1½) hour for male Muslim employees in order to enable them to perform their Friday prayers at the mosque. However, this is subject to the Company’s convenience and only male Muslim employees going to a mosque may be granted this privilege. If they are found to have returned late to the office on Fridays and have not performed prayers at the mosque, they render themselves liable to disciplinary action.

11.3 Due to the diversification of the Group’s activities and industry, working on Saturdays will apply according to the respective industry standards and practice which the subsidiary is in or the business requirement of the respective Company or Division.

11.4 Working hours that differ from the above will be determined and communicated to the employees concerned by the respective Heads of Subsidiary/Division.

11.5 Employees may be required to work beyond their normal working hours in order to complete urgent assignments or duties.

11.6 To attend training / seminars / meeting / Company functions / gathering occasionally in weekends (Saturday/Sunday), without replacement leave.
12 TERMINATION

12.1 Upon confirmation, should either party (i.e. the employer or the employee) wish to terminate the contract of employment, the following notice periods of termination is required to be served to the other party, or pay wages in lieu of such notice:

<table>
<thead>
<tr>
<th>Notice Period</th>
<th>JG E1 &amp; above</th>
<th>JG NE6 &amp; below</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 months’ notice</td>
<td>1 month’s notice</td>
<td></td>
</tr>
</tbody>
</table>

12.2 Under exceptional circumstances, requirement of notice of termination of contract under Section 12.1 above can only be shortened or waived with the written recommendation of the respective Heads of Department/Subsidiaries and written approval from the CEO.

12.3 An employee who has tendered his/her resignation and who has a balance of annual leave may apply for the utilisation of such annual leave entitlement against his/her notice period, subject to prior written approval from the respective Head of Department.

12.4 In the event of breach of contract on the part of employee, the employment may be terminated without notice and without pay in lieu of notice. Grounds for immediate dismissal shall include, but are not limited to the following:

- Unauthorised disclosure of Confidential Information
- Possession of weapons or drugs
- Fighting within company premises
- Act of insubordination
- Dishonesty/stealing and/or damaging of company property
- Actual or implied physical threat to any employee
- Intoxication
- Sleeping during company working hours
- Involvement in serious financial difficulties/bankruptcy
- Gross negligence
- Conviction of a criminal offence
- Pecuniary embarrassment
- Other acts in breach of Company Code of Ethics and Conduct & Discipline
12.5 If any employee is absent from work for more than two (2) consecutive working days (48 hours) without prior leave from his superior and/or without reasonable excuse, the employee shall be deemed to have broken his/her contract of service and may be dismissed.

12.6 Resigned employees shall only be entitled to payment of the proportionate amount on salary and allowance (if any), due to him up to the time of resignation/termination of employment contract.
13 TRANSFER

13.1 The Company may at its discretion and in the interest of its business from time to time assign, reassign or transfer an employee from one work station to another, from one company to another within the Salcon Berhad Group including subsidiary and associate companies, from one state to another, locally or overseas to work. Upon such transfer, all terms and conditions of service including length of service shall remain unchanged subject to the variation of terms to reflect the business of the company.

13.2 Employees transferred to another locality for more than twelve (12) months in the same company or to another company in the Group located beyond the same state shall be entitled to a Relocation Allowance as stipulated in Part IV – Benefits and Compensation, Section 38 of this manual.

13.3 Employees transferred to companies/subsidiaries located abroad shall be offered package under the Expatriate Scheme that is currently practiced specifically to the country where he/she has been transferred.
14 SECONDMENT

14.1 An employee may be seconded to another company/project within the Group from time to time, if necessary and at the discretion of the Management.

14.2 Any secondment shall be notified officially in writing.
15 PROMOTION

15.1 The Company encourages employees to improve themselves personally; employees are also given opportunities to develop their skills and qualifications within the Company.

15.2 The Company shall notify the employees of any vacant position that arises within the Group. The Human Resource Department shall first process all internal applications before a search is made outside the Group and in all cases, preference will be given to qualified employees within the Group.

15.3 Employees promoted to Managerial Category and above (JG M1 to SM5) will have to undergo a probationary period of six (6) months and employees promoted to Executive category and below (JG NE1 to E6) will have to undergo a probationary period of three (3) months.

15.4 However, if the employee is subsequently found not to be suitable for the job, he/she will be informed by the Company accordingly and will automatically return to his/her previous position or to any other available positions.
16 OTHER EMPLOYMENT

16.1 Employees who wish to undertake any other remunerative employment for any other employer including directorship of another company during the period of engagement shall be required to seek written agreement from the Company.

16.2 If the employee received the written agreement from the Company to accept other employments, the terms of such employment shall be agreed to by the Company and the other employer, and the Company shall be entitled to decide on how any emoluments paid by the other employer be apportioned between the employee and the Company.
PART IV – BENEFITS AND COMPENSATION

17 PUBLIC HOLIDAYS

17.1 All employees are entitled to all Gazetted Public Holidays, State Holidays and Special Public Holidays in the state/country where the employees are located.

17.2 For the purpose of this section, Special Public Holidays refer to those public holidays, which are not gazetted but are announced by the government of Malaysia to commemorate special events from time to time.

17.3 Should any of the gazetted Public Holidays fall on a rest day, the working day immediately following the Public Holiday shall be a paid Public Holiday in substitution thereof.

17.4 Any employee who absents himself/herself from work on the working day immediately preceding or immediately succeeding a Public Holiday or two (2) or more consecutive Public Holidays or any day(s) substituted thereafter under this section without the prior consent of his/her immediate superior shall not be entitled to any holiday pay for such holiday or consecutive holiday unless he/she has a reasonable excuse for such absence.
18 ANNUAL LEAVE

18.1 The paid annual leave entitlement for each category of employees are as follows:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>JG NE1-NE6</th>
<th>JG E1-E6</th>
<th>JG M1-M6</th>
<th>JG SM1 &amp; above</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;= 5 year</td>
<td>14 days</td>
<td>15 days</td>
<td>16 days</td>
<td>19 days</td>
</tr>
<tr>
<td>&gt;5 to &lt;= 10 years</td>
<td>16 days</td>
<td>18 days</td>
<td>19 days</td>
<td>21 days</td>
</tr>
<tr>
<td>&gt;10 to &lt;= 20 years</td>
<td>19 days</td>
<td>21 days</td>
<td>22 days</td>
<td>24 days</td>
</tr>
<tr>
<td>&gt;20 years</td>
<td>22 days</td>
<td>24 days</td>
<td>25 days</td>
<td>28 days</td>
</tr>
</tbody>
</table>

18.2 The leave eligibility is computed as at 1 January of each year and any fraction of a day of annual leave so calculated which is less than half (½) of a day shall be deemed to be half (½) day, and where the fraction of a day is half (½) or more, it shall be deemed to be one (1) day.

18.3 The following conditions will govern the granting of the above annual leave:

18.3.1 Leave application should be made at least seven (7) working day in advance and leave applied should be approved by the applicant’s immediate superiors.

18.3.2 Annual leave can be used in minimum increments of half (½) day.

18.3.3 Accumulation of Annual Leave

18.3.3.1 Accumulation of annual leave or carrying forward of annual leave from one calendar year to another is limited to (50%) of the current year’s entitlement. However, such leave carried forward must be utilised by 30 April of the following year. The unutilized annual leaves shall be forfeited after the stipulated date.
18.3.3.2 Subject to Section 18.3.3.1 above, any other accumulation of annual leave or carrying forward of annual leave from one year to another is not allowed except in exceptional cases or if the employee’s application for leave is denied due to exigencies of duties. Any annual leave accumulation if allowed should have justification by the immediate superior of the employee and should be approved by the Head of Department/Head of Subsidiary and such approval letter shall then be forwarded to the Human Resource Department for its records purposes.

18.3.4 Employees who are on probation may apply for their earned leave calculated from the date of commencement of employment till the date the employee wishes to go on leave. However, any leave taken in excess of their earned leave shall be regarded as No Pay Leave.

18.3.5 Confirmed employees who have not completed one year of continuous service shall be granted proportionate annual leave calculated from the commencement date of employment.

18.3.6 The Management reserves the right to schedule an employee’s leave whether or not his application for leave has been previously approved. Irrespective of any other factor, the Management decides the approval of leave application subject to exigency of duties.

18.3.7 No leave shall exceed 5 working days in one stretch in a calendar month, unless specifically approved by CEO.

18.3.8 Employees are encouraged to take leave and utilized their leave entitlement within the calendar year.

18.4 Annual Leave Application Procedure (Manual)

18.4.1 Employees who intend to go on leave are required to apply by completing the Leave Application Form.

18.4.2 The completed form shall then be forwarded to the respective immediate superiors for approval. All approved Leave Application
Forms shall be submitted to the Human Resource Department for records and filing purposes.

18.4.3 Upon receiving the leave application forms from the applicants, the immediate superior shall respond and communicate the status of the application to the applicants.

18.4.4 Any cancellation of leave previously applied for shall be made known to the Human Resource Department.

18.5 Annual Leave Application Procedure (On-line using E-Admin)

18.5.1 Employees who intend to go on annual leave are required to apply by completing the Leave Application via E-Admin.

18.5.2 The completed application shall then be forwarded automatically via e-mail to the assigned stand-by person and later to the immediate superior for action/approval.

18.5.3 Upon receiving leave application from the applicants, the assigned stand-by persons and immediate superiors shall respond to the application via E-Admin.

18.5.4 The status of the leave application can also be viewed/checked via E-Admin.

18.5.5 Any cancellation of leave previously applied for shall be amended accordingly via E-Admin.
19 SPECIAL LEAVE

19.1 Emergency Leave

19.1.1 Emergency Leave may be granted on application at the absolute discretion of the Company, and such leave when granted shall be debited against the annual leave. If the annual leave has been exhausted, emergency leave may be granted on no pay basis.

19.1.2 For the purpose of this clause, the emergency leave shall be granted on the following grounds:

- illnesses of spouse, parents and children which require the care and attention of the respective employee
- natural disasters (flood, fire, etc.)
- house break-ins/burglaries/robberies/thefts
- breakdown of transport (car, motorcycle, etc.)

Appropriate supporting documents (e.g. copies of medical certificates or time-chits issued by medical practitioners, letters from the relevant authorities in respect of natural disasters or police reports due to house break-ins/burglaries/robberies/thefts, receipts of the repair of vehicles), must be submitted to justify such leave application.

19.1.3 For the purpose of this Section, should any employee fail to produce the supporting documents upon submitting the leave application, he/she shall be deemed to have absent himself/herself from work without the permission of the company and without reasonable excuse; hence the days on which he/she is absent from work shall be regarded as absence without pay and the employee may also liable to severe disciplinary action.

19.1.4 Procedure

19.1.4.1 Employees are required to fill in the Leave Application Form upon return to work the following day with approval obtained from their immediate superiors.
19.2 No Pay Leave

19.2.1 No Pay Leave is not a right or entitlement of employee, but a privilege accorded to an employee. It shall not be encouraged nor approved by the immediate superior without first considering the following guidelines:

19.2.1.1 That the employee is still under probationary period.
19.2.1.2 That all annual leave entitlement has been exhausted.
19.2.1.3 That the employee can be relieved from his or her duties.
19.2.1.4 That each case be considered on its own merits.

19.2.2 Where an employee is granted no pay leave by the Company during any period of twelve (12) months and the period of no pay leave exceeds in the aggregate of thirty (30) days, this period of absence shall be disregarded when computing his/her length of service with the Company, annual leave, medical leave, bonuses and all other entitlements where length of service is taken into consideration.

19.2.3 Procedure

19.2.3.1 Application of no pay leave can be made by completing the Leave Application Form and must be approved by the immediate superior, at least one (1) week prior to the commencement of the intended leave.

19.3 Marriage Leave

19.3.1 All employees shall be eligible for paid Marriage Leave of three (3) working days on the occasion of their first legal marriage.

19.3.2 A copy of the marriage certificate, issued by the Local Registrar of Marriage, must be submitted to support such leave application.
19.3.3.1 Application of marriage leave should be made at least one (1) week in advance by completing the Leave Application Form.

19.3.3.2 A copy of the marriage certificate, issued by the Local Registrar of Marriage, must be submitted to support such leave application.

19.4 Compassionate Leave

19.4.1 All employees shall be eligible for paid compassionate leave as following:

- Death of immediate family members – 2 working days in each event
- Serious illness (ICU Case) of immediate family members – max 2 working days in a calendar year
- Suffer from disaster – max 2 working days in a calendar year subject to management approval

19.4.2 For the purpose of this clause, the immediate family members shall include spouse, parents, children, grandparents, brothers and sisters (from the same parents) or parents-in-law (from the first marriage) only.

19.4.3 Procedure

19.4.3.1 Employees are required to fill in the Leave Application Form upon return to work the following day and the application should be supported with a copy of the document prove.

19.5 Paternity Leave

19.5.1 All employees shall be eligible for paid paternity leave up to a maximum of two (2) working days on the occasion of employee’s first legal wife’s delivery of a child/children and such leave shall only be granted up to a maximum of five (5) surviving natural children.

19.5.2 Procedure
19.5.2.1 Application of paternity leave should be made not later than three (3) working days upon return to work, by completing the Leave Application Form and the leave application should be supported with a copy of the birth certificate.

19.6 Examination Leave

19.6.1 All employees shall be eligible for paid Examination Leave up to a maximum of four (4) working days per calendar year based on actual days for any given examination and such leave shall not be taken for purpose of referrals.

19.6.2 The Examination Leave shall only be granted for courses related to the employee’s job.

19.6.3 Procedure

19.6.3.1 Application for examination leave should be made at least one (1) week prior to the commencement of the examination, by completing the Leave Application Form, supported with a copy of examination schedule issued by the respective Institutes / Colleges / Universities.

19.7 Replacement Leave

19.7.1 Objective
To provide guidance and guidelines to management and supervisory staff of the Company’s policy on granting Replacement Leave, the eligibility and the procedures.

19.7.2 Philosophy
To compensate employees who are required to work on their Rest Days and/or Public Holidays.

19.7.3 Eligibility

19.7.3.1 When an employee (who is not eligible for overtime claim) is required by his/her immediate superior/manager/HOD to work on weekends which is not the employee’s scheduled day of work, or on the
employee’s rest day, or on holidays, he/she shall be compensated for replacement leave.

19.7.3.2 Replacement leave DOES NOT apply in connection with attending courses, training sessions, management dialogues, professional conferences, seminars, meeting, entertainment, and activities organized by the staff, Company or Sport Recreation Club.

19.7.3.3 Employee are in overseas / outstation assignment, if they are not working over the weekend / rest day shall NOT be eligible to claim for replacement leave.

19.7.3.4 Employees who are traveling (more than 4 hours) on non working day are eligible to claim Replacement Leave.

19.7.3.5 The employee will be compensated by one (1) day Replacement Leave for working minimal 4 hours or more continuously in a rest day or holiday.

19.7.4 Procedure

19.7.4.1 Employee has to claim for a Replacement Leave via e-Admin system within 14 days.

19.7.4.2 HOD is responsible to approve on the claimed Replacement Leave

19.7.4.3 Any unutilized Replacement Leave by end of the year will add on to Annual Leave

19.7.4.4 Accumulation of Annual Leave & Replacement Leave or carrying forward of the said leaves from one calendar year to another is limited to 50% of the current year’s Annual Leave (inclusive Replacement Leave) entitlement. However, such leaves carried forward must be utilized by 30 April of the following year.
20 MEDICAL LEAVE

20.1 All employees shall be entitled to the following days of medical leave on full pay, upon the recommendation of a registered medical practitioner appointed by the Company. If the nature or circumstances of the illness require immediate treatment but the services of medical practitioners so appointed are not obtainable within a reasonable time or distance, employees may be treated and recommended medical leave by any other registered medical practitioners, subject to the conditions hereinafter specified.

20.1.1 Where no hospitalisation is necessary:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>No. of Days (in the aggregate of each calendar year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2 years</td>
<td>14 days</td>
</tr>
<tr>
<td>2 years – less than 5 years</td>
<td>18 days</td>
</tr>
<tr>
<td>5 years or more</td>
<td>22 days</td>
</tr>
</tbody>
</table>

20.1.2 Where hospitalisation is necessary, as may be certified by a registered medical practitioner or medical officer, of sixty (60) days in the aggregate in each calendar year.

20.2 Subject to Section 20.1.2 above, an employee shall be deemed to be hospitalised for the purpose of this Section, if he/she is certified by a registered medical practitioner to be ill enough to need hospitalisation, but for any reason whatsoever was not hospitalised but was given home leave.

20.3 Employees are required, after being certified by a registered medical practitioner to be ill enough to need medical leave, to inform his/her immediate superior of the medical leave taken between 8.30 am to 10.00 am, or to inform the Human Resource Department should the immediate superior is not available.

20.4 Medical leave shall be granted only upon submission of medical certificates certified by a registered medical practitioner.
For the purpose of this Section, should any employee fail to produce any medical certificate by the following working day upon returning from medical leave, or fail to inform the company of such medical leave within forty-eight (48) hours of the commencement of leave thereof, he/she shall be deemed to have absent himself/herself from work without the permission of the company and without reasonable excuse for the days on which he/she is so absent from work. Such absenteeism shall render the employee liable to disciplinary action.

An employee shall not be entitled to paid medical leave for the period during which she is entitled to maternity leave, or for any period during which he/she is receiving any compensation for disablement under Workmen’s Compensation Act 1952 or periodical payments for temporary disablement under the Employees Social Security Act 1969 or Group Personal Accident Insurance.

The aforesaid medical leave shall not be granted if the illness, injury or disablement is self-inflicted or occasioned by or as a result of misconduct; attempted suicide; carelessness or immorality or indiscretion on the part of the employee; participation in or attending any hazardous sports, pursuit or pastime; the performance of any unlawful act; provoked assault; the use of drugs not medically prescribed; or any breach of the peace or order of the country.

Any leave granted by a Government Dental Surgeon or certified private Dental Surgeon shall be regarded as medical leave.

Prolonged Illness Leave

Subject to Section 20.7 stated above, in the case of prolonged illness such as heart attack, stroke, coma, paralysis, cancer, accident, or any other illness of prolonged nature requiring long term treatment as certified by a registered medical practitioner also appointed by the Company or a Government medical officer, an employee (over and above the normal medical leave) shall be granted the following prolonged illness leave:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 6 months</td>
<td>Full Pay</td>
</tr>
<tr>
<td>2nd 6 months</td>
<td>Half Pay</td>
</tr>
<tr>
<td>3rd 6 months</td>
<td>No Pay</td>
</tr>
</tbody>
</table>
provided that he/she has completed twelve (12) months of continuous service with the Company.

20.9.2 The schedule of Critical Illnesses is set out in Appendix I of this manual.

20.9.3 If the employee is still unfit for employment at the end of the above-mentioned prolonged illness leave, as certified by the Company’s appointed medical practitioner or a Government medical officer, he/she shall be medically boarded out.
21 MEDICAL BENEFITS

21.1 The Company shall provide medical benefit through the Company’s appointed clinics/hospitals for consultation and treatment of any illness or sickness or injuries suffered by an employee, subject to Section 21.7 below.

21.2 This medical benefit is also extended to the wife (not gainfully employed) and children (up to the age of 21 only and not gainfully employed) of male employees. Notwithstanding Section 21.7, children of employees may be allowed to visit pediatricians, if necessary.

21.3 This medical benefit is not extended to the husband and children of female employees. However, if the female employee is a single parent or if her husband does not enjoy similar benefits in his current employment, the female employee may apply to the Human Resource Department for her children (up to the age of 21 only and not gainfully employed) to be entitled to this medical benefit, which is further subject to approval by the Human Resource Manager.

21.4 However, such extended benefit may be recalled in the event that the husband of the female employee has subsequently got to enjoy similar benefit from his employment. For this purpose, the female employee must notify the Human Resource Department of such changes to her husband’s medical entitlement if the situation arises.

21.5 The list of Company’s appointed clinics/hospitals is set out in Appendix II of this manual.

21.6 If having regard to the nature/circumstances of the illness, the services of the Company’s appointed clinics/hospitals are not obtainable within reasonable time or distance, the employee may get full reimbursement of the medical fee incurred upon submission of original receipt and medical certificate indicating nature of illness.

21.7 The Company shall NOT pay for the cost of the following:

21.7.1 Surgical or other appliances.
21.7.2 Cosmetic treatment, consultation or drugs or appliances.
21.7.3 Optical appliances or optician’s fees.
21.7.4 Any expenses incurred as a result of pregnancy, confinement, abortion, miscarriage or pre and postnatal care.
21.7.5 Routine physical examination and specialist consultation other than required by the Company.
21.7.6 Any expenses incurred as a result of injury, illness or disease caused by misconduct, attempted suicide, carelessness, drunkenness, wilful negligence of duty, the performance of an unlawful act, provoked assault, breach of peace, immoral acts or exposure to any unjustifiable hazard, except when endeavoring to save human life.
21.7.7 Treatment of congenital abnormalities, venereal diseases, AIDS, HIV related diseases or illegal abortive measures.
21.7.8 Any expenses for treatment of mental cases which have been certified by a doctor in charge of mental care.
21.7.9 Any treatment arising from unlawful use of drugs.
21.7.10 Any expenses in respect of illness or accident arising out of employment, which may constitute a claim under the Personal Accident Insurance.
21.7.11 Any immunisation such as Hepatitis, Typhoid and etc. unless required/recommended and approved by Human Resource Manager.

The above given list is NOT exhaustive in nature and will vary in accordance to current situation.

21.8 The Company shall only reimburse the expenses incurred on specialist treatment provided that the registered medical practitioner appointed by the Company recommends such treatment and a referral letter warranting a specialist is obtained, except for visit to child specialist clinics for children of 12 years and below, without which the claim will be rejected.
22 EXECUTIVE MEDICAL EXAMINATION

22.1 Only confirmed employees on JG M1 and above are entitled to undergo full executive medical check-ups as shown below:

<table>
<thead>
<tr>
<th>Age</th>
<th>JG M1 – M6</th>
<th>JG SM1 &amp; above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age 40 &amp; Below</td>
<td>Once every 3 years</td>
<td>Once every 2 years</td>
</tr>
<tr>
<td>Above 40 years</td>
<td>Once every 2 years</td>
<td>Once a year</td>
</tr>
</tbody>
</table>

22.2 The list of coverage/type of examination is set out in Appendix III of this manual.

22.3 Procedure

22.3.1 Eligible employees are to contact the Human Resource Department for arrangement of this Executive Medical Examination.

22.3.2 A letter of guarantee to undertake the expense incurred will then be issued to the Company’s appointed hospital.
23.1 All female employees are entitled to maternity leave with full pay up to a maximum period of sixty (60) consecutive days in respect of each confinement and such period shall be inclusive of Saturdays, Sundays and Public Holidays.

23.2 For the purpose of this Section, “confinement” means delivery resulting after at least twenty-eight (28) weeks of pregnancy in the issue of a child or children, whether alive or dead, and shall commence and end on this actual day of birth, and where two or more children are born at one confinement, it shall commence and end on the day of the birth of the last-born of such children.

23.3 Provided that a medical officer or the registered medical practitioner appointed by the Company certifies that the female employee as a result of her advanced stage of pregnancy is unable to perform her duties satisfactorily, the employee may be required to commence her maternity leave within fourteen (14) days preceding the date of her confinement as determined in advance by the medical officer or the registered medical practitioner appointed by the Company.

23.4 Where a female employee abstains from work to commence her maternity leave on a date earlier than the period of thirty (30) days immediately preceding her confinement, such abstention shall not be treated as maternity leave.

23.5 A female employee shall within a period of sixty (60) days immediately preceding her expected confinement notify the Company of it in writing, and the date from which she intends to commence her maternity leave.

23.6 A female employee shall be deemed to have received her maternity benefit if she continues to receive her monthly wages during her abstention from work during the eligible period without abatement.

23.7 A female employee shall not be entitled for the maternity benefit if she abstains from work earlier than the thirty (30) days before confinement as stated in Section 25.4.
23.8 A female employee will also not be entitled to maternity benefit if at time of confinement she has (5) or more surviving natural children.

23.9 If a female employee fails to notify the Company of her expected confinement date and the date from which she intends to commence her maternity leave as stated in Section (23.5), the payment of maternity benefit to her may be suspended.

23.10 Employees are required to furnish the birth certificate of their child to the Human Resource Department within three (3) days upon their return to work.
24 HOSPITALISATION AND SURGICAL INSURANCE SCHEME

24.1 All employees who are below the age of sixty-five (65) shall be covered under the Group Hospitalisation and Surgical Insurance Scheme. The details of coverage with its terms and conditions of such scheme shall be applied accordingly as stated in the insurance policy kept by the Company.

24.2 The types of plans for each category of employees is set out below:

<table>
<thead>
<tr>
<th>Category</th>
<th>JG</th>
<th>Plan Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management (CEO)</td>
<td>SM5</td>
<td>Plan 1</td>
</tr>
<tr>
<td>Senior Management</td>
<td>SM 1 – SM4</td>
<td>Plan 2</td>
</tr>
<tr>
<td>Managerial</td>
<td>M1 – M6</td>
<td>Plan 3</td>
</tr>
<tr>
<td>Executive</td>
<td>E1 – E6</td>
<td>Plan 4</td>
</tr>
<tr>
<td>Non-Executive</td>
<td>NE 1 – NE 6</td>
<td>Plan 5</td>
</tr>
</tbody>
</table>

24.3 This scheme shall also be extended to the wife and children of male employees. However, the wife must be below the age of 65 years and children of age between 14 days to 21 years and are not gainfully employed.

24.4 This scheme shall not be extended to the husband and children of female employees. However, if the respective female employee is a single parent or if her husband does not enjoy a similar benefit in his current employment, the female employee may apply to the Human Resource Department for only her children to be included for this benefit.

24.5 However, such extended benefit may be recalled in the event that the husband of the confirmed female employee has subsequently got to enjoy similar benefit in his employment. For this purpose, the confirmed female employee must notify the Human Resource Department of such changes to her husband’s medical entitlement when the situation arises.

24.6 In the event that the hospitalisation and surgical expenses incurred exceed the maximum limits of the scheme at the applicable time, the employee shall have to pay for the difference.
24.7 Employees shall notify the Human Resource Department of any advanced or planned admission. Following this, a letter of guarantee to undertake the expenses incurred shall then be issued to the respective hospitals, subject to the maximum coverage limit as specified in the individual coverage plan.

24.8 Employees are advised to refer to the Human Resource Department for prevailing details and coverage limit of the scheme, which is subject to change from time to time.

24.9 Procedure: Please refer to Hospital Admission Flow Chart.
25 GROUP PERSONAL ACCIDENT INSURANCE SCHEME

25.1 All employees shall be protected under a twenty-four (24)-hour worldwide personal accident coverage upon their commencement of work with the Company.

25.2 The sum insured shall be forty (40) times that of the employee’s monthly basic salary and shall be made payable to employee’s appointed beneficiary upon death or total permanent disability as stipulated in the Group Personal Accident Insurance Policy.

25.3 Definitions of Benefits and Exclusion Clauses of such scheme can be found in the insurance policy kept by the Company.
26 GROUP MEDICAL, EVACUATION AND BUSINESS TRAVEL INSURANCE PLAN

26.1 All employees required to travel overseas shall be covered for:

- Group medical, evacuation and business travel upon their commencement of work with the Company (Frequent Travelers).
- Ad-hoc medical, evacuation and business travel prior to each trip.

26.2 The sum insured shall be made payable to the employee’s appointed beneficiary upon death or total permanent disability by the Company as stipulated in the Group Insurance Policy.

26.3 Definitions of Benefits and Exclusion Clauses of such scheme can be referred to in the insurance policy kept by the Company.
27 COMPANY CAR SCHEME

27.1 Employees on SM2 and above shall be entitled to a Company car and the allocation of the type of car shall be subjected to EXCO/CEO discretion.

27.2 Employees who are provided with the Company car scheme shall assume full responsibility for the car including the up keeping and maintenance under the terms as set out hereinafter.

27.2.1 The Company shall reimburse the following expenses:

- 27.2.1.1 Fuel – Petrol card will be provided for fuel usage.
- 27.2.1.2 Parking fees incurred on official purposes.
- 27.2.1.3 Toll charges incurred on official trips only.
- 27.2.1.4 Periodical maintenance services.
- 27.2.1.5 Repairs due to damage caused by third party including spray painting.
- 27.2.1.6 Change of standard parts and accessories.
- 27.2.1.7 Standard registration fees.
- 27.2.1.8 Road tax and insurance premium.
- 27.2.1.9 Cost incurred for washing, vacuuming or purchase of car wash products.

27.2.2 The Company shall NOT reimburse any of the following expenses:

- 27.2.2.1 Summons due to traffic offence.
- 27.2.2.2 Repairs of the vehicle involved in an accident due to negligence of the employee which is not covered under the insurance plan.
- 27.2.2.3 Change of any parts or accessories beyond the standard specification of the vehicle e.g. audio system, sports rim, colour code, etc.
- 27.2.2.4 Preferential registration number.
- 27.2.2.5 Toll charges to and from employee’s residence to base station (i.e. office).
- 27.2.2.6 Cost incurred for replacement of season parking card.

27.2.3 Employees are required to submit invoices on all maintenance/service of the car to the Human Resource Department.
when claiming for reimbursement to enable proper records be maintained.

27.2.4 Employees are required to notify the Human Resource Department of any accident latest by the next working day from the time the accident took place.

27.2.5 In the event that the employee is away on outstation/overseas assignments, the immediate family of the employee shall be allowed to use the Company car, if needed, provided that the employee is fully accountable for any consequences that may arise.

27.2.6 Upon termination of contract of service, employees are required to return the Company car in good condition together with all the car keys, parking card, petrol card and etc. to the Human Resource Department. Employees shall acknowledge return of the said items in a prescribed form.
28 COMPANY CAR ALLOWANCE SCHEME

28.1 Employees on JG SM1 and above who own personal car shall be entitled to this allowance scheme.

28.2 The allowance shall be as follows:

- Car Allowance – RM800.00 per month
- Car Maintenance Allowance – RM300.00 per month

28.3 Employees who are entitled to this allowance scheme shall also be issued with a petrol card. As such, he/she shall not be eligible to claim for petrol and mileage as stipulated in this manual.

28.4 The petrol card entitlement shall be as follows:

- JG SM2 and above - no limit
- JG SM1 - up to RM800.00 per month
- Site vehicle – to be determined by the Project Manager

28.5 In addition to this allowance, employees may also apply for car loan interest subsidy as stipulated in Section 29 below.

28.6 Employees who are entitled to a Company/ Project car shall not be entitled to this scheme
29 CAR LOAN INTEREST SUBSIDY SCHEME

29.1 Employees on JG E1 and above who own personal car and use the car to office may apply for car loan interest subsidy upon their confirmation of employment with the Company.

29.2 Employee provided with the use of company car shall not be eligible to this scheme.

29.3 Such subsidy shall commence from the month in which the application is approved by the CEO.

29.4 The maximum loan entitlement amount and the subsidised amount for each eligible category of employees are set out as follows:

<table>
<thead>
<tr>
<th>JG</th>
<th>Maximum Loan Amount</th>
<th>Subsidised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>JG SM1 and above</td>
<td>RM80,000.00 or 15 times of basic salary, whichever is lower</td>
<td>40% of interest payable</td>
</tr>
<tr>
<td>JG M1 – M6</td>
<td>RM60,000.00 or 15 times of basic salary, whichever is lower</td>
<td>40% of interest payable</td>
</tr>
<tr>
<td>JG E1 – E6</td>
<td>RM50,000.00 or 15 times of basic salary, whichever is lower</td>
<td>40% of interest payable</td>
</tr>
</tbody>
</table>

29.5 For the purpose of this Section, the subsidy shall be calculated up to the loan period of maximum sixty (60) months and the loan shall be obtained from the Company’s approved financial institution or if not obtainable, any financial institution that provides the most competitive interest rate.

29.6 Application of such subsidy shall only be made every five (5) years provided that the previous loan has been fully repaid before the commencement of any new loan.

29.7 Procedures
29.7.1 Application for this benefit can be made by completing the Car Loan Interest Subsidy Application Form with recommendation from the respective Head of Department/Company and approval from the CEO.

29.7.2 The approved subsidy shall then be credited to the employee’s bank account at the end of each month together with salary payment. Staff salary will then be deducted accordingly for payment of the monthly instalment to the respective financial institution.
30 MOTORCYCLE LOAN SCHEME

30.1 Confirmed employees who are required to use motorcycle for official purposes may apply for an interest free motorcycle loan of not more than RM5,000.00 from the Company subject to the following terms:

30.1.1 The repayment period shall be twenty-four (24) months and not exceeding one-third (1/3) of the employee’s monthly basic salary;

30.1.2 Total loan amount shall be repaid through deduction from the monthly salary;

30.1.3 Eligible applicants shall not be entitled for the Car Loan Interest Subsidy Scheme at the same period; and

30.1.4 Employees shall be allowed to apply for such loan once every two (2) year provided that the previous loan has been fully repaid.

30.2 This motorcycle loan shall only be granted if the following conditions are fulfilled:

30.2.1 Purchase of only Malaysian registered motorcycles.

30.2.2 If the motorcycle to be purchased is second hand one, it shall not be more than five (5) years old and must be certified to be in sound mechanical condition by a competent authority.

30.2.3 Motorcycles purchased must be registered and comprehensively insured by and in the name of the employee.

30.2.4 Motorcycle registration card must be endorsed with Company’s name by RIMV. The Company shall retain the registration card and a transfer form duly signed by the employee.

30.3 Should the employee wish to sell, change ownership, pledge or otherwise dispose of the motorcycle while the loan is still outstanding, the loan will be immediately due and repayable in full and in cash to the Company.
30.4 In the event that the employee leaves the Company’s employment before the loan is fully repaid, he/she will be obliged to repay all the outstanding monies in cash immediately.

31 EDUCATION ASSISTANCE SCHEME

31.1 Under this Education Assistance Scheme, the Company provides interest-free study loans to confirmed employees who are pursuing courses in relation to their current job functions, subject to the following conditions:

31.1.1 The maximum loan amount shall be not more than three (3) times that of the employee’s monthly basic salary.

31.1.2 For loan, the employee shall be required to serve the Company for a minimum of two (2) years, otherwise interest prevailing BLR + 2% shall imposed.

31.1.3 The repayment period shall be not more than twenty-four (24) months and the commencement date shall start from the date of the first disbursement of loan to the employee.

31.1.4 The employee shall repay the full loan amount if resign before the full payment.

31.2 Other supplementary schemes may be offered from time to time at the subsidiaries/associates level independently.

31.3 Procedure

31.3.1 Application for this scheme can be made by completing the Education Assistance Form, supported with relevant documentation i.e. course registration form, course fee payment schedule, course content, original receipt (if payment has been made) etc.

31.4 Training Sponsorship
In the event Company invests greatly on employee development by sponsoring employees for specialized or professional training courses (subject to management’s decision), there is a need to protect the Company’s interest by implementing a bond period.

31.4.1 The bond period shall apply according to the total training cost:

<table>
<thead>
<tr>
<th>Total training cost</th>
<th>Period of Bond – effective after completion of course / exam (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to RM 5000</td>
<td>2 years</td>
</tr>
<tr>
<td>RM 5001 – 10000</td>
<td>3 years</td>
</tr>
<tr>
<td>&gt;RM 10000</td>
<td>4 years</td>
</tr>
</tbody>
</table>
32 CLUB MEMBERSHIP SUBSIDY SCHEME

32.1 Under this Club Membership Subsidy Scheme, confirmed employees on JG SM1 and above may apply for their Club Membership to be subsidised as follows:

- Entrance Fee : Up to RM5,000.00
- Monthly Subscription Fee : Maximum of RM150.00 per month

In the event that the employee leaves the company’s employment within one year from the date of disbursement, the employee will be obliged to repay the entrance fee disbursed.

32.2 Procedure

32.2.1 Application for this scheme can be made by completing the Club Membership Form, supported with relevant documentation i.e. membership application details.

32.2.2 Subsequent subsidy on the monthly subscription fee shall be on a monthly claim basis with the production of necessary documents/receipt.
33 PROFESSIONAL MEMBERSHIP FEE SCHEME

33.1 All confirmed employees on JG E1 and above may apply for his/her professional membership fee (one membership only) to be subsidised in full provided that it is a condition of employment for the employee to join or maintain membership in a professional association or society. Due to the condition of employment where employees are required to maintain more than one professional membership, the application of the second membership is subject to the approval of the CEO.

33.2 The Company shall not subsidise the said fee if:

33.2.1 A particular membership is not required by the company; and / or

33.2.2 An employee opts to belong to such an association or society of his/her own choice.

33.3 Procedure

33.3.1 Application for this scheme can be made by completing the Professional Membership Form, supported with relevant documentation i.e. membership application details, original receipt etc.

33.3.2 Reimbursement of such fee can be made by completing the Monthly Claim Form, supported with the necessary documents/receipts.
34 EMPLOYEES SHARE OPTION SCHEME

34.1 The Company shall offer its employee share option in accordance with the by-laws of the Employee Share Option Scheme.
35 OVERTIME CLAIMS

35.1 Employees who are governed under the Employment Act 1955 are eligible to claim for overtime work.

35.2 Overtime claims shall only be worked at the written request of an immediate superior and with the consent of the employee, but such consent shall not be unreasonably withheld.

35.3 For any overtime work carried out in excess of the normal hours of work during the normal working day or rest day or public holiday, the employee shall be paid at overtime rates as stipulated in the Act aforesaid.

35.4 Claim Procedures

35.4.1 Employees who work overtime may submit their claims by completing the Overtime Claim Form.

35.4.2 The duly completed form will then be forwarded to the immediate superior for approval before submitting to the Human Resource Department for processing by 20th of the month.

35.4.3 The approved claim (comprising total overtime work from 15th of the month to 14th of the following month) shall be made payable at the end of the month together with the salary.
36 OVERTIME MEAL ALLOWANCE

36.1 Employees who are governed under the Employment Act 1955 who work overtime shall be eligible to claim for meal allowance as follows:

<table>
<thead>
<tr>
<th>Meal Allowance</th>
<th>For work up to and after 8.00pm on weekdays from Mondays to Fridays</th>
<th>Meal Allowance</th>
<th>For work up to and after 12.30 noon on Saturdays, Sundays and Public Holidays</th>
<th>Meal Allowance</th>
<th>For work up to and after 8.00 p.m. on Saturdays, Sundays and Public Holidays</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM6.00</td>
<td></td>
<td>RM6.00</td>
<td></td>
<td>RM10.00</td>
<td></td>
</tr>
</tbody>
</table>

36.2 Procedure

36.2.1 Meal allowance claim shall be submitted together with overtime claim by completing the same prescribed form.
37 PERIODICAL SUBSCRIPTIONS

37.1 Confirmed employees on JG M1 and above shall be entitled to claim for reimbursement of any periodical subscription (for the purpose of acquiring relevant knowledge or business skills) up to a maximum of RM120.00 per annum.

37.2 Procedure

37.2.1 Reimbursement of such claim can be made via Monthly Claim Form, substantiated with original receipts/bills/invoices.
38 RELOCATION ALLOWANCE

38.1 Employees who are required to be transferred from their base office to another city/state/country for one (1) year or longer as may be approved by the Management, shall be granted three (3) days paid leave and a relocation allowance that covers expenses incurred in packing and transportation of household furniture including personal belongings.

38.2 The expenses incurred shall be reimbursed up to a maximum of RM1,000.00 within Peninsular Malaysia, or up to a maximum of RM3,000.00 for any other part of the world, with the submission of necessary documents/bills/original receipts.

38.3 This is a one-time relocation allowance and shall be granted provided that:

38.3.1 The employee is not given accommodation by the Company at the new location.

38.3.2 The employee has to move his/her family residence to the new location or has to take-up separate residence for his/her family.

38.4 Procedure

38.4.1 Reimbursement of such allowance can be made via Monthly Claim Form, substantiated with original receipts/bills.
39 SPORTS AND SOCIAL CLUB (SRC)

39.1 The Group had formed a sports and social club called Salcon Recreational Club (SRC) and it plays an active role in fostering good relationship among all employees within the Salcon Berhad Group.

39.2 For this purpose, a committee has been formed to organise various sports and social activities throughout the year.

39.3 All employees are automatically members of this club and are eligible to join all the activities organised by the club.

39.4 The respective companies shall contribute a nominal fee of RM20.00 per employee to this club on a monthly basis.

39.5 Procedure

39.5.1 The membership shall automatically be given to employees upon their commencement of work with the Company.

39.5.2 The Human Resource Department shall inform the respective Accounts Departments to contribute the fees on a monthly basis.
40 TRAVELLING CLAIMS

40.1 Parking, Toll and Petrol Claims

40.1.1 Reimbursement of Parking Fees

All employees shall be eligible to claim for reimbursement of parking expenses incurred in respect of any parking incidental to his traveling on official duties on production of the parking tickets.

40.1.2 Reimbursement of Toll Fees

All employees shall be eligible to claim for reimbursement of toll expenses incurred on official duties, excluding travel from the employees’ residence to work and back, on production of the official toll receipts. However, employees may also claim for reimbursement of toll incurred when using express toll payment cards/tags (such as Touch n Go, Smart Tag, etc.) provided that approval from the respective Heads of Department/Company is given during submission of the monthly claim form.

40.2 Mileage Claim

40.2.1 Employees who are required to use their own vehicles for official duties shall be entitled to mileage claim according to the following rates:

<table>
<thead>
<tr>
<th>Petrol Price / Litre (RM)</th>
<th>Car First 500km (RM)</th>
<th>Car Subsequent km (RM)</th>
<th>Motorcycle Flat Rate (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;3.10</td>
<td>1.00</td>
<td>0.90</td>
<td>0.35</td>
</tr>
<tr>
<td>2.90 - 3.09</td>
<td>0.95</td>
<td>0.85</td>
<td>0.35</td>
</tr>
<tr>
<td>2.70 - 2.89</td>
<td>0.90</td>
<td>0.80</td>
<td>0.35</td>
</tr>
<tr>
<td>2.50 - 2.69</td>
<td>0.85</td>
<td>0.75</td>
<td>0.30</td>
</tr>
<tr>
<td>2.30 - 2.49</td>
<td>0.80</td>
<td>0.70</td>
<td>0.30</td>
</tr>
<tr>
<td>2.10 - 2.29</td>
<td>0.75</td>
<td>0.65</td>
<td>0.30</td>
</tr>
<tr>
<td>1.90 - 2.09</td>
<td>0.70</td>
<td>0.60</td>
<td>0.25</td>
</tr>
</tbody>
</table>
1.70 - 1.89  |  0.65  |  0.55  |  0.25  
1.50 - 1.69  |  0.60  |  0.50  |  0.25  

* If the petrol price is revised on the 1st to 15th of the month, the mileage claim shall be revised in the same month.

* If the petrol price is revised on the 16th to end of the month, the mileage claim shall be revised in the following month.

40.1.1 The mileage incurred by employees while traveling on official duties shall be accumulated up to one calendar month before multiplying it with the staggered mileage rate as shown above in order to determine the actual mileage claim for that particular month.

40.1.2 Employees shall follow the distance which has been logged in the Mileage Chart from time to time.

40.1.3 In the absent of the mileage chart, when employees travel from the office base to the client’s premises and if such distance is further than the distance from employee’s residence to client’s premises, the mileage claim shall be limited to the nearest distance.
41 TRAVEL BY AIR

41.1 Employees who are required to travel by air on Company business trips shall travel on the following class:

<table>
<thead>
<tr>
<th>Class</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>JG</td>
<td>Class</td>
</tr>
<tr>
<td>SM4 &amp; SM5</td>
<td>Business Class</td>
</tr>
<tr>
<td>SM3 &amp; below</td>
<td>Economy Class</td>
</tr>
</tbody>
</table>

All employees are encouraged to travel by Air Asia or other economical fare air line as priority.

41.2 An upgrade of class must be strictly approved by the CEO provided that:

41.2.1 Employees are travelling with corporate clients who are travelling on Business Class.

41.2.2 Employees are travelling on clients’ accounts, upon agreement by both parties.

41.3 Booking/Reservation Procedure

41.3.1 All flight bookings/reservations shall be made via the Company’s appointed travel agents by the respective department secretaries or through e-booking.

41.3.2 Application for travel by air shall be made by completing the Travelling Requisition Form, attached with a copy of the confirmed itinerary.

41.3.3 Request for issuing of flight tickets can only be done upon receiving approval from the Management on the said prescribed form.

41.3.4 A copy of the duly approved form shall be attached together with the original invoice received from the travel agent. This invoice needs to be verified by the employee who makes the booking/reservation before handing it to Accounts Department for payment processing.
42 HOTEL ACCOMMODATION

42.1 The Company shall arrange and pay for hotel accommodation for employees who are required to perform outstation/overseas official duties or travelling on Company business trips.

42.2 The occupancy shall be on a twin-sharing basis for all categories of employees except for employees on JG SM1 and above where single occupancy is allowable. The classification of hotels for each category of employees is limited to the hotel rates as stated hereinafter. However, employees are advised to stay in hotels with rates lower than specified below, if possible.

<table>
<thead>
<tr>
<th>Countries</th>
<th>JG NE1 – NE6</th>
<th>JG E1 – E6</th>
<th>JG M1 – M6</th>
<th>JG SM1 &amp; above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>RM100</td>
<td>RM170</td>
<td>RM200</td>
<td>RM250</td>
</tr>
<tr>
<td>Singapore</td>
<td>S$100</td>
<td>S$140</td>
<td>S$180</td>
<td>S$200</td>
</tr>
<tr>
<td>SEA (Thailand/Vietnam/Myanmar/Cambodia/Laos/Philippines)</td>
<td>US$70</td>
<td>US$80</td>
<td>US$90</td>
<td>US$120</td>
</tr>
<tr>
<td>Hong Kong/China/India/Sri Lanka</td>
<td>US$70</td>
<td>US$80</td>
<td>US$100</td>
<td>US$150</td>
</tr>
<tr>
<td>Europe</td>
<td>Euro70</td>
<td>Euro80</td>
<td>Euro120</td>
<td>Euro150</td>
</tr>
<tr>
<td>Australia/New Zealand/USA/Canada/and Rest of the World</td>
<td>US$70</td>
<td>US$80</td>
<td>US$100</td>
<td>US$150</td>
</tr>
</tbody>
</table>

42.3 The Company shall pay for expenses incurred on room charges only and all bookings or reservations shall be made through the respective department secretaries of the Company/Subsidiary with a letter of undertaking to be issued by them accordingly. This is to ensure that the best corporate rates are obtained.
42.4 Employees’ Own Accommodation

The Company will also reimburse the employees for their own accommodation, if they are not staying in the hotel or in the event the Company does not provide company quarters, if required. The reimbursement amount shall be as follows:

<table>
<thead>
<tr>
<th>Countries</th>
<th>JG NE1 – NE6</th>
<th>JG E1 – E6</th>
<th>JG M1 – M6</th>
<th>JG SM1 &amp; above</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>RM30.00</td>
<td>RM40.00</td>
<td>RM60.00</td>
<td>RM80.00</td>
</tr>
<tr>
<td>Rest of the World</td>
<td>RM50.00</td>
<td>RM75.00</td>
<td>RM100.00</td>
<td>RM125.00</td>
</tr>
</tbody>
</table>
43 SUBSISTENCE ALLOWANCE

43.1 Employees who are required by the Company to perform duties away from their normal place of work i.e. outstation/overseas assignments/business trips/attending training or conferences, shall be entitled to claim subsistence allowance as follows:

<table>
<thead>
<tr>
<th></th>
<th>Peninsular Malaysia</th>
<th>Sabah &amp; Sarawak</th>
<th>Singapore/Brunei</th>
<th>Other ASEAN Countries (Philippines/Thailand/Myanmar/Vietnam/Laos/Cambodia)</th>
<th>USA/Canada/Japan/India/China/Sri Lanka/Australia/Maldives/Middle East</th>
<th>UK/Europe</th>
<th>Other Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>JG M1 &amp; above</td>
<td>RM45.00 per day</td>
<td>RM60.00 per day</td>
<td>S$45.00 per day</td>
<td>US$30.00 per day</td>
<td>US$40.00 per day</td>
<td>Euro50.00 per day</td>
<td>US$50.00 per day</td>
</tr>
<tr>
<td>JG E6 &amp; below</td>
<td>RM35.00 per day</td>
<td>RM50.00 per day</td>
<td>S$35 per day</td>
<td>US$25.00 per day</td>
<td>US$35.00 per day</td>
<td>Euro40.00 per day</td>
<td>US$40.00 per day</td>
</tr>
</tbody>
</table>
43.2 An employee who is required to be based in Sabah, Sarawak and overseas including Singapore shall be allowed to return to the base office 4 times per year. For employee who are seconded to a project within Peninsular Malaysia shall be allowed to return to the base office once a month. For this purpose, the employee shall be entitled to claim mileage and subsistence allowance for one day when he/she returns.

43.3 For the purpose of this Section, definition of outstation trip shall refer to travel to a location exceeding 100 km radius from office base.
44 SITE ALLOWANCE, SITE ACCOMMODATION & TRANSPORT ALLOWANCE

44.1 The Company provided site allowance to employees who are seconded to project sites within Peninsular Malaysia, Sabah & Sarawak. The employees shall be entitled to 100% of the prevailing subsistence allowance rate inclusive of the departure day and the day of return.

44.2 The Company has the discretion to withdraw the site allowance entitlement if the employees are required to report to work at the head office.

44.3 The site allowance shall be provided to staff concerned on monthly basis. In the case where employees concerned serve at a site for less than a month, the allowance shall be provided on pro-rated basis.

44.4 Staff seconded to a project site will also be provided with a site house on sharing basis. Allocation of the site house is under the jurisdiction of the Project Manager.

44.5 Staff who are required to use their vehicle as pool transport at site shall be entitled for a transport allowance of RM150.00 per month. Transport allowance will be allocated at the discretion of the Project Manager.

44.6 Staff on contractual employment at a particular job site are not entitled for the site and transport allowances, unless otherwise stated in their initial Letters of Appointment or any subsequent agreement to that effect.

44.7 Effective 1st March 2009, for staff who are seconded (full-time) from HQ to undertake overseas projects, their package shall be as below:

Salary + 70% salary + subsistence allowance (based on number of days staying overseas including traveling days)

To qualify, staff must be stationed overseas at least 3 months with minimum stay of 25 days per month.
45 TELEPHONE

45.1 Company Mobile Phones

45.1.1 The Company shall provide mobile phones to employees on M5 and above either (a) Company supply mobile unit as per 45.1.5.1 OR (b) Personal purchase of new mobile phone, reimbursable value up to or not more than clause 45.1.5.1 according to JG.

45.1.2 Employees on JG M4 and below shall only be granted mobile phones based on the nature of the job and subject to the approval of the CEO.

45.1.3 Models of mobile phones provided by the Company shall be at the Management’s discretion. However, employees may opt to buy their own mobile phone and reimburse (the value as per 45.1.5.1) from the Company once every three years.

45.1.4 Each reimbursement for the purchase of personal mobile phones shall be valid for 36 months. In the event if an employee leaves the Company before the maturity of 36 months, the employee is obligated to pay back any unutilized portion on prorate basis to the company.

45.1.5 Employees who are eligible for company mobile phones will be paid as reimbursement basis according to:

45.1.5.1 Cost of the mobile phone with standard accessories.
- JG SM4 – SM5 up to RM800.00
- JG M5 – M6, SM 1 – SM 3 up to RM500.00
- JG M1 – M4 up to RM400.00
- JG E1 – E6 up to RM300.00

45.1.5.2 Registration fees and monthly subscription fees.

45.1.5.3 All telephone charges (excluding access fees) of up to a maximum of RM100.00 per month. Any charges on official calls exceeding RM100.00 per month must be
justified. Employees are to pay for personal calls upon exceeding the RM100.00 limit.

45.1.6 Employees on JG SM1 and above who are not provided with company mobile phone shall be entitled to claim monthly subscription fees and telephone charges as stipulated in Section 45.1.5.3 above.

45.2 Mobile Phone Allowance

45.2.1 The Company shall grant mobile phone allowance of RM50.00 per month to employees who hold positions as Driver or Dispatch Clerk only provided that:

45.2.1.1 They possess their own mobile phone as a prerequisite in order to be eligible for the said allowance;

45.2.1.2 They switch on their mobile phones at all times.

45.2.2 Procedure

45.2.2.1 Mobile Phone Allowance can be claimed on a monthly basis by completing the Monthly Claim Form and submitting it to the Human Resource Department for verification before forwarding it to the Finance Department for payment processing.

45.3 Personal Telephones

45.3.1 All employees are eligible to claim for telephone charges on official calls made through their house phones.

45.4 Overseas/Outstation Assignments

45.4.1 Employees who are on overseas/outstation business trips may make phone calls to their homes subject to the following guidelines:

For a period of less than 3 days:
Issue: 02  
Effective Date: 1 July 2009

- total call duration shall not exceed 5 mins per trip

For a period of more than 3 days
- total call duration shall not exceed 10 mins per week

45.4.2 All claims must be supported by original receipts only. No appeal shall be entertained on unused portion for each and every period of eligible claims likewise with overuse portion will have to be strictly borne by the employee themselves.
ENTERTAINMENT CLAIM

46.1 Employees are given the discretion to entertain clients/business associates and any reimbursement thereof should be reasonable and substantiated with original receipts or bills. Reasons for entertainment must also be stated in each bill.

46.2 Employees shall be entitled to claim for the entertainment expenses incurred subject to the approval of their respective Heads of Department/Division/Company.
47 LAUNDRY CLAIM

47.1 Employees who are on outstation/overseas assignments/business trips for more than five (5) days are entitled to claim for laundry expenses and any reimbursement claim thereof should be substantiated with original receipts or bills.

47.2 Laundry claims shall not exceed RM 40.00 per month.

47.3 Laundry claims are not granted to employees seconded to projects where they are provided with site or project accommodation with washing machine.
48 OTHER CLAIM/REIMBURSEMENT

Employees have to obtain prior approval from respective Heads of Department for any business-related purchases and any reimbursement claim thereof should be substantiated with original receipts or bills.
49 GIFTS/FLOWERS/WREATHS

49.1 In the event of first legal marriage, births of children, hospitalisation or deaths of immediate family members of staff, the company will send the appropriate gifts, flowers or wreaths based on the following guidelines on the cost incurred thereof:

- JG SM4 – SM5 - up to RM400.00
- JG SM 1 – SM3 - up to RM300.00
- JG M1 – M6 - up to RM250.00
- JG E1 – E6 - up to RM150.00
- JG NE1 – NE 6 - up to RM100.00

49.2 Procedure

49.2.1 Employee concerned/ Department Head/ Any Department Representative shall notify Human Resource Department on the event of the above.

49.2.2 Human Resource Department will be responsible on the above arrangement.
PART V – PERFORMANCE APPRAISAL & WAGES ADMINISTRATION

50 PERFORMANCE APPRAISAL

50.1 Performance Appraisal is a written evaluation of job performance and achievements.

50.2 The evaluation not only serves to identify areas that may need improvement, but also to document good performance and monitor each employee’s professional development. It is also a beneficial means of communication for both the employee and his/her immediate superior to discuss job performance and goal setting.

50.3 The evaluation will be carried out annually or when an employee is due for confirmation. A progressive/periodical review is also encouraged for further performance improvement, if deemed necessary.

50.4 The annual evaluation/performance review shall be carried out at the end of the year and employees will be evaluated on the basis of their performance in fulfilling assigned responsibilities as set forth in their job description.

50.5 Based on the ratings of the performance appraisal, the Company may decide on the rewarding system to be given to the employees. It also allows the Company to determine career development and training programmes for the employees.

50.6 Procedure

50.6.1 When an evaluation/performance review is deemed necessary, a Performance Appraisal form will be distributed to the appropriate immediate superiors/Heads of Department/Division.
50.6.2 The immediate superiors/Heads of Department/Division shall discuss the employees’ achievements for the review period, set goals/objectives for the next review period and rate the employees against a list of established attribute criteria and scores their performance on a scale specified in the prescribed form.

50.6.3 An appraisal is considered completed only after it has been discussed with the employee and the immediate superior of the employee and the Head of Department/Division has signed the appraisal form.

50.6.4 The signature of the employee is needed to indicate that the employee performance and the appraisal have been discussed with the employee in the presence of his/her immediate superior.

50.6.5 The completed form shall then be returned to the Human Resource Department for records purposes and the overall score calculated shall be used to determine how the employee has performed during the entire review period/year.
51 SALARY INCREMENT

51.1 The Company believes that employees are to be rewarded for their dedication and the hard work they have contributed to the overall success of the Company.

51.2 As such, salary increment may be considered and given at the absolute discretion of the Management to employees based on their performance at the beginning of each financial year.
52 BONUS

52.1 Bonus may be awarded to confirmed employees at the absolute discretion of the Company, subject to the Company’s Performance.

52.2 New employees who are not confirmed are not entitled to bonus payment.

52.3 Bonus payment is determined based on the financial year’s performance and individual performance.

52.4 Confirmed employees who serve less than one (1) year of continuous service at the time when bonus is payable, he or she shall be paid a proportionate bonus calculated on the basis of the number of completed months of service with the Company as at the end of the financial year.

52.5 In the event where an employee’s contract of service terminates at the time when bonus is payable, he/she shall not be eligible for the payment of such bonus, or any part of it.
53 WAGES ADMINISTRATION

53.1 All employees’ wages, after lawful deductions, shall be made payable by the Company not later than the seventh (7th) day of the following month.

53.2 Any mandatory deductions approved by the Malaysian Government shall be deducted automatically from the employee’s pay cheque without getting prior consent or written approval from the employee. These include income tax, social security contributions and employees’ provident fund and any other lawful deductions, which may be announced by the Malaysian Government from time to time.

53.3 Wages due to an employee shall be paid via banks as recommended by the Company.

53.4 Employees are to ensure that the bank account numbers given to the Human Resource Department are correct and any change of the account numbers shall be conveyed to the Human Resource Department before the 20th of each month.

53.5 All salary information shall be kept confidential. Employees are to refrain from discussion of salary matters with any employee, other than with their immediate superiors.
54.1 The Company shall contribute 12% of the total wages to the Employees Provident Fund (EPF) and employees shall contribute in accordance to the rates as may be determined by EPF Act 1991 from time to time.

54.2 The Company and the employees as defined under the Social Security (SOCSO) shall contribute its program in accordance to the schedule as determined by the Social Security Act 1969.

54.3 Employee’s income as defined under the Income Tax Act 1967 is subject to monthly tax deduction. The Company shall make the deduction to the Inland Revenue Board of Malaysia (IRB) in accordance to the Tax Deduction Table issued by the IRB.
PART VI – GENERAL COMPANY PRACTICES

55 LONG SERVICE AWARD

55.1 The employee’s length of service with the Group shall be recognised with a special gift at the absolute discretion of the Management.

55.2 This award shall be extended to employees who have completed 10, 15, 20, 25, 30 and 35 years of continuous service with the Company, computed as at 31st December each year.

55.3 The gift amount for years of service is set out below:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Gift Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 years</td>
<td>RM1,000.00</td>
</tr>
<tr>
<td>15 years</td>
<td>RM1,500.00</td>
</tr>
<tr>
<td>20 years</td>
<td>RM2,000.00</td>
</tr>
<tr>
<td>25 years</td>
<td>RM2,500.00</td>
</tr>
<tr>
<td>30 years</td>
<td>RM3,000.00</td>
</tr>
<tr>
<td>35 years</td>
<td>RM3,500.00</td>
</tr>
</tbody>
</table>
56 RETIREMENT AWARD

56.1 The retirement age for male and female employees is sixty (60) years. The implantation date of the retirement of an employee, who has attained the retirement age herein before mentioned, shall be on the anniversary date when the employee attains the retirement age.

56.2 Employees who have served for at least ten (10) years shall receive a gratuitous payment upon his/her retirement and the quantum of such benefit shall be at the absolute discretion of the Management.

56.3 If upon retirement, the service of an employee is still required due to exigencies of service, the employee can be re-employed on contract on a year-to-year basis or for shorter duration, subject to the approval of the CEO. The employee’s work attitude and health condition are also taken into consideration for such re-employment. Where a retired employee is re-employed, the terms and conditions of re-employment shall be determined by the Human Resource Department and may not be the same as those enjoyed by the employee prior to his/her retirement.

56.4 In the absence of a birth certificate, the date of birth shown in the National Identify Card of the employee shall be accepted for the purpose of determining the age of the employee.
57 RETRENCHMENT

57.1 The provisions of this section shall apply only to those employees who are declared redundant, or by reason of reorganisation/restructuring of the Company’s business or trade, and shall not apply to dismissals for misconduct, resignation or retirement.

57.2 The retrenchment benefits provided by the Company shall be in accordance to the “Termination, Lay-off and Retirement Benefit” under section 60J as stipulated in the Employment Act 1955.

57.3 However, these retrenchment benefits are subject to revision or amendment or proportionate reduction or cancellation should the Government introduce retention scheme, social security or pension schemes in future in which will give similar or equivalent or better benefits.
58 SALARY/CASH ADVANCE

58.1 Festive Seasons

58.1.1 Confirmed employees are eligible to request for salary advance before Chinese New Year, Hari Raya Puasa, Deepavali or Christmas. The allowable amount of salary advance shall be:

58.1.1.1 Half (½) month’s basic salary if the festival occurs within the first fifteen (15) days of the month.

58.1.1.2 One (1) month’s basic salary if the festival occurs on or after the sixteenth (16) day of the month.

58.2 Overseas Business Trips/Assignments

58.2.1 Employees who are required to perform duties overseas may request for cash advance provided that settlement has been made on all previous cash advances.

58.2.2 The quantum of such advance shall be at the Management’s discretion.

58.3 Procedure

58.3.1 Request for salary advance can be made by completing the Salary Advance/Deduction Form with recommendation from the Heads of Department and authorised by the Human Resource Department.

58.3.2 Request for cash advance can be made by completing the Cash Advance Form with recommendation from the Heads of Department and approval from the Heads of Subsidiaries/Companies.
59 ATTIRE

59.1 Employees should be properly dressed during the office hours. Jeans, t-shirts bearing advertisement and slogans, and slippers are not allowed during the official working days.

59.2 For female employees, full veils (covering the face completely), culottes, shorts, “hot pants” or any revealing dresses are not allowed during the official working days.

59.3 The following attire shall apply:

Male Employee - shirts, tie and /or suit
Female Employee - blouse, skirt and / or suit or formal trouser suit
60 UNIFORMS

60.1 Employees who are required to be in their uniforms and/or who are provided with safety gear e.g. helmet, shoes, etc shall wear them during working hours.

60.2 All items provided by the Company to employees that are subsequently damaged due to normal wear and tear shall be replaced.

60.3 However, damages due to employees’ misuse shall be repaired or replaced by the Company at the employees’ own expense.
61 WINTER CLOTHING REIMBURSEMENT

61.1 Employees who are required to travel on business trips to temperate countries during the winter season shall be eligible to claim for reimbursement on the purchase of winter clothing up to RM1,000.00 on the first international trip out of South East Asia to destinations where the temperature (less than 12°C) necessitate thermal or insulated clothing.

61.2 All claims are required to be supported with original receipts of purchase.

61.3 Employees are eligible to claim for such purchases once every five years.
62 EMPLOYEE’S IDENTIFICATION TAG & ATTENDANCE

62.1 The Company shall provide Identification (ID) Tags to all employees. The tag, bearing the Company’s name, employee’s name and photograph, is a property of the Company and is not transferable. New employees shall be provided with temporary ID Tags until such time when the permanent ID Tags are ready.

62.2 This ID Tag shall also be used for monitoring attendance purposes. As such, all employees are required to log in/out when reporting to/dismissing from work by swiping the ID tag against the ID identification terminal located next to the main entrance door. Employees are also required to log out when leaving the office premises for lunch breaks and to log in upon returning.

62.2.1 In the event employee reports to work without ID Tag, he/she shall immediately notify Human Resource Department via e-mail.

62.2.2 Employee must not help to log in/out for others. Such act is dishonest and shall be subjected to disciplinary action.

62.3 It is expected of all employees to take good care of their own ID Tags. Employees shall be charged RM20.00 for replacement of any new ID Tag that is lost. This payment shall be made to the Accounts Department and the receipt given thereof shall be used to obtain a replacement ID Tag from the Human Resource Department.

62.4 Any ID Tag that has been lost or found should be reported to the Human Resource Department immediately.

62.5 Upon resignation or termination of employment, the ID Tag must be returned to the Human Resource Department.
63 CONFIDENTIALITY

Further details of Confidentiality shall refer to Salcon Berhad Group of “Code of Ethics and Conduct”.


64.1 Employees who have resigned will be required to attend an exit interview with the Human Resource personnel. This exit interview offers an opportunity for the Company to determine the real reason for leaving and to discover any grievances the employees may have, so that corrective actions can be taken.
65  RE-EMPLOYMENT

65.1 A former employee may be re-employed only if he/she is qualified for the job position and if his/her work history and reasons for termination are satisfactory and acceptable.

65.2 The Management shall determine the eligibility for re-employment and the employment will be based on new terms and conditions agreed upon by both parties.
66 ITEMS OF POSSESSION

66.1 Upon resignation or termination of service, the employee shall return to an authorised representative of the Company/Human Resource Department all items issued by the Company (e.g. keys, identification tag, advances, safety gears, etc.) during the employee’s employment as well as all plans, drawings, specimens, ISO procedures or other documents or articles related in any way to the business of the Company which may be in his possession or under his control and the employee should not retain any copies or duplicates of such documents or articles.

66.2 Employee’s last drawn salary shall be withheld pending the return of the abovementioned items in Section 66.1.
67 UNAUTHORISED SOLICITATIONS

67.1 Employees are not allowed to sell, expose for sale or solicit customers in the Company’s premises unless duly approved by the Company. This includes soliciting or collecting contributions for any purpose without prior approval or authorisation from the respective Heads of Department.
68 SAFETY, HEALTH AND SECURITY

68.1 Safety is every employee’s responsibility and the continued co-operation of all employees is essential for the safe operations of the Company.

68.2 Every employee has an important role in accident prevention and is expected to co-operate fully in the measures implemented for the protection of personnel and property.

68.3 Smoking is also strictly prohibited at the workplace. It is only allowed at designated smoking areas.

68.4 It is also the employees’ responsibility to switch off all electrical and electronic equipment entrusted to them before leaving the work place.

68.5 The office will be locked at the end of each working day and it shall be the responsibility of the last person to leave the office to ensure that all lights, air-conditioning units and electronic equipment are switched off.
69 CODE OF CONDUCT

Further details of Code of Conduct shall refer to Salcon Berhad Group of “Code of Ethics and Conduct”.

70 ETHICS

Further details of Ethics shall refer to Salcon Berhad Group of “Code of Ethics and Conduct”.
71 EMPLOYEE’S GRIEVANCE

71.1 Recognising the value and the importance of full discussion in resolving misunderstandings and preserving harmonious employer-employee relations, every possible effort shall be made, by both the Company (employer) and the employee, to settle any complaint, grievance or inquiry as equitably and quickly as possible.

71.2 Before initiating any grievance procedures, the aggrieved employee is encouraged to try to resolve any grievance directly with the person(s) concerned.

71.3 If this is not possible or appropriate, then the aggrieved employee should proceed with the grievance procedures as delineated in the Grievance Procedure Manual.
72 CONDUCT AND DISCIPLINE

72.1 All employees are required to be disciplined and exhibit exemplary conduct at all times.

72.2 Disciplinary actions may be taken against employees for any one or more of the following misconduct:

- Non-adherence to Company rules and regulations.
- Defrauding or attempting to defraud the company.
- Theft of Company property.
- Intentional destruction of Company property.
- Willful refusal, insubordination or disobedience of any lawful and reasonable instruction or order from the superior to perform work assigned.
- Instigating fellow employees to work against the interests of the Company.
- Assaulting fellow employee on Company premises.
- Indulgence in or possession of prohibited drugs.

(The above list is NOT exhaustive but illustrative)

72.3 The act of any of the above by an employee shall render him/her liable to disciplinary action.

72.4 The Company shall ensure that fair, effective and expeditious disciplinary procedures as stated in the Disciplinary Procedures Manual be carried out before imposing any one or a combination of the following disciplinary actions:

- Verbal warning.
- Written warning.
- Deferment of annual increment.
- Suspension without pay for a specified period.
- Demotion.
- Downgrading.
- Dismissal after due notice.
- Dismissal without notice.