



• Passion With Perfection • Engineers With Dreams •

EMPLOYEE HANDBOOK

The General Conditions of Employment

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	63
	Approved	Simon Loh	Issued	Human Resource

Supersedes and replaces all prior versions as from the effective date.



• Passion With Perfection • Engineers With Dreams •

MESSAGE FROM THE MANAGING DIRECTOR

Lufter Group welcomes you and imparts to you the privileges and responsibilities that we share together. We value and seek your loyalty, commitment and productivity towards the growth of Lufter Group. In return, the Group assures that your efforts will be rightfully recognised and justly rewarded.

Lufter Group of Companies is proud to bring you this Employee Handbook. This will be vital benefit for all of you as it is a comprehensive guide to the Group's philosophies, policies and practices in order that you too will understand and share the qualities that drive us collectively.

We seek your attention to familiarise with the contents of this Employee Handbook to fully understand your roles and responsibilities. You will also know your rights and entitlements that Lufter Group provides to ensure your welfare, employment and remuneration and working environment.

I look forward to leading you in the days ahead as we strive together towards a progressive future.

Sincerely,

A stylized signature in blue ink, appearing to read "Simon Loh". Below the signature is a red square stamp with the Chinese characters "盧維" (Loh Wei) and the name "SIMON" in English.

Simon Loh

Managing Director
Lufter Group of Companies



• Passion With Perfection • Engineers With Dreams •

Our Vision

To be the renowned leader in Clean Room Design, Construction, Commission and Validation in Asia.

Our Mission

To provide quality contamination-controlled facilities incorporating customised processes, as well as operator and product safety.

Our Core Values

Compliant
Learn
Effective & Efficient
Action- oriented
Respect



TABLE OF CONTENTS

PART I – INTRODUCTION.....	7
1 PURPOSE OF MANUAL	7
2 BINDING EFFECT OF THIS MANUAL.....	7
3 CONFIDENTIAL NATURE OF THIS MANUAL.....	7
4 CREATION AND AMENDMENTS TO CONTENTS OF MANUAL	7
5 AMENDMENTS.....	8
PART II – CLASSIFICATION OF EMPLOYEES	8
6 JOB CLASSIFICATION	8
PART III – EMPLOYMENT TERMS AND CONDITIONS	9
7 APPOINTMENTS	9
8 PROBATIONARY PERIOD.....	9
9 WORKING HOURS AND DAYS.....	11
10 TERMINATION.....	11
11 TRANSFER & SECONDMENT	14
12 PROMOTION	14
13 CAREER DEVELOPMENT AND TRAINING.....	15
14 OTHER EMPLOYMENT	16
PART IV – BENEFITS AND COMPENSATION	16
15 PUBLIC HOLIDAYS.....	16
16 ANNUAL LEAVE	17
17 SPECIAL LEAVE.....	19
18 MEDICAL LEAVE	24
19 TIME OFF	27
20 FLEXIBLE WORK ARRANGEMENT.....	28
21 MEDICAL BENEFITS.....	29
22 MATERNITY ENTITLEMENT FOR FEMALE EMPLOYEES.....	30
23 HOSPITALISATION AND SURGICAL INSURANCE SCHEME	31
24 COMPANY PERSONAL ACCIDENT INSURANCE SCHEME	32
25 COMPANY CAR SCHEME	32
26 TRAINING.....	34
27 OVERTIME CLAIM	34
28 FOOD ALLOWANCE	36



• Passion With Perfection • Engineers With Dreams •

29	TRAVELLING ALLOWANCE	37
30	TRAVELLING CLAIMS.....	38
31	TRAVEL BY AIR.....	40
32	HOTEL ACCOMMODATION.....	41
33	OUTSTATION ALLOWANCE.....	42
34	COMPANY MOBILE PHONE.....	43
35	PHONE ALLOWANCE	44
36	FLEXI ALLOWANCE.....	44
37	ENTERTAINMENT CLAIM.....	45
38	LAUNDRY CLAIM.....	45
39	OTHER CLAIM/REIMBURSEMENT	46
40	LONG SERVICE AWARD.....	46
	PART V – PERFORMANCE APPRAISAL & WAGES ADMINISTRATION	47
41	PERFORMANCE APPRAISAL.....	47
42	SALARY INCREMENT	48
43	BONUS.....	48
44	WAGES ADMINISTRATION	48
45	STATUTORY CONTRIBUTION & DEDUCTION	49
	PART VI – GENERAL COMPANY PRACTICES.....	49
46	RETIREMENT	49
47	RETRENCHMENT.....	50
48	SALARY/CASH ADVANCE.....	50
49	EMPLOYEE'S ATTENDANCE	52
50	PERSONAL APPERANCE	52
51	CONFIDENTIALITY	53
52	CONFLICT OF INTEREST	53
53	RELATIONSHIPS IN THE WORKPLACE.....	54
54	UTILIZATION OF INFORMATION TECHNOLOGY	55
55	EXIT INTERVIEW	56
56	RE-EMPLOYMENT.....	56
57	ITEMS OF POSSESSION	57
58	UNAUTHORISED SOLICITATIONS	57
59	ANTI- BRIBERY AND CORRUPTION.....	57
60	SAFETY, HEALTH AND SECURITY.....	58
61	CODE OF CONDUCT	59



• Passion With Perfection • Engineers With Dreams •

62	ETHICS	59
63	EMPLOYEE'S GRIEVANCE	59
64	CONDUCT AND DISCIPLINE	60

For Internal Use Only. Do Not Print & Distribute.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 7 of 63

PART I – INTRODUCTION

1 PURPOSE OF MANUAL

- 1.1 This manual shall be applicable to all subsidiaries, associates and joint venture companies under Lufter's 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.
- 1.2 This manual shall act as a general guide for the administration of Human Resource Policies and Procedures, 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 unless otherwise stated in their initial Letters of Appointment or any subsequent agreements to the effect.
- 2.2 The latest Human Resource Policy, Procedures, Appendices, or Memos shall supersede the content of the Handbook.

3 CONFIDENTIAL NATURE OF THIS MANUAL

- 3.1 This manual is *Private & Confidential* and only accessible by Employees of Lufter's Group of Companies.

4 CREATION AND AMENDMENTS TO CONTENTS OF MANUAL

- 4.1 The Company reserves the right to unilaterally make revisions and make amendments to any of the section 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. 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.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 8 of 63

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 to be familiar with the terms and conditions of employment and any amendments, additions or variations thereto.
- 5.3 All amendments shall be subjected to the Managing Director's approval.

PART II – CLASSIFICATION OF EMPLOYEES

6 JOB CLASSIFICATION

- 6.1 All Employees of the company will be classified as per job function below.

No.	Function
1.	Management
2.	Technical
3.	Group support

- 6.2 All Employees of Lufter Group are categorised into the following Job Grade (JG):

Corporate Grading Structure	
Job Category	Job Grade
Senior Management	SM1, SM2
Manager	M1, M2, M3
Executive	E1, E2, E3

- 6.3 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 and grades.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 9 of 63

PART III – EMPLOYMENT TERMS AND CONDITIONS

7 APPOINTMENTS

- 7.1 Any appointment shall be deemed valid only when a Letter of Appointment or Employment Contract is signed by Senior Management and issued, acknowledged and/or 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.
- 7.3 All Employees are required to furnish up to date personal information and present a photocopy of their academic certificates and other relevant certificates, their latest salary slip and their identity card for reference check and recording.
- 7.4 If the Employee is unable to report duty on the agreed day of employment due to unforeseen circumstances acceptable to the Employer, the employment shall commence from the date of the arrival of the Employee at the Company office or site.
- 7.5 The Employee undertakes to perform all the duties and responsibilities as per Job Description. In the exercise of these functions, the Employee shall be under the authority of the Company, or that person appointed by the Company for that purpose to whom the Employee shall be responsible for the execution of orders and instructions.

8 PROBATIONARY PERIOD

- 8.1 Employees of the Company shall undergo a probationary period before they are confirmed as permanent Employees. This probationary period will take into considerations of the Employee's work attitude and competency.

Probation for each level/ grade of Employee as follow:

Level/Grade	Probation	Maximum Extension
M3 and above	6 Months	12 Months
E1 and below	3 Months	12 Months



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 10 of 63

- 8.2 Where applicable, the probationary period may be reduced or extended at the discretion of the Management, if the Employee's performance merits it and upon recommendation by his/her immediate superior/ Heads of Department/ Division/ Subsidiary.
- 8.3 Whether or not the Employee on probation is suitable for the job, his/her conduct, behaviour, aptitude, and attitude in relation to the job are also considered.
- 8.4 During the probationary period, Employees are expected to be proactive in managing own performance by consistently obtaining feedback for improvement.
- 8.5 If the Employee on probation fails to perform based on feedback and/or instructions from the management, his/her probation period can be extended until the maximum extension period.
- 8.6 Probation period can also be extended by the management if more time is required to assess the performance and/or improvement. The Company shall inform in writing to the Employee concerned should there be any extension of the probationary period.
- 8.7 If the Employee on probation still fails to perform based on feedback and/or instructions from the management, and probation was already extended for at least one (1) time, the employment can be terminated.
- 8.8 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, Section 40* of this manual.
- 8.9 During the probationary period or any extension thereof, employment may be terminated by either party (i.e. the employer or the Company) giving to the other party the following notice period or payment of wages in lieu of such notice without assigning any reason thereto:

Level/Grade	Notice Period
Manager & Executive	3 Months
Contract	Refer To Contract Term

- 8.10 The Employee will be confirmed in writing after passing the Performance Evaluation.
- 8.11 In the event where the Employee on temporary employment is offered permanent employment in a position of a job scope that is different from his temporary employment, he shall be required to undergo a probationary period as per normal.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 11 of 63

9 WORKING HOURS AND DAYS

9.1 The Company's official working hours are as follows:

Office

Mondays to Fridays

9.00 am to 6.00 pm

Minimum 40 working hours/ week excluding lunch break (With one-hour lunch break)

Project Site

Mondays to Fridays

Follow site working hours

Minimum 40 working hours/ week excluding lunch break

Otherwise, 9.00 am to 6.00 pm

(With one-hour lunch break)

9.2 On Fridays, the lunch break may be extended to two (2) hours from 12:30pm to 2:30pm for male Muslim Employees in order to enable them to perform their Friday prayers at the mosque. However, this is subjected to the Company's discretion and only male Muslim Employees going to a mosque may be granted this privilege. If they are found to take the prayer break on Fridays for other purposes instead of perform prayers at the mosque, they render themselves liable to disciplinary action.

9.3 Employees are required to work beyond their normal working hours in order to complete all urgent assignments or duties before deadlines.

10 TERMINATION

10.1 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:

Level/Grade	Notice Period
Manager & Executive	3 Months
Contract	Refer To Contract Term

10.2 The termination notice stated above shall not be applicable in cases of breach of contract or termination on poor performance and disciplinary grounds.

10.3 Under exceptional circumstances, requirement of notice of termination of contract under Section 10.1 above can only be shortened or waived with the recommendation of the respective Heads of Department/Subsidiaries and approval from the Senior Management.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 12 of 63

- 10.4 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 approval from the respective Head of Department.
- 10.5 In the event of breach of contract on the part of Employee, the employment may be terminated for the following reasons:
- 10.5.1 Severe Misconduct conducted by Employee that created an immediate negative impact on the Group's reputation, image, financial loss, or resources required to control immediate and future damages. The Employee can be terminated without notice and payment in lieu of notice. Examples of Severe Misconduct include but not limited to the following:
- Involvement in terrorist organization
 - Violation of Anti-Bribery and Corruption Policy
 - Violation of Sexual Harassment Policy
 - Commit any criminal offense
 - Gained attention on social media or news for reasons stated above, including but not limited to harassment, cruelty, violence towards others, racisms, discriminations, bullying, abuse of position, create fake news and other acts that pose harm towards others, reputation and image of the Company or Group
- 10.5.2 Major Misconduct
- 10.5.3 Repeated Minor Misconduct
- 10.5.4 Any other breach which is not cured within seven (7) days following written notice thereof to the Employee by the Company.
- 10.6 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 reason, the Employee shall be deemed to have broken his/her contract of service and may be dismissed.
- 10.7 If the Employment Period ends for any reason set forth in 10.5 to 10.6, the Employee shall cease to have any rights to compensation, bonus (if any) or benefits hereunder, other than any unpaid salary accrued through the date of such termination.
- 10.8 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. He or she shall have no further rights to any compensation or any other benefits from the Company or any of its affiliates.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 13 of 63

- 10.9 During the notice period, Employee must fulfil all his or her duties and responsibilities and use his or her best efforts to train and support the replacement, if any.
- 10.10 An Employee shall also be required to settle all outstanding liabilities, loans and other obligations owed to the Company prior the last day of work, failing which, the Company shall offset the monies and liabilities from all payment due to the Employee i.e., salary, allowances and leave balances.
- 10.11 The Company shall reserve the right to execute legal action and report the Employee to the Labour and Industrial Relations office in the event the Employee fails to settle any of the outstanding payment due to the Company.
- 10.12 Employee 's employment shall terminate automatically upon the Employee 's death during the Employment Period.
- 10.13 If the Company determines in good faith that the Disability of the Employee has occurred during the Employment Period (pursuant to the definition of Disability set forth below), it may give to the Employee a written notice to terminate the Employee 's employment. In such event, the Employee 's employment with the Company shall terminate effective on the 30th day after receipt of such notice by the Employee (the "Disability Effective Date"), provided that, within the 30 days after such receipt, the Employee shall not have returned to full-time performance of the Employee 's duties. For purposes of this Agreement, "Disability" shall mean the absence of the Employee from the Employee 's duties with the Company on a full-time basis for 30 consecutive business days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Employee or the Employee s legal representative.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 14 of 63

11 TRANSFER & SECONDMENT

- 11.1 The Group 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 Lufter's Group including subsidiary and associate companies, from one state to another, locally or overseas to work. The purpose of transfer and secondment include:
- 11.1.1 Service or expertise required by the receiving agency
 - 11.1.2 Employee has been in the same position for a long time
 - 11.1.3 Reorganisation of the Group
 - 11.1.4 Staffing of newly created positions
 - 11.1.5 Staffing of vacant positions
- 11.2 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 Group.
- 11.3 An Employee who refuses or rejects the transfer or secondment order shall be deemed to have breached the service contract with the Group and may be subject to disciplinary actions being taken by the Group.

12 PROMOTION

- 12.1 The Company encourages Employees to improve themselves personally, Employees are also given opportunities to develop their skills and qualifications within the Company.
- 12.2 The Company shall notify the Employees of any vacant position that arises within the Group. The Human Resource Department may 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.
- 12.3 Employees promoted to Managerial Category and above will have to undergo a probationary period of six (6) months and Employees promoted to within Executive category and below will have to undergo a probationary period of three (3) months.
- 12.4 In the event where the Employee is unable to perform and meet the higher responsibility and expectations satisfactorily and thus not confirmed in his new position, he shall be reverted to his former position and withdraw his acting allowance without prejudice to his future prospect within the Group.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 15 of 63

13 CAREER DEVELOPMENT AND TRAINING

- 13.1 This section describes how Employees can work with the Company to develop skills and talents and maximise the success of their career.
- 13.2 The company promotes a strong culture of meritocracy. Company aim is to recruit only the best people and develop them to maximise their full potential. An infrastructure is in place to provide Employees with assistance and support but they are expected to be proactive in managing their own self-development.
- 13.3 The company provides formal, regular feedback through a number of processes including the bi-annual appraisal process, the aim of which is to ensure good, consistent performance and satisfactory progress, agreed objective. Whilst the company encourages Employees to take ownership of their own development, support is provided through line manager coaching mentoring and training and development programmes.
- 13.4 The Employees are ultimately responsible for driving the relationship with his/her mentor.
- 13.5 All the joiners are mentored and coached by a senior of their current position, and in the absence of such, a peer of the same department and/or direct superior within their probationary period. The mentor/coach helps to create an informal relationship with the individual and is ideally someone of the same level as the new joiner, with greater experience and longer in service, and has established himself/ herself within the Group.

The role of buddying/ mentoring is:

- To act as an informal point of contact for the new joiner, ensuring an immediate and warm welcome.
- To assist new joiners in understanding the organisation and their department.
- To help new joiners understand the culture and values of the organisation, especially encouraging the practice of professionalism and ethic.
- To show new colleagues where all the essential, including the necessary information and knowledge sources, can be found and where to go further assistance, particularly during their first week of joining.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 16 of 63

14 OTHER EMPLOYMENT

- 14.1 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.
- 14.2 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

15 PUBLIC HOLIDAYS

- 15.1 All Employees are entitled for only sixteen (16) Gazetted Public Holidays which includes state/country where the company is located. Unless informed otherwise, all Employees are required to work on Special Public Holidays which is declared by the Government and replacement leave will be added respectively in the system.
- 15.2 For Employees working full-time at project site in another state/ country, they are entitled to the Gazetted Public Holidays recognized by the Company. If the Public Holiday is not recognised by the Company, the day is considered a working day, therefore Replacement Leave is not claimable. If the project site is closed and the Client permits the Company to rest, the Employees can seek permission from Senior Management to rest on the working day.
- 15.2 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.
- 15.3 If the public holiday falls on a Saturday, there will not be any replacement holiday.
- 15.4 If the public holiday falls on a Sunday, the next working day shall be considered a replacement holiday.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 17 of 63

16 ANNUAL LEAVE

- 16.1 Annual leave is granted to all Employees for purpose of rest, relaxation, the pursuit of leisure activities and to attend to planned and foreseeable personal matters:

Years Of Service	Permanent Staff	Contract Staff
< = 5 Year	14 Days	Refer To Contract Term
>5 To <= 10 Years	18 Days	
>10 To <= 20 Years	20 Days	
>20 Years	22 Days	

- 16.2 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 ($\frac{1}{2}$) of a day shall be deemed to be half ($\frac{1}{2}$) day, and where the fraction of a day is half ($\frac{1}{2}$) or more, it shall be deemed to be one (1) day.
- 16.3 The following conditions will govern the granting of the above annual leave:
- 16.3.1 All leave application must be discussed verbally with immediate superior and/or Manager to obtain verbal approval before proceed with online application.
- 16.3.2 Leave application should be made at least three (3) working days in advance and leave applied should be approved by the applicant's Manager.
- 16.3.3 Leave application that is applied less than the approved notice will be considered as Emergency Leave unless otherwise approved by the Senior Management.
- 16.3.4 Annual leave can be used in minimum increments of half ($\frac{1}{2}$) day within a duration of four (4) hours of works.
- 16.3.5 No Employee shall go on leave without the prior approval of the Company. If an Employee is absent from work for more than one and a half ($1 \frac{1}{2}$) hours with or without prior approval, that day will be considered as a full day's leave.
- 16.3.6 The Company reserves the right at any time to recall an Employee who is on leave or cancel his approved leave if the exigencies of service require the Employee's return. In the event where an Employee is recalled for duty, the annual leave will be reinstated by the Company.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 18 of 63

16.4 Accumulation of Annual Leave

16.4.1.1 Accumulation of annual leave or carrying forward of annual leave from one calendar year to another is limited to four (4) days of the current year's entitlement. However, such leave carried forward must be utilised by 30th April of the following year. The unutilized annual leaves shall be forfeited after the stipulated date.

16.4.1.2 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 must be approved by Senior Management and such approval letter shall then be forwarded to Human Resource Department for record purpose.

16.5 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.

16.6 Confirmed Employees who have not completed one (1) year of continuous service will be granted proportionate annual leave calculated from the commencement date of employment.

16.7 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.

16.8 No leave shall exceed five (5) working days in one stretch in a calendar month, unless approved by Senior Management.

16.9 Employees are encouraged to take leave and utilize their leave entitlement within the calendar year.

16.10 Annual Leave Application Procedure (**Online**)

16.10.1 Employees who obtained verbal approval from managers, can apply annual leave by completing the leave application via online system.

16.10.2 Upon receiving leave application from the applicants, Manager shall respond to the application via online system.

16.10.3 The status of the leave application can also be viewed/checked via online system.

16.10.4 Any cancellation of leave previously applied shall be informed to Human Resource.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 19 of 63

17 SPECIAL LEAVE

17.1 The following conditions will govern the granting of the special leave:

- 17.1.1 All leave application must be discussed verbally with Manager and/or team members to obtain verbal approval before proceed with online application.
- 17.1.2 All special leave can be used in minimum increments of half ($\frac{1}{2}$) day within a duration of four (4) hours of works.
- 17.1.3 All any Employee left work without verbal and/or online approval from Manager, he/she shall be deemed to have absent himself/herself from work without the permission of the company and without reasonable excuse.
- 17.1.4 All special leave must be accompanied with evidence and supporting document(s). Otherwise, 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.
- 17.1.5 In the event where an Employee over-consumes or does not comply with the procedures in utilizing his/her special leave, the leave taken shall be regarded as absence without pay. Any cancellation of leave previously applied shall be informed to Human Resource.

17.2 EMERGENCY LEAVE

- 17.2.1 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.
- 17.2.2 Employees are required to inform his/her Manager and Human Resource Department of the emergency leave before 09:00am.
- 17.2.2 Emergency leave shall be granted upon approval by the immediate superior on the following circumstances and other reasons subject to Senior Management's approval:
 - 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.)

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 20 of 63

- 17.2.3 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.
- 17.2.4 For the purpose of this Section, should any Employee fail to produce any supporting documents or evidence upon returning from leave, or fail to inform the company of such leave within 24 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 absent from work shall be regarded as absence without pay and the Employee may also liable to severe disciplinary action.
- 17.2.5 Emergency Leave Application Procedure (Online)
- 17.2.5.1 Employees are required to submit the leave application online as soon as possible, along with supporting documents.
- 17.2.5.2 Upon receiving leave application from the applicants, Manager shall respond to the application via online system.

17.3 UNPAID LEAVE

- 17.3.1 Unpaid 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 situations:
- 17.3.1.1 That the Employee is still under probationary period.
- 17.3.1.2 That all annual leave entitlement has been exhausted.
- 17.3.1.3 That the Employee can be relieved from his or her duties.
- 17.3.1.4 That each case be considered on its own merits.
- 17.3.2 Where an Employee is granted unpaid leave by the Company during any period of twelve (12) months and the period of unpaid 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.
- 17.3.3 Unpaid Leave Application Procedure (Online)
- 17.3.3.1 Application of unpaid leave to apply online and must be approved by the Manager, at least seven (7) days prior to the commencement of the intended leave.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 21 of 63

17.4 MARRIAGE LEAVE

- 17.4.1 On the occasion of his/her first (1st) legal marriage, all Employees shall be eligible for paid Marriage Leave of three (3) working days the occasion of their first legal marriage.
- 17.4.2 Marriage leave for Employees are only eligible for confirmed Employees and/or contract Employees completed a minimum of three (3) months of continuous service.
- 17.4.3 Employees are required to apply marriage leave at least one (1) week in advance.
- 17.4.4 A copy of the marriage certificate, issued by the Local Registrar of Marriage, must be submitted to Human Resource Department.

17.5 COMPASSIONATE LEAVE

- 17.5.1 Compassionate Leave for Employees is only eligible for confirmed Employees and/or contract Employees completed a minimum of three (3) months of continuous service.
- 17.5.2 All Employees are eligible for paid compassionate leave as following:
- Death of immediate family members – three (3) working days for each event.
 - Serious illness (ICU Case) of immediate family members – max two (2) working days in a calendar year, subject to senior management's approval.
 - Suffer from disaster, such as Tsunami, Earth Quake, Flood and Forest Fire – max two (2) working days in a calendar year, subject to senior management's approval.
- 17.5.3 The immediate family member is defined as a person's smallest family unit, which include spouse, parents, children, siblings (from the same parents) or parents-in-law (from the first marriage) only. Death of grandparents, godparents, mentors, neighbours, friends and relatives are NOT covered under compassionate leave.
- 17.5.4 Any Employee fails 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.
- 17.5.5 Compassionate Leave Application Procedure (Online)
- 17.5.5.1 Employees are required to apply via online system once return to work the following day and the application should be submitted with supporting documents.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 22 of 63

17.6 PATERNITY LEAVE

17.6.1 Male Employees are eligible for paid paternity leave up to a maximum of seven (7) consecutive days from the date of delivery (regardless of the time of birth), and such period shall be inclusive of Saturdays, Sundays and Public Holidays. Such leave shall only be granted up to a maximum of five (5) surviving natural children only.

17.6.2 Eligibility

- The male Employee is legally married to the woman bearing child/children
- The male Employee is employed for at least twelve (12) months in the Company before the start of Paternity leave.

17.6.3 Paternity Leave Application Procedure

17.6.3.1 If the delivery date of child/children is known, the Employee inform Manager and Human Resource at least thirty (30) days before commencement of leave.

17.6.3.2 If the delivery date of child/children is unknown, the estimated date/period must be informed to the Manager and Human Resource at least thirty (30) days before the commencement of leave for necessary work arrangements.

17.6.3.3 Application of paternity leave should be made not later than three (3) working days upon return to work, by applying via the E-Leave system and a copy of birth certificate should be attached.

17.7 EXAMINATION LEAVE

17.7.1 Examination Leave for Employees is only eligible for confirmed Employees and/or contract Employees completed a minimum of three (3) years of continuous service.

17.7.2 Before applying for the examination leave, Employee has to write in to Human Resource, Manager and Senior Management to inform his/her enrolment into courses related to the Employee's job. If Senior Management approve of such course, then the Employee is then eligible for examination leave.

17.7.3 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.

17.7.4 The Employee shall be required to produce documentary evidence of examination registration and examination schedule in support of his/her application.

17.7.5 Examination Leave Application Procedure



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 23 of 63

- 17.7.5.1 Application for examination leave should be made at least two (2) weeks prior to the commencement of the examination, by applying via online system, supported with a copy of examination schedule issued by the respective Institutes / Colleges / Universities.

17.8 REPLACEMENT LEAVE

- 17.8.1 Replacement leave is only applicable to Employees who are not eligible for Overtime Claim.
- 17.8.2 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.
- 17.8.3 The Company will not be financially responsible to pay any unauthorized replacement leave claim. Employees who fail to obtain the appropriate authorization before working on Sundays and/or Public Holidays will not be entitled for the replacement leave.
- 17.8.4 Accumulated balance Replacement Leave can be utilized or will be paid by the following year at the end of January.
- 17.8.5 Accumulation of replacement leave or carrying forward of replacement leave from one calendar year to another is limited to six (6) days. However, such leave carried forward must be utilised by 30th April of the following year. The unutilized replacement leaves shall be forfeited after the stipulated date.
- 17.8.6 Eligibility
- 17.8.6.1 When the Employee is required by his/her immediate superior/ Manager/ HOD to work on Rest Days (Sundays) and/or Public Holidays, he/ she shall be compensated for replacement leave.
- 17.8.6.2 Employee are in overseas / outstation assignment, if they are not working over the Rest Days (Sundays) and/or Public Holidays shall NOT be eligible to claim for replacement leave.
- 17.8.6.3 Employees who are traveling (more than 5 hours) for work on Sundays and/or Public Holidays, where traveling on a working day is not possible, are eligible to claim Replacement Leave.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 24 of 63

17.8.6.4 The Employee will be compensated by one (1.5) day Replacement Leave for working minimal 5 hours or more continuously on Sundays and/or Public Holidays.

17.8.6.5 The Employee will be compensated by one (1) day Replacement Leave for working minimal 5 hours or more continuously on a Special Holiday, which is not listed in the Company's list of Public Holidays.

17.8.6.6 Employees who fail to clock-in, clock-out, and submit number of hours worked, shall not be entitled to the claim.

17.8.6.7 An Employee who absents himself/ herself from work on a working day immediately preceding or immediately succeeding a public holiday or two (2) or more consecutive public holidays or any other day or days substituted thereof under this section without the prior consent of his Manager, shall not be entitled to any holiday pay for such holiday or consecutive holidays unless he has a reasonable excuse with evidence for such absence.

17.8.7 Procedure

17.8.7.1 Employee has clock-in and -out at work location, submit no. of working hours and reason to claim the Replacement Leave.

17.8.7.2 HOD is responsible to approve the Replacement Leave

18 MEDICAL LEAVE

18.1 Employees shall be entitled to paid medical leave, when no hospitalization is necessary, number of days as follows:

Years of Service	No. of Days (in the aggregate of each calendar year)
Less than 2 years	14 days
2 years – less than 5 years	18 days
5 years or more	22 days
Contract	14 days



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 25 of 63

- 18.2 All paid medical leaves shall be granted upon recommendation by a Registered Medical practitioner approved by the group and supported by a medical certificate. 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.
- 18.3 Any leave granted by a Government Dental Surgeon or certified private Dental Surgeon shall be regarded as medical leave.
- 18.4 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.
- 18.5 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.
- 18.6 Employees are required, after being certified by a registered medical practitioner to inform his/her immediate superior of the medical leave taken before 10:00 am, and to inform Human Resource.
- 18.7 Medical leave shall be granted only upon submission of medical certificates certified by a registered medical practitioner.
- 18.8 An Employee who is not granted medical leave shall report for duty directly after completion of the medical examination.
- 18.9 For the purpose of this Section, should any Employee fail to produce any medical certificate upon returning from medical leave, or fail to inform the company of such medical leave within 24 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 absent from work. Such absenteeism shall render the Employee liable to disciplinary action.
- 18.10 In any event where an Employee over-consumes or does not comply with the medical/hospitalization leave procedures in utilizing his/her medical/hospitalization leave entitlement, the leave taken shall then be regarded as no pay leave
- 18.11 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 working from home, receiving any compensation for disablement under SOCSO or periodical payments for temporary disablement under the Employees Act or Group Personal Accident Insurance.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 26 of 63

18.12 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 prescribed; or any breach of the peace or order of the country.

18.13 The Company reserves the right to take disciplinary action against an Employee who abuses the medical leave privilege.

18.14 Prolonged Illness Leave

18.14.1 In the case of prolonged illness such as heart attack, stroke, coma, paralysis, accident, or any other illness of prolonged nature requiring immediate and 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:

Duration	Payment
First 2 months	Full Pay
Third month	Half Pay
Subsequent months	Without Pay

18.14.2 Only Employees that completed at least five (5) years of continuous service with the Company are eligible for Prolonged Illness Leave. The Employee may be required to undergo a medical examination by Company's appointed medical practitioner.

18.14.3 Prolonged Illness Leave shall only commence after the Employee has fully utilized his Hospitalization Leave, Medical Leave and Annual Leave entitlements.

18.14.4 The Employee shall submit original medical report issued by the Company's appointed medical practitioner or a Government medical officer as soon as possible, to substantiate the prolonged illness leave. Otherwise, the Company reserves the right to withhold the benefit.

18.14.5 In the event the Employee suffers a relapse within twelve (12) months from the time he resumed duty, then the relapse shall not be treated as a new case, but as a continuation of the first case. Consequently, the leave that has already been taken in the first instance by the Employee shall be set off against his entitlement and the Employee shall only be granted the balance of the unutilized prolonged illness leave, if any, under the provision.

18.14.6 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.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 27 of 63

18.14.7 In the event of a termination of contract due to a medical board out, the award of medical compensation shall be at the sole discretion of the Company.

19 TIME OFF

- 19.1 Time off is an employment benefit offered by the Company. The Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.
- 19.2 The time off policy is to provide Employees with flexible paid time off from work that can be used for only urgent needs, or other events that occurred due to unforeseen circumstances, that can be sorted out within two (2) hours. If such event requires more time to sort out, refer to Emergency Leave procedure.
- 19.3 Time-off application is tightly monitored. Employees are only allowed time-off for a maximum of twice (2 times) in a month. Maximizing time off or taken in excessive reflects poor planning and possible abuse, which can result in suspension and suspension of pay during investigation, disciplinary action or up to termination of employment.
- 19.4 Time off shall be informed to Manager and Human Resource before 09:00AM, and obtain approval on the urgent needs such as instances below:
- illnesses of spouse, parents and children which require IMMEDIATE care and attention of the respective Employee
 - Natural disasters (flood, fire, etc.)
 - House break-ins/burglaries/robberies/thefts
 - Breakdown of transport (car, motorcycle, etc.)
- 19.5 Time off shall NOT be granted on personal needs which are foreseeable and planned, such as:
- Appointments such as car service, dental, doctor's appointments
 - Attending funerals
 - Moving -in or -out
 - Send children to school, not due to any unforeseeable reasons
 - Arrive to work late, not due to any unforeseeable reasons
- 19.6 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.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 28 of 63

19.7 Time Off Claim Procedure:

- 19.7.1 Employee needs to inform the direct Manager and Human Resource immediately, before the start of work, to apply for Time Off.
- 19.7.2 If the reason is acceptable by direct Manager and Human Resource, the Employee may proceed to take 2 hours off to sort out the urgent issue.
- 19.7.3 The Employee must submit the application in System, along with the documentation. Manager is responsible to approve the Time off in System.

20 FLEXIBLE WORK ARRANGEMENT

- 20.1 Employees are allowed to apply for a Flexible Working Arrangement. They are encouraged to first discuss with their immediate supervisor and Human Resource.
- 20.2 The application must be in writing address to Human Resource, immediate superior and Managing Director. The application should include strong reasons, the period of the arrangement, changes in work arrangements and reporting methods (if any), risks of this change, risk mitigation plan including how to communicate and collaborate with others without compromising efficiency and effectiveness, and an output and performance monitoring system. Applications with incomplete information will be considered incomplete and will not be processed.
- 20.3 The responsibility and all effort to maintain the operational efficiency, effectiveness and productivity due to the work arrangement is on the applicant and immediate superior (if approve by immediate superior). Any additional resources required will be borne by the applicant as well, including additional time required to ensure the output and performance.
- 20.4 Flexible Work Arrangement is not a right or entitlement of Employee, and only applicable if the application is approved by Senior Management. The application can also be revoked at any time if
 - the Employee breaches the agreement, contract, policy and procedures of the company
 - clients expressed dissatisfaction on the work arrangement
 - there is a drop in output and/or performance directly or indirectly for the employee or project or department, mainly due to this work arrangement
 - there is an increase in inconvenience for others, including longer waiting time, more time to sort out communication and collaboration (i.e., meeting/ discussions), connection issues mainly due to this work arrangement
 - disputes occur between any parties directly or indirectly, due to this work arrangement
- 20.5 Managing Director will approve or refuse the application within sixty (60) days from the date the application is received, and inform the Employee in writing of the decision.
- 20.6 The same application with the same reason(s) will not be processed more than once.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 29 of 63

20.7 The Employee must comply to Remote Working Policy and other terms and conditions agreed by both Employee, immediate superior, Human Resource and Senior Management with regards to the arrangement.

20.8 Flexible working arrangement will not be approved for the following situations:

- Employees in their probationary period
- Employees undergoing a Performance Improvement Plan
- Nature of the job which requires the presence of Employees at job location to carry out their responsibilities efficiently and effectively

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.

21.2 Medical benefit is only applicable for outpatient visits, through Medical Clinic and Hospital registered with MMA (Malaysian Medical Association).

21.3 All Employees are entitled for outpatient clinic/hospital treatment at a maximum of RM100 per visit up to RM1000 per annum.

21.4 Employees under probation are entitled for outpatient claims at a maximum of RM250 during probationary period.

21.5 The Company shall NOT pay for the following cost:

21.5.1 Traditional, Complementary, Herbal and Integrative Medicine

21.5.2 Surgical or other appliances

21.5.3 Cosmetic treatment, consultation or drugs or appliances

21.5.4 Ophthalmic treatment, Optical appliances or optician's fees

21.5.5 Any expenses incurred as a result of pregnancy, confinement, abortion, miscarriage or pre-and postnatal care

21.5.6 Routine physical examination and specialist consultation other than required by the Company. 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 endeavouring to save human life.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 30 of 63

- 21.5.7 Treatment of congenital abnormalities, venereal diseases, AIDS, HIV related diseases or illegal abortive measures
- 21.5.8 Any expenses for treatment of psychological conditions which have been certified by a psychologist or psychiatrist
- 21.5.9 Any treatment arising from unlawful use of drugs
- 21.5.10 Any expenses in respect of illness or accident arising out of employment, which may constitute a claim under the Personal Accident Insurance
- 21.5.11 Vaccinations Note: For cases in which the situation warrants the vaccination, such as mandatory or recommended vaccination for travel to specific countries or where there is approval from Senior Management, the cost of the vaccination shall be reimbursed.
- 21.5.12 Provision of food supplement, vitamins

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

22 MATERNITY ENTITLEMENT FOR FEMALE EMPLOYEES

- 22.1 All female Employees are entitled to maternity leave with full salary only up to a maximum period of ninety-eight (98) consecutive days in respect of each confinement and such period shall be inclusive of Saturdays, Sundays and Public Holidays.
- 22.2 The female Employee shall be entitled to receive from the Company her salary for the period of her maternity leave if:
 - 22.2.1 She has been employed by the Company at any time in the four (4) months immediately before her confinement; and
 - 22.2.2 She has been employed by the Company for a period of, or period amounting in the aggregate to, not less than ninety (90) days during the nine (9) months immediately before her confinement.
- 22.3 An Employee shall not be entitled to paid maternity leave if she has five (5) or more surviving children at the time of the confinement.
- 22.4 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 on the actual day of birth, and where two or more children are born at one confinement, it shall commence on the actual day of the birth of the last-born child.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 31 of 63

- 22.5 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.
- 22.6 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.
- 22.7 A female Employee shall within a period of sixty (60) days immediately preceding her expected confinement notifies the Company in writing and the date from which she intends to commence her maternity leave.
- 22.8 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.
- 22.9 A female Employee shall not be entitled for the maternity benefit if she abstains from work earlier than the thirty (30) days before confinement.
- 22.10 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, the payment of maternity benefit to her may be suspended.
- 22.11 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.
- 22.12 Leave on account of miscarriage prior to the twenty-eight (28) weeks of pregnancy shall not be considered as maternity leave but as medical leave.

23 HOSPITALISATION AND SURGICAL INSURANCE SCHEME

- 23.1 All confirmed Employees who are below the age of fifty-five (55) 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.
- 23.2 The types of plans for each category of Employees is set out below:

Category	JG	Plan Type
Senior Management	SM1, SM2	A350 (TOKIO MARINE)
Manage & Executive	M1, M2, M3, E1, E2, E3	A250 (TOKIO MARINE)



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 32 of 63

- 23.3 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.
- 23.4 Employees shall notify the Human Resource Department of any advanced or planned admission. 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.
- 23.5 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 COMPANY PERSONAL ACCIDENT INSURANCE SCHEME

- 24.1 The coverage for Employees under the group Personal Accident shall be as follows:

Position	Capital Sum Insured and Benefits (RM)	
	Accident Death/ Permanent Disablement	Medical Expenses
Manager	300,000	7,500
Engineer	200,000	6,500
Supervisor	150,000	5,500
P. Assistant	100,000	4,500
Admin	50,000	3,500

- 24.2 The group reserves the right to make any adjustment and changes to the coverage in accordance to the policy made available by the insurance companies.
- 24.3 Definitions of Benefits and Exclusion Clauses of such scheme can be found in the insurance policy kept by the Company.

25 COMPANY CAR SCHEME

- 25.1 A Company car may be allocated for selected staff. The model of car is subjected to Managing Director's discretion.
- 25.2 Employees who are provided with the Company car shall take full responsibility for the car including the cleanliness and maintenance under the terms as set hereinafter. It is expected of all Employees to understand and adhere to the Company Property Policy. All company assets shall not be left unattended, or transferred for others to use without permission. In case of loss or damage, the Employee will be responsible for the repair and replacement.

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 33 of 63

25.2.1 The Company shall reimburse the following expenses:

- Fuel usage by mileage, incurred on official trips only
- Parking fees at office and work sites, incurred on official purposes
- Toll charges to work sites, incurred on official trips only
- Periodical maintenance services at company approved service centres
- Accidents that can be covered under insurance plan
- Road tax and insurance premium
- Change of standard parts and accessories due to wear and tear
- Standard registration fees
- Road tax and insurance premium

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

- Summons due to traffic offence
- Repairs of the vehicle involved in an accident due to carelessness and negligence of the Employee which is not covered under the insurance plan
- Change of any parts or accessories beyond the standard specification of the vehicle e.g., audio system, sports rim, colour code, etc.
- Toll & petrol charges to and from the Employee's residence to base (i.e., office)
- Cost incurred for replacement of season parking card

25.2.3 Employees are required to submit receipts on all maintenance/service of the car when claiming for reimbursement to maintain proper records.

25.2.4 Employees are required to notify Human Resource Department of any accident as soon as possible from the time of accident which took place.

25.2.5 In the event that the Employee is away on outstation or overseas assignments, the immediate family of the Employee is only allowed to use the Company car with Managing Director's consent, provided that the Employee is fully accountable for any risks and consequences that may arise.

25.2.6 Upon termination of contract of service, Employees are required to return the Company car in original condition together with all the car keys, parking card and relevant company properties to the Human Resource Department. Employees are required to acknowledge return of the said items.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 34 of 63

26 TRAINING

- 26.1 All trainings conducted by the Company on a workday shall be considered a working day for the Employee. Disciplinary action shall be taken against an Employee who is absent for the training, without prior leave / approval from the Company.
- 26.2 The Company invests greatly on Employee development by sponsoring Employees for specialized or professional training courses, there is a need to protect the Company's interest by implementing a bond period.
- 26.3 The bond period shall apply according to the total training cost:

Total training cost	Period of Bond -effective after completion of course/ exam (if applicable)
Up to RM 3,000	2 years
RM 3,001 – 10,000	3 years
>RM 10,000	4 years

27 OVERTIME CLAIM

- 27.1 Frequent and excessive overtime isn't good for Employees' health and performance. The Company aims to avoid productivity and morale loss or work-related accidents due to fatigue. For this reason, we will:
- 27.1.1 Require all Employees to clock-in and -out to record overtime hours accurately and consistently to track total working hours.
- 27.1.2 Advise Employees to work overtime only when they have to finish urgent work required by the job, with the approval of Manager.
- 27.2 We want to avoid any incidents of abuse of the overtime system, either by our company or Employees, that may result in disciplinary actions and/or legal confrontation. We expect:
- 27.2.1 Managers to plan resources and monitor work progress. If a project is unable to meet deadlines without the use of excessive overtime throughout the project, Senior management and the Manager must investigate the reasons to manage the work commitment.
- 27.2.2 Employees to avoid working unnecessary overtime, aiming for overtime claims.
- 27.2.3 Employees to be honest and does not abuse claims such as submitting claims for break or meal time, or hours not worked.
- 27.2.4 Managers to do due diligence to verify all claims approved are hours worked by the Employees.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 35 of 63

27.2.5 Employees and Managers should follow our timekeeping and claims systems to maintain accurate records.

- 27.3 The Company reserves the right to request any and/or all Employees to work overtime during busy period or in cases of emergency. Overtime is a requirement of employment and if an Employee rejects a request to work overtime, he/she will be subject to disciplinary action, up to and including termination. Employees are only allowed to reject an overtime request if he/she has a valid reason with evidence.
- 27.4 Employees who fail to obtain approval to claim Overtime before working overtime will be subject to disciplinary action. The Company will not be financially responsible to pay any unauthorized Overtime Claim.
- 27.5 Employees who fail to clock-in, clock-out, and submit number of hours worked, shall not be entitled to the claim.
- 27.6 Overtime claim is only applicable to Employees covered under Employment Act 1955 and monthly salary of RM4,000 and below.
- 27.7 Employees eligible for Overtime is not eligible for Food Allowance claim and Replacement Leave claim.
- 27.8 In order for an Employee to qualify for overtime claim, he/she must first complete the required working hours of total Forty (40) hours per week, or eight (8) hours per day.
- 27.9 For any approved overtime work carried out in excess of the normal hours of work (40 Hours/ Week; or 8 Hours/day) during the normal working day or rest day or public holiday, the Employee will be paid at overtime rates as stipulated in the table in 27.11.
- 27.10 An Employee's hourly rate is calculated with the following formula:

Hourly rate= Basic Salary/ 26 / 8



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 36 of 63

27.11 The following Overtime rate applies:

DAY	RATE	TIME
Mon-Fri	1.5 x Hourly rate	Per hour worked after working hours, excluding breaks Office: 6PM Site: Depends on site, after 8 hours of work excluding breaks.
Saturday	1.5 x Hourly rate	Per hour worked on Saturday, excluding breaks
Rest Day (Sunday)	½ day Pay 1 full day Pay 1 full day Pay + 2 x hourly rate	If worked < 5 hrs If worked ≥ 5 hrs but < 8 hrs If worked ≥ 8 hrs
Public Holiday	2 days' Pay 2 days' Pay + 3 x hourly rate	If worked < 8 hrs If worked ≥ 8 hrs

27.12 Overtime Claim Procedure

27.12.1 Each Employee must obtain instruction or approval from their superior prior to claim overtime. Clause 27.4 applies.

27.12.2 Employees must clock-in and -out, indicate number of hours worked out of the normal working hours, and reason to claim the OT. Clause 27.5 applies.

27.12.3 HOD is responsible to verify and approve the OT.

27.13 An Employee's OT can be withheld for the following reasons:

- Suspected Overtime fraud i.e., claim OT for hours the employee didn't work.
- Disputes over overtime hours.
- Employee owes the Company other charges such as Payment in-lieu of notice, repair/ replacement of company properties, loans etc.
- Employee is absent and did not report to work.

28 FOOD ALLOWANCE

28.1 Food allowance is an employment benefit offered by the Company. The Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 37 of 63

- 28.2 Food allowance is only applicable to Employees of Executive level who is not eligible for Overtime, and offered in the Employment Contract or Letter of appointment. Once Employees reached a certain pay grade (exceeded a set amount of Basic Salary upon hiring) or job grade, they are not eligible for food allowance.
- 28.3 Food allowance is only applicable for those who are required to work beyond normal working hours (overtime), due to job urgency and delivery timeline. Similar to Overtime, Employee must obtain instruction or approval from their superior to claim food allowance.
- 28.4 The Company reserves the right to request any and/or all Employees to work beyond normal working hours (overtime) during busy period or in cases of emergency. Working beyond normal working hours (overtime) is a requirement of employment and if an Employee rejects a request to work overtime, he/she will be subject to disciplinary action, up to and including termination. Employees are only allowed to reject an overtime request if he/she has a valid reason with evidence.
- 28.5 Employees who fail to obtain the approval for food allowance before working beyond normal working hours (overtime) will be subject to disciplinary action. The Company will not be financially responsible to pay any unauthorized food allowance claims.
- 28.6 Employees who fail to clock-in, clock-out, submit number of hours worked with reasons shall not be entitled to the claim.
- 28.7 In order for an Employee to qualify for food allowance claim, he/she must first complete the required working hours of total Forty (40) hours per week, or eight (8) hours per day.
- 28.8 The following Food Allowance rate applies, regardless of Position:

WORKING DAY (MON- FRI)	SATURDAY	SUNDAY	PUBLIC HOLIDAY
RM15/ Hour worked after working hours	RM15/ Hour worked	After 8 hours of work: RM15/ Hour worked	

- 28.9 27.12 and 27.13 also applies to Food Allowance Claim.

29 TRAVELLING ALLOWANCE

- 29.1 Employees who are required to travel frequently to multiple sites for official duties may be eligible to a monthly travelling allowance. The amount is up to the discretion of Senior Management upon recruitment.
- 29.2 In the event where Employees are no longer required to travel temporarily due to project- or government-imposed regulations such as Movement Conditional Order (MCO), the Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 38 of 63

30 TRAVELLING CLAIMS

30.1 Parking, Toll and Petrol Claims

30.1.1 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.

30.1.2 All Employee shall be eligible to claim for the reimbursement of office parking expenses.

30.1.3 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 or statement.

30.1.4 Reimbursement of **Taxi, Public Transport Fees**

For Taxi travel, Employees are encouraged to share taxis wherever they travel in a group and the Company shall reimburse the fees on production of the official receipt.

30.2 Travelling Claims Procedure

30.2.1.1 Employees must submit original receipts for all claims.

30.2.1.2 HOD is responsible to verify and approve the claims.

30.2.1.3 The approved claim shall be made payable every 15th of each month.

30.2.1.4 Approved claims will only be made payable on 15th in the following month for all submissions later than 1st of the particular month.

30.2.1.5 The Company reserves the right to reject any claim if there is no original bill/ receipt



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 39 of 63

30.3 Mileage Claim

30.3.1 Employees under Technical group who travels frequently to multiple locations for official duties shall be entitled to mileage claim. Rate of claim is according to the following:

Mileage Claim Table	
Car	Motorcycle
RM0.25	RM0.15

30.3.2 Employees under Group Support whose work is heavily based in office, and therefore not eligible for Travelling allowance, when required to travel for official duties shall be entitled to mileage claim. Rate of claim is according to the following:

Mileage Claim Table	
Car	Motorcycle
RM0.50	RM0.30

30.4 Mileage Claims Procedure

30.4.1.1 HOD is responsible to verify and approve the claims.

30.4.1.2 The approved claim shall be made payable every 15th of each month.

30.4.1.3 Approved claims will only be made payable on 15th in the following month for all submissions later than 1st of the particular month.

30.4.1.4 An Employee's Mileage claims can be withheld for the following reasons:

- Suspected fraud i.e., claim mileage for car when traveling with motorcycle to site; or claim mileage when carpools with colleagues to site.
- Employee owes the Company other charges such as Payment in-lieu of notice, repair/ replacement of company properties, loans etc.
- Employee is absent and did not report to work.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 40 of 63

31 TRAVEL BY AIR

31.1 All Employees are encouraged to travel by economy class and airlines that offers economical fares.

31.2 An upgrade of class must be approved by the Managing Director, with the following conditions:

- Employees are travelling with clients who are travelling on Business Class.
- Employees are travelling on clients' accounts, upon agreement by both parties.

31.3 Booking/Reservation Procedure

30.3.1 All flight bookings/reservations shall be made through the Company's appointed Admin support.

30.3.2 Application to travel by air shall be made by completing the Flight Booking Request Form at least one (1) week, or as soon as possible before the departure.

30.3.3 Issuing of flight tickets can only be done upon receiving approval from the Senior Management.

For Internal Use Only. Do Not Print & Distribute.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 41 of 63

32 HOTEL ACCOMMODATION

- 32.1 The Company shall arrange and pay for hotel accommodation for Employees who are required to travel outstation/overseas for official duties only.
- 32.2 The occupancy shall be on a sharing basis for all categories of Employees except for Employees on JG SM or different gender where single occupancy is allowed. The classification of hotels for each category of Employees is limited to the hotel rates as stated below. However, Employees are advised to stay in hotels with lower rates than specified below, if possible.

Countries	E3	E2, E1, M3	M2, M1	SM
Malaysia	RM100	RM150	RM200	RM250
Singapore	S\$80	S\$120	S\$150	S\$180
SEA (Thailand/ Vietnam/Myanmar/ Cambodia/Laos/ Philippines)	US\$60	US\$80	US\$100	US\$120
Hong Kong/China/ India/Sri Lanka	US\$60	US\$80	US\$100	US\$120
Europe	Euro50	Euro70	Euro90	Euro120
Australia/New Zealand/USA/Canada/ and Rest of the World	US\$60	US\$80	US\$100	US\$120

- 32.3 If there is a budget for accommodation for the project or job, the rates above are not applicable. The accommodation rates shall be below budget and rates stated above.
- 32.4 The Company shall pay for expenses incurred on room charges only and all bookings or reservations shall be made through the appointed Admin support of the Company.
- 32.5 All Employees shall understand and abide to Company Provided Accommodation Policy. Each Employee shall be responsible for any damage they cause to company-provided accommodation. Employees are responsible for the cleanliness and proper usage of all appliances and utilities. Problems with these appliances or utilities should be reported to the appropriate personnel in a timely manner. The Employee that causes any damage to company-provided accommodation will be subject to disciplinary action, up to and including termination without notice, or salary in lieu thereof.
- 32.6 The Company may without prejudice to any other rights or remedies that the Company may have under general law or otherwise, repair and/or replace appliances and utilities at the Employee's expense. If any rental or utility deposit is deducted or forfeited by hotels, agencies or landlords, the Employee's claims, replacement leave remuneration, salary and allowances will be deducted to recover the deposit, penalties or costs.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 42 of 63

32.7 Employees' Own Accommodation

32.7.1 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 accommodation. The reimbursement amount shall be as follows:

Countries	E3	E2, E1, M3	M2, M1	SM
Malaysia	RM30.00	RM40.00	RM50.00	RM70.00
Others	RM50.00	RM70.00	RM90.00	RM115.00

33 OUTSTATION ALLOWANCE

33.1 Employees who are required by the Company to perform duties 100KM away from Company main office i.e. outstation/overseas assignments/business trips shall be entitled to outstation allowance day worked/travelled as the following:

Peninsular Malaysia	Total
JG M1 & above	RM30.00 per day
JG E1 & below	RM25.00 per day
Sabah & Sarawak	Total
JG M1 & above	RM35.00 per day
JG E1 & below	RM30.00 per day
Singapore/Brunei	Total
JG M1 & above	S\$33.00 per day
JG E1 & below	S\$30.00 per day
Other ASEAN Countries (Indonesia/Philippines/Thailand/Myanmar/Vietnam/ Laos/Cambodia)	Total
JG M1 & above	USD30.00 per day
JG E1 & below	USD25.00 per day
USA/Canada/Japan/India/China/ Sri Lanka/Australia/Maldives/Middle East	Total
JG M1 & above	USD35.00 per day
JG E1 & below	USD30.00 per day
UK/Europe	Total
JG M1 & above	USD45.00 per day
JG E1 & below	USD40.00 per day
Other Countries	Total
JG M1 & above	USD33.00 per day
JG E1 & below	USD30.00 per day



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 43 of 63

- 33.2 The outstation travel allowance shall be payable only if the outstation travel involved overnight stay or if the duration of the trip is more than eight (8) hours from the time of departure to the time of arrival at state/ country of workplace.
- 33.3 An Employee who is required to be based in Sabah, Sarawak or overseas continuously for more than a year, is allowed to return to the base office four (4) times per year. For Employees who are seconded to a project within Peninsular Malaysia is allowed to return to the main office once a month. For this purpose, the Employee shall be entitled to claim traveling expenses for one (1) day when he/she returns.
- 33.4 In the event where the period exceeds one (1) month, prior approval shall be sought from Senior Management, and separate arrangements shall be made. The Company reserves the right at any time to revise and amend the benefits according to the budget of the project.
- 33.5 Outstation Allowance Claim Procedure
- 33.5.1 Employees must clock-in and -out, with GPS location to claim the outstation allowance.
- 33.5.2 Employees shall indicate the dates on monthly claim form.
- 33.5.3 HOD is responsible to verify and approve the allowance.
- 33.5.4 The approved claim shall be made payable every 15th of each month.
- 33.5.5 Approved claims will only be made payable on 15th in the following month for all submissions later than 1st of the particular month.

34 COMPANY MOBILE PHONE

- 34.1 The Company may provide mobile phones to the selected Employees, depending on job necessity upon confirmation of employment.
- 34.2 Models of mobile phones provided by the Company shall be at the Senior Management's discretion.
- 34.3 It is expected of all Employees to understand and adhere to the Company Property Policy. All company assets shall not be left unattended, or transferred for others to use without permission. In case of loss or damage, the Employee will be responsible for the repair and replacement.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 44 of 63

35 PHONE ALLOWANCE

- 35.1 Some Employees will use their own mobile phones to carry out job duties as their job location(s) does not have company land lines for use. They are eligible for a fixed monthly mobile phone allowance as below:

Grade	Amount
M3 and above	RM120
E1 and below	RM100

- 35.2 Employees who are based in office are provided with company land lines for official duties.

36 FLEXI ALLOWANCE

- 36.1 Flexi allowance is an employment benefit offered by the Company. The Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.
- 36.2 All confirmed, Permanent Employees are eligible to an annual flexi allowance. The purpose of this benefit is to support staff's dental, optical and general health.

Grade	Amount
M3 and above	RM1,500.00
E1 and below	RM1,000.00

- 36.3 Flexi Allowance covers the following:

No.	Benefits
1.	Fitness
2.	Internet
3.	Dental (extraction, filing, scaling only, exclude cosmetic dental care such as whitening or braces)
4.	Optical (reading spectacles only)

- 36.4 All confirmed Managers of JD M3 and above are eligible to claim Medical examination and Medication claim up to RM1,000 per annum, on top of Flexi allowance.
- 36.5 The allowances will be prorated from the Employee's confirmation date.
- 36.6 All claims must be supported with original receipts and submit to Account Department in December each year. The claims will be disbursed in the following month. The Company shall reject any claim if there is no original bill/ receipt.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 45 of 63

37 ENTERTAINMENT CLAIM

- 37.1 It is expected of all Employees to understand and abide to the Anti-Bribery and Corruption Policy.
- 37.2 Entertainment expenses shall be on a “need to” basis. Entertainment must not be carried out indiscriminately, excessively, or in a lavish manner.
- 37.3 Employees have to obtain approval from Managing Director to entertain clients/business associates.
- 37.4 An Employee shall be eligible to entertainment claims only if the claim form is attached with original receipts or bills, supporting documents. Otherwise, the Group shall reserve the right to reject the claim made by an Employee.
- 37.5 Entertainment Claim Procedure
- 37.5.1 Before the event, Employees must inform Managing Director on the purpose of entertainment, client’s company, name of clients who are involved and a budget for the event.
- 37.5.2 Employees can proceed with the event with the verbal approval of Managing Director.
- 37.5.3 Employees must submit original receipts for all claims. On the original receipt, Employee shall include client’s company, name, position and contact number of clients.
- 37.5.4 The approved claim shall be made payable every 15th of each month.
- 37.5.5 Approved claims will only be made payable on 15th in the following month for all submissions later than 1st of the particular month

38 LAUNDRY CLAIM

- 38.1 Laundry claim is an employment benefit offered by the Company. The Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.
- 38.2 Employees who are on overseas assignments/business trips continuously for more than five (5) days where laundry express services are not available at the location, are entitled to claim for laundry expenses and any reimbursement claim thereof should be substantiated with original receipts or bills.
- 38.3 Employees have to obtain approval from Human Resource Department and any reimbursement claim thereof should be substantiated with original receipts or bills.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 46 of 63

38.4 Laundry claims shall not exceed RM 40.00 per month.

38.5 Laundry claims are not granted to Employees seconded to projects where they are provided with site or project accommodation with washing machine.

39 OTHER CLAIM/REIMBURSEMENT

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

40 LONG SERVICE AWARD

40.1 Long Service Award is an employment benefit offered by the Company. The Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.

40.2 The Employee's length of service with the Company shall be recognised with a special gift at the absolute discretion of the Managing Director.

40.3 This award shall be extended to Employees who have completed at least eight (8) years of continuous service with the Company, computed as at 31st December each year.

40.4 Periods of No Pay Leave shall not be counted towards the continuous service period.

40.5 Employees with disciplinary records such as poor attendance, frequent counselling sessions, not meeting expectations during appraisals, are not eligible for the long service award.

40.6 The gift amount for years of service is set out below, in the form of cash, voucher or gift value, at the absolute discretion of the Managing Director.

Years Of Services	Max Value
8 years	RM 2,000
10 years	RM 3,000
15 years	RM 5,000
20 years	RM 8,000



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 47 of 63

PART V – PERFORMANCE APPRAISAL & WAGES ADMINISTRATION

41 PERFORMANCE APPRAISAL

- 41.1 Performance Appraisal is a written evaluation of job performance and achievements.
- 41.2 The evaluation not only serves to identify areas that may need improvement, but also to document 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.
- 41.3 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.
- 41.4 The annual evaluation/performance review shall be carried out at the end of the financial year or as evaluation schedule plan and Employees will be evaluated on the basis of their performance in fulfilling assigned responsibilities as set forth in their job description.
- 41.5 Based on the ratings of the performance appraisal, the Company may decide on the rewards to be given to the Employees. It also allows the Company to determine career development and training programmes for the Employees.
- 41.6 Procedure
- 41.6.1 When an evaluation/performance review is deemed necessary, a Performance Appraisal form or Score Card will be distributed to the appropriate immediate superiors/Heads of Department/Division.
- 41.6.2 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 attributes criteria and scores their performance on a scale specified in the prescribed form.
- 41.6.3 A written evaluation will be given and a normal session will be held whereby the Superior will discuss with the Employee concerned his/her performance on areas that could be improved.
- 41.6.4 The signature of the Employee is needed to indicate that the Employee performance and the appraisal has been discussed with the Employee in the presence of his/her immediate superior.
- 41.6.5 The completed form shall be returned to 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.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 48 of 63

42 SALARY INCREMENT

- 42.1 The Company believes that Employees should be rewarded for their dedication and the hard work they have contributed to the overall success of the Company.
- 42.2 The annual increment shall be at the discretion of the Company and shall not constitute a legal entitlement on the part of the Employee and it shall be based on annual performance appraisal, as well as past performance improvement, dependability, attitude, cooperation, disciplinary record, adherence to all employment policies and the salary range of the Employee's position.
- 42.3 Salary increment may be considered and given to confirmed, permanent Employees who has completed at least twelve (12) months of continuous service with the Company, at the beginning of each calendar year. Periods of No Pay Leave shall not be counted towards the continuous service period.
- 42.4 In the event where an Employee's contract of service terminates at the time when increment is payable, he/she shall not be eligible for the increment or any part of it.

43 BONUS

- 43.1 The bonus payment shall be at the discretion of the Company and shall not constitute a legal entitlement on the part of the Employee and it shall be based on annual performance appraisal, as well as past performance improvement, dependability, attitude, cooperation, disciplinary record, adherence to all employment policies and the salary range of the Employee's position.
- 43.2 At the discretion of the company, bonus may be awarded to confirmed, permanent Employees who has completed at least twelve (12) months of continuous service with the Company. Periods of No Pay Leave shall not be counted towards the continuous service period.
- 43.3 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 bonus payment or any part of it.

44 WAGES ADMINISTRATION

- 44.1 All Employees' wages, after lawful deductions, shall be made payable by the Company not later than the seventh (7th) day of the following month.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 49 of 63

- 44.2 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, Perkeso-Socso contributions, Perkeso-EIS and Employee Provident Fund and any other lawful deductions, which may be announced by the Malaysian Government from time to time.
- 44.3 Wages due to an Employee shall be disbursed via banks as recommended by the Company.
- 44.4 Employees are to ensure that the bank account numbers given to the Human Resource Department are correct and any change in the account numbers must notify Human Resource Department before the 18th of each month.
- 44.5 All salary information shall be kept confidential. Employees are to refrain from discussion of salary matters with any Employee, other than with Senior Management.

45 STATUTORY CONTRIBUTION & DEDUCTION

- 45.1 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.

Basic monthly salary	Employer contribution
>RM5,000	12%
<RM5,000	13%

- 45.2 The Company and the Employees as defined under the Social Security (SOC SO) shall contribute its program in accordance to the schedule as determined by the Social Security Act 1969.
- 45.3 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

46 RETIREMENT

- 46.1 All Employees shall retire on attaining the age of fifty-five (55) years. In the absence of a birth certificate, the date of birth as shown in the identity card of the Employee shall be deemed to be the date of birth used to determine the retirement age.
- 46.2 The retirement age does not apply to the following types of Employees:
- persons who work on a probationary term;



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 50 of 63

- apprentices who are employed under apprenticeship contracts;
- foreign/ non-citizen Employees;
- persons who are employed in any employment with average hours of work not exceeding 70% of the normal hours of work of a full-time Employee;
- students who are employed under any contract for a temporary term of employment but do not include Employees on study leave and Employees who study on a part-time basis;
- persons who are employed on a fixed-term contract of service, inclusive of any extension, of not more than 24 months; and
- persons who, before the date of coming into operation of the Minimum Retirement Age Act 2012, have retired at the age of 55 years or above and subsequently are re-employed after they have retired.

46.3 The Company may offer an Employee to continue his/her employment for a further period beyond the 55th birthday of the Employee on a contractual basis but such an extension of employment shall be with mutual consent of the Company and the Employee, subject to the Employee being certified medically fit for employment by a medical practitioner and also subject to satisfactory performance.

46.4 Notwithstanding clause above, before reaching the retirement age, an Employee may opt for early retirement in special situations with the consent of the Company.

47 RETRENCHMENT

47.1 This shall apply only for 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.

47.2 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.

47.3 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.

48 SALARY/CASH ADVANCE

48.1 Festive Seasons



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 51 of 63

48.1.1 Salary Advance is an employment benefit offered by the Company. The Company reserves all rights at any time to revise, amend and terminate this benefit in whole or in part.

48.1.2 Confirmed, Permanent Employees are eligible to request for salary advance before Chinese New Year, Hari Raya Puasa, Deepavali and Christmas ONLY. The allowable amount of salary advance shall be:

48.1.2.1 Half ($\frac{1}{2}$) month's basic salary if the festival occurs within the first fifteen (15) days of the month.

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

48.1.3 Procedure

48.1.3.1 Request for salary advance can be made by completing the Salary Advance Request Form and it must be submitted to the Account Department two (2) weeks in advance from the festival date. The salary will be paid a week before the festival.

48.2 Overseas Business Trips/Assignments

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

48.2.2 The quantum of such advance shall be at Senior Management's discretion.

48.2.3 Procedure

48.2.3.1 Request for cash advance can be made by completing the Cash Advance Form with recommendation from the Heads of Department and approval from the Senior Management.

48.3 Project advance

48.3.1 Employees who manage project(s) are eligible to request for project advance for the usage of the project(s), with the approval of direct superior.

48.3.2 Procedure

48.3.2.1 Request for project cash advance can be made by completing the Project Advance Request Form and submit to the Account Department in one (1) week advance from middle or end of the month. The cash advance will be paid on 15th or 30th. An advance request will not be granted to an Employee with an outstanding advance balance.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 52 of 63

49 EMPLOYEE'S ATTENDANCE

- 49.1 All Employees have to clock-in on Company's HR system- *Paybun* through mobile device or a computer, upon entering workplace. When work is completed for the day, they have to clock-out from the system.
- 49.2 *Paybun* and the facial recognition device shall be used for monitoring attendance purposes.
- 49.3 An Employee is deemed to be tardy when he/she:
- Arrives to work past his/her scheduled start time
 - Fails to report for work at the assigned/scheduled work time
 - Leaves work prior to the end of assigned/scheduled work time without prior supervisory approval
 - Takes an extended meal or break period without approval
- 49.4 Employees are expected to follow notification procedures if they will be late for work, will not be at work, or are requesting planned time away from work.
- 49.5 Managers should monitor their employees' attendance on a regular basis and address unsatisfactory attendance in a timely and consistent manner. If managers notice a pattern of unscheduled usage of accrued time off banks, they should discuss this concern with the employee.
- 49.6 Tardiness is considered a Major Misconduct. Refer to CONDUCT AND DISCIPLINE for the disciplinary measures and actions.
- 49.7 Employees who fail to clock-in, clock-out, and submit number of hours worked, shall not be entitled to Overtime, Replacement Leave and Food Allowance claims.

50 PERSONAL APPERANCE

- 50.1 Employees shall wear clothing that is clean and in good repair and are to observe a high standard of personal hygiene. Tattoos and body piercings other than in the ears shall not be visible while engaged to work.
- 50.2 All Employees are prohibited from wearing clothing or jewellery or displaying accessories while engaged to work that depict(s) or allude(s) to an obscenity, violence, or sex; advertises alcohol, tobacco, or illegal substances; or conveys political or religious opinions and other unsuitable slogans. Torn jeans, non-company T-shirts, and slippers are strictly not allowed. Clothing is not to be worn in such a manner as to be inappropriately revealing or to expose undergarments.
- 50.3 Hair must be neat, well-trimmed and clean at all times. Hair colours of any shade other than black and dark brown are not allowed.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 53 of 63

50.4 The following attire shall apply:

Position	Monday	Tuesday	Wednesday	Thursday	Friday
All staff	Blue Shirt	Blue Shirt	Blue Shirt	Black Shirt	Black Shirt

51 CONFIDENTIALITY

- 51.1 All Employees shall not, during the period of their employment hereunder, except in the proper course of their duties, and shall not at any time and in any circumstances after the termination of their employment except with the prior written consent of the Company, for their own benefit or for the benefit of any other person, firm or corporation (other than the Company) use or divulge or disclose any Confidential Information or know-how.
- 51.2 If any Employee believes that he or she received confidential information inappropriately, he or she must report to direct supervisor or Senior Management immediately to avoid any potential problems.
- 51.3 If the Employee is uncertain as to whether information is confidential, treat it as such and ask for guidance from direct supervisor or Senior Management. Employee shall immediately if he or she believes that he or she provided confidential information to somebody who does not have a valid need to know it.
- 51.4 For any breach, the involved Employee will be subject to corrective action, up to and including termination, based on the nature and severity of the violation, pattern or practice of such behaviour and prior discipline.
- 51.5 Further details of **Confidentiality** shall refer to Luffer Group of "Code of Ethics and Conduct".

52 CONFLICT OF INTEREST

- 52.1 As an Employee of the Group, you should avoid situations where your own interests' conflict with the best interests of the Group, or may appear to someone else to do so.
- 52.2 A conflict of interest exists when an Employee's commitments or obligations to the company may be compromised by the Employee's other interests or commitments. Although not all conflicting interests are impermissible, those involving self-gain by the Employee or the Employee's family may serve to compromise the Employee's obligation to the company. An actual or apparent conflict of interest exists where:
- 52.2.1 An Employee's actions or activities involve both an advantage to the Employee and any effect on the company interests; or



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 54 of 63

52.2.2 An Employee's associations or involvement with a third party prevents the Employee from exercising care, skill or prudent judgment on behalf of the company in performance of the Employee's assigned duties.

52.3 If you are in a conflict-of-interest situation, or think you may be, discuss it with your supervisor in confidence. You can also discuss the situation with the HR Department.

53 RELATIONSHIPS IN THE WORKPLACE

53.1 The Group strongly believes that a work environment where Employees maintain clear boundaries between Employee personal and business interactions is necessary for effective business operations. Although this policy does not prevent the development of friendships or romantic relationships between co-workers, it does establish boundaries as to how relationships are conducted during working hours and within the working environment.

53.2 Any Employee especially those in a sensitive or influential position with must disclose the existence of a romantic relationship with another co-worker. Disclosure may be made to the individual's manager and HR. The Group will review the circumstances to determine whether any conflict of interest exists.

53.3 When a conflict-of-interest or potential risk is identified due to a company official's relationship with a co-worker, The Group will work with the parties involved to consider options for resolving the problem. The initial solution may be to make sure the parties no longer work together on matters where one is able to influence the other or take action for the other. Matters such as hiring, firing, promotions, performance management, compensation decisions and financial transactions are examples of situations that may require reallocation of duties to avoid any actual or perceived reward or disadvantage. In some cases, other measures may be necessary, such as transfer of one or both parties to other positions or departments. If one or both parties refuse to accept a reasonable solution, such refusal will be deemed a voluntary resignation.

53.4 Failure to cooperate to resolve a conflict or problem caused by the relationship between coworkers or among managers, supervisors or others in positions of authority in a mutually agreeable fashion may be deemed insubordination and result in disciplinary action up to and including termination.

53.5 During working time and in working areas, Employees are expected to conduct themselves in an appropriate workplace manner that does not interfere with others or with overall productivity.

53.6 Employees who allow personal relationships with co-workers to adversely affect the work environment will be subject to the Group's disciplinary policy, including counselling for minor problems. Failure to change behaviour and maintain expected work responsibilities is viewed as a serious disciplinary matter.

53.7 During nonworking time, such as lunches, breaks, and before and after work periods, Employees engaging in personal exchanges in nonwork areas should observe an appropriate workplace manner to avoid offending other workers or putting others in an uncomfortable position.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 55 of 63

53.8 Employees are strictly prohibited from engaging in physical contact that would in any way be deemed inappropriate in the workplace by a reasonable person while anywhere on company premises, whether during working hours or not.

53.9 The provisions of this policy apply regardless of the sexual orientation of the parties involved.

54 UTILIZATION OF INFORMATION TECHNOLOGY

54.1 All Employees shall observe the following Information Technology guideline at all times while in the employment of the Group and the Group reserves the right to institute disciplinary action or institute grievance procedures for any breach of the Code or where the breach constitutes a serious misconduct, the Group reserves the right to dismiss any Employee.

54.2 To object and use facilities for the purposes for which the Employee is authorised. Violations include:

- install your own software on the Group's computing resources;
- installing illegal licensed software which is not meant to reside on the Group's computing facilities which is assigned to you;
- using another person's account or attempting to capture other users' passwords without consent;
- circumventing normal resource limits, log on procedures and security regulations;
- trying to obscure your true identity as the sender of electronic mail;
- using the Group's computing resources for commercial purposes; and
- using the Group's computing resources to harass, intimidate or threaten other users.

54.3 At all times respect the privacy of other users. Files, disks, electronic mail, information, programs and data owned by individual users should be considered private, whether or not the information is accessible by other users. Tampering with electronic mail, interfering with or intercepting its delivery and using electronic mail for criminal purposes may be criminal offences.

54.4 At all times respect the rights of others to make use of the Group's computing resources. Violations include:

- placing obscene or harassing material in areas that can be/are publicly accessed;
- sending/forwarding chain letters or deliberately flooding a user with automatically generated mail;
- distributing information not intended for distribution by owner;
- printing or sending excessive copies of documents, files, data or programs;
- attempting to modify or remove computer equipment;
- attempting to degrade or disrupt system security or performance; and
- damaging or vandalizing Group's computing facilities, equipment, software or computer files

54.5 At all times faithfully and diligently obey and comply with respect appropriate copyright laws, licenses, confidentiality and trade secret agreements. Much of the software and data that resides on the Group's computer facilities is protected by copyright laws and license agreements from the owner of the copyright. The number of copies and distribution of the copies may not be done in such a way that the number of simultaneous users exceeds the number allowed.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 56 of 63

- 54.6 At all times obey and comply with the established guidelines for any networks or systems used inside or outside the Group. Accessing computer, software, data or information, or networks without proper authorization, regardless of whether any damage is done or whether the computer, software, data, information, or network in question is owned by the Group, will be deemed as an abuse of your Group's computing privileges.
- 54.7 An Employee who is authorised to add or delete files from a hard drive of a Group's computer must take reasonable and appropriate steps to see that all license agreements are faithfully executed on all systems, networks and servers for which they have responsibility.
- 54.8 An Employee must take reasonable precautions to guard against corruption of data or software or damage to hardware or facilities of the Group and must treat information about and information stored by the system's users as confidential.
- 54.9 Where there is an indication that misuse has occurred, the alleged offence is to be reported immediately by the Employee to the Group for investigation and the Group may restrict a user's computing privileges.
- 54.10 An Employee who is found abusing with the Group's computing resources may also be liable for civil or criminal prosecution. An Employee should observe strictly that nothing in this Information Technology guideline can preclude enforcement by the Group under the laws and regulations.
- 54.11 Not at any time during the continuance employment with the Group attempt to authenticate another computer user.
- 54.12 Not any time during the continuance employment with the Group play games on computers.
- 54.13 Not any time during the continuance employment with the Group provide content(s), which violates copyright or trademark laws. All software must be secured to prevent copying except that which explicitly allows copying, such as public domain software. It is the Employee's responsibility to know what the copyright laws are.
- 54.14 The Employee is not allowed to run a business or charge any money for access, contents or usage of their server. Any financial transaction is in direct violation of the Group's policies and may result in legal action.

55 EXIT INTERVIEW

- 55.1 Employees who have resigned will be required to attend an exit interview with 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 preventive actions can be taken.

56 RE-EMPLOYMENT

- 56.1 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.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 57 of 63

- 56.2 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.

57 ITEMS OF POSSESSION

- 57.1 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, any identification tag, advances, personnel protective equipment, 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.

- 57.2 Employee's last drawn salary and claims shall be withheld pending the return of the company properties.

58 UNAUTHORISED SOLICITATIONS

- 58.1 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 Senior Management.
- 58.2 No trading E.g.: MLM/ insurance/ promoting side businesses to colleague is allowed during working hours unless approved by Senior Management.

59 ANTI- BRIBERY AND CORRUPTION

- 59.1 For an Employee to accept commissions, a share in profits, gifts in any form, travel or other payments, materials, services, repairs or improvements at no cost or at unreasonably low prices, excessive or extravagant entertainment or gifts of merchandise of more than nominal value from any organization, firm or individual doing or seeking to do business with the Company or any of its subsidiary without prior notice to Human Resource and Senior Management may seem to be committing a major offense.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 58 of 63

- 59.2 Our Employees must not directly or indirectly offer, promise or give any form of facilitation payment to any public officials for any purposes.
- 59.3 The Group will only provide charitable or educational donations and public welfare sponsorships if they are ethical and legal under applicable laws. All donation and sponsorship expenses must be approved in accordance with LUFTER's standard operating procedures.
- 59.4 If you suspect, or reasonably believe that this Policy has been, or is being breached, you have an obligation to report your concerns to your Manager or Senior Management and where applicable.
- 59.5 All concerns reported will be taken seriously, treated in confidential manner and investigated immediately. Your anonymity will be protected unless the disclosure is required by law pursuant to an investigation or legislation, but you may be required to provide a statement as supporting evidence to any investigation. Any retaliation directed against anyone making such report will not be tolerated.
- 59.6 All reports shall be made in good faith and the report must be legitimate. Anyone who makes any malicious, scandalous or vexatious report, and particularly if they persist with such untrue allegations, they will be subjected to LUFTER's disciplinary actions.

60 SAFETY, HEALTH AND SECURITY

- 60.1 Safety is every Employee's responsibility and co-operation of all Employees are essential for the safe operations of the Company.
- 60.2 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.
- 60.3 Smoking is also strictly prohibited at the workplace.
- 60.4 The Company provides access to all Employees to enter offices through facial recognition devices. The devices also record the office Employee's attendance.
- 60.5 Some Employees are given office keys throughout their employment with the Company. The key owners shall not pass the keys to others without the official permission of Senior Management.
- 60.6 Making/using triplicate keys will not be allowed without the official permission of Senior Management.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 59 of 63

- 60.7 Any loss of key will be immediately reported to Human Resource and Senior Management.
- 60.8 It is also the Employees' responsibility to switch off all electrical and electronic equipment entrusted before leaving work place.
- 60.9 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.

61 CODE OF CONDUCT

- 61.1 Further details of **Code of Conduct** shall refer to LUFTER's Group of "Code of Ethics and Conduct".

62 ETHICS

- 62.1 Further details of **Ethics** shall refer to LUFTER's Group of "Code of Ethics and Conduct".

63 EMPLOYEE'S GRIEVANCE

- 63.1 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.
- 63.2 Before initiating any grievance procedures, the aggrieved Employee is encouraged to try to resolve any grievance directly with the person(s) concerned.
- 63.3 If this is not possible or appropriate, then the aggrieved Employee should proceed with the grievance procedures as delineated in the Grievance Policy.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 60 of 63

64 CONDUCT AND DISCIPLINE

- 64.1 Employees shall at all times maintain reasonable standards of work, conduct and discipline in accordance to expressed or implied obligations to and expectations of the Group.
- 64.2 The Group shall reserve the right to undertake disciplinary action on grounds of misconduct against the Employee concerned for any misconduct, indiscipline or any breach of the Group's rules and regulations in accordance to the general principles of natural justice.
- 64.3 A serious misconduct shall be construed as the occurrence of a major misconduct based on its severity, or a repetition of major or minor misconducts.
- 64.4 The categories and examples of misconduct are as follows:
- 64.5 Major Misconduct
- Disclosing any confidential information, including confidential information of the Group's clients to third parties without documented authorisation.
 - Wilful, unauthorised obtaining and keeping of confidential information related to another staff or the Group.
 - Any material information intentionally excluded from, or misrepresented in the Employment Application Form.
 - Habitual absence without informing manager and/or Human Resource, without approval from manager.
 - Abuse of leave privileges.
 - Falsification, defacement or destruction of any record of the Group, including interfering with the record of attendance or recording attendance on behalf of any other Employee.
 - Wilful insubordination or disobedience, whether alone or together with others, to any lawful and reasonable order of a superior office or customer/client of the Group.
 - Defrauding or attempting to defraud.
 - Misappropriation of Group funds.
 - Serious pecuniary embarrassment.
 - Avoiding, evading, refusing or acting in a manner that discourages the assigning of work by a staff-in-charge or other staff authorised to do so.
 - Making noise or otherwise acting in a manner that disrupts the work of other staff.
 - Frequent idling, leaving place of work or holding long conversation, excessive use of the telephone for private calls unrelated to work and the general wasting of time.
 - Suppressing and non-reporting of problems relating to work to immediate superior.
 - Spreading false, unpleasant or confidential information related to other staff or the Group among staff or outsiders.
 - Instigating fellow workers and/or creating dissatisfaction among workers against superiors and/or Manager/Senior Management/Directors.
 - Overstaying sanctioned leave without sufficient grounds, proper or satisfactory explanation or without informing or attempting to inform his superior of the excuse for such absence.
 - Abuse of position of office or power.

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 61 of 63

- Professional negligence.
- Frequent production of low quality or sub-standard work and slackness in performance in meeting goals, despite counselling.
- Incurring debts or acting in any manner which would affect the public image of the Group.
- Borrowing money from Employees or customers/clients.
- Soliciting or collection of contributions from other members of the staff for any purposes whatsoever at any time in the Group premises without obtaining the permission of the Management.
- Committing an immoral act within the Group premises.
- Theft, arson, assault, or other serious crimes.
- Drug or alcohol abuse.
- Smoking in the office before, during and after office hours.
- Tardiness.
- Habitual Absenteeism.
- Use of abusive language towards other staff.
- Judgement or order made in any civil suit or matter.
- Any act which may cause the Group to be in dispute and submitted to legal suit.
- Any act which may affect the Company reputation and image to the public.
- Any other act or neglect considered serious by the Group.
- Default against any of the terms and conditions of service.
- Repeated offence of Minor Misconduct.

64.6 Minor Misconduct

- First and one-time offense in absence without permission or valid cause.
- First and one-time offense in coming late for work.
- First and one-time offense in leaving place of work before the proper finishing time without permission.
- First and one-time offense in leaving the work place to conduct your personal errands without permission.
- Committing an act of nuisance on Group premises.
- Improper care of Group properties entrusted to Employee.
- Bringing friends without permission to the office or company provided accommodation.
- Careless use of Group facilities/utilities.
- Using Group stationery for private correspondence.
- Loitering or malingering within or adjacent to Group premises after office hours.
- Interfering with another person's work during working or nonworking hours.
- Sending frivolous or offensive notes/memorandums/letters to and behaviour towards other staff.
- Linger on Group premises at night (after working hours) without plausible cause.
- Entertaining private visitors during office hours without permission.
- Using Group's equipment for personal business.
- Distributing or posting handbills or circulars on Group premises without approval from the Group.
- Any action that is contrary to the Group's Rules and Regulations.



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 62 of 63

64.7 The above list of major and minor misconduct is not an exhaustive one and only gives an indication of the types of behaviour that may be considered as misconduct.

64.8 Employees engaging in lawful or unlawful unacceptable activity or behaviour while not at work may still be subject to disciplinary action at work if the misconduct:

- is substantial and not frivolous, trivial or inconsequential
- reflects adversely on the Employee's ability to do his or her job
- impairs efficient operation of the Company
- bears substantial relationship to duties directly affecting rights and interests of public

64.9 The following general principles of natural justice shall apply to the execution of a disciplinary procedure:

64.9.1 Disciplinary actions will be taken against the Employee after an investigation – and, in serious cases, an official inquiry shall be conducted to establish the facts.

64.9.2 The investigation and inquiry, where called for, will be carried out as early as possible.

64.9.3 The Employee will be given time to explain and provide details pertaining to the matter in writing where necessary, and will be provided with an opportunity to be heard.

64.9.4 When an investigation or inquiry is taking place, it will often be inappropriate for the Employee to continue his formal work; in such cases, the Employee may be suspended without pay until a decision is reached.

64.10 Disciplinary action:

64.10.1 The disciplinary action to be applied will take into account the seriousness of the case and any mitigating circumstances. The Group may impose any one or combination of the following disciplinary action against an Employee:

64.10.2 Verbal warning;

64.10.3 Written warning;

64.10.4 Final written warning;

64.10.5 Formal action, which will include but is not limited to: -

- Suspension with or without pay for a period of time;
- Deferring or withholding of increment and/or bonus for a period of time;
- Reduction of salary;



• Passion With Perfection • Engineers With Dreams •

Employee Handbook	Doc. No	L-HR-EH	Date	01-Jan-2023
	Rev. No	05	Total Page(s)	Page 63 of 63

- Forfeiture of declared bonus;
- Downgrading;
- Dismissal with contractual notice; and
- Filing a legal suit against Employee.

64.11 Disciplinary Measures will be executed in the following manner:

- 64.11.1 Infringement or lapses will be dealt with verbally by the Employee's Manager and Human Resource. Such warnings should be recorded and placed in the personal file.
- 64.11.2 More serious or repeated infringements or lapses will be dealt with by the Employee's Manager and Human Resource, who may give a written warning and a copy placed in the Employee's personal file. This written warning may be a final warning to the Employee.
- 64.11.3 Where a verbal or a written warning is given, that warning should state the nature of the offence or lapse and the time allowed for improvement to be achieved.
- 64.11.4 If after adequate warning, a further disciplinary measure becomes necessary, the Manager and Human Resource will recommend to the Senior Management to take whatever formal action appropriate to the seriousness of the case.
- 64.11.5 If dismissal is warranted, a recommendation to dismiss will be made to the Senior Management.
- 64.11.6 If an Employee wishes to appeal against a written warning or other formal disciplinary action, he/she may ask for the case to be reviewed by the Senior Management.
- 64.11.7 Arrangement for review of the case shall be made as soon as possible to the Senior Management. If the appeal is not submitted within seven (7) days from written warning or other formal disciplinary action, the Group shall consider that the decision has been accepted.