

CONFIDENTIAL



SERBA DINAMIK HOLDINGS BERHAD

WORK HARASSMENT POLICY

(Approved by the Board of Directors on 20 May 2020)

Prepared by:



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1. INTRODUCTION

- SDHB and its Group of Companies ("Group") is fully committed to a safe, healthy and harassment-free work environment for all employees and believes that every employee should be treated with respect and dignity.

As a step toward ensuring a secure and comfortable work environment, the Group has developed the Policy on Work Harassment ("Policy"), which aims to:

- prevent harassment of employees in the work environment and provide an effective mechanism to eliminate such harassment; and
 - educate all employees to recognise that harassment in the work environment is a demeaning practice that constitutes a profound affront to the dignity of persons.
- This Policy define:
 - prohibition Statement;
 - what constitutes harassment;
 - the procedure involved for dealing with a harassment complaint; and
 - a description of the roles and responsibilities of employees, Heads of Division, the Human Resources Division ("HRD") and the GMD / CEO.

2. PROHIBITION OF HARASSMENT

- The Group does not tolerate the harassment of its employees in the work environment.
- In particular, the following are contrary to this Policy and therefore prohibited:
 - Any employee engaging in conduct deemed to be harassment under Section C below, or encouraging such conduct by others; and
 - Any form of retaliation directed against an employee or third party who either complains about harassment or who participates in any investigation concerning harassment.

Retaliation includes dismissal, demotion, unwanted transfer, denial of opportunities within the Group or harassment as a result of the complaint or participation in the investigation.

- This prohibition applies to all full-time, part-time, probationary, seconded or term employees.
- This policy will be made known to agents, vendors and contractors of the Group so that they should be aware that harassment of the Group's employees will not be tolerated.

- The Group zero-tolerance position on harassment in the work environment applies to all aspects of employment:
 - harassing another is a breach of a term or condition of employment;
 - the career development of an employee will not be compromised as a result of the actions of a harasser; and
 - Employees are expected to behave in a non-threatening and non-offensive manner.
- Breach of this Policy is considered employee misconduct and may result in disciplinary measures taken, including dismissal.
- The Group is responsible for taking necessary action against harassment, regardless of whether the conduct complained of was sanctioned or specifically forbidden.

3. HARASSMENT IN WORK PLACE

- Harassment means any verbal, written or physical conduct that is known or ought reasonably to have been known to be unwelcome, inappropriate or otherwise offensive to a person, and that such conduct demeans, humiliates, threatens him/her or otherwise violates his/her dignity.
- Harassment has the purpose or effect of:
 - creating an intimidating, hostile or offensive work environment;
 - interfering with the performance of an employee's functions, duties and responsibilities; or
 - affecting employment opportunities or compensation.
- Harassment may be motivated by one of these grounds: race or ethnicity; skin colour; religion; sex or gender; place of origin; ancestry; culture; age; mental or physical disability; sexual orientation; family, marital or social status; economic or financial background; and political affiliation. In particular, this Policy identifies and seeks to eliminate the following types of harassment:
 - **Racial Harassment**

Harassment in the work conditions or working environment on the basis of race is intended to cause, or has the effect of causing, physical, mental or emotional distress at the work environment. It is also a form of discrimination.

- o **Sexual Harassment**

Such harassment refers to conduct or behaviour that is of a sexual nature, and includes such things as a request for sexual favours by a manager, superior, colleague or even a non-employee. It usually takes the following two forms:

- Quid pro quo – This is when a manager, Head of Division or a person of authority gives or withholds a work-related benefit in exchange for sexual favours. Typically, the harasser requires such favours from the victim, either rewarding or punishing the victim in some manner.
- Hostile environment – This is when a victim is subjected to unwelcome and severe or pervasive repeated sexual comments, innuendoes, touching or other conduct of a sexual nature which creates an intimidating or offensive place for employees to work.

Sexual harassment is frequently more about power than about sex.

It occurs in situations where there is unequal power between the people involved and is an attempt by the harasser to assert power over the victim.

- o **Abuse of Authority**

Abuse of authority happens when a person uses his/her authority to interfere with an employee or the employee's job. It includes humiliation, intimidation, threats and coercion.

- Although not exhaustive, the following conduct or behaviour would constitute harassment:
 - o insulting behaviour or comments (verbal or written);
 - o verbal, written or physical abuse, threats and assaults;
 - o derogatory remarks, slurs, epithets or language;
 - o unacceptable, annoying or unwanted nicknames or negative stereotyping;
 - o racist, pornographic or otherwise offensive signs, images, pictures or materials displayed;
 - o coercion, unwelcome demands, invitations or requests of a sexual nature;
 - o lewd, leering, obscene or suggestive gestures;
 - o unwanted or inappropriate physical contact that is non-consensual, such as kissing, pinching, stroking, fondling, patting, touching and brushing up against a person;

- derogatory or offensive pranks and practical jokes;
 - isolation or exclusion of a person from others;
 - bullying and victimization, for example, unreasonable and persistent criticism or humiliation, unreasonable distribution of work and responsibilities; and
 - inappropriate inquiries or comments about a person's sex life, religious or cultural norms, sexual orientation, family background, source of income or lifestyle.
- For the purposes of this Policy, reference to the work environment means any place where the business of the Group is being carried out and other locations and situations, such as work-related off-site assignments and business travel, work-related conferences, training or social gatherings, or other locations where the prohibited conduct might have a subsequent impact on the work relationship, environment or performance.
 - Any employee who is experiencing or affected by harassment may take an informal approach, if he/she considers appropriate, in resolving the problem by raising the matter directly with the person responsible (the "alleged harasser"). It is possible that the alleged harasser may not realise that this behaviour is unwelcome or offensive. The employee may make an initial attempt to make it clearly known to the alleged harasser that his/her behaviour is contrary to this Policy and that he/she should stop behaving in this manner. Alternatively, the employee may seek the help of his/her immediate supervisor or Head of Division to informally approach the alleged harasser on his/her behalf.
 - If the employee is dissatisfied with the informal approach or finds it inappropriate in the circumstances or unsuccessful, he/she may proceed with a formal complaint under Section D at any time. Nothing prevents the employee from making such a complaint immediately if he/she feels that the conduct is serious enough to warrant such an approach.
 - The formal complaint should be directed in writing to the Vice President, Group Human Capital & General Affairs.

4. COMPLAINT PROCEDURES

- An employee who has been directly harassed, or has witnessed or is affected by the harassment of others, should report such conduct to the Vice President, Group Human Capital & General Affairs of his/her division or to the Vice President, Group Human Capital & General Affairs.

- If the employee needs help in determining whether harassment has occurred, or whether to take the formal or informal approach, he/she should seek advice from the Vice President, Group Human Capital & General Affairs.
- If the employee is not comfortable approaching the Vice President, Group Human Capital & General Affairs or the latter is the subject of the complaint, the employee should raise the matter with the GMD / CEO.
- If the employee is not comfortable approaching the GMD / CEO or the latter is the subject of the complaint, the employee should raise the matter with either Chairman of the Board or Senior Independent Director.
- Anonymous complaints will not be investigated.
- Allegations of harassment will be treated seriously and due regard to the need for confidentiality will be given.
- The Group aims to resolve any complaints as quickly as possible. Under no circumstances shall the employee alleging the harassment be required to file a complaint with the person responsible for the alleged harassment.
- The right to raise at any time the issue of harassment by way of complaint or as witness in an investigation should be exercised without fear of reprisal. As noted above, the Group prohibits any form of retaliation against employees.

- Investigation

An investigation will be conducted as discreetly as possible to avoid any embarrassment to the parties.

Both the employee and the alleged harasser will be separately interviewed, as will any individuals who may be able to provide relevant information.

Every employee is expected to cooperate in any investigation if so requested.

The outcome of the investigation will be communicated to the employee making the complaint.

Where the employee is dissatisfied with the outcome of the investigation, he/she may appeal to the GMD / CEO in writing within 14 days from the date he/she is officially informed of that outcome.

- Confidentiality

A complaint received by the Vice President, Group Human Capital & General Affairs or any other person will be kept strictly confidential.

Information acquired from the investigation will also be kept confidential.

All parties involved in the investigation, including both the victim and the harasser (alleged or otherwise), are required to keep such information secret.

- False Accusation

Although the Group encourages an employee suffering from harassment to report the matter, any false accusations, fabricated allegations or otherwise complaints against another made in bad faith are considered as misconduct and there may be disciplinary measures taken against the employee making such accusations, allegations or complaints.

5. DISCIPLINARY MEASURES, RESTITUTION & APPEAL

- **Disciplinary Measures**

The Group treats harassment as misconduct and the Disciplinary Procedures of the Group shall apply.

If the investigation reveals evidence to support the complaint and it is upheld, the harasser will be disciplined in accordance with the Disciplinary Procedures.

The nature and severity of the disciplinary measures will commensurate with the gravity of the harassment.

Such measures may therefore include suspension or dismissal.

The incident will also be documented in the harasser's file.

- **Restitution of Unfound Harassment**

An employee accused and found not guilty of harassment will be granted restitution deemed appropriate by the Group for any direct and foreseeable pecuniary loss suffered by him/her.

For instance, where interim suspension without pay pending settlement of the case is instituted, such payment shall be reinstated.

6. ROLES & RESPONSIBILITIES

- **Employees**

Each employee has the right to be treated fairly and respectfully in the work environment.

Each employee also has the responsibility to treat colleagues, managers and stakeholders in general in a way that respects individual differences.

Employees are encouraged to address their concerns if someone behaves in a way that is offensive, humiliating or degrading and to speak up or report the complaint to an immediate supervisor or the Vice President, Group Human Capital & General Affairs.

Employees should keep a written record of the details of the alleged incident(s) of harassment, including time, locations and name of witnesses, if any.

Employees shall also attend training sessions on harassment organised by the Group.

All employees have a responsibility to cooperate in any investigation of a harassment complaint.

All information should be kept confidential.

These are serious issues and privacy must be respected.

- **Heads of Division**

Heads of Division should also be familiar with this Policy and are expected to be alert of any signs of harassment, such as an unexplained change in an employee's performance, rumours or an employee isolating himself/herself or seemingly distracted.

If something does not seem right, Heads of Division should speak to the employee concerned.

Having someone willing to listen often helps the employee to talk about a problem.

Heads of Division also have a responsibility of ensuring that the work environment remains free of harassment and in doing so, they should apply this Policy consistently.

- **HRD**

The HRD is in charge of ensuring that this Policy and its applicable procedures for dealing with harassment are understood by all employees.

This includes making sure that this Policy is consistently applied in all harassment complaints.

The HRD is also responsible for conducting an investigation when required and reviewing this Policy and its procedures so that the aims of this Policy are achieved.

- **The GMD / CEO**

The GMD / CEO has the responsibility of taking the lead in promoting a harassment-free work environment.

7. CONTACT INFORMATION

Any queries in respect to this policy shall be directed to Vice President, Group Human Capital & General Affairs at radzman@e-serbadk.com.

8. INTERPRETATION, ALIGNMENT & REVIEW

- The Vice President, Group Human Capital & General Affairs is responsible for the official interpretation of this Policy.
- This Policy shall be read together with the established employees' code of conduct.
- This Policy may be reviewed and amended from time to time, as and when necessary, to ensure both its relevance to the promotion of a secure and comfortable work environment and its effectiveness in ensuring that harassment in the work environment is prevented or dealt with effectively.