



MALAYSIA STEEL WORKS (KL) BHD
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HUMAN RIGHTS POLICY

PURPOSE

The policy outlines Masteel's responsibility to uphold and protect the human rights of individuals working in Masteel and the communities in which Masteel operates. We strive to contribute positively and ensure that human rights are understood, observed and respected as far as is reasonably practicable.

APPLICATION

This policy applies to all employees within Masteel. Where we do not have a controlling interest, we will encourage our stakeholders, including business partners, contractors, suppliers and joint venture partners to observe this policy.

HUMAN RIGHTS PRINCIPLES

The following broad principles reflect the values that Masteel upholds in our own operations, and we expect our stakeholders to follow the spirit and intent of these principles:

a) Workplace Diversity and Equal Opportunity

- i. We will provide just and favourable work conditions to our employees in an undiscriminating manner, ensuring that there is no discrimination within the company. Adopting equal pay for equal work principle regardless of gender difference – men and women, in the same employment performing equal work must receive equal pay.
- ii. The basis for recruitment, placement, training, compensation, and advancement is based on qualifications, performance, skills and experience. No employee shall be discriminated on the above due to race, colour, gender, language, religion, political or other opinion, caste, national or social origin, property, birth, union affiliation, sexual orientation, age, disability, or other distinguishing characteristics.
- iii. We will maintain a workplace that is free from physical, psychological or verbal abuse, threat of abuse and sexual or other harassments.
- iv. We will embrace diversity and inclusivity at the workplace and appreciate contributions made by all employees.
- v. We are committed to creating local employment in the communities that we operate in.
- vi. We do not tolerate any form of discrimination against our employees based on race, colour, gender, language, religion, political or other opinion, caste, national or social origin, property, birth, union affiliation, sexual orientation, age, disability, or other distinguishing characteristics.
- vii. Any employment-related decisions, from hiring to termination and retirement, must be based solely on lawful, non-discriminatory criteria.

b) Upholding Workers' Welfare and Well-being

- i. We strive to work with contractors in protecting the rights of foreign workers they hire to work on its sites. We also ensure that workers are employed through fair and ethical sourcing practices and are treated with dignity and respect.
- ii. We will work with contractors to ensure that dormitories and facilities are equipped with basic amenities and all necessary measures to provide safe, clean, healthy and dignified living and working conditions in instances where there are on-site or off-site workers' housing, including commercial purpose-built dormitories and factory converted dormitories.
- iii. We must ensure that all employees have the right to sick leave and annual holiday, as well as parental leave for employees who have to care for a new-born or newly adopted child as provided by national legislation. Employees who take such leave must not, as a result, face dismissal or threat of dismissal.

c) Prohibiting Child Labour

We will adhere to minimum age provisions of applicable laws and regulations, remaining consistent with the United Nations Convention on the Rights of the Child and the relevant standards under the International Labour Organization. We are committed to ensuring that no young children are employed directly by Masteel or our contractors.

d) Employee Rights

i. Safe and Healthy Workplace

Masteel prohibits the use of all forms of forced or bonded labour, slave labour and any form of human trafficking. We will provide a secure, safe and healthy workplace in compliance with local workplace safety and health legislations. We will also maintain a productive workplace by minimising the risk of accidents, injury and exposure to health risks. All employees shall receive the necessary health and safety training for their line of work. In accordance with our whistleblowing policy, employees can provide feedback to management through our whistleblowing channels without fear of reprisal or retaliatory action.

Masteel does not tolerate any form forced or bonded labour, slave labour and any form of human trafficking. Workers must be allowed to move around freely and leave their place of work when their working hours end.

ii. Salary and Benefits

All employees must be provided with a written, understandable and legally binding employment contract/letter.

We will compensate employees relative to the industry and local labour market. We will operate in full compliance with applicable government policies on wages, work hours, overtime and benefits laws. We will also offer employees opportunities to develop their skills and capabilities and provide advancement opportunities where possible.

In the event of major layoffs, the Masteel must, as a minimum, satisfy applicable laws and industry standards.

iii. Work Hours

The working hours of Masteel employees shall comply with applicable laws. Recognising the need for employees to balance their working life with other interests and responsibilities, we offer flexible working hours and flexible work arrangements, and discourage excessive working hours, as far as is reasonably practicable within the constraints of effectively running the business.

Employees must not be required to work more than 60 hours a week, including overtime, on a regular basis (or more than the limits on regular hours and overtime allowed by local laws and regulations).

Wages for overtime must be paid in legal tender on a regular basis. Wage deductions as a disciplinary measure must not be permitted unless provided for by national law. Employees must be entitled to at least one day off in seven, and must be given reasonable breaks while working and sufficient rest periods between shifts.

iv. Non-harassment

Masteel must protect workers from any acts of physical, verbal, sexual or psychological harassment, bullying, abuse or threats in the workplace by either their fellow employees or managers.

v. Freedom of Association and Collective Bargaining

Masteel must respect employees' rights to form, join or not join a labour union, or other organisation of their choice, and to bargain collectively in support of their mutual interests without fear of punitive actions such as intimidation, harassment or termination of employment.

RESPONSIBILITIES

Heads of Divisions / Departments are accountable for compliance with the Policy. They are to establish appropriate responsibilities and procedures within their business units. The Sustainability Officer, Group Human Resource Manager or Head of Internal Audit are to be informed of any issues or violations arising in places where we operate, which can be done so via Masteel's whistle-blowing channels. We expect employees to maintain the highest standards in conformity with these principles. Disciplinary measures shall be enforced against any Masteel employee who is in breach of these human rights principles. If employees have concerns about any instance of malpractice, human rights abuses or discrimination, they have

a responsibility to raise them through the confidential whistleblowing hotline at the earliest possible opportunity.

This policy has been reviewed and approved by The Management Team of Masteel on **1st December 2021**.