



EMPLOYEE CODE OF CONDUCT

1. EXCLUSION OF OTHER OCCUPATIONS

- 1.1 While employed by the Company, the employee is expected to devote his time and energy to his job with the Company. The employee shall not without the consent of the Company during the continuance of his employment with the Company be engaged either directly or indirectly in any capacity in any trade, business or occupation whatsoever in any company except being a shareholder or debenture holder in a public company. In this Article, the expression “occupation” shall include any public or private employment or work which in the opinion of the Company may hinder or otherwise interfere with the performance by the employee of his duties under his employment contract.
- 1.2 If the employee wishes to engage in any outside employment, trade or business, the employee is required to submit a written request to the Company explaining the details of his outside employment, trade or business. If authorized, the Company assumes no responsibility for the outside employment. The Company will not provide the employee with insurance coverage or any other benefit for injuries occurring from or arising out of the outside employment.
- 1.3 Authorization to engage in outside employment may be revoked at any time by the Company.
- 1.4 Appropriate disciplinary action including termination may be taken against employee who breach this Article.

2. CONFIDENTIAL POLICY

- 2.1 The nature of the employee’s work in the Company sometimes involves him having access to trade secrets, product formulae, information gathered or imparted in confidence, files and records of the Company pertaining to the Company’s business which the Company regards as secret and confidential in order to safeguard its legitimate business interests (hereinafter referred to as “Confidential information”).
- 2.2 Confidential information includes but is not limited to the following: -
- (i) Information about the Company’s product include materials used, the supplier of these materials, the manufacturing process, drawings, formulae, intellectual property and illustrations etc;
 - (ii) Marketing philosophy, objectives and product features;
 - (iii) The Company’s systems, operations and financial results;
 - (iv) Information about tenders i.e costing, companies or individuals who have put in their tender requests, method of selection etc.





- (v) Details of any disciplinary action taken against any employee of the Company.
 - (vi) Profits, losses and any other financial information.
 - (vii) Personal data of any employee unless authorized.
 - (viii) Commercial records such as customer lists and sales figures, names of distributors of the Company, product development, advertising or sales programs; and
 - (ix) Any other information whatsoever in connection with the Company's business which would give the Company an advantage over its competitors.
- 2.3 The employee shall not, either during the term of his employment or after the termination of employment, reveal, divulge or make known to any third parties confidential information of the Company unless in the proper performance of his duties and only if expressly directed or permitted to do so in writing by the Company.
- 2.4 Upon termination of employment for whatsoever reasons, the employee shall forthwith deliver to the Company all notes, records and other data relating to the Company's confidential information.
- 2.5 The services of the employee may be terminated with or without notice in the event he breaches his obligations under this Confidential Policy. The Company reserves the right to bring an action for injunction and damages against the employee for any breach or threatened breach of disclosure of confidential information after termination of service.
- 2.6 An employee shall not, without the prior consent of the Company, give evidence at or adduce any documents in any legal proceedings in any action involving the Company, for or on behalf of any party to the proceedings other than the Company itself.
- 2.7 An employee and his spouse shall not be allowed to work in the same Section or Department in the Company unless with the approval from the Chief Executive Officer. If this approval is not granted, the Management may transfer one of the spouse to any other suitable job in any Section or Department in the Company.

3. ACCEPTANCE OF GIFTS, ENTERTAINMENT AND OTHER FAVOURS

- 3.1 Receipts of gifts and entertainment by the employee, any member of the employee's immediate family, or anyone designated by the employee may present potential conflicts of interest. While business courtesies are to be encouraged, the Company prohibits acceptance or receipt by any employee of any gift, gratuity, entertainment or other item of monetary value of more than token or nominal value from the Company's suppliers or customers. Employees should never accept gifts, services or entertainment that may reasonably be deemed to affect their judgment or actions in the performance of their duties. However when circumstances make it impractical for the employee to refuse a gift, the gift should be handed over to the management.





4. SEXUAL HARASSMENT

- 4.1 The Company will take all reasonable steps to ensure that the sexual harassment policy is observed by all employees of the Company and any other persons who have contacts with our employees.
- 4.2 Sexual harassment refers to all types of unwanted sexual attention. Sexual harassment does not mean occasional compliments of a socially acceptable nature. Sexual harassment refers to conduct which is offensive to the individual, which harms morale and which interferes with the effectiveness of our organization. This includes pressure to provide sexual favours and offensive, intimidating comments or actions concerning one's gender or sexual orientation.
- 4.3 The following acts will amount to sexual harassment:
- (a) **Verbal Harassment** - Offensive or suggestive remarks or comments about a person's clothing, body or sexual activities; repeated unsolicited propositions for dates and/or sex; continuous idle chatter of a sexual nature and graphic sexual descriptions; telephone calls of a sexual nature; derogatory comments or slurs; verbal abuse or threats and sexual jokes.
 - (b) **Visual Harassment** - Showing and distributing derogatory or pornographic materials, sex based posters, cartoons, drawings, books or magazines, sexual exposure.
 - (c) **Physical Harassment** - Inappropriate touching, patting, pinching, stroking, brushing up against the body, hugging, kissing, fondling.
- 4.4 An employee who had been sexually harassed shall submit a complaint in writing to the Human Resource Department for investigation immediately upon the incident arising.
- 4.5 Any employee found guilty of any acts of sexual harassment would be subjected to appropriate disciplinary action, including termination.
- 4.6 The Company will make every effort to create an atmosphere of comfort for recipients of sexual harassment and to investigate and resolve all complaints of sexual harassment, but at the same time the Company will also protect the rights of the accused until proven guilty. Anyone making a false claim of sexual harassment will also be subjected to serious disciplinary action.
- 4.7 If an investigation reveals that sexual harassment has occurred, the perpetrator may also be subjected to criminal charges under the law.





5. DRUG AND ALCOHOL

- 5.1 The Company believes that the use of intoxicating beverages or controlled substances/illegal drugs contributes to an unsafe work environment.
- 5.2 The Company is concerned about alcohol and illegal drug abuse as it affects job performance, the work environment, and as it undermines our customer's and the public's confidence in our operations. Consistent with that commitment, the Company has developed this policy in order to establish and maintain a work environment that is free from the adverse effects of drug and alcohol abuse.
- 5.3 Reporting for work under the influence of alcohol, illegal drugs or any controlled substance, which impairs any employee's mental or physical capacity, will not be tolerated.
- 5.4 All employees are subject to random drug test, regardless of position, should the need arises.
- 5.5 An "illegal drug" is defined as any controlled substance which an individual may not sell, possess, use or distribute under the laws of this country.
- 5.6 The unauthorized use, sale, purchase or possession of alcohol or controlled substances/drugs at the Company premises, hostel or in Company vehicles will be subject to disciplinary action including dismissal.
- 5.7 Where there exist reasonable grounds to believe that the employee is under the influence of alcohol, illegal drugs/substance abuse, the Company may direct the employee to submit to a drug screening or blood test. Reasonable grounds would include a combination of various factors such as slurred speech, red eyes, dilated pupils, incoherence, unsteadiness on feet, smelling of alcohol or marijuana emanating from the employee's body, inability to carry on a rational conversation and increasing carelessness.
- 5.8 Any employee tested positive for any illegal drug or alcohol abuse is subject to immediate termination.
- 5.9 Refusal to submit to such drug or alcohol test will subject the employee to disciplinary action up to and including dismissal.

6. UNIFORM / DRESS CODE

- 6.1 The Company shall provide three (3) pieces of uniform (t-shirt) on bi-annually basis to employee.
- 6.2 Security guard must be in full uniform at all times while on duty.
- 6.3 Employee is required to be suitably uniform and dressed for work.
- 6.4 Office employee (male and female) is required to wear black pants and uniform only.





- 6.5 The attire should not include torn jeans, t-shirts bearing any advertisements or other companies' logo, aerobic/sports outfit and training shoes/sneakers.
- 6.6 Employee is not permitted to wear slippers or sandals on any day inclusive of Saturday/Sunday/Public Holiday.
- 6.7 Failure to wear company's provided uniform will be liable for further disciplinary action.

7. TELEPHONE CALLS AND EMAIL

- 7.1 Telephones, fax machines and mail facilities are available during working hours for effective communication with clients and customers. They are not to be used for personal matters except in cases of emergency. Spouse, other family members and friends should be advised to be respectful of this policy.

8. MOBILE DEVICE

- 8.1 Only authorized personnel are allowed to use personal mobile device during working hours in the CMSB vicinity. Any employees that require to bring personal mobile devices inside CMSB premises due to work requirement must obtain authorisation from the Management.
- 8.2 The authorized personnel are prohibited to access social media networks or other electronic media channel and program (i.e. Facebook, Youtube, Twitter, Instagram, Games and etc.) for their personal usage during working hour.
- 8.3 The authorized personnel are advised to set their personal mobile devices in silent or vibrate mode especially during meeting. The ringtone (if any) should be in appropriate manner and decibel and not offensive to any religion.
- 8.4 CMSB will not be responsible for any lost or damage on the personal mobile devices.
- 8.5 The authorized personnel that are found misusing their personal mobile devices shall be liable for disciplinary action.
- 8.6 No employees are allowed to photographs or record any photos or videos with any contents related to CMSB or any of its affiliates. If such action and evidence are found shall be liable for disciplinary action.
- 8.7 All employees are required to allow Security Personnel to perform inspection if suspected on bringing personal mobile devices without approval. Authorized personnel are required to present personal mobile devices along with authorisation sticker to Security Personnel upon entering CMSB premises.
- 8.8 CMSB has the right to inspect, monitor and review employer-provided electronic communications, including emails, internet searches and other transfers of electronic information.





9. COMPUTER, EMAIL AND INTERNET USAGE

- 9.1 The Company encourages the responsible use of electronic media, related technologies and electronic communications as needed to perform your duties as an employee. However, all hardware, software, electronic media communications links and related support services are the property of the Company and are intended to facilitate Company's business and are not intended for personal use.
- 9.2 E-mail and internet facilities are to be used to facilitate the Company's business and only highly limited and reasonable personal usage is permitted.
- 9.3 All e-mail messages composed, sent, or received remains the property of the Company. The Company reserves the right and intends to exercise the right to review, audit, intercept, access and disclose all messages created, received, or sent over the e-mail system.
- 9.4 Employee is strictly prohibited from using the internet for the following purposes:-
- (a) To harass, intimidate, or threaten another person.
 - (b) To access or distribute obscene, abusive, libelous, or defamatory material.
 - (c) To distribute copyrighted materials which are not authorized for reproduction or distribution.
 - (d) To impersonate another user or mislead a recipient about your identity.
 - (e) To access another person's e-mail, if not specifically authorized to do so.
 - (f) To bypass the systems' security mechanisms.
 - (g) To distribute chain letters
 - (h) To participate in political or religious debate
 - (i) To conduct any type of personal solicitation.
- 9.5 Employee is refrained from installing any software on his own as only Company approved software is to be installed by authorized personnel.
- 9.6 The use of illegal software duplication is a criminal act and is strictly prohibited by the Company.
- 9.10 Downloading of pirated movies and music files from the internet is strictly prohibited.
- 9.11 Abuse or use of e-mail or internet systems in violation of the law or the Company's policy may result in a range of sanctions, from restriction of access to electronic communication facilities, to disciplinary action, including dismissal.

10. SEARCH OF PERSONAL BELONGINGS

- 10.1 For security purposes and to insure the safety of all, employee will be expected to allow a reasonable search of his personal belongings on Company property when requested by the Company.
- 10.2 Searches may be made for probable cause at the discretion of the Management. Personal property will include but may not be limited to personal vehicles, work areas, desks, purses, packages or containers whether being carried in hand, worn by, or on the person of the employee.





- 10.3 Refusal to cooperate in a search shall result in disciplinary action up to and including termination.

11. CORPORATE INTEGRITY AND CODE OF BUSINESS ETHICS

- 11.1 It is the Company's policy to conduct business with honesty, integrity and transparency. With this, the Company requires its employees to conduct themselves with the highest standards of business ethics and we expect the same from those whom we do business. The Company wish to emphasize to all that all employees are prohibited to accept any advantages, gifts, benefits, graft or any form of inducement from supplier, contractors or third parties in return for the allocation of purchase orders, business opportunities or contracts.
- 11.2 The values of integrity, honesty, and respect for others must be displayed and practiced at all times. No employee should transact any business with anyone where his personal interests will supersede company's interests. Hence any business transaction done must be based on merit and must be compliant with all laws, policies and rules and regulations of Central Medicare Sdn Bhd.
- 11.3 All employees are to use company's funds and property solely for the benefit and effectiveness of the Company. Hence all payments and expenditures transacted must comply with the Company's financial policies and regulations at all times. Employees are therefore not to make any false, fictitious or inappropriate entries in any financial record, claims or accounts. All financial transactions must be supported by documentation as authorised by the Company at all times. All claims, records, supporting vouchers and documents must accurately and completely describe the transactions they represent.
- 11.4 The Company does not accept or condone any action which can be construed as offering bribers or any improper payments. All payments or gift items shall be made only when authorized in advance by the Management of Central Medicare Sdn Bhd.
- 11.5 No employee shall offer, give or transfer any money or anything of tangible value for the purpose of :-
- a) Receiving special or preferential treatment in any dealings or transaction.
 - b) Obtaining favors from any individual, groups or agencies.
 - c) Influencing any employee or department to violate the Company's' code of conduct or to violate any law to serve personal interests.
 - d) Influencing any external agency or individual to violate the Company's code of conduct or to violate any law in order to serve personal or the Company's interests.
 - e) No outside agency or individual shall be used to evade the total restriction against bribers, kickbacks and other improper payments.
- 11.6 The Company would also like to reiterate that all purchase orders or contracts are awarded solely based on factors such as price competitiveness, quality of goods, track record of services in the delivery of goods and after sales service.





- 11.7 The company would only be able to enforce this corporate integrity culture strictly with the full support and cooperation of the employees. Failure to comply with this policy may result in the termination of the employee's services. The company is required to ensure that this policy is observed and will not hesitate to take legal and disciplinary action against the employee by reporting to the Malaysian Anti-Corruption Commission and the Royal Malaysian Police.
- 11.8 Hence, if any party that is engaged with the company internally and externally is approached by those who solicit the above, you are required to report to the CEO so that immediate and proper investigation could be conducted.

12. SAFETY, HEALTH & ENVIRONMENTAL

- 12.1 CMSB acknowledges the importance of Occupational Safety, Health and Environmental issue to the Management and all employees, and commit:
- (a) To ensure a safe and healthy work environment for everyone involved in or affected by our operations in accordance to local legislative requirements, relevant standards and code of practices;
 - (b) To provide a safe and healthy work environment is an integral aspect of our design of products, processes, services and the lifecycle management of our product;
 - (c) To identify, control and endeavor to reduce emission, waste and inefficient use of resources and energy;
 - (d) To abide by the Company's own strict standards in case where local laws are less stringent;
 - (e) To ensure responsible and safe behavior of all employees;
 - (f) To enforce safe working practices to prevent accident, occupational illness and environment pollution;
 - (g) To provide adequate training on safety, health and environment;
 - (h) To review our policy and Safety, Health and Environment management systems periodically.
 - (i) **To ensure Compliance on the Current Control of Asbestos in Malaysia through legislation and enforcement.** This is to create awareness and understanding among employers in addressing problems and controlling employees' exposure to asbestos material.
 - (j) Personal Protection First aiders are to assume that all blood and other body fluids are infectious and are aware of standard precautions in relation to managing blood and other body fluids, including wearing gloves when administering first aid.





13. BRIBERY AND CORRUPTION

- 13.1 Bribery and corruption are prohibited by law in almost all countries in which the Group conducts its business in. The Group is committed to conduct business in accordance with the highest ethic, accountability and transparency standards.
- 13.2 The Group has adopted a zero tolerance towards all forms of corruption by any party or stakeholder or personnel acting for the Group or on behalf of the Group. Consequently, directors shall not offer, give, solicit or accept any bribes in order to achieve any business or personal advantage for themselves or others or engage in any transaction that contravene any applicable anti-corruption laws and regulations.

14. ADMINISTRATION OF THE CODE OF CONDUCT

- 14.1 All employees who suspect violations of this code have an obligation to report this to the Company. All allegations of improper conduct in regards this code will be investigated immediately. All investigation will be conducted in the strictest of confidence.
- 14.2 No action shall be taken against any individual for making legitimate complaints against individuals or departments who have not adhered to the code of conduct, or who are suspected of not adhering to the code of conduct. The Company will also under certain circumstances accept and investigate matters submitted anonymously. Serious disciplinary action may be taken against those who violate this code of conduct.
- 14.3 This code of conduct will be subject to amendment and be updated periodically. All employees will be asked to read and certify that they will abide by this company's code of conduct. It is accepted that it is impossible for this code to cover every situation that may arise. Hence when you are not clear about any action to be taken, speak to your supervisor for clarification.

15. GOOD MANUFACTURING PRACTICES (GMP)

- 15.1 CMSB as a Medical Device manufacturer are obligated to ensure that our product is manufactured in accordance with Good Manufacturing Practice (GMP) which concern that our products are labelled, packaged and marked in accordance with the prescribed manner as describe in Medical Device Regulations Act.
- 15.2 GMP was introduced as part of the principles for all CMSB employees to adhere, practice and follow.
- 15.3 New employee is required to be trained and briefed on GMP. Employee is required to develop understanding and adaptation to GMP Rules and Regulation.
- 15.4 Each employee will be required to undergo GMP training at least once every year.





- 15.5 Violation of any GMP restriction, rules and regulations shall be deemed as an act against CMSB directive and shall be liable to disciplinary action.

16. DOING BUSINESS WITH SANCTIONED COUNTRIES

- 16.1 Central Medicare is a global business with sales into countries all over the world. This brings many challenges, including ensuring that our team act within the parameters set by the various sanctions regimes that operate around the world.
- 16.2 At Central Medicare we maintain clear policy on dealing with sanctioned countries to ensure that our business dealings do not contravene applicable sanctions rules.
- (a) We refer to the guidance from Bank Negara Malaysia via Financial Action Task Force (FATF) when the situation raised -
<http://amlcft.bnm.gov.my/AMLCFT06.html>
- (b) As we are dealing our transaction in USD too, therefore, we also refer to advice from U.S. Department of Treasury as guidance in the area -
<https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information>
- 16.3 We select third parties that we work with (including agents and distributors, if any) very carefully to ensure that they share in our commitment to do business legally and ethically.
- 16.4 In the case of we face with a scenario that we are unsure or feel uncomfortable with, we shall refer the case to our management team for further advice.

