

## POLICY

### PREVENTION OF FORCED LABOUR POLICY

#### **PURPOSE**

This policy defines and explains the company's policy and practices with regards prevention of forced labour to meet its human capital needs while promoting consistency, transparency, compliance and adherence to prevailing laws and legislations. The policy also promotes fair and equal opportunities and promotes the company as an employer of choice and a responsible employer.

#### **PREAMBLE**

- The protection of human rights and fundamental freedoms is a top priority for the Company and is codified and enforced through the company's own Code of Conduct and the Company's Social Compliance Standards.
- The Company will therefore not tolerate any form of forced labour (including child labour). And takes an active stand against child labour and forced labour.
- The Company unconditionally prohibits and condemns both child labour and forced labour and at the same time contains procedural rules for addressing instances of child or forced labour.

#### **CONTENTS**

##### **1.0. PREAMBLE**

- 1.1. The protection of human rights and fundamental freedoms is a top priority for the Company and is codified and enforced through the company's own Code of Conduct and the Company's Social Compliance Standards.
- 1.2. The Company will therefore not tolerate any form of forced labour (including child labour). As an international group, Company takes an active stand against child labour and forced labour.
- 1.3. The Company unconditionally prohibits and condemns both child labour and forced labour and at the same time contains procedural rules for addressing instances of child or forced labour.

##### **2.0. PROHIBITION OF EMPLOYMENT OF CHILD & YOUNG PERSONS**

- 2.1. The Company does not tolerate the employment of child labour or young persons under any circumstances. The minimum age of employment set by the Company is eighteen (18).
- 2.2. Should unintentional hiring of an employee below the age of eighteen (18) takes place, the Company shall be immediately alerted and said employee shall be provided with all legal protection required by the law and the Company shall

apply all provisions stipulated in the prevailing Children and Young Persons (Employment) Act 1996 as well as all international standards. This includes;

- 2.2.1. The child or young person must cease work immediately.
- 2.2.2. The Company shall provide the child or young person with appropriate compensation for the loss of employment. In the case of a young person below the age of eighteen (18), he/she may rejoin the company upon attaining the age of 18 and the Company shall continue to safeguard and promote their welfare.
- 2.2.3. The Company shall safeguard and promote the welfare of the child or young person, which will include, for example, verification of continuation of compulsory schooling and financial assistance for the family of the respective child or young person.
- 2.3. The Company also monitors compliance to the minimum age of employment stipulate in this policy by all onsite vendors. Should a violation of this policy become known to the Company, the Company shall take serious action including discontinuation of the business relationship while ensuring the welfare of the affected person is safeguarded as mentioned in this policy.

### 3.0. SLAVERY AND HUMAN TRAFFICKING

- 3.1. The Company does not engage in or support slavery and human trafficking.
- 3.2. Trafficking in persons is defined as the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.
- 3.3. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.
- 3.4. This includes, but is not limited to, the following trafficking-related activities:
  - 3.4.1. Usage of forced labour in the performance of any work or engaging in any form of trafficking in persons in the performance of any work.
  - 3.4.2. Using misleading or fraudulent practices during the recruitment of candidates/employees or offering of employment.
  - 3.4.3. Using recruiters that do not comply with local labour laws of the country in which the recruitment takes place.
  - 3.4.4. Fail to provide a valid employment contract or recruitment agreement in writing and in a language the employee understands.

### 4.0. FORCED LABOUR

- 4.1. The Company defines forced labour in line with ILO Convention No. 29 as any work or service performed involuntarily under threat of penalty, punishment or retaliation.

- 4.2. Company will not tolerate or condone any form of forced labour, modern slavery or human trafficking (hereinafter referred to as “forced labour” for the purpose of explaining the company’s stand and the remedies to be provided in case of such an incident occurs).

## 5.0. PROHIBITION AND REMEDY OF FORCED LABOUR SITUATIONS

- 5.1. The Company strictly prohibits the use of forced labour or compulsory labour including prison labour and does not tolerate or condone any form of forced labour.
- 5.2. The Company does not require any employees or persons to pay “deposits” to the Company upon commencing employment.
- 5.3. Employees shall have the right to leave the workplace premises after completing the standard workday and be free to terminate their employment provided that they give reasonable notice to the Company.
- 5.4. The freedom of employees and their movement shall not be restricted and must be ensured at all times.
- 5.5. The Company provides its employees with training on its code of conduct and social compliance standards to enable employees to recognise and report violations.
- 5.6. Should any person(s) be found to be in a forced labour situation, be it intentionally or unintentionally, the Company shall take immediate steps to remedy the issue immediately but not limited to;
  - 5.6.1. Provide all legal protection required by the law and the Company shall apply all provisions stipulated in this policy as well as all international standards.
  - 5.6.2. Provide the affected person(s) with appropriate compensation for the loss of employment and all financial loss incurred for the purpose of employment with the company.
  - 5.6.3. Provide them with an option to return to their home country and bear all costs for their repatriation. The Company shall support and administer the procedures to have them safely repatriated in line with the laws of Malaysia and their country of origin.
  - 5.6.4. Safeguard and promote their welfare while in continued employment or till there are safely repatriated to their home country.
- 5.7. Should any violations of this policy take place, the Company shall take steps to prevent a repetition of any violations. This may include;
  - 5.7.1. Institute strong disciplinary actions and/or legal actions on anyone found to be profiteering for taking advantage by employing or introducing persons that may eventually be put under forced labour situations.
  - 5.7.2. Ensuring all persons involved in the recruitment process are trained on social compliance standards
  - 5.7.3. Build an additional mechanism to identify potential forced labour practices and prevent them from taking place.



- 5.7.4. Ensure the labour agents are put through rigorous screening mechanisms to ensure their recruit workers ethically.
- 5.8. Should a person already employed or in the process of being employed be caught or held by the authorities arising from reasons other than their own doing such as being cheated or put into a situation that violates the laws of any country, and the knowledge of such incident comes to the knowledge of the company, the company shall without any delay take immediate steps as below but not limited to;
  - 5.8.1. Provide all legal protection required by the law and the Company shall apply all provisions stipulated in this policy as well as all international standards.
  - 5.8.2. Provide and pay for legal support to secure their freedom.
  - 5.8.3. Provide the affected person(s) with appropriate compensation for the loss of employment and all financial loss incurred for the purpose of employment with the company.
  - 5.8.4. Where possible, negotiate with the relevant authorities to have them repatriated to their home country and bear all costs for their repatriation. The Company shall support and administer the procedures to have them safely repatriated in line with the laws of Malaysia and their country of origin.
  - 5.8.5. Safeguard and promote their welfare while until they are safely repatriated to their home country.
- 5.9. Company sees it as its duty to monitor the implementation of these measures. Information regarding the implementation of the measures will therefore be requested from its onsite vendors at regular intervals. In the case of difficulties during the implementation of such measures, onsite vendors may turn to Company for advice. The company also reserves the right to verify the implementation of such actions on site. In the event any onsite vendors refuse to cooperate, Company reserves the right to terminate the business relationship as a last resort.

## 6.0. DEBT BONDAGE

- 6.1. The Company adopts a zero-cost recruitment policy effective 1 October 2019 for all migrant employees hired effective this date to avoid employees falling into debt bondage.
- 6.2. Employees are encouraged and advised to immediately notify the company or submit their report via the established grievance if they are requested or asked or forced to pay any fee, money, deposits or any guarantees during their employment with the company by any parties.
- 6.3. Should the company discover any agents or contractors of any parties wrongfully charged or charges current or future employees or have engaged with third parties who, with or without their consent, have wrongfully charged employees,

the Company will immediately suspend its relationship with the related agency or party and ensure the employees or future employees are repaid within thirty (30) days.

6.4. Any parties upon investigations found to be non-compliant to this policy shall be terminated immediately and legal action may be taken against them.

## 7.0. CORPORAL PUNISHMENT

- 7.1. The Company treats all employees with dignity and respect regardless of their positions, nationality, ethnicity, race, religion, sexual orientation, culture and personal beliefs.
- 7.2. Harsh, inhuman treatment, and use of corporal punishment are strictly prohibited and shall not be tolerated. This includes disciplinary actions that are physical in nature, mental or physical coercion or verbal abuse (bullying) against any employee or persons under all circumstances and locations or avenues.
- 7.3. Corporal punishment shall include but is not limited to beating, using any form of physical violence, pushing, inflicting any harm to the person be it mentally or emotionally and threats.
- 7.4. Corporal punishment does not include the normal exercise of supervisory responsibilities such as performance reviews, direction, counselling and disciplinary action where necessary provided they are conducted in a respectful and professional manner in accordance with the Company's policies and procedures.
- 7.5. Cases or incidences of corporal punishment shall be investigated and anyone found to have committed such an offence shall face disciplinary actions and if necessary and with the consent of the victim, be reported to the police.

## 8.0. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

- 8.1. The Company acknowledges and respects the right of all employees in regard to their participation in the formation, membership & lawful activities of a trade union such as the right to bargain collectively as accorded by the Industrial Relations Act 1967 and the Trade Unions Act 1959 with no fear of any negative repercussions so long as the actions taken are in accordance with the laws of Malaysia.
- 8.2. The Company support and promotes employees to form a Workers' Representative and engage in collective bargaining.

## 9.0. POINT OF CONTACT IN THE CASE OF VIOLATION

- 9.1. Violations of this policy, whether actual or potential, shall be reported directly to Company or via its established channels. All information provided will be treated anonymously. Employees and third parties such as example, suppliers, their employees or customers, are free to report any violations at any time.

- 10.0. Any employees or persons shall have the right to remove themselves from imminent danger without seeking permission from the Company or its onsite vendors.
- 11.0. The Company reserves the right to amend this policy from time to time and shall notify all employees when such amendment has been made and has been approved by the Management.
- 12.0. Should there be a translation of this policy into other languages, the English version of this policy shall be authoritative in the event of any dispute or confusion.

This sample policy/letter/document is merely a sample or guidance. Companies are advised to practice caution when drafting its HR documentation and shall always be in compliance with the Employment Act and Industrial Relations Act as well as past case laws so as to ensure the policy does not violate or infringe the prevailing employment regulations. Companies are encouraged to adopt best practices to be attractive employers and promote a productive and competitive operating landscape. The author shall not be held liable for any damages or claims arising from the usage of the contents of this document.

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