

WORKPLACE HARASSMENT POLICY

This Workplace Harassment Policy (this “**Policy**”) applies to the directors, officers and employees (collectively the “**employees**”) of Hercuvan Lab Systems Sdn. Bhd. and all of its subsidiaries (collectively the “**Company**”) worldwide, unless such subsidiary has adopted its own Workplace Harassment Policy that is consistent with the provisions of this Policy.

This Policy reflects the commitment of the Company to provide a safe, healthy and harassment-free work environment for all employees. Through enforcement of this Policy and by communicating to employees, the Company will seek to prevent, correct and discipline behavior that violates this Policy in line with the applicable laws and regulations in Malaysia.

WHAT IS HARASSMENT?

Harassment means any verbal, written or physical conduct that is known or ought reasonably to have been known to be unwelcomed, inappropriate or otherwise offensive to a person, and that such conduct demeans, humiliates, threatens him/her or otherwise violates his/her dignity. Harassment can take many forms such as words, signs, offensive jokes, cartoons, pictures, statements, pranks, intimidation, physical assaults or contacts, direct insults, bullying, victimization, offensive discussions, gestures, spiteful gossip and many more whether online or physical and has the effect of creating an intimidating, hostile or offensive workplace and interfering with the performance of an employee’s functions, duties and responsibilities; or affecting employment opportunities or compensation of an employee.

Examples of situation where harassment occurs (non-exhaustive) are:

- Derogatory or condescending remarks, slurs, epithets or language or teasing regarding a person’s heritage, religion, or beliefs (verbal or written).
- Unacceptable, annoying or unwanted nicknames or negative stereotyping.
- Isolation or exclusion of a person from others.
- Outbursts of anger and destruction of property.
- Spreading malicious rumours to discredit someone.
- Bullying and victimization, for example, unreasonable and persistent criticism or humiliation, unreasonable distribution of work and responsibilities.
- Sabotaging or destructively interfering in the work of others.
- Inappropriate inquiries or comments about a person’s religious or cultural norms, family background, source of income or lifestyle.
- Retaliation.

WHAT IS SEXUAL HARASSMENT

Sexual Harassment is defined in the Code of Practice on the Prevention and Eradication of the Sexual Harassment in the Workplace issued by the Ministry of Human Resources, Malaysia in August 1999 and shall mean:

“Any unwanted conduct of a sexual nature having the effect of verbal, non-verbal, visual, psychological or physical harassment:

- that might, on reasonable grounds, be perceived by the recipient as placing a condition of a sexual nature on her/his employment; or*
- that might, on reasonable grounds, be perceived by the recipient as an offence or humiliation, or a threat to his/her well-being, but has no direct link to her/his employment.”*

It is essential to emphasize that sexual harassment refers to sexual conduct which is unwanted and unwelcome to the recipient, and it is also a sexual conduct which is imposed on and unsolicited or unreciprocated by the recipient.

Examples of situation where sexual harassment occurs (non-exhaustive) are:

- Verbal
offensive or suggestive remarks, comments, jokes, jesting, kidding, sounds, inappropriate inquiries or comments about a person’s sex life
- Non-Verbal / Gesture
leering or ogling with suggestive overtones, licking lips or holding or eating food provocatively, hand signal or sign language denoting sexual activity, persistent flirting
- Visual
showing pornographic materials, drawing sex-based sketches or writing sex-based letters, sexual exposure
- Psychological
repeated unwanted social invitations, relentless proposals for dates or physical intimacy
- Physical
inappropriate touching, patting, pinching, stroking, brushing up against the body, hugging, kissing, fondling, sexual assault

Sexual harassment is considered a **criminal offence** under the laws of Malaysia, including the following:

(a) Penal Code, Act 574

- Section 292 distribution or public exhibition of obscene objects or documents
- Section 294 doing any obscene act or singing, reciting or otherwise uttering obscene songs, ballads or words in public
- Section 354 assault or use of criminal force to a person with intent to outrage modesty
- Section 376 rape
- Section 377D outrages on decency
- Section 509 word or gesture intended to insult the modesty of a person

(b) Communications and Multimedia Act 1998, Act 588

- Section 233 improper use of network facilities

(c) Film Censorship Act 2002, Act 620

- Section 5 possessing, circulating, distributing or displaying obscene films

(d) Printing Press and Publications Act, 1984, Act 301

- Section 8 possession and distribution of prohibited publications prejudicial to public morality

PROHIBITION OF HARASSMENT IN THE WORKPLACE

The Company does not tolerate unwarranted harassment of any kind towards its employees in the workplace.

This Policy aims to address and prevent antagonistic situations that violate the dignity of employees pertaining to single or repeated incidents of intimidation, humiliation, degradation, bullying, or other undesirable verbal, non-verbal, or physical conduct toward one person or a group of people of their race, ethnicity, national origin, disability, religion, age, gender, sexual orientation, gender identity and etc. The environment of the Company should be characterized by mutual trust and the absence of intimidation, oppression and exploitation. A breach of this Policy by any employee is considered a misconduct and may result in disciplinary measures being taken, including dismissal.

WHAT CAN YOU DO?

Any employee who has been harassed, or has witnessed or is affected by the harassment of others, especially in the workplace must take appropriate steps specified herein:

- (a) immediately object and make clear to the harasser that their behavior is contrary to this Policy and that the harasser should immediately stop behaving in this manner;
- (b) keep a written record of each incident of harassment, including the date, time, place, any evidence and available witnesses;
- (c) talk to someone immediately after the incident and seek advice if you are unsure whether the event that occurred constitutes as harassment;
- (d) make a formal complaint to the employee's direct supervisor, Head of Department or directly to the Human Resources Department. Formal complaints made to the employee's direct supervisor or Head of Department must be referred to the Human Resources Department at the earliest opportunity, and in any event within twenty-four (24) hours of the complaint being made.

Once the matter has been reported, the Company shall have a statutory responsibility to inquire into the complaints. Should the offending employee be found guilty with no reasonable defense, the Company have the discretion to take the following actions:

- (a) a written warning;
- (b) a final written warning;
- (c) suspension of employment (not more than 14 days within the scope of the Employment Act 1955);
- (d) downgrading or demotion to a lower position;
- (e) withholding increments or bonus;
- (f) dismissal; or
- (g) any other disciplinary action lesser than dismissal or downgrading which is appropriate.

No person will be adversely affected in employment as a result of bringing complaints, appearing as a witness in the investigation and/or serving as an investigator of an unlawful harassment complaint.

All direct supervisor, Head of Department or directly to the Human Resources Department shall handle harassment claims discretely to guard the integrity of the process and keep employees' trust intact and

prevent the complainant from facing any retaliation. Those who report misconduct or cooperate in the investigation should not be adversely affected either directly or indirectly. They should not feel as if they are being intimidated or punished by having their employment or working conditions put in jeopardy. Any manager, supervisor or other party found to have violated this aspect of the Policy will be subject to disciplinary action, including and up to dismissal.

MONITORING, REVIEWING AND ENFORCEMENT

The Company will diligently monitor these procedures to ensure that they meet the objectives of relevant legislations and remain effective, and, if necessary, implement changes subject to the approval of the Board of Directors.

This policy is approved by the Board of Directors on 1st January 2023.