

MEGA FORTRIS

MEGA FORTRIS GROUP OF COMPANIES

PART 27

COVID-19 POLICY & GUIDELINES (Obselete)

PART 28

HUMAN RIGHT, SLAVERY AND HUMAN TRAFFICKING POLICY

SCOPE/OBJECTIVE: Modern slavery is a crime and a violation of fundamental human rights which is constituted in the Modern Slavery Act 2015. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which are abuses of a person's freedoms and rights. Mega Fortris Berhad are committed to tackling this unacceptable practice. We do not accept any human rights violations within our own operations and supply chain and have a clear policy framework outlining our expectations, including those relating to slavery and human trafficking.

Our Policies

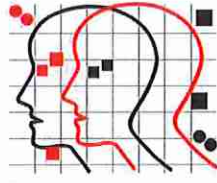
Mega Fortris believes that human rights, which includes freedom from slavery and human trafficking are an absolute and universal requirement and has a policy framework to support this. Mega Fortris is committed by ensuring that there is no modern slavery or human trafficking in our supply chain. We expect the same or equivalent standards from all our suppliers, contractors and subcontractors. This policy applies to all persons working for us or on our behalf in any capacity.

Code of Conduct

Our Code of Conduct was updated and outlines the principles and ethical values that Mega Fortris expects all employees and contractors to uphold. The Code covers key issues including corruption and bribery, discrimination, confidentiality, conflict of interest. Additionally, it outlines our commitment to respecting human rights.

Our Human Rights and Responsible Business Principles

- No child labor. Limitation of work by young workers
- No forced labour or human trafficking
- Provision of a safe and healthy working environment
- No discrimination – equal opportunities and rights
- No harmful or inhumane treatment
- Fair working hour, remuneration and employment conditions
- Protection of the environment
- Conducting business with integrity
- Implementation of management systems to effectively ensure compliance with these principles



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Training & Education

Proactive engagement and training ensure that our employees are not only aware of Mega Fortris values and policy requirements, but also have a basic level of understanding of how to prevent, identify and remediate any issues. Human right, slavery and human trafficking topic is included in the induction program for new recruited employees.

Procurement Procedure

1. Introduction

As one of the world's leading security seal manufacturer, Mega Fortris are responsible to ensure the safety and quality of our products. We are committed to ensure the sustainability practices in all areas of supply chain including eradicate slavery and human trafficking. Modern slavery refers to a range of serious forms of exploitation, including forced labour, debt bondage, human trafficking, and slavery. These practices are serious crimes, grave abuses of human rights and have devastating impacts on survivors.

2. Our Supply Chains

Our supply chains include the sourcing of suppliers, contractors and subcontractors. We have direct control over the sourcing of suppliers and have implemented a system to procure materials, products and sub-contracting work that will direct affect the quality of the Company's products.

3. Due Diligence

3.1 Identification and Verification

We identify key suppliers in relation to our product supply chain to evaluate and address risk of slavery and human trafficking. There are 3 main categories of suppliers in our environment, namely raw materials, components and packaging materials.

3.2 Questionnaire

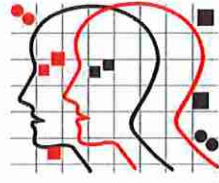
A questionnaire has been developed to assess suppliers' policies and practices on modern slavery. This information should assist us to work closely with suppliers to identify and assess possible modern slavery risks in their supply chains.

3.3 Suppliers Audit

We integrate human rights and slavery issues as audit areas in our supplier audit programs. This shall include but not limited to human trafficking, underpayment of wages, child labour, poor working conditions, forced marriage, debt bondage and others which may increase the risk of slavery conditions.

3.4 Supplier Code of Conduct - Self-declaration/Statement

All key suppliers are required to declare or provide an annual modern slavery statement on actions taken to prevent modern slavery in their supply chains and business operations. The recommended



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information to be disclosed in the statement includes the organization's modern slavery related policies, due diligence, impact assessment and mitigation plans.

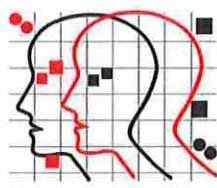
<refer file namely "QF-PROC-05 Suppliers_ Subcontractors Visitors Code of Conduct">

3.5 Prospective Supplier

Prospective suppliers are required to complete the Supplier Questionnaire on Modern Slavery Act 2015 before register as a new supplier. This screening procedure is to ensure compliance with our value in combating modern slavery.

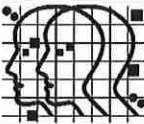
4. Monitoring and Compliance

We conduct annual supplier performance evaluation for all our suppliers to ensure compliance with legislation, including modern slavery and human trafficking. Should a supplier fail to comply with the Supplier Code of Conduct and thereby is viewed as a high risk supplier (with supplier evaluation assessment scored below 50%), we shall immediately request for corrective measures to be implemented to remediate such non-compliance within 60 days. If suppliers fail to show genuine remediation requirements, Mega Fortris, will as a last resort, terminate commercial relationship with the supplier.



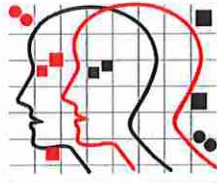
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 MEGA FORTRIS G R O U P	SUPPLIERS / SUBCONTRACTORS / VISITORS CODE OF CONDUCT				QF
	Doc. No.:	QF-PROC-05	Revision	03	Quality Form
	Effective Date	15 February 2021	Page	Page 52 of 3	

1. All contractors or visitors must comply with the rules, signage, limits and procedures while in the premise.
2. The plant's General Environmental Rules include but not limited to the following: -
 - a) No unauthorized use of the fire-fighting equipment
 - b) Report all incidents, spills and near miss accidents to the Head of Human Resource Department.
 - c) Fire exits, fire-fighting equipment, electrical appliance or panel and emergency call points including no blocked passage ways
3. All chemicals to be brought into the premise must be declared to the Head of Production Department. The Safety Data Sheet (SDS) of the chemicals must be available in order to bring them into the premise.
4. Vehicles for loading or unloading purposes shall be well maintained and shall not have any leakage e.g. leakage of cylinder oil.
5. Engine of vehicles must be switched off when loading or unloading activity is carried out. It is strictly prohibited to let the engine running for more than 10 minutes in the factory compound.
6. All wastes should be properly disposed in the segregated bins provided within the factory compound. All contractors are responsible to perform the housekeeping of the workplace or area after each job is completed.
7. Please find the plant layout at the entrance and exit doors. In case of emergency situation (i.e. fire), please assemble at the assembly point (near the main gate) immediately and declare yourself to the Emergency Response Team Leader or Management Representative.
8. Refer to Annex I: Suppliers / Sub-contractors / Visitors Code of Conduct.

I have read and understand the above rules and promise to follow the Suppliers /Subcontractors/



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Visitors Code of Conduct.

Name :

Company :

Address :

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Signature :

Date :

Annex I

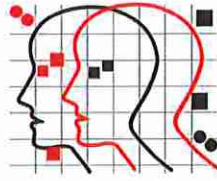
Communicate Requirements to Suppliers / Sub-contractors/ Visitors

MEGA FORTRIS BERHAD.is committed to conduct its business in an ethical, social responsible and environmentally sustainable manner. As our valued business partner, we are communicating our Integrated Management System (IMS) expectations to you. Please inform all your workers / relevant PIC accordingly.

1 - Environmental Policy

Our Environmental Policy is to act as an environmentally responsible manner in regard to our operations, products and services:

- Operate a common Environmental Management System.
- Comply with or exceed applicable legal requirements and other requirement to which the organization subscribed to which related to its environmental aspects.
- Recycling and conservation of resources.
- Active remediation of environmental contamination.
- Responsibly manage use of hazardous materials.
- Inform and encourages suppliers, partners and contractors to adopt sound environmental management practices.



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Environmental Expectations

Resource Conservation

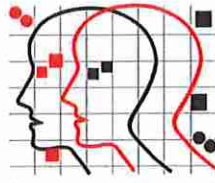
- Minimize wastage of paper, plastics, water and electricity.
- Purchase products with recycled content whenever cost, specifications, standards and availability are comparable to those products without recycled content.

Regulatory Compliance

- Environmental Quality Act 1974 and its applicable regulations.
- Review with our Management Representative (MR) if intend to use any 'RESTRICTED/ BANNED' chemicals.

2 - Security Policy

- When entering the premises, personnel & company details should be registered in the security logbook & a Visitor's Pass should be obtained from the security guards.
- The Visitor's Pass should be worn at all time during the stay & returned back to the security guard when exiting the premises.
- Appointments with the respective Personnel should be conducted at office areas only.
- Production Floor & Store are restricted areas and only allowed access in the presence of an authorized personnel.
- Vehicles will only be allowed in during deliveries & collection of goods.
- Delivery & collection time set is from 9am to 12 pm, 2pm to 6pm from Monday to Friday and 9am to 12 pm on Saturday (except Public Holiday).
- Off hour deliveries & collections should be pre-informed to the respective Production Personnel for onwards / special arrangements.



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3 – Modern Slavery Act 2015

- All suppliers shall commit to adhere to ethical, integrity and transparent business practices and governance.
- Suppliers shall not use child labour as defined by the national law in the country of operation. Suppliers shall not employ individuals below the age of 18.
- Suppliers must hire employees on a voluntary basis and does not use any form of slave, bonded, prison or forced labour or engage in any other forms of human trafficking.
- Suppliers recognize the unique legal, social and cultural situation that foreign workers face, and will ensure that such workers are treated with dignity, respect and in accordance with the same standards as apply to local workers.
- Suppliers shall not engage in physical, mental, verbal, sexual, or any other abuse, inhumane or any other form of harassment. Supplier shall treat all employees with respect and dignity and complies with local legislation on disciplinary practices.
- Suppliers shall fairly compensate all employees by providing wages and benefits in compliance with all applicable laws.
- Suppliers shall comply with all applicable laws regarding normal working hours, rest periods and overtime hours.

Shall a supplier fail to comply with the requirements of this Code of Conduct and thereby is viewed as a high risk supplier (with supplier performance evaluation scored below 50%), Mega Fortris shall immediately request for corrective measures to be implemented to remediate such non-compliance within 60 days. If suppliers fail to show genuine remediation requirements, Mega Fortris, will as a last resort, terminate commercial relationship with the supplier.