



MEGA SQUARE SDN. BHD.

FOREIGN WORKERS RECRUITMENT AND EMPLOYMENT POLICY

MSSB-004 REV.02.202306

1. INTRODUCTION

Mega Square Sdn Bhd (“the Company”) believes that hiring qualified individuals to fill various positions contributes to the overall success of the Company. The Company will comply with all relevant labour regulations and principles relating to recruitment of foreign workers. Where applicable, this Policy complements and is supplementary the Company’s Hiring Policy and Business Code of Conduct.

2. OBJECTIVE

This policy will provide clarity and transparency on the processes of hiring or legalizing foreign workers. The third-party recruitment agent appointed or to be appointed by the Company is expected to be bound by this Policy.

3. PROHIBITION OF FORCED LABOUR

The Company strictly prohibits the use of forced labor in any form, including but not limited to prison labor, bonded labor, and indentured labor. No employees who are imprisoned, bonded, or indentured shall be utilized by the Company or any of the appointed recruitment agent.

4. ZERO RECRUITMENT FEES AND COST

The Company implements Zero Recruitment Fees for new hiring. Workers (foreign or local) shall not be required to pay employers’ or agents’ recruitment fees or other related fees for their employment. Fees shall also not be collected indirectly for example, through deductions from wages and benefits.

No monetary deposit is collected by the Company or the appointed recruitment agent from any foreign worker or local worker as part of the hiring process.

4.1 RECRUITMENT FEES

The costs and fees associated with recruitment, travel and processing of workers' employment shall be borne by the Company. The details of the costs and fees are set out in Table 1 below:

Table 1: Fees and Costs to be Borne by Employer

1.	Agency service fees, recruitment or placement fees in both sending and receiving countries.
2.	Airfare or fare for other modes of international transportation from sending to receiving countries
3.	The cost associated with passport
4.	Visa processing fees
5.	Work permits fees including renewal
6.	Government Levy unless legally allowable for deduction
7.	Pre-departure training or orientation, skills tests, medical examination, or other requirements for employment by sending or receiving countries
8.	Transportation in receiving country to and from airport to supplier facility or provided accommodation.
9.	Government-approved insurance, taxes, or other related fees that law requires the employer to bear
10	Any other fees imposed by sending or receiving country government for recruitment.
11	Where applicable and required, pre-departure accommodation cost after employment at the source country and upon arrival at receiving country
12	Costs to insure the foreign worker
13	Costs for tools, uniforms, safety gear and other equipment needed to perform the worker's job

4.2. REIMBURSEMENT OF RECRUITMENT FEE

In the case of any type of employment fees paid by the employee in any stages of hiring process as set out in Table 1, such employee may raise their request for reimbursement by setting out clearly the details of such payment or through the Company's recruitment fee due diligence set out below. The reimbursement process shall be finalised within 3 month from the commencement of employment or from the conclusion of the recruitment due diligence and in accordance with the following process:

- Recruitment fee due diligence shall include understanding from the employee the stages, the sum and the receiving party of such payment through the following interviews with workers in a confidential setting:
 - a) During interview process in the sending country
 - b) During departure at the departure airport
 - c) Upon arrival in Malaysia
 - d) 3 months after arrival
 - e) Annually for a minimum of 3 years
- Conclusion of due diligence and analysis of the due diligence result to identify the appropriate payment amount
- Announcement of the reimbursement scheme to employee including the sum, the payout timeline and other details
- Pay out based on the announced reimbursement scheme with worker's acknowledgment of the reimbursement fee received individually
- Document the reimbursement scheme and workers' acknowledgment of reimbursement fee received (by P&A department)

4.3. REMEDIATION OF LOCALLY RECRUITED FOREIGN WORKERS

In case of the Company recruits foreign workers locally, the Company shall pay the full cost of recalibration, legalisation of workers and any other related local costs incurred.

4.4 RECRUITMENT AGENT DUE DILIGENCE

The selection of recruitment agencies is based on many factors including, but not limited to, reputation, cost, and reliability. The recruitment agency shall be legally registered in its home country and has a long-standing reputation. The P&A department shall conduct a proper due diligence on the potential recruitment agencies accordingly to the Company's due diligence checklist for foreign worker agent. The recruitment agency shall sign an agreement to adhere to this Policy, the Company's other relevant policies and Dyson's Forced Labour Prevention and Ethical Recruitment Policy and Ethical and Environmental Code of Conduct before the Company engages their services and confirms their appointment.

Subject to their terms of engagement, the recruitment agencies may be required to provide services including but not limited to, providing accommodation, picking up the foreign workers, and assist to obtain work permits for the foreign workers.

The Company shall assess and audit the recruitment agencies annually in accordance with the relevant section in the Company's ISO 9001 manual to ensure continuous compliance of the recruitment agencies with the above stated policies.

5. RECRUITING PROCESS AND PROCEDURES (APPLICABLE TO FOREIGN WORKERS)

In hiring foreign workers, the following process will be followed by the Company:

5.1 CONFIRMATION TO HIRE FOREIGN WORKERS

The Personnel & Administration Department together with the HOD's will verify and forecast the manpower planning based on the Company's business requirements.

The Personnel & Administration Department is then required to seek approval from the Management. Once the approval is given, Personnel & Administration Department will proceed with the recruitment of foreign workers through recruitment agencies.

5.2 HIRING PROCESS

P&A Manager shall communicate with the recruitment agent on the job requirements for foreign workers. Job descriptions and any other hiring materials will be free from language that may discriminate or deter candidates based on protected characteristic.

The Company will ensure all recruited workers in the Company Premises:

- Aged 18 years old and above,
- Provide documentary evidence such as Passport Identification

The recruitment agent shall carry out the age verification during hiring process via the following methods:

- If photo is available, make sure the photo and identity on the submitted documents match the appearance of the applicant.
- Check that the original seal between the photo and card is intact.
- The date of issue should broadly tally with the condition of the card. It is suspicious if a card issued many years ago looks brand new.
- If the proof of age document is suspicious, applicants can be asked further information to enable the recruitment agent to cross check with the information stated in the document received.

The recruitment agent will screen applications and resumes prior to scheduling interviews. Interviews are generally conducted by the recruitment agent in the native language and adopt the best practices as set out in the "Interview process & Evaluation" of the Company's Hiring Policy.

During the interview, the recruitment agent is required ask the foreign workers the questions set out in the Company's Forced Labour Prevention Questionnaire. The questionnaire shall include the following questions:

- a) Voluntarily choose to work in MSSB?
- b) Any form of payment made for the hiring process or recruitment agent?
- c) Do you know which country you will be working if this job application is successful?
- d) Do you know what is the job which you have applied for?

5.3 SCREENING

The foreign workers' biodata and results of the forced labour prevention questionnaire will be submitted by the recruitment agency to the personnel of the Personnel & Administration Department for screening purposes and to communicate on the list of approved foreign workers to the recruitment agency.

5.4 MEDICAL CHECK-UP

The recruitment agency must ensure that the approved foreign workers undergo medical checkup in accordance with the authorities' requirements.

5.5 EMPLOYMENT CONTRACT

The workers will be briefed thoroughly on corporate profile, job functions and contract details as part of the employment process before the workers are asked to sign the employment contract by the agent at least one week (7 days) before the workers departure. The agent has also made available all the employment contracts in the worker's native language.

6. EMPLOYMENT – FOREIGN WORKERS

6.1 ARRIVAL OF FOREIGN WORKERS

Where applicable, the assigned person from Personnel & Administration Department has to pick up the foreign workers from the airport within 24 hours of their arrival.

Within a reasonable period upon arrival, the foreign worker will be asked if they have paid any recruitment fee in accordance with **Section 4.2** above. The response received shall be filed accordingly by the P&A department.

6.2 ACCOMMODATION

Where applicable, the Company will provide accommodation and bus transportation for the foreign workers to travel to work. Foreign workers shall not be required to pay for accommodations and transportation provided to the workers who stay in the company provides accommodation. Workers are free to move around the provided accommodations, without any undue restrictions.

If any foreign worker would like to arrange their own accommodation, he/she shall reach out to P&A Manager for discussion.

7. INDUCTION TRAINING

For all the newly recruited foreign workers, induction training will be conducted by the Personnel & Administration Department's personnel as well as personnel in charge of with the assistance of an interpreter.

8. HEALTH SCREENING

The assigned personnel from Personnel & Administration Department will proceed to register foreign workers at FOMEMA and have the workers to do their health screening within one month of arrival or legalization in Malaysia at panel clinics with all costs borne by the Company.

8.1 MEDICALLY FIT WORKERS

For workers who are certified as they are fit to work, the assigned personnel from Personnel & Administration Department will submit the passport to Malaysia Immigration to obtain permits.

8.2 UNFIT WORKERS

Workers who are certified to be medically unfit to work will be repatriated back to their home country. The transportation cost will be borne by the Company.

9. PASSPORT HANDLING

The Company recognizes that possession of personal identification documents, such as passports, is a fundamental right of all individuals. The Company respects the autonomy and freedom of the foreign workers and affirm their right to retain their passports in their possession at all times.

The Company provides secure and accessible passport lockers for employees to store their passports during working hours, if they choose to do so. These lockers are conveniently located within the workplace and accessible to employees throughout the day (24 hours access) and are under CCTV monitoring for security reason.

The Company also provide compartment lockers for workers at the hostel for the storage of their passports and other personal identity documents with full and direct access without any restriction at all time.

It is important to note that the usage of the passport lockers or the lockers at the hostel is entirely optional. Foreign workers are under no obligation to store their passports in the provided lockers. They have the freedom to keep their passports in their possession or make use of the lockers as they see fit.

Any request for the temporary submission of passports for visa processing or other legal requirements shall be handled with transparency and in accordance with the Company's Passport Policy.

10. OPENING OF SAVINGS ACCOUNT

The assigned personnel from Personnel & Administration Department will open saving accounts for salary purpose.

11. DOCUMENT FILING

The assigned personnel from Personnel & Administration Department will keep the biodata of the foreign workers in their personnel file.

12. CONTRACT RENEWAL

Upon completion of their contract period, the workers are free to choose whether to renew their contract or be repatriated back to their home country. In the event of workers choose to go back to their home country, the transportation cost will be borne by the Company.

13. EARLY RESIGNATION BEFORE CONTRACT EXPIRY

In the event of a worker's early resignation due to:

13.1 PERSONAL REASON

If the worker opts for early termination of the contract, there will be no threat or punishment and such resignation shall be handled according to the employment contract. The worker will be repatriated and transportation costs will not be borne by the Company.

13.2 MEDICAL GROUND

In the event the medical doctor certifies the worker to be medically unfit during the employment period, the worker will be repatriated and transportation costs will be borne by the Company.

14. FAIR DISCIPLINARY AND TERMINATION PROCEDURE

In the event the worker commits any offence or fails to comply with any of the Company's rules and regulations, disciplinary action will be taken in accordance with the type and severity of the offence. The Company may, on the ground of misconduct consistent with the fulfilment of the express or implied condition of service, after due inquiry;

- a) Issue warning letter; or
- b) Dismiss the employee without any notice.
- c) Any such actions in accordance with the Company's disciplinary procedure.

If a worker is terminated for cause through proper and fair disciplinary and termination procedure, the Company shall not be required to pay for the cost of return transportation.

15. CONCERNS/GRIEVANCE

For any questions or concerns regarding this Policy (including the reimbursement fee procedure), the workers may raise their questions or concerns:

- a) to the General Manager, the P&A Manager directly;
- b) email through concern@megasquare.com.my; or
- c) raise a concern anonymously through "Let's talk" portal (available at <https://megasquare.com.my/publications/>)

16. RESPONSIBILITY

The Personnel & Administration Department is overall responsible for the implementation of this policy.