

HUMAN RIGHTS

Avaland Berhad (the Group and its subsidiaries) upholds the protection and enjoyment of human rights of all individuals in the communities where we operate. We believe that human rights are basic rights that inherently belong to every person in a society founded on freedom, justice and peace.

Our Human Rights Policy is consistent with the United Nations Guiding Principles on Business and Human Rights (Guiding Principles), the International Labour Organisation (ILO) Core Conventions and the Universal Declaration of Human Rights (UDHR). It is also delineated in Avaland's Code of Ethics and Sustainability Policy, where we express our requirements with regards to the treatment of human rights by all our stakeholders.

We expect our entire Group, employees, directors, suppliers, joint ventures, and community partners to abide by this Policy.

Modern Slavery and Human Trafficking

Modern slavery, forced labour and human trafficking are gross violations of human rights. These unfair labour practices can take various forms but have one thing in common — the exploitation of one person by another through deprivation of liberty for personal or commercial gain. To prevent these injustices, we have adopted the following measures:

- Migrant workers can only be hired by business partners through recruitment agents who have contractually declared to protect and uphold ethical recruitment standards.
- Conduct periodical checks and other similar processes.
- Provide information to all stakeholders about proper welfare practices.
- Review every part of our supply chain and identify any potential for slavery and human trafficking.
- Any incident of corporal punishment, threats of violence or other forms of physical, sexual, psychological or verbal harassment or abuse will not be tolerated.
- Ensure that any housing provided to employees must adhere to proper health and safety standards.
- Employees will not be compelled to work against their will in any means, including intimidation, threat, or physical confinement.

Diversity and Inclusivity

We promote a harm free workplace and aspire to foster an inclusive culture where employees feel motivated to harness their skills in order to succeed. Having a diversified workforce creates added value and brings plenty of advantages. We respect all employees regardless of their race, gender, age, nationality, religious or political beliefs, disability and ethnicity; and value the contributions of their unique experiences and perspectives.

- Treat all co-workers fairly and with respect, and condemn any form of discrimination, bullying and any kind of harassment rooted in differences of background or thought.
- Enforce an unbiased system of recruitment, selection, and promotion.
- Offer fair remuneration and opportunities for career development, talent management, mentoring and succession planning. Provide options for flexible work practices.

Labour Standards

Our operations abide by all applicable national laws and regulations. We apply even more stringent working conditions in circumstances where our health and safety standards go beyond the national standards. We have set these labour standards so that our Group and its suppliers can consistently improve the level of social compliance and ensure that only the highest standards of health and safety are applied to our people and those who are part of our supply chain.

Child Labour

In accordance with the Malaysia Child Act 2001 (Act 611), we do not tolerate child labour practices and prohibit the use of child labour in our supply chain. In addition, we uphold Goal 16 of the United Nations Sustainability Development Goals (“UNSDGs”) to *“End abuse, exploitation, trafficking and all forms of violence against and torture of children”*.

Health & Safety

At Avaland, we place the health and safety of our employees as one of our top priorities within the organisation. Therefore, we have implemented the necessary precautions to ensure our staff are able to work in a safe and healthy environment. We strive to eliminate the risks and hazards that are inherent in the workplace in order to protect employees from potential accidents and injuries. Upon commencement, all employees are given job- specific safety instructions for the course of their employment.

Freedom of Association & Collective Bargaining

We subscribe to the established Malaysian labour laws relating to the formation of trade unions and their organisational activities. We respect employees' rights to freedom of association and collective bargaining. Workers are free to form or join their preferred trade unions and to bargain collectively.

Disciplinary & Grievance Practices

We treat all employees with dignity and respect. We do not tolerate any acts of corporal punishment, mental or physical coercion or verbal abuse towards employees.

Working Hours

We follow the government's standard of the minimum number of working hours (including overtime and rest periods) and holiday entitlements prescribed by national laws and regulations. Our workforce deserves fair wages that correspond to fair hours of work. Additionally, we have introduced staggered working hours to contribute to the employees work life balance.

Remuneration

We comply with applicable national laws and regulations regarding wages and benefits. All work-related remuneration and benefits are based on merit and performance determined by performance reviews. This ensures fairness and certainty that the right person will get the position. Additionally, our benefits and remuneration are based on the market and industry standards over the prescribed government standard.

Responding, Monitoring and Assessing Effectiveness

Our Group has a zero-tolerance policy for human rights violations and will take every action to prevent such acts. We have the responsibility to always be on the lookout for risks, however small, not only in our organisation but also in the wider supply chain. We declare that we will exercise transparency in our approach to addressing human rights offences within the company and our supply chain.

- Condemn human rights violations and impose measures that will prevent such acts.
- Provide a grievance mechanism where all workers can raise concerns.
- Raise awareness about proper human rights practices.
- Perform due diligence and monitor performance as and when necessary to identify and mitigate risks, such as when identifying potential new suppliers and protecting whistleblowers.
- Impose disciplinary action against individual(s) and/or termination of contract of any organization or supplier who have breached this Policy.
- Translate this Policy to languages understandable by our stakeholders.
- Disclose the Policy on our website and disseminate copies to stakeholders.

- Conduct regular review of this Policy and make adjustments based on changes in legislations, emerging issues and any other human rights standards.
- Collaborate with stakeholders to prevent human rights violations in any of our operations.

Communication and Compliance

We encourage our suppliers to inform their employees of the provisions of this Policy. Specifically, they are expected to make prominently visible postings of the provisions in the local language and in areas that are readily accessible to the employees. Suppliers must also develop and implement appropriate business mechanisms to monitor compliance with this Policy.

All direct suppliers may be required to undergo regular Human Rights Compliance Self-Assessment Questionnaires and/or Compliance Audits to verify their compliance with this Policy. Avaland reserves the right to inspect any site involved in business activities with the Group. If after genuine consultations and appropriate written notice, our business and community partners remain non-compliant, we reserve the right to terminate or suspend their contracts or agreements. All assessments of non-compliance will be conducted in good faith.

This Policy was approved by the Board on 23 November 2022.