

LABOUR LAW POLICY

EMPLOYMENT ACT (1955)

The Employment Act (1955) is the main legislation on labour matters in Malaysia. The Employment Act provides minimum terms and conditions (mostly of monetary value) to certain category of workers: -

1. Any employee if his month wages is less than RM2000.00 and
2. Any employee employed in manual work including artisan, apprentice, transport operator, supervisors or overseers of manual workers, persons employed on vessels and even domestic servants are classified as employees even if their wages is more than RM2000.00 per month.

In Aeruma Group, we ensure the monthly minimum wages of each Employee is RM1500, by following Employment Act (1955). We follow all details and Policy in the Employment Act (1955) by stating all details in the Employee Handbook.

The rules and regulations of Aeruma Group that following Labour Law Policy Malaysia as below:

1. Working Hours & Lunch Hours

Working Hours & Lunch Hours Categories	
Shift 1	Working hours 8.30am-5.30pm. Lunch hour 12.30pm-1.30pm
Shift 2	Working hours 9.00am-6.00pm. Lunch hour 1.00pm-2.00pm
Remarks	Friday prayer hours for Muslim Employees, lunch hours will be 12.30pm to 2.30pm

2. Overtime

Overtime Categories	
Normal working days	Normal overtime done on regular working days
Rest days	Rest day overtime done on rest days (Saturday and Sunday)

Public holidays	Public holiday overtime done on holidays recognized by the Company
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3. Salary

Salary Details	
Payday	Salary will be credited into the Employees bank account on the 25 th day of the current month after confirmation, for other categories such as intern and Employees that under probation, the payday will be on 31 st day of the month
Deductions	Deduction will be made for EPF, SOCSO, EIS, and income tax in accordance with respective legislations
Meal Allowance	Meal allowance entitled for outstation only, which is RM40 per day

4. Leaves and Holidays

Types of Leaves Per Year	
Paid annual leave	14 days: Less than 2 years of employment 15 days: 3rd year of employment 16 days: 4th year of employment 17 days: 5th year of employment 21 days: 6th year of employment and above
Maternity leave	60 days
Sick leave	14 days: All permanent Employees Up to 60 days: Where hospitalisation is necessary (inclusive of the paid sick leave entitlement stated above)
Compassionate leaves	3 working days for: - - Death of father or mother - Death of husband or wife - Death of sons or daughters
Congratulatory leave	3 working days: Employee's marriage 2 working days: Birth of child (for Husband)
Unpaid leave	30 days: All permanent Employees

5. Benefits Provided by The Company

Details	
Medical benefits	Medical card & dental treatment: All permanent Employees
Hospitalization insurance	Aeruma Group hospitalization insurance scheme: All permanent Employees
SOCISO and EIS coverage	Contribution of Employees Social Security Organization (SOCISO) and Employment Insurance System (EIS): Aeruma Group and salary from the permanent Employees
EPF	Contribution of Employees Provident Fund (EPF): Depends on the statutory rate of all permanent Employees, Aeruma Group and salary from the permanent Employees

EMPLOYMENT (RESTRICTION) ACT 1968

- The Immigration Act of 1966 makes it expressly illegal for non-Malaysians to work without a valid work permit.
- Non-Malaysians must a valid work permit before they can be employed locally.

OCCUPATIONAL SAFETY AND HEALTH ACT 1994

- This Act, which establishes the legal framework for ensuring the safety, health, and welfare of the whole Malaysian labour force and for safeguarding Employees from threats to their safety or health associated with work-related activities.
- Section 15 mentions the Employer's responsibility to maintain equipment and systems that are risk-free for Employees health and safety as well as to offer information, instruction, training, and supervision.
- Section 16 mandates that Employer creates workplace safety and health policies and then routinely review them to ensure that they reflect changes and industry best practises.
- The purpose of Health and Safety Policy is to show how concerned and committed the organisation is to ensuring workplace health and safety. The Policy's listed safety and health concerns must be considered.

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MINIMUM RETIREMENT AGE ACT 2012

- In Malaysia, the minimum retirement age for public employees and those working in the private sector increased from 55 to 60; In Aeruma Group, the date of retirement is 60 years old.
- If Employee's employment contract or collective bargaining agreement allows for an earlier retirement, the act does not preclude them from doing so.
- If Employer is proven to have forced an Employee to retire before the age of 60, the new law will punish them for 10,000 Ringgit Malaysia (RM10,000). However, if the service contract or collective agreement that applies to their employment allows an earlier retirement date, the law does not restrict Employees from electing to retire before age 60.

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