# COLLECTIVE AGREEMENT

Diuascarkan pada ..... 0 7 DEC 2022

between

Kesatuan Pekerja-Pekerja Infineon Technologies (Malaysia) Sdn. Bhd.

and

Infineon Technologies (Malaysia) Sdn. Bhd.

1st of October 2022 – 30th of September 2025

	INDEX		
ARTICLE	TITLE	PAGE	
1	Parties to the Agreement	2	
2	Preamble	3	
3	Effective Date, Duration, Modification & Termination of Agreement	5	
4	Entitlement of Agreement		
5	Union Recognition & Scope of Representation	6	
6	Deductions of Union Fees	7	
7	Union Function	8	
8	Union Facilities	9	
9	Management Function	10	
10	Legislation	11	
11	Interpretation	12	
12	Grievance Procedure	13	
13	Definition of Direct / Indirect Employees	14	
14	Promotion	15-16	
15	Resignation Procedures	17	
16	Working Environment & Industrial Safety	18	
17	Working Hours	19	
18	Annual Leave	20-21	
19	Maternity and Paternity Leave	22	
20	Paid Sick Leave	23	
21	Prolonged Illness Leave	24	
22	Clinical Facilities	25	
23	Clinical Treatment for Employees & Dependant	26	
24	Dental Treatment	27	
25	Hospitalization	28	
26	Group Hospitalization, Surgical, Life and Accident Plan	29-30	
27	Bereavement Assistance	31	
28	Transport	32	
29	Compassionate Leave	33	
30	Half Day Annual Leave	34	
31	Unpaid Leave	35	
32	Examination Leave	36	
33	Union Leave	37	
34	Public Holidays	38	
35	Overtime & Caliback Overtime	39	
36	Payment of Salary & Wages	40	
37	Salary Adjustment and Annual Increment	41	
38	Annual Bonus	42	
39	Special Meal Allowance For Work On Weekly Rest Day & Public Holiday	43	
40	Personal Loan	44	
41	Retirement Age and Retirement Benefits	45 – 46	
42	Retrenchment Benefits	47	
43	Job Grading and Salary Structure for Non-Exempt Employees	48 – 49	
43	Shift Allowances	50	
45	Service Award	51	
	Existing Benefits, Interpretation and Implementation	52	
46	Sports and recreational social activities under state and national	53	
AT	representative		
47	Birth Gift	54	
48	Appendix 1	55 - 59	





#### ARTICLE: 1 - PARTIES TO THE AGREEMENT

This is an Agreement made this 08th of November 2022 between INFINEON TECHNOLOGIES (MALAYSIA) SDN. BHD., a Company incorporated in Malaysia and having its place of business at Batu Berendam Free Trade Zone, Melaka, Malaysia (hereinafter called "the Company") of the first part and Kesatuan Pekerja-pekerja Infineon Technologies (Malaysia) Sdn. Bhd. at Free Trade Zone, Batu Berendam, Melaka, being a Trade Union of employees registered pursuant to the Trade Union Act 1959 (hereinafter called "The Union") of the second part. In the event of either the Company or the Union changing its name or merging with other Company or Organizations to the effect that the Company or the Union is wholly or partly absorbed by the other Organization, the Article of this Agreement shall continue to cover the employees to which this Agreement is applicable at the time of change of name or merger took place, for the remaining period of validity of this Agreement.

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#### ARTICLE: 2 - PREAMBLE

Whereas the Company and the Union, having met together in free and voluntary association in the interest of good employee/employer relations, it is the intent and purpose of this Agreement to assure sound and mutually beneficial industrial peace and economic relations with justice between the parties hereto; to stabilize labour relations within the Company for a specific period of time; to clarify the rights and responsibilities of the Company and its employees, the Union and its membership to provide an orderly and beneficial means of conducting negotiations and resolving any misunderstanding or grievance, to set forth herein the basic and complete Agreement between the parties covering terms and condition of service. Now withstanding the above nothing shall preclude both Union and the Company to pursue the issue as provided in the Industrial Relations Act 1967 or any others related legislation.

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# ARTICLE: 3 - EFFECTIVE DATE, DURATION, MODIFICATION AND TERMINATION OF AGREEMENT

- 1. This Agreement shall be deemed to come into effect for a period of three (3) years effective 1st of October 2022 until 30th of September 2025 and shall continue to remain in force thereafter unless and until superseded by a new Agreement.
- 2. During the currency of this Agreement, neither the Company nor the Union nor the employees shall seek to vary, annul or modify any of the Terms and Conditions in any way whatsoever save by mutual consent or operation of law. In the event of the parties agreeing to vary any of the Terms and Conditions of the Agreement, both parties shall deposit such variation of the Terms and Conditions within one (1) month from the date of Agreement on the said variation to the Industrial Court for cognizance.
- 3. Either Party may serve on the other not less than three (3) months written notice to terminate this Agreement and to negotiate a new Agreement provided that such notice shall not be served before 1st of July 2025. In the event of a deadlock in negotiations for a new Agreement, the Terms and Conditions of this Agreement shall continue in force until such new Agreement is concluded.

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## **ARTICLE: 4 - ENTITLEMENT OF AGREEMENT**

- 1. Upon the Collective Agreement being taken cognizance by the Industrial Court, the Company shall publish it in English and Bahasa Malaysia on Company intranet within three (3) months after agreement. In the event of any dispute, the English version shall be authoritative.
- 2. Arrangement for the above will be done by the Union together with the Human Resources Department.

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# <u>ARTICLE: 5 - UNION RECOGNITION AND SCOPE OF REPRESENTATION</u>

- 1. The Company recognizes the Union as the exclusive and sole collective bargaining body in respect of the rates of pay, hours of work and other Terms and Conditions of employees who are eligible for membership thereof by the Company except:
  - a) Management and Executive staff in Global Grade 9 and above
  - b) Confidential Staff
    - (i) Secretaries
    - (ii) Finance Dept.
    - (iii) Human Resources Staff
    - (iv) IT Staff
  - c) Security Staff
- 2. This Agreement shall apply to employees other than those excluded as per clause I above.
- 3. Non-Union members who are eligible for Trade Union membership covered by the scope of the Agreement shall not in any way whatsoever be entitled to better or more favorable benefits than Union members.

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# **ARTICLE: 6 - DEDUCTION OF UNION DUES**

The Company agrees to collect Union dues from Union members and remit to the Union bank account provided that prior written consent is received by the Company from the Union Treasurer for such deduction from their salaries and provided that prior written consent from each employee is given.

J. H.

#### **ARTICLE: 7 - UNION FUNCTION**

- 1. It is recognized that the Union maintains the right, as the bargaining body to make representation with respect to the Company's action which are contrary to or tend to diminish the value of the provisions of this Agreement, and to bargain collectively for its members pertaining to Terms and Conditions of Service.
- 2. The Union and its members shall jointly and severally co-operate with the Company in all aspects of its operations towards the progress and success therein for the mutual benefit of both parties concerned.

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#### **ARTICLE: 8 - UNION FACILITIES**

- 1. The Company shall continue to provide TV Display access for Union Info Sharing. The content of the notice:
  - a. Must adhere to the Company's Communication procedure and guidelines.
  - b. Must be related to inhouse Union activities only.
  - c. Need to be notified to the HR ER Head.
- 2. The Company shall continue to provide a Union Room together with lock and key at a suitable place.
- 3. The Company reserves the right to withdraw the Union Room without serving any reasons thereof but with one (1) month notice.
- 4. The Company shall continue to provide e-mail accounts to the Union Officials and committees members. The Company shall provide internet services and external mail facilities and notebook to the Union President, Secretary and Treasurer. The Company reserves the right to withdraw these facilities at any point of time if deemed necessary.
- 5. The Company shall authorize Union committees to carry their personal hand phone at any location with exception of prohibited areas.
- 6. The Company shall provide the "F" entry type of identification badge to the Union President, Vice President, Secretary and Treasurer provided that these Union officials inform their respective superiors prior to leaving working area and the Company premises. The Company reserves the right to withdraw this facility at any point of time if deemed necessary.

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## **ARTICLE: 9 - MANAGEMENT FUNCTIONS**

It is recognized that this Agreement does not in any way infringe on the rights of the Management to hire, terminate for proper cause, promote, transfer and allocate task as per Company needs and its right to reorganize its operations. The Management also reserves the right to make rules and regulations governing the conduct / safety of the employees and its operations. The Management agrees to notify the Union in reorganization exercise that affects Union members before the official communication / Company Memo / Newsflash.

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## **ARTICLE: 10 - LEGISLATION**

In compliance with the law, any amendment to related legislation which is less or more favorable then the provisions of the Agreement shall cause the Agreement to be amended accordingly subjected to discussion for the best approached, if any, between the Company and the Union.

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#### **ARTICLE: 11 - INTERPRETATION**

- 1. Reference to the masculine gender shall, where appropriate, include the feminine gender.
- 2. In the event of a change in the interpretation of any of the provisions of this Agreement such decision shall be backdated to the date when the matter was initially raised unless mutually agreed otherwise.
- 3. Any dispute relating to the interpretation and implementation of the Agreement shall be referred to the Industrial Court according to the provisions of the Industrial Relations Act 1967.

John M.

#### ARTICLE: 12 - GRIEVANCE PROCEDURE

#### 1. Purpose

It is the desire of both parties to this Agreement that grievance arising between an employee and the Company be settled as equitably and as quickly as possible. In pursuance thereof, it is agreed that grievances shall be processed according to the following procedure with the aim of reaching Agreement at the lowest possible level and of maintaining continuous good relations between both parties.

#### 2. Procedure

An employee who has a grievance can raise grievance following the grievance proceedings. Where a time limit is specified at any stage in the grievance procedure, such time limit may be extended by mutual agreement from both parties. (Refer to appendix 2)

Step 1: Aggrieved employee raise grievance to superior by completing a grievance form and handing over to the superior. Employee must send a copy to HR ER for recording purposes and keep a copy of the grievance form.

Step 2: When a satisfactory settlement cannot be reached within five (5) working days between the employee and superior, the employee may refer the grievance further to the Manager and Head Of Department, with one copy of grievance form to HR Department.

Step 3: If there is no satisfactory settlement within five (5) working days, the employee concerned may refer the grievance to the head of HR Department. During this process, HR will inform Union, upon request by the aggrieved employee. HR Department shall settle the grievance within ten (10) working days.

Step 4: When a satisfactory settlement cannot be reached within ten (10) working days, aggrieved employee may refer the grievance further to the Managing Director.

Step 5: If the aggrieved employee is not satisfied with the settlement, he may pursue his grievance according to the provisions of the Industrial Relations Act 1967.

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#### **ARTICLE: 13 - DEFINITION OF NON EXEMPT EMPLOYEES**

Non-exempt employees are employees who, because of the type of duties performed, the usual level of decision making authority, and the method of compensation, are subject to all Employment Act provisions including the payment of overtime.

#### **Probation Period**

Employee Category	Group	Probation Period
	Operative	3 months
.,,	Operative - Line Assistant	3 months
Non Exempt	Technical	3 months
Excinpt	Supervisor	3 months
	Administrative	3 months

- a) The probation period of an employee may be extended by a further three (3) months if the employee's performance fails to meet the expectations of the Company and/or his/her supervisor.
- b) On successful completion of the initial or the extended probationary period as the case may be, an employee will be deemed confirm with no written letter of confirmation. Any employee who is not confirmed at the end of the extended probationary period will be terminated.
- c) No promotion of employee can be done prior to his confirmation.

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#### **ARTICLE: 14 - PROMOTION**

- 1. Promotion denotes upward movement from lower global grade (GG) to another higher global grade (GG).
  - a) Employee can be promoted from one group to another group or within the same group.
  - b) Employee can only be promoted one global grade (GG) at a time.
  - c) The salary will be adjusted from the date of promotion.
  - d) Confirmation in appointment is dependent on the employee's satisfactory conduct and performance.
  - e) Promotion is subject to availability of higher level of functions/positions.
  - f) Promotion will consider any of the following factors:
    - i. Qualifications
    - ii. Performance
    - iii. New job requirements (e.g. competencies, leadership skills)
    - iv. Experience
- 2. Whenever a job opening exists which provides an opportunity for and the skills exists within our Company to fill that opening, every effort will be made to fill that job opening from within.
- 3. When a vacancy arises for promotion, Heads of Departments will be informed of the vacancy with a brief description of the job, details of the minimum qualifications and experience required so that they can recommend suitably qualified candidates.
- 4. Appropriate vacancies will also be advertised on the Company notice boards and Heads of Departments will be notified.
- 5. The basic salary of an employee who is being promoted shall be increased by 6.5% to maximum 10% of the last drawn salary.
- 6. GG7 employees from the Administrative and Supervisory groups who are promoted from GG7 to GG8, will be given a fixed 3% increment in additional to the promotion increment as per clause 5 above.
- 7. GG6 employees from the Operative and Technical group who are promoted from GG6 to GG7, will be given a fixed 3% increment in additional to the promotion increment as per clause 5 above.
- 8. This adjustment, as per clauses 6 and 7 above, will only be given once during employment.

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# ARTICLE: 14 - PROMOTION (CONT'D).

- 9. Employee who joined the Company on or after 21 September 2010 will not be entitled to this additional 3% increment, as stated in clauses 6 and 7 above.
- 10. Existing GK Level 1 employees who are in GG7 (refer to Appendix 1) are also not entitled to this additional 3% increment.

#### **ARTICLE: 15 - RESIGNATION PROCEDURES**

- 1. An employee shall submit his letter of resignation to the Head of Human Resources Department through his immediate superior.
- 2. An employee's resignation may be accepted provided he has given the required period of notice or he has made payment of indemnity in lieu of such notice and has also fulfilled all obligations required. The Company reserves the right to waive the mandatory notice.
- 3. An employee who is terminated or dismissed shall return all Company properties before leaving the Company.
- 4. For resignation case, an employee shall submit the resignation form and return all Company's properties before leaving the Company.
- 5. An employee who resigns shall require to serve notice as below:

Category	Group	Fixed Term		Permanent	
	•	Contract	During		
			Probation	Upon Confirmation	
Non Exempt	Operative	1 week	1 weeks	2 weeks	
	Operative - Line				
	Assistant	1 week	1 weeks	4 weeks	
	Technical	1 week	1 weeks	4 weeks	
	Supervisory	1 week	1 weeks	4 weeks	
	Administrative	1 week	1 weeks	4 weeks	

Foreign Worker	During Contract Period
Non Exempt - Operative	30 days

# ARTICLE: 16 - WORKING ENVIRONMENT AND INDUSTRIAL SAFETY

- 1. The Union shall continue to support all safety measures and programs organized by the Company.
- 2. Two Union representatives shall sit in the Safety Committee as per requirement of OSHA 1994.

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#### **ARTICLE: 17 - WORKING HOURS**

- 1. The average normal working hours for all employees in a week shall not be more than 45 hours.
- 2. Shift employees are required to work on 4 or 5 working days per week and shall be entitled to one (1) off day and one (1) Rest Day in the same week as may be determined by the Management in view of the production schedule.
- 3. Shift employees are scheduled to perform 3 hours of Overtime during normal working days.
- 4. The following table illustrates the new working hours:

a) Office Hour Employees:

i. Monday to Friday: 8.00am-5.15pm

b) Shift Employees:

Working Pattern	Working Time	Paid Break Time
12 hours rotating shifts	7.00am -7.00pm, 7.00pm-7.00am (9 hours work + 3 hours OT Daily)	120 minutes
Morning and Afternoon rotating shift (LOG/QM/Production requirement)	Morning: 7.00am-3.00pm Afternoon: 3.00pm-11.00pm	45 minutes

- 4. The Management reserves the right to amend or change the working schedule/ shift pattern as and when required to conform with production requirements. These changes need to be discussed with the Union.
- 5. Employees may be requested to do replacements if production/work cannot be done due to power failure or any other disruption beyond the control of the Management. Under such circumstances, Employees who have yet to commence their shift but is informed of this circumstances by the Management will not be paid for work that has not commence. However, employees are required to standby by the Management within the premises of the factory will be paid full wages accordingly.
- 6. The Management reserves the right to replace the weekly off/rest day with a normal working day due to disruption of work beyond the control of the Management. In such cases, prior notification will be given by the Management to the employees regarding any such replacement.



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#### **ARTICLE: 18 - ANNUAL LEAVE**

1. An employee shall be entitled to paid annual leave.

2. Unless otherwise stated, the following entitlement applies:-

	(GG1 to GG6)	(GG4 to GG8)
	(Non-Exempt Operative)	(Technical/Supervisor/ Administrative/Line Assistant)
c) Less than 2 years of service	11	13
d) 2 years but less than 5 years	13	14
e) 5 years but less than 15 years	16	18
f) Above 15 years	19	20

3. The following entitlement applies for existing GK Level 1 of GG7 and GG8:

		(GG7 to GG8)
		(GK Level 1)
a)	Less than 2 years of service	14
b)	2 years but less than 5 years	14
c)	5 years but less than 15 years	18
d)	Above 15 years	21

- i) The GK Level 1 name list as per Appendix 1.
- 4. Annual leave is calculated on a calendar year basis that is from 1st January, to 31st December each year.
- 5. Annual leave entitlement is calculated from the date of joining and not from the date of confirmation.
- 6. Employees are to note that this annual leave is based on their entitlement for the whole year.
- 7. An employee on annual leave will not be allowed to extend his leave unless approved by the relevant approving authority.
- 8. Employees who take their annual leave prior to becoming eligible will have to repay the Company should they resign.

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## ARTICLE: 18 - ANNUAL LEAVE (CONT'D.)

- 9. Employees will be eligible to apply proportionate annual leave during their service with the Company.
- 10. Annual leave not taken by the end of each calendar year shall be considered to have lapsed unless otherwise authorized by the Management.
- 11. Such carried forward annual leave must be finished within the year to which it was carried forward to or it will automatically be forfeited.
- 12. On resignation, proportionate entitlement of annual leave will be given.
- 13. Annual leave must be applied one week in advance except in an emergency and must be approved by the relevant approving authority prior to going on such leave.
- 14. Annual leave cannot be used as a substitute for resignation unless otherwise authorized by the Management.
- 15. Should an employee fall sick (medical certificate must be produced) or if a public holiday fall on an employee's annual leave, he shall be reimbursed the annual leave not taken on his return. Any unauthorized extension of the employee's annual leave due to the above will not be accepted by the Management.
- 16. Annual leave cannot be exchanged for cash.

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## **ARTICLE: 19 - MATERNITY AND PATERNITY LEAVE**

- 1. Maternity leave and maternity allowance will be provided to female employees as per the Employment Act 1955.
- 2. To qualify for the paid maternity leave and maternity allowance, the following conditions have to be met:
  - a) The female employee has to be in the employ of the Company for at least ninety (90) days in the nine (9) months immediately preceding the date of confinement.
  - b) She must be in the employ of the company for at least one day during the four (4) months immediately preceding the confinement.
  - c) There is normal childbirth after twenty-two (22) weeks of pregnancy.
  - d) The child born must be within five (5) surviving children.
  - e) The female employee is responsible to notify her superior of her pregnancy and the expected date of her delivery.
  - f) Male employee is eligible to seven (7) paid leave for the birth of their own child up to five (5) surviving child.

#### ARTICLE: 20 - PAID SICK LEAVE

1. All employees will be granted paid sick leave as follows :-

Less than 2 years of service

- 14 days

2 years but less than 5 years of service - 18 days

More than 5 years of service

- 22 days

and up to sixty (60) days paid sick leave inclusive of the days mentioned above if hospitalization is necessary.

- 2. All medical certificates have to be forwarded to the Company before paid sick leave is granted. Any medical certificate issued by any non panel doctor will have to be countersigned/certified within two (2) days (from the date of starting work) by the panel doctor to be considered as benefit.
- 3. Uncertified medical certificate issued by non-panel doctors will be treated as unpaid leave.
- 4. Paid sick leave will not be granted in the following cases:
  - i) Self-inflicted injuries.
  - ii) Addiction to drugs or intoxicants.
  - iii) Illness or injury incurred while committing a felony.
- 5. An employee who absents himself on sick leave :
  - which is not certified by a registered medical practitioner or;
  - which is certified by such registered medical practitioner but without informing ii) or attempting to inform his employer of such sick leave within forty-eight (48) hours from the commencement thereof; shall be deemed to absent himself from work without the permission of his employer and without reasonable excuse for the days on which he is so absent from work. No payment or sick leave will be made for such cases.
  - 6. No employee shall be entitled to paid sick leave for the period during which the employee is entitled to maternity leave.
- 7. No employee shall be entitled to paid sick leave during the period when he is on unpaid leave.

# **ARTICLE: 21 - PROLONGED ILLNESS LEAVE**

- 1. This benefit is provided to employee who has exceeded six (6) months or more length of service under the following conditions:
  - a) when an employee is certified by medical officer/panel doctor or Company appointed specialist as suffering from prolonged illness;
  - b) when the employee concerned has exhausted all his paid sick leave and hospitalization leave entitlement.
  - c) illness under this category may include cancer, tuberculosis, chronic ailments involving heart, kidneys, respiratory system, mental disorder or any other prolonged ailment that is certified as such by a medical officer or panel doctor or Company appointed specialist. Such certification is subject to verification by the in-house doctor.
- 2. The prolonged illness benefits are as follows:
  - a) First three (3) months employee will be granted full paid leave.
  - b) The following three (3) months employee will be granted half-pay leave.
  - c) The following three (3) months- employee will be granted quarter-pay leave.
- Once the above mentioned entitlement has been exhausted, each case will be reviewed by the Human Resources Department with the support of medical reports and any additional leave or payment will be made at the sole discretion of the Management. An employee who recovers during the prolonged illness leave will resume work immediately and prolonged illness benefits will cease forthwith.

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## **ARTICLE: 22 - CLINICAL FACILITIES**

- 1. The Company provides a twenty-four (24) hours in-house clinic to meet the requirement of the employees during working hours. A trained nurse will be on duty at all times to treat medical problems immediately.
- 2. For any illness that requires attention by a doctor during the absence of the in-house doctor, the trained nurse on duty will fill out a consultation chit with medical attention form and exit pass that authorize staff to leave the Company premises during working hours as per need.
- 3. The Company doctor will visit the clinic everyday except Saturdays and Sundays between 9.00am to 12.30pm and 1.30pm to 5.00pm for an in-factory consultation.
- 4. In cases where medical treatment is required outside working hours, the employees are permitted to visit the panel doctors at their clinics. All employees visiting the panel doctor have to bring their Company identification badge with them.
- 5. List of panel doctors is available at the Company.
- 6. Preventive medication will not be provided by the panel doctor unless prior approval has been obtained from the Management.
- 7. The Company will not pay for pregnancy related check-up and treatment, for optical examination and cosmetic surgery.
- 8. The panel doctors have the discretionary right to refer employees for specialist treatment as per need.

# ARTICLE: 23 - CLINICAL TREATMENT FOR EMPLOYEES AND DEPENDANT

- 1. Declared dependant of employees are entitled to a maximum of fourteen (14) clinical visits a year.
- 2. Dependants are only allowed to visit the panel doctors. The word "dependant" refers to spouse and/or unmarried and not working children aged twenty one (21) and below only and legally adopted children aged twenty one (21) and below only.
- 3. Dependants will be referred to the E-Medic system for every visit.
- 4. Dependants who not in the E-Medic system will be billed by the doctors and the employee will be reimbursed through the Company.
- 5. This benefit is not transferable and will lapse if not used within the calendar year.
- 6. Existing GK Level 1 employees of GG 7 and GG 8, their medical benefit will remain unchanged as per current practice.
- 7. The panel doctor has the discretionary right to refer employees for specialist treatment as per need.
- 8. All the chronic medication shall be prescribe in in-house clinic and selected panels assigned by the Company.
- 9. The GK Level 1 name list as per Appendix 1.

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# **ARTICLE: 24 - DENTAL TREATMENT**

- All employees are allowed dental visits at panel dental clinics. 1.
- The list of panel dental clinics is available at the Company. 2.
- All employees are entitled to RM300.00 per year per employee for dental treatment. 3.

#### **ARTICLE: 25 – HOSPITALIZATION**

- 1. The Company will provide paid sick leave to all employees who are admitted to the hospital or any Company approved medical institutions as a result of ill health or accident.
- 2. Employees are entitled to an aggregate of sixty (60) days of hospitalization leave if no medical leave has been taken during that calendar year.
- 3. In cases where medical leave has been taken, his entitlement to paid hospitalization leave will be reduced by the number of days medical leave taken in that year.

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# <u>ARTICLE: 26 – GROUP HOSPITALIZATION, SURGICAL, LIFE AND ACCIDENT PLAN</u>

- 1. All employees on joining the Company are included in Company Insurance schemes as follows:
  - a) Group Hospital and Surgical Insurance;
  - b) Group Term Life Assurance;
  - c) Group Personal Accident
- 2. All the schemes give twenty-four (24) hours coverage and are valid worldwide.
- 3. Employees and/or the immediate family members are responsible for any claim and notification to claim and notification to the Company has to be made as soon as possible.
- 4. Coverage under the above three (3) policies will cease when an employee leaves the employment of the Company.
- 5. Premium rates for the above three (3) schemes are fully paid by the Company for employees only.
- 6. Detailed benefits of the three (3) schemes are available at the Company.
- 7. Age limit for coverage under this insurance schemes is available at the Company.

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# ARTICLE: 26 - GROUP HOSPITALIZATION, SURGICAL, LIFE AND ACCIDENT PLAN (CONT'D.)

# 8. Group Hospitalization and Surgical Schemes for Spouses of Employees (Supervisory/Technical /Administrative /Line Assistant).

- a) Spouses of employees are also covered under this scheme provided they have registered the names of their respective spouses with the Company appointed Insurance Company through the Company. The premiums for the spouse will paid by the Company.
- b) It is the duty of the employees to notify the Company of any changes in marital status from time to time. This coverage is available only for first legal spouse.

# 9. Group Hospitalization and Surgical Schemes for Dependants (optional)

- a) The above benefits are also extended to those dependants of all employees provided they have registered the names of their dependants with the Company appointed Insurance Company through the Company.
- b) Age limit for coverage under this insurance scheme is 65th birthday of spouse of the employee and children over 14 days old but under 19 years or under 23 years of age if still on full time higher education and who is not gainfully employed.
- c) The employee will pay fifty percent (50%) of the premiums while the other fifty percent (50%) will be borne by the Company. It is the duty of the employee to decide whether he wished to participate in this scheme and to notify of any changes to their dependants as and when necessary.

#### 10. Group Term Life Scheme

a) The rates of benefits are as shown below:Total sum insured per employee under Plan 3 (Non-Exempt) is RM50,000 respectively.

#### 11. Group Personal Accident Scheme

- a) The Company has undertaken the above insurance to cover employees in case of accident within and outside the Company premises. The cover is valid worldwide and the premium is borne by the Company.
- b) The rates of benefits in case of death as a result of accident are:
  - i) Total sum insured per employee under Plan 3 (Non Exempt) is RM50,000 respectively.
  - ii) In case of permanent partial disability, the scale of indemnities is available from the Company.

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# <u>ARTICLE: 27 – BEREAVEMENT ASSISTANCE</u>

The Company shall provide bereavement assistance of RM5,000.00 to the deceased family in one off payment, in the event of the death of a confirmed employee.

## ARTICLE: 28-TRANSPORT

- 1. Bus transport is provided by the Company for employees on shift work.
- Bus transport is available for employees on 12 hours shift on their Off Day Saturday / weekly Rest Day / Public Holiday or reimbursed the employees transportation incurred if the bus transport arrangement is not available/provided by the Company.

## ARTICLE: 29 - COMPASSIONATE LEAVE

- 1. Employees are eligible to paid compassionate leave not exceeding seven (7) working days each calendar year.
- 2. Compassionate leave will only be granted in the event of :
  - a) Death of an employee's immediate family member. Immediate family member refers to employee's husband or wife, father, mother, grandparents, parents-in-law, children, brothers, sisters, and legally adopted children.

i. maximum four (4) working days per occasion will be given as compassionate leave.

- ii. four (4) working days mentioned above may be taken within a spread over period of seven (7) days from the date of death.
- b) Natural calamities inclusive of fire damage :
  - i. two (2) days paid compassionate leave.
- c) Critical illness upon admission of immediate family member as defined above:
  - i. two (2) days paid compassionate leave.
- 3. Paid compassionate leave is granted upon production of Death Certificate or any other validated proof as required.
- 4. Employees on compassionate leave will receive their ordinary rate of pay for such leave.
- 5. Compassionate leave not taken cannot be accumulated or paid for at the end of each year.

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# ARTICLE: 30 - HALF-DAY ANNUAL LEAVE

- 1. Office hour employees can take their annual leave in full days or in half-days. This is not applicable for shift employees.
- 2. There is no option for half-day unpaid leave.
- 3. Employees must work a minimum of 4 hours and 30 minutes on the day of their half-day annual leave. Staff on half-day leave is not entitled to break time.
- 4. Working time schedule for half day is as below:
  - a) 1st half day 8.00am to 12.30pm
  - b) 2<sup>nd</sup> half day 12.45pm to 5.15pm

## **ARTICLE: 31 - UNPAID LEAVE**

- 1. An employee can be granted unpaid leave on exceptional grounds only if the employee has exhausted his annual leave or if he is not entitled to annual leave as yet.
- 2. Application of unpaid leave of more than ten (10) consecutive days including non-working days has to be approved by the manager of the immediate superior and HR.
- 3. Each individual application of unpaid leave will be approved or disapproved based on its merits. An approved application does not constitute a precedent for future cases.
- 4. This leave must be applied one (1) week in advance.

35

## **ARTICLE: 32 - EXAMINATION LEAVE**

- 1. This leave is only applicable for courses which have been approved by the Human Resources Department.
- Paid leave will only be granted for actual days of sitting the examination papers.
- 3. No leave for study purposes will be granted.
- 4. Leave will not be granted for the resitting of failed/referred paper.

#### **ARTICLE: 33 - UNION LEAVE**

- 1. An employee who is an elected "official" and a committee member of the Union may apply for paid leave to attend to union activities consistent with Section 6 of the Industrial Relation Act 1967.
- 2. The Union shall notify the Company by sending e-mail informing the Head of IFMY HR ER one (1) week before the commencement of the event of occasion and approved by HR ER Head and inform the superior.
- 3. The Company shall grant to the Union elected "officials", leave with full pay to attend
  - a) trade union seminar, courses, workshop and trainings including those organize by MTUC.
  - b) matters related to in house Union activities
- 4. Union leave granted as per item 3 above shall be as follows:
  - a. Union President, Secretary and Treasurer union leave granted not exceeding sixteen (16) days in any calendar year.
  - b. Remaining Union officials union leave granted not exceeding fourteen (14) days in any calendar year.
- 5. Proof of Union Official being scheduled to attend trade union seminars, courses, workshops and trainings has to be produced before such leave is granted.

#### **ARTICLE: 34 - PUBLIC HOLIDAYS**

- 1. All employees will be entitled to a full day's pay for all gazetted National / State public holidays recognised in State of Malacca.
- 2. If a public holiday falls on an employee's annual leave, his annual leave will be restored on his return.
- 3. An employee who absents himself from work on the working day immediately preceding or immediately succeeding a public holiday or two or more consecutive public holidays or any day or days substituted therefore without the prior consent of the Company, shall not be entitled to any paid holiday for such holiday or consecutive holidays unless he has a reasonable excuse for such absence.
- 4. The Management reserves the right to reschedule any public holiday as per Company's need and in accordance to the Employment Act 1955. Employees will be notified in advance of any such rescheduled public holiday.
- 5. All employees must report for work on all non-gazetted public holidays announced from time to time by the Government. A decision will be made by the Management on whether to accord recognition at a later date.

## ARTICLE: 35 - OVERTIME & CALL BACK OVERTIME

The ordinary rate of pay for Rest Day shall be as below. (This shall be effective as for new shift pattern implementation)

Overtime Work on Rest Day	Rate
Rest Day	Overtime x 2.0
1030 10 40	

- 1. All overtime shall be worked only at the request of Heads of Department or authorized approving personnel.
- For employees earning over RM 2,000.00 per month, overtime shall be at the Management discretion or as provided under the First Schedule in Employment Act 1955.
- 3. Maximum overtime allowed shall be one hundred and four (104) hours per month (not inclusive of rest day and Public Holiday overtime).
- 4. If an employee is called back from his home to work overtime he will be paid a minimum of four (4) hours overtime in respect of that call back.

## **ARTICLE: 36 - PAYMENT OF SALARY AND WAGES**

- All employees will be granted an advance in the middle of the calendar month or earlier 1. due to selected festivals and the balance of wages on the 27th of each month as per current practice.
- Such payment shall be made through their respective bank accounts. 2.
- The wage period for the employee will be from 21st of the month to the 20th of the 3. following month. For overtime payment, shift allowance and absenteeism calculation, the cut off will be from 16th of the month to 15th of the following month.

## ARTICLE: 37 - SALARY ADJUSTMENT AND ANNUAL INCREMENT

#### SALARY ADJUSTMENT

1. With effect from 1st of October 2022, employees will receive a Salary Adjustment of:

WILL CHOCK HOLK 180 02 0 000	·	
Salary Range as of April 2022	Salary Adjustment based on	
Dailary Teamer 1	September 2022 basic pay	
RM 1200 to RM 1399	2%	
RM 1400 to RM 1599	5%	
> RM1600	7.38%	

2. New employee who join between 1<sup>st</sup> of May 2022 till 30<sup>th</sup> of September 2022, will be entitle for 2% of salary adjustment (pro-rated based on employment service).

#### ANNUAL INCREMENT

- 1. All employees shall receive an annual increment payment based on individual performance and subject to the Company's performance and approved Company's annual increment budget. (1st April of each financial year or any other date as determine by the Company).
- All employees with poor performance rated Did not Meet Expectation shall receive minimum 1.5% increment (1<sup>st</sup> April of each financial year or any other date as determine by the Company).
- 3. Employees with less than one (1) year of service will receive proportionate adjustment from the date of commencement to the date of Annual Review.
- 4. An employee who has reached the maximum salary in the salary scale, as per Article 43 in this agreement, will not be given an increment. However, he will receive arrears payment on ex-gratia basis and this amount will not be construed as part of his wages.
- 5. An employee who has reached the maximum salary in the salary scale, as per Article 43 in this agreement, will not be given an increment. However, he will receive arrears payment on ex-gratia basis and this amount will not be construed as part of his wages.

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41

#### **ARTICLE: 38 - ANNUAL BONUS**

#### Bonus (13th month payment)

In recognition of performance and loyal service with the Company, all employees shall be paid a bonus equivalent to one (1) month's basic salary on the following conditions:-

Confirmed and permanent employees only. i.

those confirmed employees who have not served the full one (1) year will be given prorated bonus.

only payable to employees who are still in employment of the Company at the date iii. of payment.

employee on unpaid leave (exceeding thirty (30) calendar days) will be paid proiv. rated bonus.

#### ARTICLE: 39 - SPECIAL MEAL ALLOWANCE FOR WORK ON WEEKLY REST DAY AND PUBLIC HOLIDAYS

- 1. Every employee who works on Rest Day will be provided with a meal allowance at a value RM8.00.
- 2. Every employee who works on festive public holidays namely Hari Raya Aidilfitri, Chinese New Year, Deepavali and Christmas will be provided with a meal allowance at a value of RM8.00.
- 3. Every employee who works on public holidays other than 2 above will be provided with a meal allowance at a value of RM8.00.

## **ARTICLE: 40 - PERSONAL LOAN**

- 1. The current personal loan practice will continue as normal as below:
  - a) 5 years 2 month basic pay, interest free and 1 year repayment
  - b) 10 years 3 months basic pay, interest free and 2 years repayment
  - c) 15 years 4 months basic pay, interest free and 3 years repayment
  - d) 20 years 4 months basic pay, interest free and 3 years repayment
  - e) Existing GK Level 1- RM7000, interest 4% and 3 years repayment.
- 2. The Management and the Union agrees to discuss this matter with a view towards addressing this problems related to this matter via alternative means.
- 3. The GK Level 1 name list as per Appendix 1.

44 JZ VI

# ARTICLE: 41 - RETIREMENT AGE AND RETIREMENT BENEFITS PLAN

- The Company will abide to the Minimum Retirement Age Act 2012 effective from 1<sup>st</sup> July 2013.
- 2. Effective 1<sup>st</sup> July 2013, the retirement age of an employee shall be upon attaining the age of sixty (60) years.
- 3. Effective 1<sup>st</sup> July 2013, employees with retirement age upon attaining age of fifty-six (56) years or fifty-eight (58) years prior to 1<sup>st</sup> July 2013 will be subjected to the followings:
  - a. Employees' new retirement age is upon attaining the age of sixty (60) years.
  - b. Employees shall continue with the Retirement Benefit Plan as below:
    - i. Employees shall automatically be granted three percent (3%) of their monthly wages payable to their Employee Provident Fund (EPF) after serving the Company for a continuous period of ten (10) years.
    - ii. Employees, who have been guaranteed the three (3) months basic salary (based on last drawn salary) as lump sum payment during the acceptance of the Retirement Benefit Plan in 2003, shall be granted such payment upon retirement. However, after 1st July 2013, if employees wish to leave employment after age fifty-six (56) years but prior reaching new retirement age i.e. sixty (60) years, they shall still be entitled to the three (3) months lump sum payment upon their resignation.

## ARTICLE: 41 - RETIREMENT AGE AND RETIREMENT BENEFITS PLAN (CONT'D.)

- Effective 1st July 2013, employee without retirement age and age below sixty (60) 4. years prior to 1st July 2013 will be subjected to the followings:
  - Employees' retirement age is upon attaining the age of sixty (60) years.
  - b. Employees shall be granted with the Retirement Benefit Plan 2013 as below:
    - i. Employees shall be granted three percent (3%) of their monthly wages payable to their Employee Provident Fund (EPF) effective 1st July 2013 after serving the Company for a continuous period of ten (10) years.
    - ii. Employees with age forty-five(45) years or above as of 1st October 2003 shall be granted three (3) months basic salary (based on last drawn salary) as lump sum payment payable upon retirement. However, after 1st July 2013, if employees wish to leave employment after age fifty-six (56) years but prior reaching retirement age i.e. sixty (60) years, they shall still be entitled to the three (3) months basic salary (based on last drawn salary) as lump sum payment upon their resignation.

## **ARTICLE: 42 - RETRENCHMENT BENEFITS**

- 1. The provisions of this Article shall apply to those employees whose services are terminated on grounds of redundancy that is employees whose services are surplus to the Company's requirement, and shall not apply to dismissals for disciplinary reasons or resignations or retirement or termination of employment for any other cause.
- 2. The Union shall be notified by the Company of its intention to retrench one (1) month before such retrenchment takes place. Retrenchment benefits will be paid as per prevalent Employment Act, 1955.
- 3. In the event of vacancy occurring within twelve (12) months of retrenchment, the Company will give priority to employees who were declared redundant.

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# ARTICLE: 43 – JOB GRADING AND SALARY STRUCTURE FOR NON-EXEMPT EMPLOYEES

1. Below is the job grading structure for non-exempt employees.

3roup	<b>(G.G</b> )	MAL Job Title			
Operative	GG1	Operator Machine, Operator Visual Inspection, Operator Material Handling, Operator Process Control, Operator Lab, Operator Attire Control, Operator Quality Control			
	GG2	Operator Machine, Operator Visual Inspection, Operator Material Handling, Operator Process Control, Operator Lab, Operator Attire Control, Operator Quality Control, Operator Line Control			
	GG3	Operator Machine, Operator Visual Inspection, Operator Material Handling, Operator Process Control, Operator Lab, Operator Attire Control, Operator Ouality Control, Operator Line Control			
	GG4	Senior Operator Machine, Senior Operator Material Handling, Senior Operator Quality Control, Senior Operator Process Control, Senior Operator Line Control, Senior Operator Team Lead			
	GG5	Senior Operator Line Control, Senior Operator Team Lead			
	GG6	Expert Operating Line Control, Expert Operating Team Lead			
	GG4	Technician Technician Technician			
Technical	GG5	Technician, Technician Set up, Technician Sustaining, Technician Preventive Maintenance, Technician Training, Technician Team Lead, Technician Line Control, Technician (Support Function)			
	GG6	Senior Technician, Senior Technician Set up, Senior Technician Sustaining, Senior Technician Preventive Maintenance, Senior Technician Training, Senior Technician Team Lead, Senior Technician Line Control, Senior Technician (Support Function)			
	GG7	Senior Technician, Engineering Assistant, Assistant Engineer, Planning Analyst, Chargeman, Senior Team Leader Technical, Senior Technical Trainer			
	GG8	Assistant Engineer, Senior Chargeman, Assistant Engineer Sustaining, Assistant Engineer Preventive Maintenance, Assistant Engineer Line Control, Assistant Engineer (Support Function)			
	GG4	Assistant			
	GG5	Assistant			
Assistant	GG6	Senior Assistant			
	GG7	Staff Assistant			
	GG8	Executive Assistant			
	GG7	Supervisor			
Supervisory	GG8	Supervisor			



## ARTICLE: 43 - JOB GRADING AND SALARY STRUCTURE FOR NON-EXEMPT EMPLOYEES (CONT'D.)

Below is the salary structure for non-exempt employees. This structure is effective from 2. date of signing this agreement.

ST CHOID TO	(66)	Min	Max
Operator	GG1	RM 1,500	RM 1,800
Operator	GG2	RM 1,550	RM 1,900
	GG3	RM 1,600	RM 2,050
-	GG4	RM 1,650	RM 2,200
ļ	GG5	RM 1,700	RM 2,650
	GG6	RM 1,750	RM 3,150
Technical	GG4	RM 1,600	RM 2,250
	GG5	RM 1,800	RM 3,100
	GG6	RM 1,950	RM 3,650
	GG7	RM 2,100	RM 4,350
	GG8	RM 2,250	RM 4,950
Assistant	GG4	RM 1,500	RM 1,950
T	GG5	RM 1,650	RM 2,500
	GG6	RM 1,800	RM 3,000
	GG7	RM 1,950	RM 3,650
	GG8	RM 2,100	RM 4,350
Supervisory	GG7	RM 2,050	RM 4,450
	GG8	RM 2,350	RM 5,000

## **ARTICLE: 44 – SHIFT ALLOWANCES**

#### 1. Shift Allowance

a) All employees doing shift work will be paid shift allowances as follows: (This shall be voided after new shift pattern implementation)

Afternoon shift: RM4.90 per day Night shift : RM8.15 per day

b) All employees doing 12 hours shift work will be paid shift allowances as follows: (This shall be effective as for new shift pattern implementation)

Day shift : RM7.00 per day Night shift : RM12.00 per day

c) All employees doing two (2) rotating shift (8hours) will be paid shift allowances as follows:

Afternoon shift : RM4.90 per day

50

#### **ARTICLE: 45 - SERVICE AWARD**

1. The Company recognizes its long serving employees and rewards them accordingly.

#### 2. Conditions:

a) All confirmed employees are entitled to the awards as long as they are still employed on the day of presentation.

b) Employees on international assignment (outbound assignees) will follow the home policy and are eligible for this award. The awards are as follows:-

i. 5 years of service - RM400 + Certificate

ii. 10 years of service - RM700 + Certificate

iii. 15 years of service - RM1200 + Certificate

iv. 20 years of service - RM1500 + Certificate

v. 25 years of service - RM2000 + Certificate

vi. 30 years of service - RM3000 + Certificate

vii. 35 years of service - RM4000 + Certificate

viii. 40 years of service - RM5000 + Certificate

3. The Company reserves the right to change the cash value when it deems necessary.





#### **ARTICLE: 46 - EXISTING BENEFITS, INTERPRETATION AND** IMPLEMENTATION

Notwithstanding the provisions of this Agreement, existing benefits provided but not covered by the provisions of this Agreement shall continue to remain in force.

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# ARTICLE: 47 – SPORTS AND RECREATIONAL SOCIAL ACTIVITIES UNDER STATE AND NATIONAL REPRESENTATIVE

- 1. Employees representing the Company at national level in the areas of sports and cultural activities shall forward paid leave application to the Company.
- 2. The Company where appropriate will grant paid leave up to a maximum of five (5) working days leave in one calendar year.

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#### **ARTICLE: 48 – BIRTH GIFT**

- 1. Employees will be eligible to RM150.00 for each child birth subject to five (5) surviving children including the newborn.
- 2. Employee must produce documentary proof within three (3) months from date of the childbirth to be eligible for the birth claim.

#### Dated 8th of November 2022

In witness whereof the parties hereto set their hands hereunto the date and year as mentioned above.

Signed for and on behalf of the Management, Infineon Technologies (Malaysia) Sdn. Bhd.:

Signed for and on behalf of the union, Kesatuan Pekerja Pekerja Infineon Technologies (Malaysia) Sdn. Bhd.:



Eng Seng Meng Managing Director



Jauhar Bin Mohd Dawi President



Florian Herrmann Chief Financial Officer



Mohd Khairul bin Buang @ Buyang Secretary



Terry Khoo Vice President Human Resources



M. Hazimin Bin Mohtar Treasurer

MOHAMAD SH

D SHOWAN BIN MOHD JAINI

Penolong Pendahar,

Pendaftaran Pusat Perjanjian Kolektif

Mchkemah Perusahaan, 50400KUALA LUMPUR.