



# STO Policy

## *Human Resource Policy*

© STO plc



**At STO, we are committed to fairness, growth, and integrity, empowering every employee.**

The HR Policy of STO outlines various aspects of human resource management to ensure consistent practices across the organization. It covers attendance, benefits, code of conduct, leave, confidentiality, and disciplinary actions. This policy promotes a fair and structured approach to managing absenteeism, compensation, and employee conduct, ensuring compliance with legal and ethical standards. It emphasizes confidentiality, anti-harassment measures, and grievance resolution, ensuring issues are handled promptly and sensitively. Employee development is supported through learning and development initiatives, while overtime and performance management are regulated to ensure fairness. The Policy also outlines procedures for recruitment, resignation, termination, and maintaining professional dress codes, while ensuring employee welfare remains a priority. This comprehensive policy is designed to align with the company's strategic goals, providing clarity and promoting a positive workplace environment.



# Human Resource Policy

## **Purpose**

To establish and maintain consistent human resources practices in the workplace.

## **Effective date**

Since April 2017.

## **Scope**

This Policy covers all HR related policies and is applicable to all employees of STO. If any of the provisions is applicable to another party, it would be specified in the Policy separately. This Policy shall be read in conjunction with the employee handbook, operations manual and related circulars and internal memos.

## **Policy Statement**

This HR Policy is designed to serve the following needs:

- To provide access to resources necessary for successful employment.
- To foster communication and promote understanding between staff and their superiors.
- To provide a review of STO's human resource policies, procedures and benefit programs.
- To assist the development of sound and consistent human resource practices and resources within the organization.



# Human Resource Policy Principles

## 1. Attendance Policy

- a. Absenteeism is defined as being absent from work on any scheduled workday, even though the employee has notified the Company.
- b. No-show is defined as being absent from work on any scheduled workday, and the employee has not notified the Company.
- c. Tardiness shall be considered as reporting to work later than the scheduled starting time.
- d. Absence due to approved vacations or holidays, and work-related injuries will not be recorded as an occurrence of absence for purposes of disciplinary action.

- e. The operation hours for all offices, sites and other business premises of the Company will be communicated through working hours circulars.

## 2. Benefits and Eligibility / Compensation Policy

- a. The Company shall strive to provide comprehensive benefits packages that enables it to attract and retain highly skilled and talented employees for all positions.
- b. The Policy links and aligns the Company's vision, mission, core values and strategic goals to its benefits practices.

- c. The policy shall support current and future workforce improvement initiatives in areas such as retention, diversity and recruitment.
- d. The Policy shall stipulate how the Company manages benefit decisions for employees.
- e. The Company shall provide a mechanism for educating employees and communicating the Company's values and expectations for benefits.
- f. The Company shall offer a consistent framework, which shall reduce the time and money associated with inconsistent employee benefit planning and subjective decision-making activities.



# Human Resource Policy Principles

- g. The Company shall provide systematic, ongoing communication with management and employees about the current classification and compensation system, and about changes to the system when they occur.
- h. Salary structure & related allowances shall be based upon steps /levels and qualifications and needs approval of the Board of Directors.
- i. Benefit package shall be reviewed and changed on need basis.

### 3. Code of Conduct

- a. The Code shall be designed with consideration for Company's values, the clients work, and the service provided.
- b. The Code shall provide guidelines for acceptable behavior and ensure compliance with relevant legislations.
- c. The Company shall establish and maintain adequate systems, procedures and controls to prevent and detect fraud, theft, and breach of trust, conflict of interest, bias and any other form of wrongdoing.

### 4. Leave Policy

- a. Immediate Supervisor shall be responsible for leave authorization.
- b. Leave guidelines shall be applied in an equitable manner to eligible employees.
- c. The Company shall maintain leave records for each employee.



# Human Resource Policy Principles

## 5. Confidentiality Policy

- a. The Company shall strive to establish and maintain adequate systems, procedures and controls to prevent misuse of company confidential information.
- b. Upon receiving written disclosure of an actual or potential breach of this Policy, reasonable steps must be taken to ensure that the matter is addressed in the appropriate manner.
- c. Line Managers must maintain adequate safeguards in record keeping and monitor adherence to the confidentiality procedures.

## 6. Disciplinary Policy

- a. Disciplinary matters shall be dealt with consistently and in a timely manner.
- b. No disciplinary action shall be taken against an employee until the Company has investigated the circumstances of the alleged misconduct.
- c. All parties involved in these procedures must ensure that they maintain the confidentiality of the process within and outside the Company.
- d. All disciplinary actions taken shall be documented with the necessary signatures. If the employee's inappropriate behavior or performance continues,

the employee can be dismissed or terminated. Dismissal shall only occur, depending on the seriousness of the issue or when all other efforts to correct the problem have failed.

## 7. Discrimination and Anti-harassment Policy

- a. Complaints of discrimination, bullying and harassment will be treated seriously by the Company and will be managed promptly in a thorough and confidential manner, ensuring that complainants and witnesses are not victimized.



# Human Resource Policy Principles

- b. Complaints will be dealt with as quickly as possible with resolution as close as possible to the source.
- c. All complaints regarding sexual harassment will be dealt promptly and sensitively by the assigned committee to review complaints and other matters on harassment.
- d. All parties involved in the resolution processes are encouraged to participate in good faith and the principles of natural justice and procedural fairness will be observed.

## 8. Grievance and Conflict Resolution Policy

- a. All disputes and grievances will be dealt with sensitively, promptly and in confidence.
- b. Staff should not be discouraged from raising a grievance.
- c. Disciplinary and Grievance matters will be reviewed by a designated committee.

## 9. Learning and Development Policy

- a. A yearly staff training and development plan must be produced in consultation with all department heads and HR. The plan should provide justification for the

identified learning needs and the cost involved, with budget to be approved by the Board of Directors.

- b. The HR Department is centrally responsible for providing advice, guidance and opportunities for staff, based on information received. It is also responsible for evaluating all centrally funded events to ensure they are cost-effective and to the benefit of the Company. The HR department will fully administer all such events.
- c. Heads of Departments are responsible for identifying development needs and encouraging their staff to participate in development programs.



- d. Individuals may identify and suggest learning opportunities to their HODs based on their current job descriptions and career aspirations.
- e. The HR Department will monitor and advise on all staff development activity aiming to ensure equity and fairness throughout.

## **10. Overtime Policy**

- a. Immediate Supervisors of staff carry the responsibility for ensuring that overtime claims are legit and properly monitored. The HR Department is responsible to lay out the procedures for claiming overtime hours at work, in consultation with other HODs.

- b. It is the responsibility of the Immediate Supervisors to ensure that the overtime guidelines are followed by the employees at all times. Clear authorization for approval of overtime should be exercised.
- c. Ensure that employees are aware of overtime guidelines.
- d. Establish and maintain adequate systems, procedures and controls to ensure proper documentation and prevention of abuse of overtime claims and payments.

## **11. Performance Management Policy**

- a. Performance evaluations are to be conducted once

- a year, and after completion of probation period.
- b. The respective immediate supervisor is responsible for assessing staff performance.
- c. Performance management should be conducted in an integrated way, and in accordance with the Company strategy for the development of employees.
- d. Individual staff are responsible for fulfilling the requirements defined in their staff performance management work plan, which outlines tasks, objectives and performance indicators.





- e. All evaluation forms should be approved by HOD. Managerial and professional staff evaluation forms that are recommended for a promotion would require MD's approval, and where required, relevant forms will be submitted to the Evaluation Committee

## 12. Privacy Policy

- a. HR Department has the responsibility of ensuring the employee information remains confident at all times.
- b. Personal employee information will be considered confidential and as such will be shared only as required and with those who have

a need to have access to such information.

- c. All hard copy records will be maintained in locked, secure areas with access limited to those who have a need for such access.
- d. Personal employee information used in business system applications will be safeguarded under company proprietary electronic transmission and intranet policies and security systems.
- e. Participants in company benefit plans should be aware that personal information will be shared with plan providers as required for their claims handling or record keeping needs.

## 13. Recruitment Policy

- a. Recruitments should be budgeted every year and should be approved by the Board. If there is a need for an unbudgeted recruitment, a justification must be provided with MD's approval.
- b. Induction programs are to be conducted for newly recruited staff.
- c. The Company will seek to recruit the best candidate for the job based on the announcement for the job requirement. The recruitment and selection process should ensure the identification of the person best suited to the job.



# Human Resource Policy Principles

- d. Ensure that the recruitment and selection of staff is conducted in a professional, timely and responsive manner and in compliance with current employment legislation.
- e. Provide appropriate training, development and support to those involved in recruitment and selection activities in order to meet this core principle.
- f. The Company will ensure that its recruitment and selection process is cost effective.
- g. All documentation relating to applicants will be treated confidentially.

## 14. Sick Leave Policy

- a. In cases where the employee wishes to utilize their sick leave, the immediate supervisor must be notified as per sick leave guideline/procedure stipulated under employee handbook and respective circulars.
- b. Immediate Supervisor is responsible for sick leave authorization.
- c. HR department is responsible for assisting to facilitate sick leave policies and ensure guidelines are followed.
- d. The sick leave policy will be applied in an equitable manner to all eligible employees.

- e. The Company must maintain sick leave records for each employee.

## 15. Resignation, Termination and Retirement Policy

- a. The Company will provide a process for the effective termination of employees with appropriate consideration of organizational needs, whilst ensuring a transparent and fair process, the provision of associated entitlements, and clear communication of important and sensitive information.



# Human Resource Policy Principles

- b. All information relating to the termination of employment or separation of employees will remain confidential to those involved in the process and the reason for termination of employment may not be disclosed unless requested by the employee.
- c. In the event of resignation or termination the Company will provide an opportunity for all voluntarily terminating employees to participate in a confidential exit survey or interview to discuss the organization's strengths and weaknesses, provide feedback about their reasons for leaving and to

assist with better understanding the variety of experiences of working at the Company.

- d. It is the responsibility of departing employees to return all the company property assigned to him/her in good condition prior to the end date.
- e. Due payments of the departing employee will be deducted from his full and final payment and any remaining balances of due payment will be shared to the employee by respective department assigned for it.
- f. Separation or termination of employment will be managed in accordance with the requirements of relevant legislation and as specified in the relevant Company Procedure

## **16. Resignation, Termination and Retirement Policy**

- a. All employees are obliged to demonstrate professionalism through their appearance.
- b. The dress code guidelines are comprised of three parts:
  - Cleanliness
  - Grooming
  - Clothing
- c. The following guidelines must be always observed regardless of the formality of dress required in any situation:
  - i. All employees must be clean and well-groomed.



# Human Resource Policy Principles

- i. All clothes must be appropriate for the office. Clothes worn typically in workouts, outdoor activities or recreation ventures are not allowed (this can be worn only for recreational activities with the relevant approvals).
- ii. All clothes must project professionalism. Clothes that are too revealing or inappropriate for a specific situation are prohibited.
- iii. Employees should avoid clothes with stamps that might be perceived as offensive or inappropriate.
- d. The Company will be clear on which type of dress code it requires and what this means for each employee in a specific position. The dress code may also be occasionally altered in cases of special events.
- e. The Company may introduce a particular day in the week when employees may wear more casual clothing. This will not apply in cases where an employee has meetings with clients, partners or other external parties.

## 17. Welfare Policy

The Company is committed to producing a caring and supportive working environment in case of emergency which encourages the welfare of all employees. In order to develop employees towards their full potential, the Company takes responsibility in providing its employees with welfare and other benefits as approved by the management after reviewing the situation.



© State Trading Organization Plc. All rights reserved.

