

March


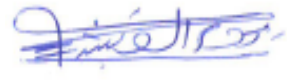
Human Capital  
Manual

2020

---

Revision 2.0

| Document History |         |                      |                      |                  |                                                                                                                                                                               |
|------------------|---------|----------------------|----------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Issue No         | Rev. No | Date Issued /Revised | Prepared /Revised By | Reviewed By      | Brief on Revision                                                                                                                                                             |
| 1                | 1       | May, 2018            | Sunny Thomas         | Yahya Al Ghabshi | <ul style="list-style-type: none"> <li>Initial Issue</li> </ul>                                                                                                               |
| 1                | 2       | March, 2020          | Sunny Thomas         | Yahya Al Ghabshi | <ul style="list-style-type: none"> <li>The Manual been updated as per Abraj Documents Structure.</li> <li>Human Capital Committee section been added in Chapter 1.</li> </ul> |

| Document Authorization |                                                                                    |                                                                                      |
|------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Revision 2.0           | Document Owner                                                                     | Document Custodian                                                                   |
|                        | Abdullah Al Hady                                                                   | Yahya Al Ghabshi                                                                     |
|                        |  |  |
| March 2020             | Managing Director                                                                  | Human Capital Director                                                               |

**User Notes:**

This document is the property of Abraj Energy Services S.A.O.C. Neither the whole nor any part of this document may be disclosed to others or reproduced, stored in a retrieval system, or transmitted in any form by any means (electronic, mechanical, reprographic recording or otherwise) without prior written consent of the owner.

The requirements of this document are mandatory. Non-compliance shall only be authorized by Quality department through STEP-OUT approval.

A controlled copy of the current version of this document is on available in Abraj document management system. Before making reference to this document, it is the user's responsibility to ensure that any hard copy, or electronic copy, is current. For assistance, contact the Document Custodian.

Users are encouraged to participate in the ongoing improvement of this document by providing constructive feedback to the Document Custodian. Uncontrolled copies of this document may be issued to interested parties or customers, subject to the consent of the Document Custodian.

**MESSAGE**

May 2018

We are glad to forward Abraj Human Capital Manual in line with the HC Manual of Oman Oil Group of Companies. This manual will familiarize Human Capital Policies & Processes on a broader perspective. With this amended HC Manual, Abraj Human Capital Policies published in June 2009 is no more valid.

You are advised to read, understand and comply with provisions of revised Human Capital manual. This manual will also provide transparency in communication on rights and duties of employees and Abraj expectations from its employees.

No Manual can anticipate every circumstance or clarifications on policies, therefore detailed procedures on Human Capital functions are made available from time to time to keep you updated. You may contact Abraj Human Capital Department for further clarifications.

Sincerely,

**Yahya Al Ghabshi**  
**Director – Human Capital**

**Abdullah Al Hadi**  
**Acting Managing Director**

## **Table of Contents**

|                                                                  |           |
|------------------------------------------------------------------|-----------|
| 1.0 Purpose .....                                                | 12        |
| 2.0 Scope .....                                                  | 12        |
| 4.0 Responsibility.....                                          | 13        |
| 5.0 References.....                                              | 13        |
| <b>1 Chapter One: Company Overview .....</b>                     | <b>15</b> |
| 1.2 Abraj background.....                                        | 15        |
| 1.3 Abraj Vision Statement.....                                  | 15        |
| 1.4 Abraj Mission Statement .....                                | 15        |
| 1.5 Abraj Core Values.....                                       | 15        |
| 1.6 Abraj Head Office .....                                      | 15        |
| 1.7 Ownership of the Company .....                               | 15        |
| 1.8 Organization Structure.....                                  | 16        |
| 1.9 Human Capital Committee.....                                 | 16        |
| <b>2 Chapter Two: Introduction to Human Capital Manual .....</b> | <b>18</b> |
| 2.1 Overview .....                                               | 18        |
| 2.2 Purpose .....                                                | 18        |
| 2.3 Rights Reserved.....                                         | 18        |
| 2.4 Governance .....                                             | 18        |
| 2.5 Application of the Human Capital Manual.....                 | 19        |
| 2.6 Distribution of the Human Capital Manual .....               | 19        |
| 2.7 Interpretation of the Human Capital Manual.....              | 19        |
| 2.8 Definitions .....                                            | 19        |
| <b>3 Chapter Three: Resourcing.....</b>                          | <b>24</b> |
| 3.1 Workforce Planning .....                                     | 24        |
| 3.2 Organization.....                                            | 26        |
| 3.3 Recruitment.....                                             | 26        |
| 3.4 Internal Recruitment .....                                   | 27        |
| 3.5 External Recruitment.....                                    | 28        |
| 3.6 Headhunting agencies .....                                   | 28        |
| 3.7 Short-term Contractors .....                                 | 29        |
| 3.8 Employment of Relatives.....                                 | 30        |
| 3.9 Rehiring of Employees.....                                   | 30        |
| 3.10 Selection.....                                              | 31        |
| 3.11 Joining Formalities (Pre-Employment) .....                  | 35        |

|      |                                                             |    |
|------|-------------------------------------------------------------|----|
| 3.12 | On-Boarding Process .....                                   | 37 |
| 4    | Chapter Four: Employment Administration and Management..... | 41 |
| 4.1  | Overview .....                                              | 41 |
| 4.2  | Purpose .....                                               | 41 |
| 4.3  | Scope.....                                                  | 41 |
| 4.4  | Policy .....                                                | 41 |
| 4.5  | Formalities on Joining the Company .....                    | 41 |
| 4.6  | Basics of the Employment Contract.....                      | 41 |
| 4.7  | Standard Contract of Employment – MOM.....                  | 41 |
| 4.8  | Standard Company Employment Contract .....                  | 42 |
| 4.9  | Duration of Standard Contract of Employment .....           | 42 |
| 4.10 | Short-Term Employment Contracts .....                       | 43 |
| 4.11 | Changes in Terms of Employment.....                         | 43 |
| 4.12 | Probation Period .....                                      | 43 |
| 4.13 | Employee Records .....                                      | 44 |
| 5    | Chapter Five: Working Hours and Attendance.....             | 48 |
| 5.1  | Overview .....                                              | 48 |
| 5.2  | Purpose .....                                               | 48 |
| 5.3  | Scope.....                                                  | 48 |
| 5.4  | Policy .....                                                | 48 |
| 5.5  | Work Hours and Attendance.....                              | 48 |
| 5.6  | Ramadan Working Hours .....                                 | 50 |
| 5.7  | Overtime.....                                               | 50 |
| 5.8  | Backup Planning and Delegation .....                        | 51 |
| 6    | Chapter Six: Leaves .....                                   | 54 |
| 6.1  | Overview .....                                              | 54 |
| 6.2  | Purpose .....                                               | 54 |
| 6.3  | Scope.....                                                  | 54 |
| 6.4  | Policy .....                                                | 54 |
| 6.5  | Annual Leave.....                                           | 54 |
| 6.6  | Emergency Leave.....                                        | 57 |
| 6.7  | Marriage Leave .....                                        | 57 |
| 6.8  | Sick Leave Entitlement .....                                | 57 |
| 6.9  | Compassionate Leave .....                                   | 58 |
| 6.10 | Iddah Leave (Death of a Husband of a Muslim Wife) .....     | 59 |

|        |                                                        |    |
|--------|--------------------------------------------------------|----|
| 6.11   | Hajj (Pilgrimage) Leave.....                           | 59 |
| 6.12   | Examination Leave .....                                | 59 |
| 6.13   | Maternity, Nursing Time-Off and Paternity Leaves ..... | 60 |
| 6.13.1 | Maternity Leave.....                                   | 60 |
| 6.13.2 | Nursing time-off.....                                  | 60 |
| 6.13.3 | Paternity Leave .....                                  | 60 |
| 6.14   | Public Holidays.....                                   | 60 |
| 6.15   | Unpaid leave.....                                      | 61 |
| 6.16   | Disability Leave – AS PER CURRENT PRACTICE .....       | 61 |
| 6.17   | Absence from Duties .....                              | 62 |
| 7      | Chapter Seven: Talent Mobility.....                    | 64 |
| 7.1    | Overview .....                                         | 64 |
| 7.2    | Definitions .....                                      | 64 |
| 7.3    | Purpose .....                                          | 64 |
| 7.4    | Scope.....                                             | 65 |
| 7.5    | Eligibility .....                                      | 65 |
| 7.6    | General Guidelines.....                                | 65 |
| 7.7    | Initiation of an Assignment .....                      | 66 |
| 7.8    | Assignment Letter .....                                | 66 |
| 7.9    | Termination of the Assignment.....                     | 66 |
| 7.10   | Local Assignments.....                                 | 67 |
| 7.11   | Policy .....                                           | 68 |
| 7.12   | Status of Assignment .....                             | 68 |
| 7.13   | Local Assignment Benefits/Allowance.....               | 69 |
| 7.14   | Acting Allowance.....                                  | 69 |
| 7.15   | Accommodation & Furniture.....                         | 69 |
| 7.16   | Medical insurance.....                                 | 70 |
| 7.17   | Life insurance .....                                   | 70 |
| 7.18   | Annual leave & Ticket (Region Based).....              | 70 |
| 7.19   | Relocation Leave .....                                 | 70 |
| 7.20   | School Fees.....                                       | 70 |
| 7.21   | Pension Scheme.....                                    | 71 |
| 7.22   | End of Service Benefits.....                           | 71 |
| 7.23   | Relocation .....                                       | 71 |
| 7.24   | International Assignments .....                        | 71 |

|       |                                                        |    |
|-------|--------------------------------------------------------|----|
| 7.25  | Cost of Living Allowance (COLA):.....                  | 73 |
| 7.26  | Hardship Allowance.....                                | 73 |
| 7.27  | Accommodation .....                                    | 74 |
| 7.28  | Transportation Allowance (Car Rental) .....            | 74 |
| 7.29  | Medical Insurance.....                                 | 74 |
| 7.30  | Life Insurance.....                                    | 74 |
| 7.31  | Relocation Expenses.....                               | 74 |
| 7.32  | Public Holidays and Annual Leave .....                 | 75 |
| 7.33  | Relocation Leave .....                                 | 75 |
| 7.34  | School Fees.....                                       | 75 |
| 7.35  | Other School related fees.....                         | 76 |
| 7.36  | Home leave Air ticket .....                            | 76 |
| 7.37  | Pension Scheme.....                                    | 76 |
| 7.38  | Payment of Salary-Host Country Currency.....           | 76 |
| 7.39  | Claim Window.....                                      | 77 |
| 7.40  | Tax Policy on International Assignment .....           | 77 |
| 7.41  | International Assignment Program Administration .....  | 77 |
| 7.42  | Host Country Local Laws and Regulations.....           | 78 |
| 7.43  | Repatriation.....                                      | 78 |
| 7.44  | Permanent Transfer within OOC Group of Companies ..... | 78 |
| 7.45  | Employment Contract.....                               | 79 |
| 7.46  | Pension Scheme.....                                    | 79 |
| 7.47  | Medical Tests .....                                    | 79 |
| 7.48  | Annual Leave.....                                      | 79 |
| 7.49  | End of Service Benefit (EOSB).....                     | 79 |
| 7.50  | Company Assets.....                                    | 79 |
| 7.51  | Sharing of Documents.....                              | 80 |
| 7.52  | Salary Certificates and Experience Letter.....         | 80 |
| 8     | Chapter Eight: End of Employment.....                  | 82 |
| 8.1   | Overview .....                                         | 82 |
| 8.2   | Purpose .....                                          | 82 |
| 8.3   | Scope.....                                             | 82 |
| 8.4   | Policy .....                                           | 82 |
| 8.5   | Various Types of Termination of Services .....         | 82 |
| 8.5.1 | Termination during the Probationary Period.....        | 82 |

|        |                                                                |    |
|--------|----------------------------------------------------------------|----|
| 8.5.2  | Expiry of Employment Contract .....                            | 83 |
| 8.5.3  | Resignation .....                                              | 83 |
| 8.5.4  | Retirement.....                                                | 83 |
| 8.5.5  | Early Retirement .....                                         | 84 |
| 8.5.6  | Medical Termination Based on Disability .....                  | 84 |
| 8.5.7  | Death .....                                                    | 85 |
| 8.5.8  | Abandonment of Service .....                                   | 86 |
| 8.5.9  | Termination of Employment Due to Serious Misconduct.....       | 86 |
| 8.5.10 | Termination of Employment Due to Poor Performance .....        | 87 |
| 8.6    | Final Settlement Entitlement .....                             | 87 |
| 8.7    | Return of Company Property .....                               | 87 |
| 8.8    | Resignation from Representative Capacity .....                 | 87 |
| 8.9    | Exit Formalities.....                                          | 87 |
| 9      | Chapter Nine: Job Design .....                                 | 90 |
| 9.1    | Overview .....                                                 | 90 |
| 9.2    | Purpose .....                                                  | 90 |
| 9.3    | Scope.....                                                     | 90 |
| 9.4    | Policy .....                                                   | 90 |
| 9.5    | Guideline .....                                                | 90 |
| 9.6    | Elements of Job descriptions .....                             | 90 |
| 10     | Chapter Ten: Performance Management .....                      | 93 |
| 10.1   | Overview .....                                                 | 93 |
| 10.2   | Purpose .....                                                  | 93 |
| 10.3   | Scope.....                                                     | 93 |
| 10.4   | Policy .....                                                   | 93 |
| 10.5   | Company Target Setting.....                                    | 94 |
| 10.6   | Individual Target Setting .....                                | 94 |
| 10.7   | Mid-Year Process .....                                         | 95 |
| 10.8   | Annual Performance Review.....                                 | 95 |
| 10.9   | Rating Scale .....                                             | 95 |
| 10.10  | Performance Review Committee.....                              | 95 |
| 10.11  | Low Performers Improvement Plan .....                          | 96 |
| 10.12  | Bonus distribution in the Company .....                        | 96 |
| 10.17  | Bonus Eligibility .....                                        | 97 |
| 10.18  | Elements not to be factored as Part of Bonus Calculation ..... | 98 |



|       |                                                                         |     |
|-------|-------------------------------------------------------------------------|-----|
| 10.19 | Increment .....                                                         | 98  |
| 11    | Chapter Eleven: Talent Management.....                                  | 101 |
| 11.1  | Overview .....                                                          | 101 |
| 11.2  | Purpose .....                                                           | 101 |
| 11.3  | Scope.....                                                              | 101 |
| 11.4  | Talent Board .....                                                      | 101 |
| 11.5  | Succession Planning.....                                                | 102 |
| 11.6  | Career Management .....                                                 | 103 |
| 11.7  | Competency Framework.....                                               | 105 |
| 11.8  | Learning & Development .....                                            | 105 |
| 11.9  | Skills Transfer.....                                                    | 107 |
| 11.10 | Individual Development Plan (IDP) .....                                 | 107 |
| 11.11 | Types of Learning & Development Initiatives/Trainings.....              | 108 |
| 11.12 | Training Evaluation.....                                                | 110 |
| 11.13 | Education Assistance for Omani Employees in Head Office positions ..... | 110 |
| 11.14 | Eligibility for Training .....                                          | 111 |
| 11.15 | Internships.....                                                        | 111 |
| 11.16 | Duration of Internship.....                                             | 112 |
| 11.17 | Structured Learning of Interns .....                                    | 112 |
| 11.18 | Contract and Certificate .....                                          | 112 |
| 11.19 | Promotions.....                                                         | 112 |
| 12    | Chapter Twelve: Employee Engagement .....                               | 115 |
| 12.1  | Overview .....                                                          | 115 |
| 12.2  | Purpose .....                                                           | 115 |
| 12.3  | Policy .....                                                            | 115 |
| 12.4  | Accountabilities of different levels .....                              | 115 |
| 12.5  | Senior Management Accountabilities .....                                | 115 |
| 12.6  | Line Managers Accountabilities.....                                     | 116 |
| 12.7  | Human Capital Accountabilities.....                                     | 116 |
| 12.8  | Employees' Accountabilities.....                                        | 116 |
| 12.9  | Employee Engagement Surveys .....                                       | 117 |
| 12.10 | Staff Gatherings .....                                                  | 117 |
| 13    | Chapter Thirteen: Disciplinary & Appeal .....                           | 120 |
| 13.1  | Overview .....                                                          | 120 |
| 13.2  | Purpose .....                                                           | 120 |

|         |                                                                   |     |
|---------|-------------------------------------------------------------------|-----|
| 13.3    | Scope.....                                                        | 120 |
| 13.4    | Responsibilities .....                                            | 120 |
| 13.5    | Policy .....                                                      | 121 |
| 13.6    | Counseling / Informal Process.....                                | 121 |
| 13.7    | Formal Disciplinary Procedure.....                                | 122 |
| 13.8    | Forms of Disciplinary Action.....                                 | 123 |
| 13.9    | Suspension .....                                                  | 124 |
| 13.10   | Refusal to Receive a Penalty Notification .....                   | 125 |
| 13.11   | Documentation .....                                               | 125 |
| 13.12   | Appeal.....                                                       | 125 |
| 14      | Chapter Fourteen: Grievances .....                                | 128 |
| 14.1    | Overview .....                                                    | 128 |
| 14.2    | Purpose .....                                                     | 128 |
| 14.3    | Scope.....                                                        | 128 |
| 14.4    | Policy .....                                                      | 128 |
| 14.5    | Grievance Process .....                                           | 128 |
| 15      | Chapter Fifteen: Compensation & Benefits .....                    | 131 |
| 15.1    | Overview .....                                                    | 131 |
| 15.2    | Purpose .....                                                     | 131 |
| 15.3    | Scope.....                                                        | 131 |
| 15.4    | Policy .....                                                      | 131 |
| 15.5    | Review of the Compensation Structure & Benefits .....             | 131 |
| 15.6    | Job Evaluation and Grading Structure.....                         | 132 |
| 15.7    | Salary Structure .....                                            | 132 |
| 15.8    | Compensation Guidelines .....                                     | 133 |
| 15.9    | Salary Administration .....                                       | 133 |
| 15.10   | 13th month salary for Omani Head Office based employees only..... | 133 |
| 15.11   | Employee Benefits.....                                            | 133 |
| 15.11.1 | Employee Recognition Scheme .....                                 | 133 |
| 15.11.2 | Recognition Guidelines .....                                      | 133 |
| 15.11.3 | Employee Recognition Grid.....                                    | 134 |
| 15.11.4 | Workload Allowance.....                                           | 135 |
| 15.11.5 | Acting Allowance payable for Head Office employees .....          | 135 |
| 15.11.6 | Acting Allowance for field positions.....                         | 136 |
| 15.11.7 | Emergency Loan.....                                               | 136 |

|                    |                                                                             |     |
|--------------------|-----------------------------------------------------------------------------|-----|
| 15.11.8            | Educational Assistance for Children of Expatriate Head Office Employees.... | 137 |
| 15.11.9            | Provision of Mobile Telephone Service .....                                 | 137 |
| 15.11.10           | End of service Benefit (EOSB) .....                                         | 138 |
| 15.11.11           | Public Authority for Social Insurance (PASI) .....                          | 138 |
| 15.11.12           | Professional Body Membership .....                                          | 138 |
| 15.11.13           | Annual Passage for Expatriate Employees (Leave Travel Assistance - LTA)     | 138 |
| 15.11.14           | MEDICAL & Health coverage .....                                             | 139 |
| 15.11.15           | Work Accidents and Industrial Sickness .....                                | 139 |
| 15.11.16           | Insurance.....                                                              | 140 |
| 15.11.17           | Fitness and Health Club.....                                                | 140 |
| 15.11.18           | International Travel.....                                                   | 140 |
| 15.11.19           | Travel Allowance.....                                                       | 141 |
| 15.11.20           | Kit Allowance .....                                                         | 141 |
| 15.11.21           | Other Travel Incidental Expenses .....                                      | 142 |
| 15.11.22           | Reimbursable expenses are: .....                                            | 142 |
| 15.11.23           | Other Benefits for Omani employees.....                                     | 142 |
| 15.11.24           | Vehicle Policy - LOCAL TRANSPORTATION.....                                  | 143 |
| 15.11.25           | FUEL FOR COMPANY PROVIDED VEHICLES .....                                    | 143 |
| 15.11.26           | RULES RELATED TO COMPANY VEHICLES.....                                      | 144 |
| 15.11.27           | DAMAGES & ACCIDENTS TO COMPANY VEHICLES.....                                | 144 |
| 15.11.28           | REPLACEMENT OF COMPANY PROVIDED VEHICLES.....                               | 144 |
| Annexure 1.....    |                                                                             | 145 |
| Annexure 1- a..... |                                                                             | 147 |

## 1.0 Purpose

This Policy is applicable to all Abraj employees who are on the payroll of the Abraj Energy Services SAOC.

The purpose of Human Capital manual is to:

- I. Form the basis for the management of Employees and the framework of terms and conditions in which they operate.
- II. Provide complete transparency in the application and implementation of the Human Capital policies and procedures.
- III. Apply all norms on an equitable basis to all Employees throughout Abraj employees.
- IV. Create flexibility to allow improvements and changes in policy, based on requirements warranted by the external and / or internal environment.
- V. Create a corporate culture based on the philosophy that most valuable asset of Abraj is its Employees.

## 2.0 Scope

Abraj Human Capital Policy is for clarifying employee benefits to attract and retain talents at Abraj with the working conditions as required.

## 3.0 Definitions

“**Company**” means Abraj Energy Services SAOC

“**OOC**” means Oman Oil Company SAOC

“**Board**” means Board of Directors of the Company

“**MD**” means Managing Director of Abraj Energy Services SAOC

“**DHC**” means Director Human Capital

“**Senior Management Team**” means the Executive Management who reports directly to MD

“**HC**” means Human Capital

“**HCD**” means Human Capital Department

“**Functional Head**” means the highest position in that particular Department

“**Line Manager**” means the direct supervisor of the Employee

“**Employee**” means an Employee who is hired by the Company under an employment contract to fill the established position and perform work for the Company under its direct supervision and control

“**Labor Law**” means the Omani Labor law (promulgated by Royal Decree 35/2003, as amended) is the primary law regulating employment-related issues and mainly sets out specific article(s) on Obligations and Duties of the employers towards employees' rights and benefits in the workforce

“**Government**” means the government of the Sultanate of Oman

“**MOM**” means the Ministry of Manpower of the Sultanate of Oman

“**MOG**” means the Ministry of Oil and Gas of the Sultanate of Oman

“**PASI**” means the Public Authority of Social Insurance

“**GCC**” means the Gulf Cooperation Council

#### **4.0 Responsibility**

Director Human Capital is the responsible person for interpretation, revision and review of Human Capital Policy Manual and procedure as and when required.

#### **5.0 References**

Abraj Human Capital Policy is based on Oman Labor Law and can be referred when more clarity is required, since Oman Labor Law is the base document.

# Chapter One

## Company Overview

## **1 Chapter One: Company Overview**

**1.1** This chapter describes the essential information on Abraj Energy Services SAOC registration, vision, mission, and core values, as well as the company structure.

### **1.2 Abraj background**

**1.2.1** Abraj Energy Services SAOC was set up in May 2006 by Oman Oil Company SAOC to establish presence in the oilfield services business. Abraj is currently providing services of Drilling, Workover Hoists in addition to Well Engineering & Well Services activities.

**1.2.2** Well Services activities include Fracturing, Cementing, Well test, Well Intervention, Coil tubing, Flow back and Drilling fluids.

### **1.3 Abraj Vision Statement**

**1.3.1** To be a Company of excellence providing regional and international Well Engineering Design Consultancy, Well Construction & Well Services; devoting all efforts to ensure safe, incident-free operations and customer satisfaction, by utilizing talented and motivated staff, highly experienced manpower, finest equipment and innovative technology.

### **1.4 Abraj Mission Statement**

**1.4.1** To provide a safe, efficient and effective Well Engineering Services guided by prudent international business principles in a professional and customer-focused manner, pledging to deliver sustainable growth and social prosperity.

### **1.5 Abraj Core Values**

**1.5.1** Deliver quality Oil field services at a reasonable profit, high customer satisfaction through state of art equipment and talented staff.

### **1.6 Abraj Head Office**

**1.6.1** Abraj head office is located in the following address: -

**1.6.2** Abraj Energy Services SAOC Al Assalah Building, 3rd Floor, Al Ghoubra, P.O. Box 1156 / P.C. 130 Muscat, Oman

### **1.7 Ownership of the Company**

**1.7.1** Abraj Energy Services SAOC is owned ultimately by Oman Oil Company through the following shareholders: -

- I. Oman Oil Company (Exploration & Production) LLC
- II. OOCEP Holding Limited
- III. Musandam Gas Plant LLC

## 1.8 Organization Structure

- 1.8.1** The Organization Structure is a visual representation of the relationship between all departments/functions in the Company. The Organization structure is designed to help the company serve its customers efficiently; manage its manpower effectively while ensuring that the business objectives are consistently met.
- 1.8.2** Requests for changes in the Organization structure can either be received by the DIRECTOR - HUMAN CAPITAL or carried out as part of an Organization wide restructuring due to change in strategy, business expansion or a business process re-engineering initiative.

## 1.9 Human Capital Committee

The HCC as constituted by the Board of Directors. It is a functional committee that shall be responsible for any related task required by the Board of Directors or MD and for the task as specified in the terms of reference governing its formation as recommended by the MD and approved by the Board of Directors. Matters related to employee remuneration (excluding the MD and EMT), shall be implemented with the approval of the HCC.

The **Human Capital Committee** shall be established in accordance with Human Capital Committee Terms of Reference as per **Annexure-1**.



## Chapter Two

# Introduction to Human Capital Manual

## **2 Chapter Two: Introduction to Human Capital Manual**

### **2.1 Overview**

**2.1.1** The Company's philosophy on Employees Management is driven by the culture of the Company, which is based on the philosophy that the most valuable asset of the Company is its Employees.

**2.1.2** The Human Capital Manual establishes a comprehensive set of policies and procedures in the form of one updated document to serve as a working guide for the Company and Employees in the day-to-day administration of Employee related matters.

### **2.2 Purpose**

**2.2.1** This Policy is applicable to all Employees who are on the payroll of the Company.

VI. The purpose of the Human Capital manual is to:

VII. Form the basis for the management of Employees and the framework of terms and conditions in which they operate.

VIII. Provide complete transparency in the application and implementation of the Human Capital policies and procedures.

IX. Apply all norms on an equitable basis to all Employees throughout the Company.

X. Create flexibility to allow for improvements and changes in policy, based on requirements warranted by the external and/or internal environment.

XI. Create the corporate culture of the Company, which is based on the philosophy that the most valuable asset of the Company is its Employees.

### **2.3 Rights Reserved**

**2.3.1** The Company reserves the right to amend, delete, deviate from, or change the Human Capital Manual including the benefits at its sole discretion and without the need for approval or agreement of the Employee.

**2.3.2** Any changes in the Human Capital Policies will need to be endorsed by Director - Human Capital and approved by the Managing Director of Abraj Energy Services SAOC.

### **2.4 Governance**

**2.4.1** The controlling law for all policies in the Company is the Labor law of the Sultanate of Oman as promulgated by Royal Decree 35 of 2003 and as may be amended from time to time (the "Oman Labor Law").

**2.4.2** The policies in the Human Capital Manual are governed by the Omani Labor Law. In the event of any conflict that may arise between the contents of this Manual and the interpretation of the Law as given in any Ministerial or vice order, the latter shall prevail.

**2.4.3** In the event of amendments to the Labor Law conferring more benefits than those provided in this Manual, the Employee will be entitled to the more beneficial of the two.

2.4.4 Human Capital Committee (HCC), with assistance of Executive Management Team (EMT), shall be responsible of developing the Human Capital Manual for the company.

2.4.5 The policies stated in this Manual are subject to change at any time. The Company will submit recommendation(s) to the Human Capital Committee in Abraj/if endorsed will be submitted to the board of directors of Abraj for approval.

2.4.6 The custodian of the Human Capital Manual will be the Human Capital department. The Human Capital Manual will be kept up to date with all amendments, but queries or issues not covered by the Human Capital Manual should be referred to the Human Capital Committee.

### 2.5 Application of the Human Capital Manual

2.5.1 The Human Capital Manual and the provisions under this Manual are applicable to all Employees of the Company or as specified otherwise.

2.5.2 This Manual should be read in conjunction with the employment contract.

### 2.6 Distribution of the Human Capital Manual

2.6.1 The contents of this Human Capital Manual are confidential as it relates to the Company and all its Employees. Under no circumstances may the contents of this Human Capital Manual be revealed to third parties without the written permission of the Executive Managing Director or Managing Director or any other person designated by the Company with such authority.

2.6.2 The Employees must be provided with access to the full or parts of this Manual as per 'The Company' approved means of communication.

### 2.7 Interpretation of the Human Capital Manual

2.7.1 In the event that any clarification may be required in interpreting the meaning of provisions of the Human Capital Manual, the Human Capital Director will provide the Company's managers with the appropriate interpretation of the meaning of the relevant provision.

2.7.2 If the Human Capital Director and another Functions Manager differ in opinion on any interpretation of the meaning of provisions of the Human Capital Manual, the Human Capital Director may request the clarification from the Human Capital Committee.

### 2.8 Definitions

- I. **"Company"** means Abraj Energy Services SAOC
- II. **"OOC"** means Oman Oil Company SAOC
- III. **"OOC Group of Companies"** is represented by the following 13 Companies: -
  1. Abraj Energy Services
  2. Centralized Utilities Company- Marafiq
  3. Duqm Refinery and Petrochemicals Company (DRPIC)
  4. Duqm Petroleum Terminal Company (DPTC)
  5. Oman Oil Company (OOC)

- 
6. Oman Tank Terminal Company (OTTCO)
  7. Oman India Fertilizer Company (OMIFCO)
  8. Oman Oil Company Exploration and Production (OOCEP)
  9. Oman Gas Company (OGC)
  10. Oman International Petrochemical Industries (OMPET)
  11. Salalah Methanol Company (SMC)
  12. Takamul
  13. Takatuf
- IV. I **“Board”** means Board of Directors of the Company.
  - V. **“MANAGING DIRECTOR”** means Chief Executive Officer of Oman Oil Company
  - VI. **“EMD”** means Executive Managing Director of the Vertical.
  - VII. **“MD”** means Managing Director of the Company.
  - VIII. **“HCC”** means Human Capital Committee
  - IX. **“DHC”** means Director Human Capital
  - X. **“Senior Management Team”** means the Senior Managers who reporting directly to the EMD or MD.
  - XI. **“HC”** means Human Capital
  - XII. **“HCD”** means Human Capital Department
  - XIII. **“Functional Head”** means the highest position in that particular Department.
  - XIV. **“Line Manager”** means the direct supervisor of the Employee.
  - XV. **“Employee”** means an Employee who is hired by the Company under an employment contract to fill the established position and perform work for the Company under its direct supervision and control.
  - XVI. **“Dependents”** means the Employee’s spouse and up to 3 child dependents up to the age of 18 years and who are under the sponsorship of the Company and residing in Oman, so long as permissible under prevailing Omani laws and regulations.
  - XVII. **“Short term Contractor”** means an Employee with specialized skills hired directly by the Company to perform work whose nature requires it to be carried out and finished within a set period of time.
  - XVIII. **“Fresh Graduates”**: are undergraduate degree holders or diploma holders who have graduated in the current year up to a maximum of one-year experience.
  - XIX. **“Interns/trainees”**: are undergraduate/graduate students who are awarded an internship opportunity for practical work experience with the Company for a period of time.

- XX. “**Labor Law**” means the Omani Labor law (promulgated by Royal Decree 35/2003, as amended) is the primary law regulating employment-related issues and mainly sets out specific article(s) on Obligations and Duties of the employers towards employees’ rights and benefits in the workforce
- XXI. “**Government**” means the government of the Sultanate of Oman.
- XXII. “**MOM**” means the Ministry of Manpower of the Sultanate of Oman
- XXIII. “**MOG**” means the Ministry of Oil and Gas of the Sultanate of Oman
- XXIV. “**PASI**” means the Public Authority of Social Insurance
- XXV. “**GCC**” means the Gulf Cooperation Council
- XXVI. “**Government Medical Committee**” is the Medical committee of the Government that reviews prolonged sick leaves, partial or permanent disability cases and advises the Company on the steps to take.
- XXVII. “**First Degree Relatives**” include spouse, father, mother, grandfather, grandmother, sister, brother, child, grandchild, step-parents, step- brothers, step-sisters, step-child, step-grandchild.
- XXVIII. “**Second Degree Relatives**” includes mother-in-law, father-in-law, brother-in-law, sister-in-law, uncles and aunts who are direct sisters or brothers of a parent, nieces and nephews who is the direct child of a brother or sister.
- XXIX. “**Manual of Authority**” refers to the document which records the Board’s delegation of authority to the Senior Management Team in the Company to perform certain tasks and issue approvals as contained in the document.
- XXX. “**Job Evaluation**” is a measurement of the value of each job relative to all other Company jobs
- XXXI. “**Job Grading**” is to define or allocate the value (grade) of a given job in the hierarchy of the Company.
- XXXII. “**Salary**” reflects the value (grade) of the job and the competency level, knowledge and experience of the employee who fulfills the job.
- XXXIII. “**Basic salary**” means the monthly cash payments excluding Allowances payable to the Employee as agreed upon between the Employee and the Company in the Employment Contract.
- XXXIV. “**Living Allowance**” means the monthly cash payments payable to the Employee which is related to the Employee’s housing and living expenses.
- XXXV. **Market Allowance:** Employees may be paid a discretionary Market Allowance, if temporary market conditions dictate that an extra incentive is required to attract and retain Employees with specific skills
- XXXVI. **Field / Work schedule Allowance:** Site Employees who work and/or reside in site may receive this allowance as a compensation for hardship, overtime and standby duties.

- XXXVII. **“Gross Salary”** means the basic salary in addition to all other allowances payable to the Employee in return for his work.
- XXXVIII. **“Benefits”** means Benefits are entitlements to extra compensation for particular requirements in addition to basic salary, allowances and bonuses that are provided by the Company. There are both cash and non-cash benefits.
- XXXIX. **“KPI”** means Key Performance Indicator
- XL. **“Critical positions”** means the jobs that are critical for business continuity and is defined based on a combination of factors which include but not limited to job complexity, value of job, risk of departure and replacement.

## Chapter Three

### Resourcing

---

### 3 Chapter Three: Resourcing

#### 3.1 Workforce Planning

##### 3.1.1 Overview

**3.1.1.1** Workforce planning is the process of analyzing the current Human Capital and forecasting manpower requirements needed to meet operational objectives in a timely and efficient manner. Workforce planning is most effective when it is linked with strategic, operational and business planning.

##### 3.1.2 Purpose

**3.1.2.1** The purpose of Workforce Planning is to:

- i. Estimate the numbers, types and levels of job holders needed by each department to implement the business plans.
- ii. Ensure that the right number and quality of skilled staff are placed in the appropriate positions
- iii. Forecast future workforce resources required (new positions), analyze the existing situation including vacancies, retirements and repatriations, Labor turn over etc. and to devise action plans to acquire those resources timely and efficiently.
- iv. Determine future costs and to ensure that controls are in place to manage the associated costs both short and long term.
- v. Serve as the base for all plans related to Human Capital including Training and Development, Talent Management, Succession Planning, Omanization etc.
- vi. Support the development of an action plan to acquire resources.

##### 3.1.3 Scope

**3.1.3.1** Workforce planning applies to all departments in the company and includes all recruitment activities of Full Time, Part Time and Short Term Contractors

##### 3.1.4 Policy

**3.1.4.1** Workforce Plans must be reviewed on an Annual basis and the forecasts need to be revised if necessary during mid-year and finalize at the budgeting exam.

**3.1.4.2** The workforce planning should be triggered by the business plan of the forthcoming year and the years after. i.e. as a practice, the HCD should be part of the business plan development to be able to influence it and accordingly support the annual workforce plan required

**3.1.4.3** The HCD is the custodian of the Workforce Planning process and is responsible for providing the templates or spreadsheets and other documents to ensure proper execution of the Workforce Planning program. The HCD is also responsible for consolidating the workforce requirements for the Company.

**3.1.4.4** Final approval of the Workforce Plan is as per the Manual of Authority of the Company.

##### 3.1.5 Workforce Planning Requirements



**3.1.5.1** Workforce requirements will be determined based on the business plan, competency gaps, attritions, promotions, succession plans, change in business processes, and introduction of new processes, techniques and technology.

**3.1.5.2** Each Department Head will work with the HCD to identify any new positions to be introduced, or any new skills/competencies required within the company. The workforce requirements should include job titles based on the department's business plan. It should also include the method of employment whether it is full time or part time employment in consideration of the current workforce and its predicted growth in the future.

**3.1.5.3** Mandatory Considerations in the process of compilation of manpower requirements and preparation of manpower plans may include:

- I. Current resources: The currently approved staff strength forms the basis for manpower planning as all adjustments are made to this base scenario.
- II. Business expansion or reduction in activity: Manpower requirements for the year may increase or decrease in case the scale of operations increases or decreases.
- III. Overtime spent on staff: Overtime is a factor that needs consideration during manpower planning and budgeting process. The cost implication in terms of overtime as opposed to hiring additional Employees should be compared and evaluated accordingly
- IV. Retirements: Employees retiring either due to age, medical reasons or voluntarily need to be factored during formulation of the Workforce plan.
- V. Promotions and Succession Plans: These serve as indications of the Talent management framework in the organization and are an Integral factor in determining the workforce plan.
- VI. Omanization: A phased approach for replacing expatriate positions with nationals must be considered and shall be in line with the targets provided by the MOM and the Company business plan.
- VII. Temporary/Contractor positions: These positions are limited to a certain period, or project. They will end with the end of that period or when the project or task is completed.
- VIII. Outsourcing: Outsourcing is an alternative to explore before resorting to employment of permanent staff within premise of relevancy of the type of work to be outsourced and within the boundaries of Labor Law.
- IX. Recruitment timelines: The time frame within which the actual recruitment activity is completed and the position is filled.

**3.1.5.4** The Company is encouraged as part of Workforce Planning to identify key positions or functions that are required to be available on duty for business continuity in case of any unanticipated events such as natural disasters or an anticipated event that may occur.

**3.1.6** Amendments to Workforce Plans

**3.1.7** Amendments to Workforce Plan are to be initiated from the respective Functional Head to the HCD and require approval as per the Manual of Authority. Amendments to workforce plan may cover the Non budgeted positions such as Full time or Contractor Employees.

---

## 3.2 Omanization

### 3.2.1 Overview

**3.2.1.1** Definition of Omanization: All the rules, procedures and techniques that help Omani Employees obtain positions at the Company and develop them in order to meet the requirements of those position while generate value for the Company.

**3.2.1.2** The objective of Omanization is to ensure there is a continuous increase and succession of Omani professionals at all level within the Company.

### 3.2.2 Policy

**3.2.2.1** The Company must strive to meet its Omanization growth requirements as required by the MOM.

**3.2.2.2** Omanization strategy must link in with the workforce plan and take into consideration Training and development, promotions and succession plan.

**3.2.2.3** When promoting an Employee, the Company will not practice any discrimination in respect of race, color, gender, religion, age, or disability of the Employee.

**3.2.2.4** Omanization must not jeopardize the Operations or the Safety of the organization in any way, by ensuring Omani's have the right skills and attitude to occupy the roles.

**3.2.2.5** Omani Employees have to be prepared for the given job and must be capable of fulfilling it.

## 3.3 Recruitment

### 3.3.1 Overview

**3.3.1.1** This section provides the Company's recruitment policy and a framework for recruiting Employees in a fair and consistent manner. The Company will apply pre-requisites which are objective and transparent to candidates who may be eligible to be recruited by the Company.

### 3.3.2 Purpose

**3.3.2.1** When recruiting candidates for employment, the objective of the Company is to:

- i. Acquire competent and skilled candidates to fill vacant positions at different levels of the organization according to business needs.
- ii. Provide a framework for attracting and selecting the best qualified applicants in a fair and consistent manner ensuring the right behaviors, skills, knowledge and qualifications are selected to ensure the Company operates as effectively as possible.

### 3.3.3 Scope

**3.3.3.1** The Recruitment Policy stipulated in the HC Manual applies to the following:

- I. Internal recruitment within OOC Group of Companies
- II. External recruitment
- III. Short term Contractors

IV. Rehiring of Employees

V. Employment of Relatives

### 3.3.4 Policy

**3.3.4.1** Recruitment must be initiated as per the approved Workforce plan. Un-planned recruitments must follow the amendment to workforce plan procedure before initiating the Recruitment activity.

**3.3.4.2** The Company will need to consider its Succession, Career Planning and Omanization plans before initiating the recruitment activity.

**3.3.4.3** All positions must have an updated Job description before initiating the recruitment activity.

**3.3.4.4** All vacant positions in the company must be advertised internally within the OOC Group of Companies before being advertised externally. Exceptions to this policy will be as per article 3.4.4

**3.3.4.5** The most suitable applicant for any role whether an existing Employee, Internal or an External applicant shall be selected based on demonstration of the competencies, attitudes, behaviors, experience and expertise relevant to the needs of that job role.

## 3.4 Internal Recruitment

### 3.4.1 Overview

**3.4.1.1** Internal recruitment is defined as Employees applying for vacant positions advertised within the Company and OOC Group of Companies. Candidates applying from outside the Company and OOC Group of Companies are considered as part of external recruitment.

### 3.4.2 Purpose

**3.4.2.1** The Company aims to provide its existing Employees the opportunity and priority to apply for any vacant positions that exist within the Company and OOC Group of Companies before being advertised externally.

**3.4.2.2** Internal recruitment applies to all Omani and Expatriate Employees within the OOC Group of Companies. If a job advertised is for Omani candidates only, then the latter should be mentioned in the job advertisement.

### 3.4.3 Guidelines

**3.4.3.1** All new vacant positions in the Company must be posted internally within the OOC Group of Companies first. Therefore, to be open for a minimum of 10 workings days.

**3.4.3.2** Candidates applying internally for the position must meet the minimum criteria of the position as per the Job description posted and possess the required skills and competencies to perform the job.

**3.4.3.3** The Company must complete all the processes related to screening and interviewing internal candidates, and in the case an internal candidate is not identified, only then can the position be advertised externally in the market.

**3.4.3.4** The HCD of the respective company must utilize the appropriate channel defined by OOC to publish job postings internally.

---

#### 3.4.4 Exceptions:

3.4.4.1 The Company may post a vacant full time position internally and externally at the same time for the following positions:

- I. Fresh Graduate recruitments- This is defined as recruitment of new graduate diploma holders or Undergraduate Bachelor holders.
- II. Unique or Scarce set of skill Positions-Applicable only for a limited number of positions in the Company.
- III. The Company may post a vacant full time position externally without advertising Internally for Managing Director level positions and his/her direct reportee positions.

### 3.5 External Recruitment

#### 3.5.1 Overview

3.5.1.1 External recruitment process needs to use the most relevant means of search and lines of communication in order to attract the best candidates in a cost effective manner.

#### 3.5.2 Purpose

3.5.2.1 The purpose of external recruitment is to source the most suitable candidate from the market to fill a vacancy after all internal recruitment options have been exhausted.

#### 3.5.3 Policy

3.5.3.1 The Company should use at least one of the following sources for attracting external candidates:

- IV. **Online:** Social Network Platforms: The Company is encouraged to advertise externally first through Social media as it is a cost effective solution, with a high success rate of attracting candidates.
- V. **Advertisement:** The Company has the option to advertise through newspapers either in the Arabic or English newspaper and it is preferred to translate the job advert language in both Arabic and English.
- VI. **Company Webpage:** The Company is encouraged to use its own website to post and advertise the vacant positions through the dedicated page for career opportunities and the page shall be kept updated regularly.

### 3.6 Headhunting agencies

3.6.1 Headhunting agencies are defined as specialized recruitment consultants that are involved in sourcing candidate's for the Company at a Service fee. This is triggered following a sourcing strategy session whereby the talent sought is deemed to be rarely available in the market.

3.6.2 The following policies apply when the Company opts to use Headhunting agencies:

3.6.2.1 Approval as per the Manual of Authority is required for using Headhunting agencies.

3.6.2.2 Preferred to be used only for a level of a Managing Director and his/her direct reportees level or for highly specialized skills required in the company.

**3.6.2.3** Accurate, detailed and up-to-date job descriptions and/or a person's specification/job profile have to be given to the recruitment agencies and it's advised that HC and Line Manager are heavily involved in ensuring the requirements are well understood by the agency.

**3.6.2.4** Appointing search agencies shall be aligned with the company's Procurement policy.

**3.6.3** When selecting the recruitment agency, the following shall be considered:

VII. Credentials of agency- Nature and type of clients handled

VIII. Resume and background of Agency consultants

IX. Track record

X. Methodology of sourcing candidates

XI. Commercial price

### **3.7 Short-term Contractors**

#### **3.7.1 Overview**

**3.7.1.1** Short term Contractors are sourced for positions in the Company required for a certain period or project and typically are for specialized skills needed in the company, their contract duration ends after completion of the specific project or as specified in their contract.

#### **3.7.2 Purpose**

**3.7.2.1** The purpose of recruiting Short-term contractors is to fulfill a temporary need of a position or acquire specific knowledge to complete a project or task for a set amount of time.

#### **3.7.3 Policy**

**3.7.3.1** The policies applicable to recruitment of Short-term Contractors are as follows:

- I. The recruitment of Short term contractors must comply with the Omani Labor law
- II. Has to be a part of the initial workforce plan and if not, then to follow procedure of amendment to workforce plan.
- III. Has to be financially viable in comparison to regular employment.
- IV. Has to be sourced for a specific project that requires specialized skills and knowledge.
- V. Has to be time-bound and the contract not to exceed a maximum of two years. Yearly review of contractors is required and if an extension is required, then it should be considered in the Annual workforce plan.

- VI. If a contractor position is to be made permanent, then the position is considered as a new position and the process must follow the recruitment policy in article.

### **3.8 Employment of Relatives**

#### **3.8.1 Overview**

- 3.8.1.1** The Company permits recruitment of Family members in the same Company (which is governed by the Code of Conduct)

#### **3.8.2 Purpose**

- 3.8.2.1** The purpose of employment of relatives is to provide an equal opportunity to the most suitable candidate for any given vacancy regardless of their relationship with the existing Employees of the Company.

#### **3.8.3 Policy**

- 3.8.3.1** The policies applicable to recruitment of Relatives are as follows:

- I. The candidate applying in the company shall declare their relationship with any Employee that is a relative. Failure to comply with the rules, may lead to termination of Employee once recruited.
- II. The relatives shall not be in the same department or any position that could potentially be of a conflict of interest.
- III. In cases wherein two Employees become relatives during their employment, and find themselves in positions where there is a conflict or potential conflict of interest, then the Company shall find an alternate position for either of the two Employees concerned and ensure that the conflict of interest is managed.
- IV. The Company has the right to reject a candidate for any potential conflicts it may perceive from recruiting a direct relative of an Employee.

### **3.9 Rehiring of Employees**

#### **3.9.1 Overview**

- 3.9.1.1** The Company may provide opportunities to re-hire high performing Employees who have left the Company without being subject to the External recruitment process of advertising.

- 3.9.1.2** As per company business specific, cases of employees separated due to expiry of contract should be given priority for rehiring as per instructions and agreement of MOG & MOM.

#### **3.9.2 Purpose**

- 3.9.2.1** The purpose of re-hiring is based on the notion that an existing high performing Employees would:

- 3.9.2.2** Require less training and investment required

- 3.9.2.3** Be aware of the Company's 'Way of Work'

### 3.9.3 Policy

3.9.3.1 The policies applicable to Rehiring of Employees are as follows:

- I. The Company has a maximum period of one year to rehire the Employee and apply the exemption from the external recruitment process. Once the one-year time period from the last date of employment lapses, then normal recruitment process must be followed.
- II. Employee must be recruited in the same position with the same compensation package at the time of leaving. Any exception to this would require approvals as per the Manual of Authority of the Company.
- III. The person maintained a track record of satisfactory performance while serving in the Company.
- IV. The company has the sole discretion to decide the rehire process for the potential candidates

### 3.10 Selection

#### 3.10.1 Overview

3.10.1.1 The Company is committed to hiring the most suitable candidates for an advertised role by applying a fair, transparent, consistent and rigorous approach to selection. Moreover, the Company will apply pre-requisites which are objective and transparent to candidates who may be eligible for selection to be recruited by the Company.

#### 3.10.2 Purpose

3.10.2.1 The aim of the selection process is to select a qualified candidate for a vacant position who most fits the requirements of the role and the organizational culture.

#### 3.10.3 Scope

3.10.3.1 This policy applies to all Internal and External candidates being selected in the Company

#### 3.10.4 Policy

3.10.4.1 Selection processes must comply with Omani Labor Law, other legislation, the Company's ethical standards, and must be fair and transparent.

3.10.4.2 Interview panel shall involve leaders/experts from the requesting Department and HC professionals, and preferably a member from another department not related to the job.

3.10.4.3 Suitable candidates are expected to meet the following minimum criteria for recruitment in the Company:

- I. Possess adequate qualifications, skills and experience relating to the specific job for which the candidate has applied,
- II. Be over 18 years of age.
- III. Have a satisfactory conduct certificate from current or a previous employer if possible to obtain.

- 
- IV. Clearance certificate from the ROP in respect of Omani Employees.
  - V. Additional Security clearances' may be required for Managing Director or his/her direct reports positions or any other positions as per the required formalities of the government.
  - VI. Preferable to have at least two candidates in the last stage of selection in order to ensure that the opportunity for comparison and informed choice exists.

### 3.10.5 Guidelines

- 3.10.5.1 The HCD must facilitate the Interview and Selection process to ensure fairness and adherence to the policy.
- 3.10.5.2 The Company is encouraged to provide candidates with feedback regarding their application if the Company uses an online portal. In the cases a company does not have a job portal, the job advertisement shall mention that only successful candidates will be called for further processes.

### 3.10.6 Screening of Applicants

- 3.10.6.1 Responsibility of initial screening of CV's is with the HCD and compared against the job advertisement in terms of qualification, skills and experience required. Telephonic / video conferencing interview can be used. The HCD may opt to narrow the number of applicants by conducting a basic telephonic interview or basic capability test.
- 3.10.6.2 If there is a shortage of relevant candidates, then the HCD with the Line Manager may identify at least two combinations of education and experience they consider equivalent to the education and experience listed in the job description for the position.

### 3.10.7 Shortlisting of Candidates

- 3.10.7.1 The HCD will compile the list of shortlisted candidates based on the screening of applicants and in agreement with the Functional Head/Line Manager will agree on the final shortlist to be taken forward for assessments or interviews.
- 3.10.7.2 The HCD and Line Manager are encouraged to shortlist a minimum of 3 shortlisted candidates per position.

### 3.10.8 Testing of Applicants

- 3.10.8.1 The Company may opt to conduct tests using different aptitude, competency, capability tests, situation exercises or assessment center for the purpose of narrowing down the shortlist or after interviews.
- 3.10.8.2 The following guidelines are to be applied when testing applicants:
  - i. The same type of assessment/ tests should be used for candidates applying to the same position to maintain fairness in the process.
  - ii. Where possible, candidates shall be provided the same environment and amount of time in which to complete an assignment or test.
  - iii. Formal Assessments using credible tools shall be used for Managing Director and his/her direct report positions before or after conducting the interviews.



- 
- iv. The Company should give feedback on the outcome of test results to the candidates.

### 3.10.9 Scheduling of Interviews

**3.10.9.1** The HCD will be responsible to agree and book the dates and times of interview with the candidates and arrange a location accordingly.

**3.10.9.2** If local air travel is required, the Company will provide Economy class air tickets and (if applicable) a suitable accommodation for the invited candidate.

**3.10.9.3** For candidates from outside of Oman, The Company will:

Arrange the necessary visa.

- v. Provide round trip tickets for candidates to the Home country's location on the class of travel as per the Grading Structure.
- vi. If the candidate is travelling from one of the GCC countries, then Economy class airfare will be provided regardless of the Grade of the position being interviewed.
- vii. Local transportation back and forth of the Company premises or pre-determined venue for the interview/s and Provide accommodation with breakfast.

### 3.10.10 Interview Panel & Questionnaires

**3.10.10.1** The Interview panel shall always consist of the Line Manager and a representative of HC.

**3.10.10.2** Interview panels will vary depending on the level of the position being interviewed, however it is encouraged that a minimum of 3 representatives attend the interview with one member being from a different function to have varying perspectives.

**3.10.10.3** Determining the interview panel will be between HCD & Line Manager.

**3.10.10.4** For EMD/MD- and direct reports positions, the DIRECTOR - HUMAN CAPITAL will select the Interview panel with the EMD/MD.

**3.10.10.5** Interviews shall consist of a pre-established set of competency based questions that will be administered in the same manner for all candidates.

**3.10.10.6** The Interview questions should include a set of both Technical and Behavioral questions, with a minimum of 3-4 questions in each category. Probing is allowed in all circumstances when asking the questions.

**3.10.10.7** The Line Manager shall prepare the set of Technical questions and the Director – Human Capital shall prepare the behavioral questions before the interview maintaining strict confidentiality in the process.

**3.10.10.8** All members of the interview panel must make every effort to document the responses of the candidates to be able to compare the notes and make an informed decision.

**3.10.10.9** The final scores of each candidate are discussed between the interview panel and the preferred candidate should typically score the highest after discussion.

**3.10.10.10** Final selection Report and documents shall be filled appropriately compiling all the process activities of any given vacant position.

### **3.10.11 Reference Checks**

**3.10.11.1** The Company may contact referees with prior consent of the candidate for feedback and comments, which shall be documented and filed in the Employee's personal folder.

**3.10.11.2** For internal applicant from within OOC Group of Companies, the Company must ensure a reference check is conducted through HC before a final selection is made.

### **3.10.12 Documents Requested**

**3.10.12.1** Prior to appointment of the employee, the Company may request the employee to provide documents to the Company, including but not limited to, academic and technical qualification certificates, salary information and the certificate of prior service and the security clearance. Moreover, senior executive positions in the Company may request a detailed security clearance from the relevant authorities. The Company may verify a potential candidate's documents if deemed necessary.

**3.10.12.2** If it becomes apparent during the employee's employment with the Company that documents submitted by the employee prior to appointment with the Company were not legitimately obtained and authentic, the Company may investigate the matter further and may request the employee to produce the original documents to the Company. If the employee is unable to present the original documents to the Company, the employee will expressly consent to the Company making further investigations and enquiries with the academic and technical institutes which had purportedly issued the qualification certificates/ or the previous employer which had purportedly issued the salary information and certificate of service of the employee. In addition, disciplinary action may be taken against the employee by the Company if it is found that the documents were not legitimately obtained and cannot be verified.

**3.10.12.3** In respect of certain overseas recruitment, the assistance of a recruitment agency may be requested to verify the above documents requested from the employee. If the recruitment is finalized within the Sultanate of Oman, the HCA will be responsible for verifying the documents of the selected candidate.

**3.10.12.4** Once a candidate has been selected for employment, an offer of employment will be provided to the candidate in the form of the Offer Letter maintained by the HCD for this purpose.

**3.10.12.5** Any offer made to the selected candidate must be based on the recommendation of the (Interview Panel). If the candidate's recruitment is not within the approved budget and manpower plan of the relevant department, the (Interview Panel) should approve the recruitment prior to issuing its recommendation to make an offer of employment to the selected candidate.

### **3.10.13 Salary Placement Decision**

**3.10.14** The Company is encouraged to keep Salary negotiation at a minimum to maintain consistencies in distributing salaries across the company.

**3.10.15** The HCD may consider the following factors when deciding the compensation of individuals:

- i. Candidate's current compensation and benefits.
- ii. Salary of any new hires shall be at or above the minimum of the grade of the position.
- iii. Scarcity of skills in the organization.
- iv. Internal equity - to ensure the harmony internally - compare salaries, years of experience, and qualifications with existing employees in the same department or across different departments.
- v. Position in the salary scale.

### **3.11 Joining Formalities (Pre-Employment)**

#### **3.11.1 Overview**

**3.11.1.1** The Company will comply with Oman Labor Law regulations and all government related authorities in respect of following the pre- employment formalities for all new Omani's and expatriate Employees.

#### **3.11.2 Purpose**

**3.11.2.1** The objective of the pre-employment guidelines is to ensure administrative procedures are correctly followed prior to the Employee's commencement date of employment with the Company.

#### **3.11.3 Employment Offer**

**3.11.3.1** Most offers made to selected candidates will be valid for the period stipulated in the offer letter, if accepted within a specified period to be determined by the HCD, the selected candidate must sign and return the duplicate copies of the offer letter to the HCD.

**3.11.3.2** All offer letters shall include a clause that allows the Company to transfer employees to another Company within OOC Group of Companies. Moreover, if the business requires it without impacting the employees existing employment terms and conditions.

**3.11.3.3** If the offer is not accepted by the selected candidate, the HCD should inform the (Line Manager) of the expiry date of the offer. The failure of a selected candidate to accept the offer as contained in the offer letter will result in the offer lapsing automatically. The HCD and functional head will need to agree to re-initiate the recruitment process in the case of no back up candidate identified in the recruitment phase.

#### **3.11.4 Medical Examinations**

**3.11.4.1** All joining Employees must undergo a pre-employment medical examination completed by a clinic or hospital approved by the Company to ensure the Employee's fitness for employment and to confirm that the Employee would be eligible for membership of the Company's medical and life insurance policies. The

---

cost related to pre-employment medical examination will be fully borne by the Company.

### 3.11.5 Pre-Joining Formalities

### 3.11.6 Registration of Expatriate Employees

**3.11.6.1** The Contract of Employment to expatriate candidates is issued subject to the candidate's acceptance of the initial offer on the basis that the Company should obtain a Labor clearance certificate from the Ministry of Manpower for the position and Visa for the candidate from ROP.

**3.11.6.2** Expatriate Employees should be aware that the confirmation of employment is conditional upon the Company obtaining a labor clearance from the relevant authorities for the designated job. Granting of a labor clearance is dependent upon the following conditions being met. The Employee must:

- i. Possess the professional qualifications or the technical skills or the qualifications required by the Sultanate of Oman at the time of the Employee's appointment with the Company.
- ii. Have entered the Sultanate of Oman by lawful means and satisfied the conditions provided for in the Expatriates Residence Law
- iii. Be medically fit, free from infectious diseases and chronic diseases, which will be confirmed upon the Employee submitting for a medical examination and receiving a medical fitness report from the Ministry of Health.
- iv. In the event that the relevant authorities do not grant the required Labor clearance to enable the Company to Employ the expatriate Employee or the Employee's security clearance indicates an adverse result, the Company will be obliged to immediately terminate the Contract of Employment and if the Employee has been mobilized to the Sultanate of Oman, the Company will repatriate the Employee to the place of origin.

### 3.11.7 Registration of Omani Candidates

**3.11.7.1** In respect of Omani candidates selected after the interview process, once the candidate accepts the offer the candidate provides to the HC Department, the signed offer letter, the clearance certificate from the ROP, additional security clearance required and confirmation of the commencement date with the Company. Furthermore, the Company will follow the procedures below to:

- i. Apply to the Ministry of Manpower to register the employee with the Company.
- ii. Prepare the (Standard Contract of Employment).

**3.11.7.2** Omani employees must provide the HCD with all required documents to enable the registration of the employee's employment with the Company at the Ministry of Manpower and PASI.

**3.11.7.3** The HCD of the Company will ensure that Omani employees have been registered with PASI for social insurance benefits.

---

### 3.12 On-Boarding Process

#### 3.12.1 Overview

- 3.12.1.1** The Company is committed to conveying its corporate values to the new employees and providing basic information about the Company's vision, mission, structure, business and other activities in the form of an orientation.

#### 3.12.2 Purpose

- 3.12.2.1** The aim of the employee orientation process is to introduce the company to the new employee and introduce the new employee to the colleagues he/she will work with. The induction should also assist in acclimating the new employee into the new working environment by knowing the basic processes and procedures with the support functions.

#### 3.12.3 Company Orientation

- 3.12.3.1** All new employees of the Company shall attend a formal Company orientation program, organized by the HCD to raise the employee's awareness of the new workplace.

- 3.12.3.2** The HCD should liaise with the relevant departments to aim to create a program that ensures the new Employee has a basic level of awareness of the different practices in the organization.

- 3.12.3.3** A guideline of the topics to be covered may be as follows:

- I. Company's mission & vision.
- II. Physical work environment and building orientation.
- III. Terms and Conditions of Service - Employment Contract and benefits.
- IV. HSE Practices & Emergency procedures.
- V. IT overview.
- VI. Finance Processes.
- VII. Code of Conduct.
- VIII. Corporate Social Responsibilities.
- IX. Corporate Communications guideline.

#### 3.12.4 Job Orientation

- 3.12.4.1** Job orientation is focused on ensuring the employee is integrated into his/her new job by their (Line Manager). Induction can be conducted in groups if more employees are hired at the same time (e.g. more employees for the same unit / fresh graduates etc.).

- 3.12.4.2** The Functional Head in which the new Employee is hired must take part in the induction process including SAP training, as required.

**3.12.4.3** The new Employee's Line manager plays a key role in the Orientation process and is responsible for ensuring that the Employee:

- I. Knows the name and location of the team members, and whom to turn to for advice and help.
- II. Knows the department's objectives and processes.
- III. Is made aware of important policies related to his/her work and how to find them.
- IV. Is briefed on his duties and the requirements of the job.
- V. Knows the interdependencies with other departments in the Company.

### **3.12.5 Arrival Entitlements**

**3.12.5.1** Arriving new expatriate employees are entitled to economy class or business class ticket depending on employee seniority within the organizational structure. Management has the right to approve class of ticket on a case to case basis.

**3.12.5.2** Expatriate employees will be given a direct route air ticket from the point of origin nearest airport to Muscat.

**3.12.5.3** Abraj makes the necessary arrangement to pick up the new employee on his arrival at the airport. All subsequent formalities would be carried out by the HCD.

**3.12.5.4** All new employees should report to HC on the first day of employment to complete formalities required for employment.

### **3.12.6 Courtesies on Joining**

**3.12.6.1** Expatriate employees who join Abraj may be provided hotel (For Head office based employees in Grade 9 & above) / guest house accommodation (For Field Employees and Grade 8 & below in Head Office positions) for a period of two weeks from the date of joining. Any delays from the company side causing employee a delay in finalizing his accommodation to be organized on time, extension can be granted to the employee with an approval from MD/DHC.

**3.12.6.2** If Guest house / company arranged accommodation is not available, then hotel accommodation will be arranged accordingly for all levels of employees with reasonable boarding expenses for a specific period. No international telephone calls and alcohol will be provided by Abraj.

**3.12.6.3** For expatriate employees on a Family status, Family (wife & Children) will arrive in Oman after completion of necessary formalities of immigration / family visa rules.

### **3.12.7 House Rent Advance for Head Office Based Expatriates**

- VI. Some expatriate employees based in the Head Office need assistance in paying House Rent Advance due to landlords insisting for advance rent payment by way of cheque. This would be considered upon request of the employee through Director Human Capital and approved by Managing Director.

- 
- VII. Advance cheque may be requested for 3 months, 6 months or even for a period of 1 year. If advance cheques is required for a period of more than 3 months, then the company will provide post-dated cheques on a quarterly basis. This will ensure the money is not blocked for a longer period.
  - VIII. House Rent Advance would be paid for the requested period up to a maximum of 12 months and recovered from employee's monthly salary for the same period.
  - IX. 1 year would be allowed only if the End of Service Benefit of the expatriate employee is available to recover the amount paid towards House Rent Advance.

### **3.12.8 Notice Pay Reimbursement**

- 3.12.8.1** The Director - Human Capital will in exceptional cases consider reimbursing the notice pay for a candidate who is required to join before expiry of the notice period prescribed by his current employer.
- 3.12.8.2** The payment will be reimbursed on actual, and based on documentary evidence of payment, for the short-fall period, subject to a maximum of three month salary of the candidate in his current organization.
- 3.12.8.3** The candidate who was reimbursed notice pay would be required to refund the amount so received in case he resigns from the services of Abraj within one year.

### **3.12.9 Passports**

- 3.12.9.1** Expatriate employees shall be the custodian of their and their families' passports with valid residence visas. No passport will be kept in Abraj. The employee shall be responsible for renewal of his and dependents of expatriate employees living in Oman.

### **3.12.10 Liquor Permit**

- 3.12.10.1** Abraj may administer liquor permits for expatriate employees in Oman in middle and senior management grades only on being notified by the individual employee. All costs related to obtaining liquor permit shall be borne by the employee.

## Chapter Four

# Employment Administration and Management



---

## 4 Chapter Four: Employment Administration and Management

### 4.1 Overview

4.1.1 This section provides guidelines to selected candidates and Employees in respect to Employment Contracts and registration.

### 4.2 Purpose

4.2.1 The objective of this chapter is to provide Employees with all the details of Employment conditions and the general rules the company follows in this regard.

### 4.3 Scope

4.3.1 The following section applies to all Fulltime and Short Term Employees in the Company.

### 4.4 Policy

4.4.1 The Contract of Employment is the prevailing agreement between the Company and the Employee and takes precedence over all other rules of the Company.

4.4.2 The Company is responsible for providing Employee information to the Ministry of Manpower as required by the Oman Labor Law.

### 4.5 Formalities on Joining the Company

4.5.1 The formalities required by the various government entities and by the Company must be followed completely and immediately when an Employee joins the company.

4.5.2 The Employee must have a valid Passport if an expatriate, or a valid ID card if an Omani national.

### 4.6 Basics of the Employment Contract

4.6.1 The employment contract is conditional upon:

- X. The Employee obtaining a satisfactory medical report of the pre- employment medical examination.
- XI. Royal Oman Police clearance for Omani Employees and a self-declaration from Expatriate employees while joining.
- XII. The expatriate Employee being granted an employment visa by the Omani authorities for the duration of the contract.
- XIII. The contractual obligations between the Company and the employee only commences when both parties have signed the contract and one copy is returned to the Company.

### 4.7 Standard Contract of Employment – MOM

4.7.1 All Omani candidates selected for employment must sign the (Standard Contract) issued by the Ministry of Manpower for registration purposes.

---

#### 4.8 Standard Company Employment Contract

4.8.1 The Company may provide all Omani and expatriate Employees a Company Specific employment contract which will not be conflicting with the Ministry of Manpower contract.

4.8.2 The Company Employment contract will entail the following:

- I. The name of the Company and the full name of the employee, the job title for which the Employee is hired, the employee's passport or national Identification number, start date, base salary, working location, length of contract, probation period, and place of permanent residence (home country overtime rules (if any). Therefore, annual leave allowance and airline tickets allowance (if any), and repatriation allowances and tickets, any other benefits.
- II. The Company requirements in terms of health and safety, confidentiality, respect for property, disciplinary procedures, performance appraisal process and related rewards.
- III. An undertaking that the employee will abide by the terms and conditions of the Employment Contract, that the employee will respect all religions, laws, customs and traditions of the country and not engage in any activity which is detrimental to the country's security, and Any special conditions.
- IV. Confidentiality agreement as per the Company's requirements.
- V. Unique and exceptional conditions may be annexed to the (Standard Contract) for specific employees, subject to the approval of MD through DHC.

4.8.3 The (Standard Contract) for Omani candidates will be signed on behalf of the Company by an authorized signatory in accordance with the (Manual of Authority).

#### 4.9 Duration of Standard Contract of Employment

##### 4.9.1 Omanis

4.9.1.1 Standard Contract issued by the Company will be for an indefinite period unless the employee and the Company have agreed to stipulate the period in the (Standard Contract) for a shorter duration or fixed period.

4.9.1.2 Omani nationals the effective date of joining shall be from the day they report to work.

##### 4.9.2 Expatriate Employees

4.9.2.1 Expatriate employees the joining date of employment shall be considered as the first day the employee reports to work.

4.9.2.2 Contract of employment for expatriates is issued by the Company for a specific duration of either one (1) or two (2) years, or for a shorter fixed period as per the Company requirements.

4.9.2.3 A contract for a shorter fixed period will automatically terminate upon the expiration of the fixed period, unless the Company offers the employee, in writing, a short term extension.

**4.9.2.4** Despite the employment being for the duration of (1) or (2) years, the Contract of employment may be automatically renewed and therefore if the employer does not wish to renew the employee's employment with the Company beyond the (1) or (2) years, the employer is required to provide the Employee with notice in writing at least thirty (30) days prior to the expiry date of the fixed term or as specified in the contract.

**4.9.2.5** The contractual period in the contract of employment is automatically renewable on the prevailing terms and conditions, at the expiry of the Contract:

- I. If previously automatically renewed, the contractual period will be renewed at each subsequent term for a further subsequent term of the same duration.

### **4.10 Short-Term Employment Contracts**

**4.10.1** Company may recruit employees to fill certain positions for a temporary period, temporary position or project based on the operational requirement. These positions shall cease once the project or task is completed.

**4.10.2** Short-Term employees shall either be recruited directly by the Company and receive a "Short Term Employment Agreement" which contains unique terms and conditions applicable to each specific employee / be sourced through an outsourced manpower agency.

**4.10.3** Short-terms employment contracts have to be time-bound and the contract not to exceed a maximum of two years. Therefore, Yearly review of contractors is required and if an extension is required, then it should be considered in the Annual workforce plan.

**4.10.4** Monthly Compensation shall be based on either "daily flat rate" multiplied by the number of days worked per month or flat "monthly rate".

**4.10.5** Due to the nature of the assignments and the (Employment Contract) all applicable employment benefits shall be clearly stipulated in the contract and shall not follow the benefits applicable to all full time employees in the Company unless otherwise agreed in the Contract.

**4.10.6** A contract for a shorter fixed period will automatically terminate upon the expiration of the fixed period, unless the Company offers the employee or agency, in writing, a short term extension.

### **4.11 Changes in Terms of Employment**

**4.11.1** If the Government of the Sultanate of Oman enacts any new law or amends an existing law, which grants benefits to Employees that either match or exceed the employee's contractual terms, the employee shall be entitled to the benefits that are more beneficial of the two, but not both. The employee shall receive a Change in (Terms and Conditions Letter) from the Company outlining these changes for employee records purposes.

### **4.12 Probation Period**

#### **4.12.1 Overview**

**4.12.1.1** Probation is the period during which the Employee's suitability for work is assessed, enabling the managers of the Company to assess Employees from a functional and behavioral perspective. In addition, it provides the new Employee an opportunity to acquaint and assess their new work conditions.

#### **4.12.2 Purpose**

**4.12.2.1** Employees should be aware that the objective of the Company during the probation period is to assess the Employee to determine whether the Company will confirm the Employee's services with the Company.

#### **4.12.3 Policy**

**4.12.3.1** Basics of Probation:

- I. The duration of probation for all Employees with an employment contract of more than one (1) year's duration is three (3) months from date of starting employment.
- II. For any contract with less than one (1) year, the length of the probationary period is one (1) month from date of starting employment.

#### **4.12.4 Counselling during Probation**

**4.12.4.1** Line Manager is expected to support the employee during the probation period by providing an orientation session to help the employee settle in, understand the Company and Department Objectives and set KPI's for the employee to meet.

**4.12.4.2** Line Manager is responsible for conducting the assessment of the employee's performance during the probation period and should counsel the employee regarding the specific areas of improvement if needed by the 6th week of Employment.

**4.12.4.3** At any time prior to the end of the probationary period or at least one week prior to the end of the probationary period, either the employee or the relevant manager may indicate their intention to terminate the employment services.

#### **4.12.5 Termination of Services during Probation**

**4.12.5.1** In the event that the performance of the employee was unsatisfactory at any time during the probationary period and the employee's performance had not improved, the HCD may issue a notice of termination of employment provided to the employee at least 7 days prior to the date of termination.

**4.12.5.2** Expatriate employees will be entitled to a repatriation airfare if the services are terminated during the probation period, or in the case the employee resigns from the Company during the probation period.

**4.12.5.3** Employees will need to pay back any dues owed to the Company at the time of exit from the Company.

#### **4.12.6 Confirmation of Services**

- I. The confirmation of the employee's services will be notified to the HO employee in writing by the Company after the completion of the probation period.

#### **4.13 Employee Records**

**4.13.1.1** On employee joining the Company, the HCD shall open an employee file and ensure that the following documents where applicable are obtained from the new selected candidates:

- 
- I. Employee Joining Form.
  - II. Beneficiary Designation Form.
  - III. Confidentiality Agreement which will be attached to the Contract of Employment.
  - IV. Copies of all relevant certificates pertaining to qualifications & experience.
  - V. Marriage certificate.
  - VI. Reference letters.
  - XIV. Birth Certificates of dependents.
  - XV. Medical examination report.
  - IX. Copy of Passport for employee and dependents.
  - X. Copy of ID card from Omani employee.
  - XI. Photographs of employee and dependents.
  - XII. No Objection Certificate (NOC) for expatriate employees if applicable.

**4.13.1.2** All documentation formalities for expatriate employees including obtaining labor clearance, processing/renewal of work visa, spouse & dependent's visa, renewal of Residency card, and completing other labor and immigration formalities, visa endorsements required for joining shall be the responsibility of the HCD and expenses will be borne by the Company

#### **4.13.2 Restricted Access to the Employee File**

- I. HCD is the custodian of all Employee files.
- II. Responsibility of the HCD to ensure the employee file is kept strictly confidential in a safe cabinet.
- III. Requests to access any employee files should be made to HCD and approved by Human Capital Manager / Director - Human Capital / Managing Director. This includes the employee himself requesting details from the file.
- IV. A record is to be kept of any access to employees file with the date, time and reason for access.
- V. It is prohibited to remove or copy any documents from the employee file without the knowledge and authorization of DHC.

#### **4.13.3 Employee Privacy**

**4.13.3.1** Employee records are confidential and maintained in the custody of the HCD at all times. Every reasonable precaution will be taken by the HCD to ensure the privacy and confidentiality of employee information.

**4.13.3.2** Employees who, by the nature of their work, are provided with access to employee records, including salary related information are required to maintain strict confidentiality of such information.

**4.13.3.3** Company will not disclose information regarding employees of the Company to any third parties outside the Company without the employee's prior written authorization. Where information is required to be disclosed to an external party by law or legal process, the request from such external party should be routed through the DHC.

**4.13.3.4** All requests for information on current or terminated Employees of the Company will be responded to as is required or permissible by law and in the event that the law does not provide for the release of employment information, requests must be referred to DHC. Upon obtaining written permission from DHC / MD may release the information.

**4.13.3.5** If an employee seeks employment with a new employer and the new employer conducts a verification of employment with the Company, the person who has been contacted should request the consent of DHC to provide the new employer with such information.

#### **4.13.4 Maintaining the Employee File:**

**4.13.4.1** After the employee's services have been terminated, the Company shall maintain a file for each employee for a period of a minimum of one (1) year, containing at minimum the following:

- I. Name of the Employee, his age, social status, residential address, and nationality.
- II. Employee position, profession, occupation, experience and qualification.
- III. Commencement date of employment, salary and any related developments during employment.
- IV. The annual, sick and special leave of the Employee and any disciplinary action taken against the employee.
- V. The date and reasons for termination of the employee's services.

## Chapter Five

# Working Hours and Attendance

---

## 5 Chapter Five: Working Hours and Attendance

### 5.1 Overview

5.1.1 This section provides the rules of work as it relates to scheduling hours of work and days of rest.

### 5.2 Purpose

5.2.1 The objective of setting out the rules of work in the HC manual is to provide employees with the full details of the various working rules of the Company.

### 5.3 Scope

5.3.1 This policy is applicable to all Employees of the Company. This policy does not apply to outsourced/contracted employees who are employed by service providers offering services to the Company.

### 5.4 Policy

5.4.1 The Company will establish and maintain conditions of work and schedules of work which are in line with the (Oman Labor Law) and suited to the operational requirements of the Company.

5.4.2 Work requirements should be planned and distributed to Employees in such a way as to reduce any need to work beyond established work hours/schedules.

5.4.3 Employees are required to manage their time wisely to ensure that tasks are accomplished within a reasonable time frame efficiently and responsibly.

5.4.4 When unusual circumstances dictate, such as emergencies or extraordinary operational requirements, it is the expectation of the Company that all employees shall work extra hours and be duly compensated.

5.4.5 The work schedules adopted by the Company may be subject to change. Where else, the Company reserves the right to change the work schedules at its discretion and according to operational requirements as long as it's aligned with the (Oman Labor Law).

5.4.6 Wherever possible the conditions of work and schedules of work shall take into account the customs and practices of Omani employees and the various groups of expatriate employees employed by the Company.

### 5.5 Work Hours and Attendance

#### 5.5.1 General Shift / Head office

- I. The general day schedule is 45 hours per week including the lunch break, 5 days' work and 2 days' rest per week. The 2 days' rest per week is considered as Weekend days.
- II. The working days are Sunday through Thursday, 9 hours/day including a one-hour lunch break.
- III. Between (07:00/08:00 and 16:00/17:00) with one hour lunch & prayers break (1200 -1300 Hours)
- IV. Central Warehouse Manager / Workshop Manager and other non-filed base facilities that required 7 days a week manning has the right to change weekend off days for few of the employees based on work requirement.



- V. Work schedules are decided by DHC / MD & Executive Management Team.
- VI. Employees shall follow the rules as applied by swiping or any other method devised for the purpose of recording of attendance as applicable in the Company.
- VII. Consistent non-observance of working hours may initiate disciplinary action. The Line Manager is responsible for attendance of his respective employees and HCD will track attendance of employees.

### 5.5.2 Flexible working hours

**5.5.2.1** Employees working in the Head office may elect to adopt flexible working hours and having flexible start and finish times as long as they follow the below policies:

- I. Seek approval from the Line Manager on the desired timings of work.

The Line Manager has the authority to reject Employee's flexible schedule depending on work contingencies.

- II. Be in the workplace at the core working hours e.g. 9:00am to 3:00pm

### 5.5.3 Dress Code

- I. Omani male employees shall wear the national dress
- II. Expatriate employees shall come to work in formal attire.
- III. Employees must dress in formal attire when attending scheduled meetings outside the office.
- IV. Technical staff working in the operations team must wear the uniform as per the HSE rules.
- V. Employees of the Company are expected to maintain acceptable levels of personal hygiene or dress, in the interests of one's own health and safety and the interests of others.

### 5.5.4 On Duty / Outdoor Duty

**5.5.4.1** Employees proceeding to any place other than to their work place on official duty must inform their (Line Manager), and failing to do so would deem the employee to be absent without authorization. The employee's (Line Manager) must inform the HCD of the absence through SAP system for adjusting leave or to deduct payment of salary.

**5.5.4.2** Employees are expected to obtain prior approvals from their (Line Managers) before leaving their places of work during working hours. Consistent failures to do so would be interpreted as an act of misconduct.

### 5.5.5 Continuous Shift

**5.5.5.1** Company may operate its assets on a continuous twenty- four-hour (24) basis with work schedules to satisfy a continuous seven days a week shift operation. The scheduling is designed to meet operation requirements and optimize on manpower utilization and economics.

- 5.5.5.2 The Site Administrators or equivalent In-charge concerned shall publish the rosters and shift timings for the employees on a weekly/ monthly basis as per the Company's operational requirements.
- 5.5.5.3 Shift rotations and schedules will be proposed by Line Manager (DS / Operation Manager), and approved by concerned Director of operations and DHC. Moreover, Omani site unit staff will have to work 12 hours a day for 14 days to get 14 days off / rest days. In some functions such as well services, working hours may exceed 12 hours a day and the employees are compensated accordingly.
- 5.5.5.4 Some supervisory positions may work more than 12 hours a day without additional compensation as per the business and industry practices.
- 5.5.5.5 Expatriate site unit employees will have to work 12 hours a day for 35 days ON duty to get 35 days OFF/ rest days, or as specified in their employment contract. Few are working on 56 days ON / 28 days OFF.
- 5.5.5.6 The company may review and propose new working schedules as and when required. Those Omani employees who are back-to-back with the expatriate employees in the site are required to do a longer on / off schedule. Line Manager has the right to agree on other schedule as approved by management for specific positions.
- 5.5.5.7 Travel to and from Hub Points is in the Employees' own time. Site based employees shall not leave the site unless their replacement back-to back is reported at site and the hand over is completed. If any employee leaves the site without his back-to-back is in place, he will be subjected to disciplinary actions.

## 5.6 Ramadan Working Hours

- 5.6.1.1 Working hours of Muslim employees in head office during the holy month of Ramadan will be 6 hours per day and 30 hours per week. The working hours in Ramadan are subject to change according to the hours per week prescribed by the (Omani Labor Law).
- 5.6.1.2 DHC will announce the working hours during Ramadan each year for Muslim employees.

## 5.7 Overtime

- 5.7.1 Overtime is defined as work performed in hours exceeding the normal working hours, not counting periods allotted for taking food and rest.
- 5.7.2 Overtime includes work done on public holidays or non-working days/rest days.
- 5.7.3 The following calculation is produced for reference: -

a) **Ramadhan Overtime:** For Site Omani Employees working on 12 hours shift system will be required to work up to a maximum of 12 hours as usual. 4 hours of overtime is embedded in employee compensation package therefore working in the field during Ramadhan is compensated for 2 hours as over time

(Basic /30/12\*1.5\*2hrs\*number of working days).

b) **Eid Bonus:** For all rotational Omani employees on duty will be eligible for Eid bonus as per calculation explained in bracket (Basic/30\*number of Eid holyday\*2).

- 5.7.4 Overtime must be strictly controlled and limited by Line Managers / Supervisors and shall be scheduled at the lowest possible cost to the Company whilst being consistent with safe and economic operation procedures.
- 5.7.5 Employee is obliged to work additional hours over the standard working hours when requested by the Line Manager / Supervisor. Overtime work will be distributed as fairly as possible amongst employees who have the ability and skill to perform the work as per their job classification.
- 5.7.6 PRO, drivers, warehouse forklift operators or equivalent positions working in continuous shifts are entitled to overtime payment when working beyond their normal work hours.
- 5.7.7 All other employees who need to perform additional work on an ad hoc basis outside the hours of work would not be considered for overtime pay but may be considered for time off in lieu with prior approval of the (Line Manager & Functional Head).
- 5.7.8 Company will pay overtime rates as per the Labor Law.

## 5.8 Backup Planning and Delegation

### 5.8.1 Overview

- 5.8.1.1 An Emergency Backup is an Employee identified to take on a position in cases of the absence of an employee due to cases of illness, vacation, unanticipated absence, emergency or incapacity to work of the critical position holder.

### 5.8.2 Purpose

- 5.8.2.1 (Emergency Backup) ensures the continuous and effective operation of the Company's business and ensures minimum disruption to work requirements. It also helps knowledge transfer and keeps critical knowledge within the organization.

### 5.8.3 Policy

- 5.8.3.1 (Senior Management Team) is responsible for ensuring that all critical positions have an emergency back-up person identified for cases of illness, vacation, unanticipated absence, emergency / incapacity to work of the critical position holder.
- 5.8.3.2 (Emergency Backup) may be a peer or manager of a critical position holder, or another employee who has suitable experience to take on responsibilities during the absence of the position holder.
- 5.8.3.3 (Emergency Backup) person must be notified of their responsibilities and ensure they have the information required to perform the tasks of the role in case of the absence of the position holder.

### 5.8.4 Availability of Employees, Delegation and back-up

---

**5.8.4.1** Employees who are responsible for business operations, especially managers, must make themselves available to be contacted outside their normal working hours.

**5.8.4.2** All employees must ensure that:

- i. The Company has the correct details for contacting them in an emergency.
- ii. (Line Manager) is notified when employees are unavailable due to travel, health or personal reasons.
- iii. In the employee's absence, the Line Manager has access to information and job tools used by the employee, such as keys to offices, safes or cupboards and access codes or passwords.
- iv. In the employee's absence, clients, customers, suppliers and other employees are given an alternative person to contact.

### **5.8.5 Absence of Managers and Delegation**

**5.8.5.1** Managers who will be unavailable to approve requests or make decisions due to travel or personal reasons must formally delegate this authority while they are unavailable.

**5.8.5.2** This delegation of authority to an alternative person must be done in writing by notifying the relevant (Functional Head), the person to whom authority will be as per Manual of Authority. The manager must specify the scope of delegation and the start and end date. If this delegation requires a change in electronic access required during this period, the IT department must be notified as well.

## Chapter Six

### Leaves

## 6 Chapter Six: Leaves

### 6.1 Overview

**6.1.1** The Company strives to be an employer of choice by providing the best in class work environment for its employees as well as aims to provide the necessary work and life balance required.

**6.1.2** This section of the manual provides comprehensive information, rules and regulations with respect to leaves such as eligibility, conditions, and associated benefits as applicable.

### 6.2 Purpose

**6.2.1** The Company recognizes that Employees who make the effort to respect work schedules deserve sufficient time off to rest, in order to balance life and work. The Company's policy with leave provides more than the basic requirements of the Oman Labor Law.

### 6.3 Scope

**6.3.1** The provision of this chapter applies to all employees in the Company or as specified otherwise in the employment contract.

### 6.4 Policy

**6.4.1** All Public holidays that are announced by the government authorities will apply to Head Office employees and Omani field employees. Oilfield industry practices would be applied to expatriate field employees. The exact dates for the (Public Holidays) in Oman will be announced by the HCD.

**6.4.2** All Omani Labour law regulations related to leave will supersede this HC manual if the changes favor the employees, as soon as they are declared.

**6.4.3** During paid leaves (Gross salary) – including basic salary and allowances – are paid.

**6.4.4** Employees working on declared public holidays to which he/she is entitled for shall be compensated as per the Company overtime policy.

**6.4.5** If the Public Holiday falls during an employee's annual leave, the employee will be compensated with same days.

**6.4.6** Employees are entitled to various forms of leaves, and should take these leaves in consultation with their (Line Manager).

### 6.5 Annual Leave

#### 6.5.1 Policy

**6.5.1.1** Annual leaves shall accumulate from the date of joining on a pro rata basis each month and shall be credited to the Employees' leave balance record.

**6.5.1.2** Annual leave entitlement for Employees is as follows: -

## Human Capital Manual

| Employee types                                    | Eligibility of annual leave                                    |
|---------------------------------------------------|----------------------------------------------------------------|
| Head Office based employees (Omani & Expatriates) | 30 working days for every year of service                      |
| Omani Field Employees                             | 30 calendar days for every year of service                     |
| Expatriate Field Employees                        | No annual leave entitlement as per Oilfield industry practices |

**6.5.1.3** All regular employees who have completed their probation period – and in accordance with the employment contract are eligible for (Annual Leave). In addition, during probation period paid leave – on pro rata basis – can be used only in emergency situations.

**6.5.1.4** Annual leave can be availed in advance in case the balance is not sufficient upon satisfactory approvals by (Line Manager). Therefore, such advance annual leaves should not exceed the eligibility for the current year in progress.

**6.5.1.5** Granting of (Annual Leaves) will be dependent upon operational requirements and minimum headcount that needs to be maintained for each function. The Line Manager will have the discretion on sanctioning (Annual Leaves).

**6.5.1.6** If the HO employee is on (Annual Leave), training and a public holiday falls in his/her (Annual Leave). Therefore, it will be credited back to his/her account.

### 6.5.2 Annual Leave Planning

**6.5.2.1** It is recommended that the (Line Managers) prepare an annual leave plan for their team members at the beginning of every year. All departments are encouraged to maintain yearly leaves plan to ensure business continuity.

### 6.5.3 Accumulation & Carryover of Annual leave

**6.5.3.1** HO employees are encouraged to avail their Annual leaves every year to ensure they have sufficient rest and recuperation. Therefore, every employee must utilize a minimum of 15 working days per year. Field employees must avail their full annual leave once a year, exception to split annual leaves can be done in case of emergency / operation requirement with prior approval from line manager.

**6.5.3.2** HO employees can carry forward a maximum of 45 days of Annual leave to the next calendar year where they should be availed by the end of the first (Quarter of the New Year).

**6.5.3.3** Any Annual leaves carried forward in excess of 45 days will require exceptional approval from the DHC and MD with clear justifications from the Line Manager and (Function Head).

### 6.5.4 Annual Leave Encashment

## Human Capital Manual

- 6.5.4.1 As a matter of general policy, the Company does not permit (Annual Leave) encashment for HO employees.
- 6.5.4.2 Leave encashment is permitted in cases of retirement, resignation, long term international assignments or termination of employment contract.
- 6.5.4.3 Employees terminated due to disciplinary actions shall not be eligible for leave encashment.
- 6.5.4.4 Exceptional circumstances where the employee was required to work continuously in the year due to operational requirements, the Company may elect to carry forward the employees (Annual Leave) balance by providing clear justifications for approval to be gained from the DHC / MD.
- 6.5.4.5 Exceptional leave carried forward shall be utilized within the first six (6) months of the following year and considered lapsed if not utilized.
- 6.5.4.6 Omani field employees, Annual leave encashment is permitted if no replacement is available to allow the employee to proceed on annual leave.

### 6.5.5 Leave Recall Due to Business Requirements

- 6.5.5.1 Exceptional circumstances, if an employee who is currently on annual leave is recalled (due to business needs), he/she may split annual leave into two periods on account of the recall.
- 6.5.5.2 Employee who is recalled from leave due to business requirement shall be entitled to a round trip ticket in lieu to and from leave origin point (if any) on same class fare, reimbursement amount for hotel bookings for the days remaining on travel and any other actual expenses that may not be reimbursed by the third parties e.g. pre-booked train tickets, etc.
- 6.5.5.3 Employee shall be entitled to all actual non-refundable expenses related to travel (airfare, hotels etc.) in the event the Company has incurred requested the employee to cancel their approved (Annual Leave). Moreover, employee is expected to provide all relevant documentations to be reimbursed the actual expenses incurred.
- 6.5.5.4 Request for recall of employee must be approved by DHC / MD.

### 6.5.6 Return from Annual Leave

- 6.5.6.1 Employees must report to work on the date agreed as per the (Annual leave) request.
- 6.5.6.2 Employees not commencing work on the scheduled date without acceptable reason or without adequate notice shall be considered absent without authorization.
- 6.5.6.3 Employee's returning late from an authorized leave period must provide valid reasons in writing to the (Line Manager) & HCD for their late return. Where else, timely notification to the (Line Manager) for such circumstances is an obligation to all employees.



## 6.6 Emergency Leave

### 6.6.1 Overview

**6.6.1.1** Emergency leaves are a result of unavoidable circumstances that are out of control and cannot be planned nor reported before the emergency incident occurs.

### 6.6.2 Policy

**6.6.2.1** Employees are eligible for emergency leave in the case of emergency circumstances.

**6.6.2.2** (Emergency leave) entitlement is for a maximum of 6 working days per annum

**6.6.2.3** Emergency Leave should not exceed two (2) working days for every absence.

**6.6.2.4** Employees should reduce the impact on the Company on (Emergency leave) wherever possible.

**6.6.2.5** Employees have to present evidence for their absence whenever it is possible, to support the emergency incident.

**6.6.2.6** Employees have a duty to notify their Line managers immediately after the emergency occurs and provide notification of absence.

**6.6.2.7** (Line Manager) are expected to evaluate the causes of emergency leave and guide the employees accordingly

**6.6.2.8** Employees are expected upon their return to apply for the leave through the internal leave application system.

**6.6.2.9** Emergency leaves expire at the end of the calendar year and cannot be carried forward to the subsequent year.

## 6.7 Marriage Leave

**6.7.1** All Employees are entitled to special leave of three (3) working days on the occasion of marriage limited to one (1) marriage throughout the employee's period of continuous service within the Company.

## 6.8 Sick Leave Entitlement

### 6.8.1 Policy

**6.8.1.1** Employees of the Company are entitled to sick leave as per (Labor Law).

**6.8.1.2** Employees will be required to provide proof of illness from a registered medical practitioner for 1-day sick leave.

**6.8.1.3** Employee who is repeatedly absent due to sickness-three or more sickness episodes may be required to sit a return-to-work interview and provide a note to the HSE/HCD from a registered medical practitioner about their medical condition, explaining the possible impact on their work.

## Human Capital Manual

**6.8.1.4** In case employee falls sick during any paid leave, the same has to be supported by an approved medical certificate. In such cases, the number of days of sickness which is approved by HCD will be re-credited to the annual leave and deducted from the sick leave balance.

**6.8.1.5** Employees who are sick on a (Public Holiday) will not be compensated with days off in lieu.

### 6.9 Compassionate Leave

#### 6.9.1 Overview:

**6.9.1.1** Compassionate leave is granted in the case of death of:

I. **First Degree** family including spouse, father, mother, grandfather, grandmother, sister, brother, child, grandchild, step-parents, step- brothers, step-sisters, step-child and step-grandchild.

II. **Second Degree** Family members includes mother-in-law, father-in-law, uncles and aunts (direct sister or brother of a parent), nieces and nephews (direct child of a direct brother or sister).

#### 6.9.2 Policy

**6.9.2.1** Fulltime employees shall be entitled to be paid mourning leave in the unfortunate demise of close relatives which is categorized as follows:

I. Omani employees are entitled to three (3) paid working days on the death of **First Degree** Family Members. Therefore, Omani's working outside Oman will be entitled to three (3) paid working days on the death of **First Degree** Family Members not including travel time. Flights to Home country is to be borne by the employee.

II. Expatriates are entitled to three (3) paid working days on the death of **First Degree** Family Members not including travel time. Company will provide flight ticket to nearest airport of his / her home by most economic fare (Economy class for all employees).

III. Omani Employees are entitled to three (3) paid working days on the death of **Second Degree** Family Members. Omani's working outside Oman will be entitled to three (3) paid working days on the death of **Second Degree** Family Members not including travel time. Flights to Home country is to be borne by the employee.

IV. Expatriates are entitled to three (3) paid working days on the death of **Second Degree** Family Members not including travel time. Flights to Home country is to be borne by the employee.

V. Employees are required to provide proof of death of a relative on return from compassionate leave.

VI. Compassionate leave is not linked to the annual leave cycle.

**6.10 Iddah Leave (Death of a Husband of a Muslim Wife)**

**6.10.1** In accordance with the Islamic Sharia Law, a Muslim wife, on the death of her husband, is entitled to paid leave of one hundred and thirty (130) calendar days to observe mourning.

**6.10.2** A government Death Certificate shall be submitted to the HCD.

**6.11 Hajj (Pilgrimage) Leave**

**6.11.1 Policy**

**6.11.2** All regular full-time Muslim employees are entitled to Hajj leave once (1) during their period of employment in the Company.

**6.11.3** (Line Manager) should be notified as soon as possible but at least 2 months in advance of employee Hajj leave date.

**6.11.4** Employee is entitled to twenty-one (21) paid calendar days and shall not be taken before Dul Hija.

**6.11.5** Employee must have completed one (1) year of service with the Company before taking Hajj leave.

**6.11.6** Official Eid Al-Adha holidays will not accrue to employee on Hajj leave and no employee may receive pay in lieu of Hajj leave.

**6.12 Examination Leave**

**6.12.1** The Company encourages employees to develop their skills and knowledge with appropriate personal study during their own free time with prior approval of department head.

**6.12.2** Leave for sitting examinations does not imply that the Company will give further support, financial reward or a promotion to the employee once the studies are successfully completed.

**6.12.3 Policy**

**6.12.3.1** Employee will be eligible for (Examination leave) under the following rules: -

- I. Should be an Omani national.
- II. Maximum of fifteen (15) calendar days of examination leave in a calendar year—only applicable for sitting the examination and not for preparing for the exams.
- III. Study course might be related to the current or future job of the employee. This must be approved by the (Line Manager) in writing before (Examination Leave) is applied for.
- IV. Employee must provide proof of examination time and date with the leave request.
- V. Examination leave will be given as follows for examinations that lead to finishing a module, course, qualification or certificate. Examinations that do not finish a section of study do not qualify for study leave.

## 6.13 Maternity, Nursing Time-Off and Paternity Leaves

### 6.13.1 Maternity Leave

- 6.13.1.1 The purpose of (Maternity Leave) is for the mother-to-be to rest before delivery and to have time to recuperate after giving birth.
- 6.13.1.2 Maternity leave is for a maximum period of 60 calendar days on (Gross Pay) during service of employment.
- 6.13.1.3 Maternity Leave cannot be 'saved up' to be taken as holiday later.
- 6.13.1.4 If delivery is significantly delayed, the Company will give consideration on medical advice to extending the period of maternity leave subject to the foregoing rules.
- 6.13.1.5 Female employees are entitled to (Maternity leave) up to (3) three pregnancies during employment with the Company.
- 6.13.1.6 In case employee is unable to return to work after the expiry of her maternity leave for reasons of ill-health arising out of pregnancy / the maternity period, absence in excess of the permitted maternity leave shall be considered as sickness absence.

### 6.13.2 Nursing time-off

- 6.13.2.1 The Company allows Nursing mothers to select one of the below options of working hours after commencing work from maternity leave:
  - I. Two hour each day for a period of six months.
  - II. One hour each day for a period of one year.
- 6.13.2.2 Employee shall seek the (Line Manager) approval on the option selected.
- 6.13.2.3 Employee shall not merge the above nursing time off with any lunch breaks to take additional time off.
- 6.13.2.4 During the month of Ramadhan, Muslim employees' will only be able to use one hour each day for nursing regardless if they are on a two-hour option.

### 6.13.3 Paternity Leave

- 6.13.3.1 Employee whose wife has given birth, 2 working days "paternity" leave is granted for the occasion. In case travel is required, the employee will bear his/her own costs of travel.

## 6.14 Public Holidays

### 6.14.1 Policy

- 6.14.1.1 HO employees are entitled to all public holidays officially declared by the Government of the Sultanate of Oman. Field employees are governed by the industry practices.
- 6.14.1.2 The exact dates for the (Public Holidays) will be announced by the HCD.

## Human Capital Manual

**6.14.1.3** When (Public Holiday) falls during an employee's annual leave, HO employee will be compensated with similar number of days.

### 6.15 Unpaid leave

#### 6.15.1 Policy

**6.15.1.1** In exceptional circumstances an employee may apply for leave without pay provided that the employee has exhausted all annual leave accrued at such time.

**6.15.1.2** Leaves without pay may be granted to the employee for the following reasons only:

1. Escorting **First Degree** relatives for medical treatment. Moreover, provided that a medical certificate which proves the employee's attendance with the patient.
2. Female Employee with new baby born.

**6.15.1.3** Maximum duration of unpaid leave shall not exceed 4 months during the entire period of the service.

**6.15.1.4** EOSB will not be paid during the period of unpaid leave and the employee will be responsible to pay the dues related to PASI.

**6.15.1.5** Employee will not accrue any (Annual Leave) during the period of unpaid leave.

**6.15.1.6** Employee will be responsible to incur the Company contribution to PASI.

**6.15.1.7** Company shall request the employee to provide supporting documentation where possible.

**6.15.1.8** Leave without pay shall be granted to the employee solely at the discretion of the CEO/EMD.

### 6.16 Disability Leave – AS PER CURRENT PRACTICE

- I. Employees who are seriously ill or injured in an accident may be unfit for work due to a disability for a temporary period. Subject to presenting a genuine and legitimately issued certificate from an approved medical institution and verified by the (Medical Committee) of the (Ministry of Health), the employee will be permitted temporary disability leave.
- II. Employees who become disabled on account of injuries sustained due to accidents arising in the course of employment. As a result, become temporarily unfit to work shall be allowed special disability leave with pay, subject to production of medical certificate from the hospital.
- III. This benefit supersedes sick leave entitlement in the case defined above.
- IV. Company will pay the costs of medical treatment directly related to an accident arising in the course of employment.

## Human Capital Manual

- V. Unless required by Law, the disability benefits as described in this Manual will not be payable if the disability of the employee is due to alcoholism, drug addiction, attempted suicide, self-inflicted injury or any action from his own wrong doing.
- VI. In respect of Omani employees, subject to the rules established by PASI, benefits for the employee's temporary disability will be paid to the employee by PASI for as long as the insured employee is unable to work.

### 6.17 Absence from Duties

#### 6.17.1 Policy

- 6.17.1.1 In case absence of any employee is not covered by any of the types of leave mentioned above or if the employee proceeds on leave without approval, or fails to report for duty either on expiry of leave / otherwise, the employee shall be deemed to be absent without authorization.
- 6.17.1.2 Leaves without authorization, the employee will be deducted their daily gross salary for the day missed and will be subject to disciplinary procedure.
- 6.17.1.3 If such absence exceeds (7) seven consecutive days or (10) ten working days in a year, the HCD will refer the matter to the EMD/MD and may issue notice of termination on grounds of abandonment of employment.

#### 6.17.2 Head office based employees working in the field

- 6.17.2.1 As per the industry understanding & business requirements, all employees who are not in rotational time sheet are required to have field visits from time to time specially the senior team. These visits may fall some times within the weekend or during declared holidays.
- 6.17.2.2 HO based employees who may be required to work in the site for official work without benefits other than accommodation, food and transport being provided. In addition, those who work for a longer period, annual leave will be added to their credit as follows: -
  - I. Working up to 7 days continuously will not be compensated with annual leave.
  - II. For more than 7 days continuously, all days in excess of 7 days will be compensated with annual leave.
  - III. Working up to 10 days accumulated in one month will not be compensated with annual leave.
  - IV. For working more than 10 days accumulated in a month, all days in excess of 10 days will be compensated with annual leave.
  - V. The working day is counted if it involves one night stay.
  - VI. The employee can apply for encashment of such accumulated days, the decision of encashment will be approved by DHC/MD.

## Chapter Seven

# Talent Mobility

## 7 Chapter Seven: Talent Mobility

### 7.1 Overview

7.1.1 Talent mobility is the movement of Employees from one position to another either within OOC Group of Companies or outside the OOC group.

7.1.2 The Company intends to increase its deployment of talent on a local and International level across OOC Group of Companies or outside the OOC Group. This policy is part of the strategy that will drive the Employee's mobility to meet business needs in key areas of Corporate, Functional and Management functions.

### 7.2 Definitions

7.2.1 Assignment Agreement: The agreement signed between the Base Company and the Assignee which covers all the details of the assignment and terms & conditions of the assignment nature for both Local and International Assignments.

7.2.2 "International Assignment": a process of sending Employees from OOC and its Group of Companies to work outside their home country which in this context is Oman.

7.2.3 "Local Assignments": a process of sending Employees from one Company to another within OOC and its Group of Companies, or Companies outside the OOC Group.

7.2.4 "Home Country": Sultanate of Oman

7.2.5 "Host Country": the receiving country where the Employee is going for an international or local assignment.

7.2.6 "Base Company": the permanent employer of the assignee in international and local assignments

7.2.7 "Host Company": the temporary receiver/host of the assignee in international and local assignments

7.2.8 "International Assignee": Employee undergoing assignment(s) outside Oman

7.2.9 "Local Assignee": Employees undergoing assignment(s) within Oman

7.2.10 Special Needs Employees: individuals who require assistance for disabilities that may be medical, mental, or psychological.

7.2.11 "COLA" Cost of Living Allowance: The cost of living allowance is additional payout allowance to help the assignee to a certain standard of living in the Host Company in the case of international Assignment only.

7.2.12 Receiving Company: The new company within OOC group where the Employees are being transferred to as their new Employer.

### 7.3 Purpose

7.3.1 Enable the movement of Employees internationally and locally for Strategic execution of tasks or development assignments.



- 7.3.2 Reduce time of recruitment, training and development and obtain a competent person to fulfil a specific role for an interim period.
- 7.3.3 Lower talent acquisition costs by capitalizing more efficiently on in- house talent.
- 7.3.4 Help- leaders develop a more capable, experienced and resilient talent pipeline; Engage- top performers and make organization-wide opportunities more readily available to key talent.
- 7.3.5 Provide cost effective and consistent management of International Assignments and Local Assignments.

### 7.4 Scope

7.4.1 This policy applies to the following Employees mobilizing to:

- I. Local Assignments within OOC Group of Companies.
- II. Local Assignments outside OOC Group of Companies.
- III. International Assignments within OOC Group of Companies and/or business affiliates

### 7.5 Eligibility

7.5.1 The Employees eligible in this policy are permanent Employees under the following conditions:

- I. Successful completion of probation period and.
- II. There is a business need for the particular assignment and.

7.5.2 The Employee has been identified as a potential candidate for a role as part of the Talent management and development process.

7.5.3 The policy does not apply to Employees:

- I. Attending overseas training courses, conferences, business meetings and short business travels.
- II. Performing tasks and assignments outside the Home Country or the Company for a period less than one (1) month.

### 7.6 General Guidelines

7.6.1 The following guidelines are applicable to all International and Local assignments

## Human Capital Manual

### 7.7 Initiation of an Assignment

- 7.7.1** The initiation of all types of assignments needs and vacancies might arise from the Talent Board results or other related Talent Management activities within the Company.
- 7.7.2** International and Local Assignment are typically initiated on a need basis to execute a specific project, occupy a role, and transfer knowledge or for an Employee's development purpose.
- 7.7.3** The initiation of the assignments must be approved by the relevant Functional Head and approved by the Base Company, aligned with the Base Company's Manual of Authority.
- 7.7.4** Cost allocation has to be agreed by the Base and Host companies prior to the start of the assignment.
- 7.7.5** In order to ensure highly qualified Employees are considered for the assignment, the Base Company shall develop a detailed professional and competency profile of the assignee.
- 7.7.6** In case of an employee being on Local or International assignment the performance evaluation is conducted by the Host Company and bonus distribution needs to be agreed between the Base and Host Company.

### 7.8 Assignment Letter

- 7.8.1** Approval for all international assignments remuneration is with the Talent Board or any equivalent talent development forum within the company.
- 7.8.2** The terms and conditions of any assignment shall be clearly detailed in the letter which is issued centrally by the HCD. The letter and the terms of the relevant policy should be used to provide the understanding of the policy applicable. Before any of the assignment terms and conditions become effective, the Assignment letter must be signed and dated by the Company and signed by the Assignee to confirm agreement to the terms.
- 7.8.3** The letter shall state minimum details of the terms and conditions of the assignment. It will include but not be limited to:
- I. Home Country and Base Company.
  - II. Host country and Host Company.
  - III. The Employee's role and reporting lines during the assignment.
  - IV. Details of the Employee's remuneration and benefits.
  - V. The anticipated length of the Assignment and the expected start date and end date.
  - VI. The notice period (from both sides).

### 7.9 Termination of the Assignment

- 7.9.1** The Base Company and Host Company may terminate the Assignment for a justifiable reason whilst giving the assignee One (1) month notice period.

## Human Capital Manual

**7.9.2** The Assignee may terminate the Assignment agreement by resignation at any time for any reason following the agreed Base Company policies and agreed notice period.

**7.9.3** In case the Assignee resigns voluntarily from the Assignment and resign from the Base Company's employment contract, the Base and Host companies will not provide the repatriation benefits and cost coverage for both the Local and International Assignments. The Assignee will bear the cost of the repatriations for him/her and their accompanied dependents.

**7.9.4** In case either the Base or Host Company chooses to terminate the contract for a justifiable reason, one of the companies shall cover the cost of repatriations as per the assignment agreement.

**7.9.5** The Host/Base Company can terminate the assignment in the following circumstances:

- I. In case the assignee could not meet the performance level agreed and expected from him/her at the beginning of the assignment.
- II. Violation of the Host Company's policies and procedures.

### **7.10 Local Assignments**

#### **7.10.1 Purposes of Assignments**

**7.10.2** The purpose of sending Employees for Local Assignments could be to fulfill one or more of the following objectives:

- I. Filling a post where there is a scarcity of competent local staff.
- II. Training local nationals to take over roles occupied by expatriates

**7.10.3** Transferring technical or management expertise to a different Company.

- I. Helping startup businesses in another zone within the Country.
- II. Provide Employees with experience in different roles in preparation for more senior roles.
- III. Provide development opportunities for Employees as part of talent management and succession planning initiatives.
- IV. Facilitate knowledge sharing inside Oman and within OOC Group of companies.

#### **7.10.4 Working Zones**

**7.10.5** The following policy applies to Employees working in the following zones. In Local Assignment context, The Base Company (s) defined as the zone in which the Employee is currently employed in. The Host Company is defined as the zone in which the Employee is moving to for the assignment. The zones applicable are:

- I. Muscat.
- II. Sur.
- III. Salalah.

## Human Capital Manual

- IV. Sohar.
- V. Duqum.
- VI. Musandam.

### 7.10.6 Term of the Assignment

**7.10.7** Short-term Assignment: This assignment is for a period between (1) one to twelve (12) months outside the Base Company. Extension of the assignment is up to a maximum of (3) months at a total of (15) fifteen months to be considered as Short-term assignment.

**7.10.8** Long-term assignment: This assignment is for a period between Sixteen (16) months up to four (4) years which is subject to be extended based on an agreement between the Base Company and Assignee.

### 7.11 Policy

**7.11.1** The Company shall share assignment opportunities available in their respective Company with all the OOC Group of Companies.

**7.11.2** The cost allocation of the assignment will be agreed between the Base and Host Company. In general, it is expected that costs are covered by the Company in need of the assignment.

**7.11.3** The Selection of the Assignee will be based on the agreement between Base and Host Company and the assignee may be subject to interviews to confirm suitability depending on the Host company requirements.

### 7.12 Status of Assignment

**7.12.1** Unaccompanied Family Status: Local Assignees undergoing Short-term Assignments in a different zone to their Base Company shall be compensated on an Unaccompanied Family Status during the assignment duration. This type of Local Assignments doesn't include the accompanying of the Employees dependents to the Host company zone and therefore all entitlements related to accommodation will be for the Assignee only.

**7.12.2** The Employee will bear all costs related to his/her dependents if decided to accompany them for the assignment.

**7.12.3** Accompanied Family Status: Local Assignees undergoing Long- Term Assignments in a different zone to their Base Company shall be compensated on an Accompanied Family Status Assignment. This type of Local Assignment assists the Employee to accompany his or her own dependents to the Host Company zone. The assistance includes the arrangement of an apartment or villa suited to accommodate the Employee and his/her dependents.

**7.12.4** Special Needs- Accompanied Family Status (Married): Married Local Assignees with special needs working in different zone than their Base Company on both Short and Long- term assignment shall be compensated on an Accompanied Status Assignment which includes the Employees dependents.

## Human Capital Manual

**7.12.5** Special Needs- Accompanied Family Status (Un-Married): Unmarried Local Assignees with special needs working in different zone than their Base Company on either Short or Long-term Assignment may elect to accompany one person either a family or a non-family member. All other benefits shall be equivalent to the benefits given to all Local Assignees with the same terms and conditions.

### **7.13 Local Assignment Benefits/Allowance**

**7.13.1** Details of the remuneration and entitlement depending on the type of Local assignment. All details of the remuneration and entitlements must be mentioned in the Assignees assignment letter.

**7.13.2** The amount of the Local Assignment Allowance is paid to cover the cost of living, fuel and other daily expenditures.

**7.13.3** Considerations to distributing Local Assignment allowance will be as follows:

- I. Type of Assignment
- II. Level of position
- III. Distance between Base Company and Host Company
- IV. Schedule of work
- V. Duration of Stay

### **7.14 Acting Allowance**

**7.14.1** Assignees moving to a higher position in the Host Company will be entitled to an additional Acting allowance, which will be calculated as per the Acting Allowance policy of the Host Company.

**7.14.2** In the absence of the Acting Allowance policy from the Host Company, the Base Company shall calculate the percentage based on actual data collected from the host company and apply the Base Company policy regarding Acting Allowance.

### **7.15 Accommodation & Furniture**

**7.15.1** The Accommodation entitlement or allowance is only applicable for Assignees working outside their Base Company zone and the allowance will vary depending on the region and type of assignment.

#### **7.15.2 Short term assignment**

- I. Depending on the duration of the Local assignment and facilities availability, both Base/Host Company will decide on the most feasible option of providing either a furnished service apartment or an Accommodation allowance to cover the expense of renting an apartment and utilities on a monthly basis.
- II. In the case either Base/Host Company decides to pay a monthly Accommodation Allowance to the assignee, then the Base/Host Company shall pay the Assignee a one-time lump sum of a minimum of RO 1000 for purchasing furniture.

### 7.15.3 Long term assignment

- I. Depending on the duration of the Local assignment and facilities availability, both Host and Base Companies will decide on the most feasible option which to provide either a furnished service apartment or an Accommodation allowance to cover the expense of renting an apartment and utilities on a monthly basis.
- II. Utilities shall be covered by the assignee during his/her stay in the case Base/Home Company decides to pay a monthly Accommodation Allowance to the assignee, then the Base Company shall pay the Assignee a one-time lump sum of a minimum of RO 2000 for purchasing furniture.

### 7.16 Medical insurance

7.16.1 The Local Assignees assignment will be under the current Base Company Medical policy where applicable.

### 7.17 Life insurance

7.17.1 The Local Assignees will be under the current Base Life Insurance policy where applicable.

### 7.18 Annual leave & Ticket (Region Based)

7.18.1 The Local Assignees Annual Leave balance will be transferred and managed by the Host Company.

7.18.2 Local Assignees shall be eligible for Home Leave Air ticket in cases where Assignees Base zone is far from their Home zone and applicable to the nearest operating airport. The frequency of travel and air ticket entitlement has to be agreed between the Base Company and the Assignee before commencement of the Local Assignment.

### 7.19 Relocation Leave

7.19.1 All Local Assignees are entitled to a two (2) days paid leave to enable the Employee to move prior to the assignment start date.

7.19.2 Settling-In: The Base Company shall arrange a two (2) weeks temporary accommodation for the Assignees.

### 7.20 School Fees

7.20.1 It is expected that any Local move outside the current assignees home zone could cause disruption to the children's education. Therefore, Base/Host Company may bear the cost of schooling for accompanied status Local Assignees undergoing Long-term Assignment under the following conditions or allowable Expenses:

- I. Enrolment fees
- II. Tuition fees
- III. Uniforms

- IV. Textbooks
- V. Examination fees
- VI. School trips as part of the educational syllabus
- VII. School bus

#### **7.21 Pension Scheme**

**7.21.1** The Employee's own contributions shall be deducted from the net salary according to PASI Laws and borne by the Base Company.

#### **7.22 End of Service Benefits**

**7.22.1** The Employees shall maintain accrual of their End of Service benefit at their Base Company whilst being on local assignments. The Host Company shall bear the cost associated with the contributions of the End of Service benefits whilst the Employee is on assignment in the Host Company.

#### **7.23 Relocation**

**7.23.1** Local Assignees may claim the costs of relocating items back home depending on the zone at a maximum of RO 500, reimbursed based on actual invoices.

#### **7.24 International Assignments**

##### **7.24.1 Purposes of Assignments**

**7.24.2** The purpose of sending Employees for International Assignments could be to fulfill one or more of the following objectives:

- I. Filling a post where there is a scarcity of competent local staff.
- II. Developing Omanis to take over roles occupied by expatriates.
- III. Transferring technical or management expertise.
- IV. Helping startup businesses in overseas location
- V. Provide Employees with International experience in preparation for more senior roles.
- VI. Provide development opportunities for employees as part of talent management and succession planning initiatives

##### **7.24.3 Terms of the International Assignment**

**7.24.3.1 Short-term Assignment:** This assignment is for a period between One (1) to twelve (12) months outside the Home Country. Extension of the Assignment is up to a maximum of (3) months at a total of (15) fifteen months to be considered as Short-term Assignment. The Short term assignment should be differentiated from Business Travels and attending business related inspections, Factory Acceptance Testing (FAT)

## Human Capital Manual

and any other business visits. The Base Company HCD shall evaluate the need to initiate the process of Short term assignments aligned with the objective of the Company and the Talent Mobility aspiration.

**7.24.3.2 Long-term International assignment:** This assignment is for a period between Sixteen (16) months up to four (4) years which is subject to extension based on an agreement between the Base Company and Assignee.

### 7.24.4 Status of International Assignment

**7.24.4.1 International Unaccompanied Family Status:** International Assignees undergoing Short-term Assignments shall be compensated on an Unaccompanied Family Status during the assignment duration. This type of International Assignments doesn't include the accompanying of the Employees dependents to the assignment and therefore all entitlements related to accommodation, transportation and flight tickets will cover the Assignee only.

**7.24.4.2** The Employee will bear all costs related to his/her dependents members if decided to accompany them for the Assignment.

**7.24.4.3 International Accompanied Family Status:** International Assignees undergoing Long-Term Assignments shall be compensated on an Accompanied Family Status Assignment. This type of International Assignment assists the Employee to accompany his or her dependents to the Host Country. The assistance includes the arrangement and payment of flight tickets, visa, accommodation, transportations, and schooling.

**7.24.4.4 International Special Needs Employee- Accompanied Family Status (Married):** Married International Assignees with special needs on both Short and Long- term assignment shall be compensated on an Accompanied Status Assignment which includes the Employees dependents.

**7.24.4.5 International Special Needs Employee- Accompanied Family Status (Un-Married):** Unmarried International Assignees with special needs on either Short or Long-term Assignment may elect to accompany one person either a family or a non-family member. All other benefits shall be equivalent to the benefits given to all International Assignees with the same terms and conditions

### 7.24.5 International Assignment Benefits/package

**7.24.5.1** The following section covers all the policies related to the remuneration and entitlements of International Assignees on Short term or Long term assignments. International Assignees shall maintain, as a minimum, the equivalent of their Home Country pay and benefits while on Assignments and additionally will be entitled to an International Assignment Allowance to receive appropriate support and ensure they are not disadvantaged.

**7.24.5.2** All details of the remuneration and entitlements must be mentioned in the Assignees assignment letter.



**7.25 Cost of Living Allowance (COLA):**

**7.25.1** The Cost of Living allowance is an additional payout allowance, to accommodate the Assignee to a certain standard of living whilst working for the Host Company in the case of international Assignment only. The allowance aims to cover the additional purchasing requirements the International assignee might face during the assignment duration.

**7.25.2 General Guidelines in applying (COLA):**

**7.25.2.1** The HCD of the Base Company should consider the Cost of Living in the Host location by either purchasing reports from third party providers regarding the Host location or engaging with the host location to confirm the current cost of living. A thorough consideration about the place and economics standards shall take place before deciding the final amount of COLA.

**7.25.2.2** The range allows the Company to calculate a reasonable COLA depending on the location, grade of the Employee and type of Assignment.

**7.25.2.3** The COLA shall at least cover the typical definition of the purchasing items that normally considered plus the incentive premium. The base company might want to consider to encourage the international assignment policy.

**7.25.2.4** The Matrix shall be reviewed constantly to reflect the flexibility to respond to the most economical changes and conditions and also to respond to adding a new location/countries which were not considered before.

**7.25.2.5** The Talent Board, Staff Committee or as equivalent may increase the COLA for Short term or Long term assignments outside the prescribed range on an exceptional case.

**7.25.2.6** The International Assignment Allowance does not include Air ticket, accommodation, and car rental allowance.

**7.25.2.7** International assignment should cover the Employee's expenses related to food, transportation and other living expenses.

**7.25.2.8** The Base Company HC department must engage and coordinate with the Host Company HC department before confirming the COLA to accurately reflect living expenses needed, as rates could change subject to inflation or other external factors and ensuring the assignee is not disadvantaged.

**7.26 Hardship Allowance**

**7.26.1.1** The Hardship Allowance is an additional payout where the Employee is transferred to an international assignment that is considered to be a high risk location or remote locations which lacks good standards of facilities and services.

**7.26.1.2** Introducing this allowance will depend significantly on the location's exposure to remoteness, lack of basic infrastructure, safety and security conditions.

**7.26.1.3** The percentage of the allowance is dependent on the agreement between the Base Company and Host Company which will consider all the factors related to the location of the assignment and accordingly decide the amount of the allowance.

## Human Capital Manual

7.26.1.4 Reference to the details of the Hardship allowance is in Appendix (C-2)

### 7.27 Accommodation

7.27.1 The Base Company shall coordinate with the Host Company to arrange accommodation for Long Term International assignments which entails the accompanied family status and Short Term International Assignments which entails the unaccompanied family status Assignees.

7.27.2 The accommodation provided will be furnished, safe, and secure and meets a good quality standard at a competitive rate arranged by The Base/Host Company. All expenses of Accommodation will be borne by either the Base or Host Company as agreed between both Companies.

7.27.3 All Utility bills which is defined as Electricity, Water, Internet and Gas shall be borne by the Assignee except where it's mentioned otherwise on the Assignment Agreement.

### 7.28 Transportation Allowance (Car Rental)

7.28.1 The Company shall provide a transportation allowance for the International Assignee to rent a car based on the rates of the host country company paid on a monthly basis or a lump sum.

7.28.2 **Short Term International Assignees** will be entitled to a transportation allowance paid on a monthly basis equivalent to a reasonable standard car based on the Assignee Level and ensuring all safety standards are not compromised.

7.28.3 **Long term International Assignees** will be entitled to a transportation allowance paid on a monthly basis equivalent to a four wheel/family car ensuring all safety standards are not compromised.

### 7.29 Medical Insurance

7.29.1 The Company shall provide Medical insurance to International Assignees while on long term assignments. The costs of the Medical insurance shall be borne by the Host Company and shall cover the Assignees dependents.

7.29.2 If the Group Medical policy does not cover a certain location, then the Company shall arrange a separate Medical Insurance policy for the Assignees and his/her dependents in case of long term assignment.

### 7.30 Life Insurance

7.30.1 The Company shall provide Life insurance to International Assignees while on Assignment and in the case of Long Term Assignments, Life Insurance to the Assignees dependents will be provided only if the Host country laws requires it.

### 7.31 Relocation Expenses

7.31.1 International Assignees may claim actual costs incurred of relocation (capped at RO 500 for Short-term Assignment, and RO 1000 for Long-term Assignment paid on a reimbursement basis) reimbursed on a claim basis. The relocation costs aim to cover costs incurred for:

- I. Shipment of Personal Effects and related insurance.
- II. Air freight and excess baggage and related insurance.

## Human Capital Manual

- III. Professional house cleaning.
  - IV. International driving license.
  - V. Suitcases and baggage.
  - VI. Professional car care/keeping.
- 7.31.2** Any special premiums in respect of items considered as valuable or special collectables or sets such as cameras, jewelry, binoculars, antiques and stamps will be borne by the Employee. The Employee is recommended to keep such items continually insured under all risks cover.
- 7.32 Public Holidays and Annual Leave**
- 7.32.1** The International Assignees shall avail the weekend and public holidays of the Host country and will not be entitled for any compensation days for any weekends or holidays declared at the Base Company during their International Assignment.
- 7.32.2** The International Assignee shall follow the Host Company Leave balance unless stated otherwise on the International Assignment Agreement
- 7.32.3** For International Assignees, the Annual Leave balance will be frozen as of the last day in the Base Company for Short-term International Assignments. Upon return to the Base Company, the Employee will be entitled to utilize his/her remaining accumulated leave balance from the time they left the Base Company.
- 7.32.4** For long term International assignments, Annual leave will be en-cashed up to a maximum of 30 days and the remaining balance if any shall be utilized or considered to be lapsed.
- 7.32.5** The Local Assignees shall follow the Host company Leave policies unless mentioned otherwise on the Assignment Agreement
- 7.33 Relocation Leave**
- 7.33.1** All International Assignees are entitled to a two (2) days paid leave to enable the Employee to move prior to the assignment start date.
- 7.33.2** Settling-In: The Host/Base shall arrange a three (3) weeks temporary accommodation for International Assignees.
- 7.34 School Fees**
- 7.34.1** It is expected that any international move could cause disruption to dependent children's education. Therefore, the Base Company may bear the cost of schooling for accompanied status International Assignees undergoing Long-term International Assignment under the following conditions:
- 7.34.2** In certain countries, where adequate schooling is not available, The Company will bear the cost of alternative local education of dependents. Education expenses will be borne from the commencement of Primary School Education, through to the end of the school year in which the child turns 18. The cost limits will be decided based on the country and location.
- 7.34.3** The Company shall refund income tax, if any, as a consequence of the School fees payments.

**7.34.4 Covered Expenses:**

- I. Enrolment fees
- II. Tuition fees
- III. Uniforms
- IV. Textbooks
- V. Examination fees
- VI. School trips as part of the educational syllabus
- VII. School bus
- VIII. Lodging at a Boarding School

**7.35 Other School related fees**

**7.35.1** Any other circumstances the International Assignee may face regarding unexpected school related fees may be reimbursed with prior discussion with the Base Company HCD providing sufficient details and justifications.

**7.35.2** The Base Company HCD shall review the claims on a quarter basis and revert back with the decision to the International Assignee.

**7.36 Home leave Air ticket**

**7.36.1** On acceptance of the terms and conditions of the assignment and work visa obtained, the Base Company shall pay for flight(s) for the assignee and his/her accompanying dependents to the host country depending on the type of assignment whether short term or Long term. The ticket class is provided as per the business travel policy of the Base Company.

**7.36.2** International Assignees on Short term assignments will be entitled to a Home Air ticket for self once a year is completed. The duration of Annual leave will be at the discretion of the Host company policies and regulations.

**7.36.3** International Assignees on Long term assignments will be entitled to a Home Air ticket for self and dependents. The duration of Annual leave will be at the discretion of the Host company policies and regulations.

**7.37 Pension Scheme**

**7.37.1** International Assignees shall remain on the Base Country pension scheme /Gratuity Plan.

**7.37.2** The Employee's own contributions shall be deducted from the net salary according to the Public Authority Social Insurance (PASI) laws applicable in the Base Company.

**7.38 Payment of Salary-Host Country Currency**

**7.38.1** Wherever possible, the Assignee may elect to have part/all of salary paid in the host country currency,

## Human Capital Manual

**7.38.2** In order for this to apply, the Assignee will need to specify the amount wish to receive in host currency by reference to their home country salary. It is mandatory to have the appropriate bank account set up in the host country in order for this to apply.

### **7.39 Claim Window**

**7.39.1** The main objective of this claim window to provide the Assignees with realistic support and aid where applicable to face any unpredictable economic condition which might happen in the Host Country.

**7.39.2** The International Assignee may claim other items which may be deemed as a disadvantage such as difference in Currency exchange rates against Home currency with a proof of loss incurred.

**7.39.3** The Base Company preserves the right to accept or reject the claims based on its review of the claims and justification.

### **7.40 Tax Policy on International Assignment**

**7.40.1** The tax policy aims to eliminate the impact on net employment income of variations between tax and social security systems in different countries.

**7.40.2** The Base Company will be responsible to cover any income tax or other taxes related to the Assignees accommodation stay in the host country needed to be paid by the Assignee in the Host country.

**7.40.3** The Base Company will not be responsible for reimbursement on tax incurred related to food or personal purchases of items.

### **7.41 International Assignment Program Administration**

**7.41.1 Pre-Assignment medical examination for International Assignee:** It is always recommended that a medical examination is organized and undertaken at least 2 months ahead of the International Assignment. The purpose of the pre-assignment medical is to ensure that the Assignee and any accompanying dependents are fit to travel and work and to offer advice on local conditions in the host country. For some countries, the Assignee and their dependents may require further medical examinations and the assignee must make sure that all vaccinations are fully up to date ahead of arrival in the Host Country.

**7.41.2** The full cost of the required Medical examinations shall be borne by the Host Company.

**7.41.3 Visa, Residence/Work Permits:** It is the Assignee's responsibility that private documents including residence/work permits, if required, are always valid and kept up to date. Work permits for the Host Country must be obtained prior to taking up the assignment and this would be coordinated with the host country based on their rules and regulations.

**7.41.4** The Base Company shall bear the costs of obtaining all visas, residence, or work permits. The Assignee will bear costs related to renewals of passports for themselves or their dependents if required.

#### **7.42 Host Country Local Laws and Regulations**

**7.42.1** The International Assignees and their dependents must be familiar with and abide by all the local laws and regulations of the Host Country at all times, and the Company shall not have any liability nor responsibility whatsoever for a breach or misconduct, whether or not intentionally.

#### **7.43 Repatriation**

**7.43.1** At the End of the International Assignment, the Base Company will arrange the resettlement of the Employee back to their Home Country. The repatriation entitlements will include the following:

- I. Air ticket for Self (Short term)
- II. Air ticket for Self, Spouse and 3 dependents (Long term)
- III. Shipment of Personal effects (RO 500 for Short-term Assignment, and RO 1,000 RO for Long-term Assignment)

#### **7.44 Permanent Transfer within OOC Group of Companies**

##### **7.44.1 Overview**

**7.44.2** Permanent Transfers of Employees in OOC Group of Companies is considered as an efficient method of talent deployment to either respond to business needs or providing Career opportunities in some cases.

**7.44.3** The Permanent Transfer process shall follow the internal recruitments process where possible.

**7.44.4** In some cases, the permanent transfer process of an Employee will not be subject to any internal recruitment processes.

##### **7.44.5 Purpose**

**7.44.6** The purpose of Permanent transfer of Employees from one of the OOC Group of companies to another is as follows:

- I. Respond to business needs and/or the requirement of specific skills.
- II. Build the capability of Employees across the group in order to develop them.
- III. Provide career growth opportunities for Employees across the OOC Group of Companies.
- IV. Cause minimum disruptions to the Employee and the business in terms of transfer.

##### **7.44.7 Scope**

**7.44.7.1** This policy applies to all fulltime Employees in the Company

##### **7.44.8 Policy**

**7.44.8.1** All Permanent transfers are encouraged to be initiated through the Talent Board/ Staff Committee or equivalent Talent Management process in the Company.

## Human Capital Manual

**7.44.8.2** The Host Company may opt to interview the Employee suggested for transfer to confirm suitability to role.

**7.44.8.3** The Employee shall not be disadvantaged when moving to the Host Company in terms of Compensation and Benefits and the Employee must agree to the terms and conditions prior to confirming the transfer into the Host Company.

**7.44.8.4** The Employees Line Manager from the Base Company shall be consulted on the notice period duration for the Employee to join the Host Company. The maximum duration may not exceed 3 months on notice.

### **7.45 Employment Contract**

**7.45.1** The Receiving Company and the transferred Employee will need to agree on a compensation package which will depend on the type of transfer and position the Employee will be moving into. The Base and Host Company shall facilitate the move to maintain continuity of employment.

**7.45.2** All permanent transfers must be issued with a new employment contract and be registered with the Ministry of Manpower and related authorities reflecting the new contract particulars.

### **7.46 Pension Scheme**

**7.46.1** The transferred Omani Employee will be registered to the Receiving Company as per the PASI laws.

### **7.47 Medical Tests**

**7.47.1** The Receiving Company may request the Employee to conduct medical tests before joining, if the position or the nature of the business requires it.

### **7.48 Annual Leave**

**7.48.1** Depending on the Annual leave balance available, the employee may transfer a maximum 15 working days' Annual leave balance to the Receiving Company and the remaining balance if any; will be encashed and paid by the Base Company as part of the settlement.

**7.48.2** The Employee may elect not to transfer any Annual leave balance to the Receiving Company and claim all the days in his/her balance as encashment as part of the settlement with the Base Company.

### **7.49 End of Service Benefit (EOSB)**

**7.49.1** If the Base and Receiving Company provide the same End of service benefits (EOSB) Plan to Employees, then the transferred Employee has the option to either encash the EOSB or transfer it to the Receiving Company if agreed between both Base and Receiving companies.

### **7.50 Company Assets**

**7.50.1** The existing assets of the Base Company related to Laptops and Mobile phone can be transferred from the Base Company into the Receiving Company if both parties agree to.

**7.50.2** The Mobile phone might be transferred, if the Host Company does provide a mobile phone and allowance as part of its benefits.

## Human Capital Manual

**7.50.3** In the case the Receiving company does not provide Mobile phones to its Employees, then the Base Company will retrieve the phone from the Employee at the time of transfer.

**7.50.4** The Finance, IT and HC departments between the Base and Receiving companies must agree on the transfer of company assets where and if possible.

### **7.51 Sharing of Documents**

**7.51.1** The Base Company shall make every effort to ensure the Receiving Company has all the updated and relevant information related to the transferred Employee. This will include a copy of the Employee file including the following:

- I. Competency profile (if exists) and all development/ trainings attended.
- II. Talent Managements documents related to the transferred Employee.
- III. Past performance reports.
- IV. Annual leave balance and other leaves utilized.
- V. Medical certificates or prior medical conditions that the Receiving Company should be aware of.

### **7.52 Salary Certificates and Experience Letter**

**7.52.1 Salary Certificate:** The Employee will be issued with new Salary certificates as per the Receiving company details if the Employee requests the letter.

**7.52.2 Experience letter:** The experience letter of the Employee shall mention the total time spent in the OOC Group and then specifically in the new receiving Company.



## Chapter Eight

### End of Employment

## 8 Chapter Eight: End of Employment

### 8.1 Overview

8.1.1 This section provides the Company's policies and guidelines for handling the employee's separation from the Company upon the termination of the employee's services from the Company.

### 8.2 Purpose

8.2.1 The main objective of the Company's policy on (End of Employment) is to ensure that minimum disruption of work occurs when an employee departs from the Company, and to provide guidance to the employee on the administration of end of service payments and claims.

### 8.3 Scope

8.3.1 This section applies to all **Full-Time Employees** in the Company.

### 8.4 Policy

8.4.1 The Company may terminate the Contract of employment for justifiable reasons and in accordance to the (Oman Labor Law).

8.4.2 Employee may terminate the contract of employment by resignation at any time.

8.4.3 Separation of an employee from the Company shall be due to any of the following reasons:

- I. Resignation.
- II. Retirement.
- III. Death or disablement.
- IV. Termination.
- V. Abandonment of service.

### 8.5 Various Types of Termination of Services

#### 8.5.1 Termination during the Probationary Period

8.5.1.1 If the employee's performance during the probation period is not satisfactory, then the Company may terminate the services of the employee by providing the employee with a notice of termination within a minimum of seven (7) calendar days prior to the date of termination of employment.

8.5.1.2 Employees who terminate their services with the Company during the probation period must provide notice to the Company within a minimum of seven (7) calendar days prior to resigning from the Company.

### 8.5.2 Expiry of Employment Contract

**8.5.2.1** The services of expatriate employees under a Contract of employment is for a fixed period and may be terminated upon the conclusion of the period stipulated in the Contract of employment if either the Company or the employee do not wish to renew the Contract of employment. The Company will provide the employee with notice of termination of employment within thirty (30) days prior to the date of termination of employment or as otherwise stated in the contract of employment.

**8.5.2.2** Employees should be aware that subsequent terms of the contract of employment which have been automatically renewed previously shall not create a term of indefinite employment with the Company under any circumstances.

### 8.5.3 Resignation

**8.5.3.1** Employees who decide to terminate their services with the Company must submit their resignation to the Company.

**8.5.3.2** Employee must submit their resignation to the company in writing with a notice period as per the following:

#### **8.5.3.2.1 For Head office employee:**

- I. Employees below grade 8 one month notice.
- II. Employees above grade 8 two months' notice, however one month notice may be approved.

#### **8.5.3.2.2 For Field employee:**

- I. For Omani Employees one month notice.
- II. Expatriate employees shall provide complete 35/56 working days' notice. Off days will not be counted for the purpose of notice period.

**8.5.3.3** Notice period may be waived entirely by the employee and employer by mutual consent and agreement. DHC/MD of the Company must approve the decision in this case and the Employee will only be entitled for payment for the days worked during the notice period.

### 8.5.4 Retirement

**8.5.4.1** Omani employees are eligible to retire from the Company upon attaining the age of 60 (sixty) for males and 55 (fifty-five) for females. The Company reserves the right to terminate the services of the employees once they reach the retirement age as prescribed by the rules of PASI.

**8.5.4.2** The date of birth stated in the service record of the employee's personal file will be the basis for determining the age of the employee. In the event that the Employee's age is disputed, the records held with PASI regarding the age of the employee will be used to verify the age of the employee.

## Human Capital Manual

**8.5.4.3** DHC/MD of the Company has the authority to extend the services of employees beyond the retirement age in certain circumstances, as long as it's in accordance with the business needs of the Company and permitted by the law.

**8.5.4.4** The PASI laws will be applicable to the continuation of Omani employee's compensation having reached retirement age.

### 8.5.5 Early Retirement

**8.5.5.1** Employees who elect to retire before attaining the age of retirement may request the Company to terminate their services on the basis of early retirement.

**8.5.5.2** Employees who elect to retire before attaining the age of retirement will be required to coordinate with PASI directly regarding their compensation entitlements.

**8.5.5.3** In certain circumstances, the Company may wish to downsize a particular department and may offer early retirement to employees who are close to attaining the age of retirement. In addition, both parties must agree with the settlement in this case.

**8.5.5.4** An employee whose services are terminated on the basis of early retirement will receive all settlement dues from the Company and in the sole discretion of DHC/MD.

### 8.5.6 Medical Termination Based on Disability

**8.5.6.1** Employee's inability to perform the assigned job due to a disability will be determined by a medical certificate issued by the governments (Medical Committee) certifying the employee as being medically unfit to continue normal work. The decision of the (Medical Committee) shall be final.

**8.5.6.2** For the purposes of making a decision to terminate an employee's services on the basis of disability, the Company differentiates between two categories:

(I) Total disability.

(II) Partial disability.

**8.5.6.3 Total disability:** Employee who is determined to be permanently disabled and unable to return to work as certified from the governments (Medical Committee).

**8.5.6.4** The services of an employee will be automatically terminated if the employee is certified as being permanently disabled and the employee will receive all final settlements due to them from the Company which may include payments from the Insurance Company in addition.

**8.5.6.5 Partial disability:** Employee who is determined to be partially disabled as certified by the governments (Medical Committee) and able to work in a limited capacity.

**8.5.6.6** If the Company is able to accommodate an employee with partial disability in a limited capacity, the employee's services will not be terminated. Therefore. If the Company is unable to accommodate the employee in a limited capacity, the employee will be terminated and will receive all final settlements due to them from the Company, which may include payments from the insurance Company in addition.

## Human Capital Manual

**8.5.6.7** Omani Employees will be entitled to disability benefits as determined by PASI laws of the Sultanate of Oman.

### **8.5.7 Death**

**8.5.7.1** The Contract of employment will terminate automatically upon the death of the employee.

**8.5.7.2** The Company will assist the family of the deceased immediately on notification of death of employee with RO 500 to assist with funeral expenses. A formal company representative shall meet the family to offer this financial.

**8.5.7.3** The heirs of the employee who is deceased whilst in the service of the Company, will be entitled to receive:

- I. The Gross Salary of the Employee up to the date of death.
- II. The accrued unutilized annual leave.
- III. Payment in lieu of 1 months' notice.
- II. EOSB, if applicable.
- III. 13<sup>th</sup> month salary as pro rata if applicable.
- V. Insurance in accordance with the rules of the Company's Group Life Insurance Policy.
- VI. Any other entitlements as applicable.

**8.5.7.4** For expatriate employees, the above entitlements will be paid to the employees' heirs in accordance with the beneficiary form provided to the Company by the employee.

**8.5.7.5** For Omani employees, the above entitlements will be released directly to the recognized legal heirs' representative supported by the Courts of Oman. Moreover, a power of attorney must be provided to the Company for release of the entitlements. In the case the employees' legal heir's conflicts with the named beneficiary form, the power of attorney takes precedence.

**8.5.7.6** In the case of the death of an expat employee, the Company will cover the cost of transportation of the remains of the deceased employee from place where the death had occurred to the destination requested by the dependents of the deceased. In addition, the Company shall pay air tickets for the dependents of the employee to accompany the deceased to the burial place. In addition, the Company shall pay for repatriating of personal affects as per the Company's repatriation policy.

**8.5.7.7** Any loans and other amounts owing to the Company, which remain outstanding as at the death of the employee, will be recovered in accordance with the terms of the loan agreements.

## Human Capital Manual

**8.5.7.8** The Company will ensure that it obtains the authenticated death certificate of the deceased employee.

### **8.5.8 Abandonment of Service**

**8.5.8.1** The Company may decide to terminate the services of the employee if the employee fails to report for duty for a period of ten days in any one (1) year or for seven (7) consecutive days without having obtained leave of absence from the Company.

**8.5.8.2** The HCD will inform the employee of the immediate termination of services. The employee will be entitled to the payment of all statutory payments but will not be entitled to the payment of notice and EOSB, if applicable.

### **8.5.9 Termination of Employment Due to Serious Misconduct**

**8.5.9.1** The Company may immediately terminate the services of an employee without notice and without the payment of EOSB in the following instances, if the employee:

- i. Assumed a false identity or resorted to forgery to obtain employment with the Company.
- ii. Committed a willful act which resulted in grave material loss to the Company and the Company had reported the incident to the concerned authorities within three (3) days from the date on which the Company became aware of the incident.
- iii. Did not abide by the health and safety instructions of the Company as displayed in the workplace and the employee had previously been instructed in writing to take health and safety precautions.
- iv. Was absent from work without reasonable justification for more than ten (10) days in one (1) year or more than seven (7) consecutive days and on the first occasion of being absent for five (5) days, the employee was provided with a written warning.
- v. Disclosed secrets and confidential information of the Company.
- vi. Is finally convicted of a crime or misdemeanor involving breach of honor or trust committed at the workplace or while work was being performed.
- vii. If during working hours, the employee was found drunk or intoxicated by a narcotic substance or a mind stimulant.
- viii. Assaulted a manager in charge or gravely assaulted any of his superiors during work or because of work or if he beats one of his fellow employees in the place of work and such beating results in illness or discontinuation of work for a period which exceeds ten days.
- ix. Gravely breaches any obligation to perform the duties pursuant to the Contract.

## Human Capital Manual

### 8.5.10 Termination of Employment Due to Poor Performance

**8.5.10.1** The services of an employee may be terminated by the Company for continuation of poor performance, provided that the Company follows the performance management process and has proven records of counseling on how to improve performance.

### 8.6 Final Settlement Entitlement

**8.6.1.1** During the probation period the final settlement amount will include the accrued unutilized annual leave, if any, and seven (7) days' notice with full (Gross Salary) up to last date of service with the Company, provided that the employee attends work during the notice period.

**8.6.1.2** Employee's final settlement will be calculated by the HCD as per the terms and conditions of the employment contract up to the last day of employment with the Company.

**8.6.1.3** The encashment of unutilized accrued annual leave at the end of the employee's services will be calculated on the basis of the employee's (Gross Salary).

**8.6.1.4** Employees must repay to the Company the entire balance of all loans and outstanding dues at the end of the employee's services with the Company, or the amount will be deducted from the employee's settlement dues. DHC/MD may authorize waiver of outstanding dues in exceptional circumstances.

### 8.7 Return of Company Property

**8.7.1** All assets of the Company must be returned by the employee, unless the employee is moving to another Company within the OOC Group of Companies and the transfer of assets is agreed between both companies.

**8.7.2** Medical cards issued on behalf of the Company to the employee will be cancelled by the HCD unless the employee is moving to another Company with OOC Group of Companies and an agreement between both companies is in place.

### 8.8 Resignation from Representative Capacity

**8.8.1** Employee will be required to resign from official representation if the employee represents the Company in any official capacity such as authorized signatory, or is a board member of any Board of Directors related to the Company.

### 8.9 Exit Formalities

**8.9.1** If the employee's resignation is accepted, then the Company may conduct an exit interview with the employee, ensuring every effort is made to detail reasons for leaving the Company.

**8.9.2** The HCD shall be responsible to periodically review the exit interview notes and identify trends of exits if any, and measures of improvements.

**8.9.3** The HCD will issue the employee an experience letter with details of the employee's position, years of service and last drawn salary (if required) once the employee has settled all their dues and returned all assets to the Company.

## Human Capital Manual

- 8.9.4** HCD may issue expatriate employee with **No Objection Certificates** if requested once all settlements have been made by the employee and all Company assets returned to the Company.
- 8.9.5** HCD shall ensure the process of visa cancellation of expatriate employees' is carried out in accordance with the local rules and regulations.



## Chapter Nine

### Job Design

## 9 Chapter Nine: Job Design

### 9.1 Overview

9.1.1 Job design – and its output, the job description – is a fundamental part of most of the HC processes and outlines the basic function and scope of the job, as well as minimum requirements to perform the job in terms of experience, academic qualifications, certifications and other duties expected to be undertaken by the employee.

9.1.2 Job descriptions is used for several HC processes such as – Recruitment, Design of department structures, Compensation, Selection, Talent Management etc.

### 9.2 Purpose

9.2.1 The purpose of Job design is to ensure the complexity of the job and all its required tasks are reflected clearly and without any overlaps to ensure the work is carried out efficiently and responsibilities are clear to all the employees.

### 9.3 Scope

9.3.1 All Fulltime, Short term & Part-time jobs in the Company must have a defined Job description.

### 9.4 Policy

9.4.1 All new positions shall have a defined Job description before initiating any Recruitment activity.

9.4.2 Each job description should be evaluated and matched to a relevant grade in the Company.

9.4.3 Job descriptions shall be updated on a needs basis or driven by an activity to ensure it's accurate. These activities may include Recruitment, Job Evaluations, establishing of new functions and other HC processes as relevant.

9.4.4 The HC is the overall custodian of the Job descriptions and must ensure the process is complete and updated by the (Line Manager) accordingly.

### 9.5 Guideline

9.5.1 Job design must be conducted by involving subject matter experts of the given function/field who know the tasks and activities in the field and are able to break down a job into tasks and responsibilities.

9.5.2 The HC will be responsible to provide the templates and guide the discussions and the subject matters experts of the function or (Line Managers) will be responsible to populate the template with the job requirements and ultimately sign off on the job descriptions.

### 9.6 Elements of Job descriptions

9.6.1 During the job design the following elements of the job may be designed:

- I. Aim of the job.
- II. Tasks of the job (not more than ten).

- III. Reporting lines.
- IV. Necessary education and certificates.
- V. Dimensions of the job – if relevant (costs, volumes, headcounts, budgets, etc.).
- VI. Necessary skills and competencies.
- VII. Key outputs.
- VIII. Key success indicators.

## Chapter Ten

# Performance Management

## 10 Chapter Ten: Performance Management

### 10.1 Overview

10.1.1 Performance Management is the means of achieving high levels of performance in the Company by understanding and managing employee performance at all levels within an agreed framework of planned goals, objectives and standards.

10.1.2 Performance Management system is a continued process during which objectives are set, progress is assessed and ongoing coaching is provided so that employees meet their objectives and career goals.

10.1.3 Performance Appraisal shall not be treated as a once a year process only, it shall be a continuous assessment with feedback given verbally and in writing, highlighting achievements and non - performance areas.

### 10.2 Purpose

10.2.1 The objective of this section is to outline the policies within the **Performance Management System**, which ultimately aims to:

- I. Assess the performance and potential of employees at all levels throughout the Company.
- II. Allows the company to plan, monitor and execute its business strategy and objectives by cascading them to employees.
- III. Provides an opportunity for regular dialogue between an employee and their (Line Manager) concerning work priorities, performance expectations/standards, and areas of development and growth.
- IV. Identify and reward the top performers in the Company.
- V. Improve the performance of low performers to ensure they are contributing to the overall success of the Company.
- VI. Facilitate improved communications between supervisors and staff on their current work expectations as well as future professional growth.
- VII. Ensure that decisions concerning rewards and promotion are fair and equitable.

### 10.3 Scope

10.3.1 This Policy applies to all HO employees of the company. Field employees of the company

### 10.4 Policy

10.4.1 Performance Management System and process shall be fair, transparent and objective to all employees' and shall give inputs for decisions relating to incentives, promotions and career progression.

10.4.2 Setting yearly targets / KPIs shall be driven by conversations between (Line Manager) and the employee.

- 10.4.3** Targets / objectives / KPIs need to be agreed by the Line Manager and the Employee. In case of disagreement the Manager one level higher than the Line Manager should be involved and he/she must mediate between the parties to achieve a consensus.
- 10.4.4** Performance Appraisal must occur annually, with one mid-year check point as a minimum during each annual cycle.
- 10.4.5** Objectives / KPIs can be changed during the mid-year review depending on various factors.
- 10.4.6** If the Employee has worked in more than one (1) department during the year under review, then the Employee's performance should be appraised and consolidated by the all managers he/she has worked under.
- 10.4.7** Employees who have completed three (3) months in the Company must complete the performance appraisal for the year to be eligible for the Bonus scheme. Employees joined during last quarter (October – December) are not to be included for this purpose.

### **10.5 Company Target Setting**

- 10.5.1** The EMD/MD and the (Senior Management Team) are responsible for the setting of (KPIs) for the Company to the Shareholder(s) / Board of Directors every year. Company KPIs are approved by the Shareholder(s)/Board of Directors
- 10.5.2** Functional Heads are responsible to translate the approved Company KPI's into departmental goals.
- 10.5.3** The Company targets shall be shared with all employees in the Company once approved.

### **10.6 Individual Target Setting**

- 10.6.1** Target setting conversations between the employee and their (Line Manager) occurs in the beginning of the performance cycle and is critical to set the tone and expectations for the year ahead.
- 10.6.2** Targets/objectives have to be realistic and achievable but also challenging and stretching for the given Employee.
- 10.6.3** To develop targets and (KPI's), it is necessary to identify the results expected from the employee in carrying out this area of responsibility.
- 10.6.4** Employees and (Line Manager) shall ensure that KPI's are SMART, which is often used to describe the characteristics of good performance measures. The characteristics include:
- I. Specific: Objectives should be specific in means of achievement.
  - II. Measurable: objectives should be measurable in means of quantifiable.
  - III. Achievable: objectives should be achievable and within the employees capability.
  - IV. Realistic: objectives should be realistic taking into consideration the available resources.
  - V. Time bound: objectives should be given a deadline.

**10.6.5** Additional performance measures can also be evaluated based on work behaviors (based on company values or other parameters i.e. How the work is performed, HSE cautiousness and awareness or whether proper procedures were followed).

### **10.7 Mid-Year Process**

**10.7.1** During the performance appraisal cycle there must be at least one formal review that is called a mid-year review. It is an opportunity to intervene from both sides – (Line Manager & employee) – on time in order to ensure achievement.

**10.7.2** Mid-year process allows the (Line Manager) to track the progress of the employee against the different tasks allocated and to intervene or provide support if needed.

**10.7.3** Line Managers are also encouraged to counsel non-performers and provide constructive feedback and offer the necessary intervention as needed to assist the employee to reach his/her maximum potential.

**10.7.4** Mid-year process allows the employee to receive feedback about his/her performance to date and seek for support or guidance if needed.

**10.7.5** In cases where external factors or changes in the Company strategy occurs, the mid-year conversation between the (Line Manager & employee) could lead to a shift or change of the targets set for the employee in the beginning of the year.

### **10.8 Annual Performance Review**

**10.8.1** The aim of annual review is to appraise the annual performance of the employee by his/her direct (Line Manager) along the previously set targets.

**10.8.2** The following shall be carried out during the annual review process:

- I. A two-way conversation between the (Line Manager) and his/her direct employee to discuss the employees' performance in the context of the objectives agreed at the beginning of the year and the behaviors they demonstrated throughout the year.
- II. Consider any development areas and opportunities that can be considered for the following year to ensure the employee's career enhances.

**10.8.3** Confirmed Individual performance ratings shall be subject to outcome of the performance review committee which is the Executive Management Team (EMT).

### **10.9 Rating Scale**

**10.9.1** Company will rate employees on a 5 scale rating.

**10.9.2** Rating scale of evaluating employees may be amended on a yearly basis as per the discretion of the shareholder(s)/board.

### **10.10 Performance Review Committee**

**10.10.1** The aim of having a performance review committee is to ensure that evaluations are conducted fairly, consistently and mitigate against 'soft' or 'hard' performance reviewers and resolving debated issues. The performance review committee comprises of all function heads and the HCM / DHC / MD.

**10.10.2** Functional head has to present the performance scores of their team to the performance review committee who may discuss the following:

- I. Reviews/compares department performances.
- II. Calibrates (adjusts) department performances
- III. Agree on the performance of each employee in the various departments.
- IV. Make final decisions on the overall ratings of Employees

**10.10.3** After the performance review committee session is completed, the (Line Manager) shall communicate the final appraisal scores to the employee. Moreover, the final appraisal scores need to be signed off by the employee confirming acknowledgement.

#### **10.11 Low Performers Improvement Plan**

**10.11.1** Employees rated as 'unsatisfactory' or 'needs improvement' are considered to be "low performers". The Company aims to help and encourage all employees to achieve and maintain acceptable standards of performance at work.

**10.11.2** Consideration of low performers:

- i. The Employees (Line Manager) provides documented feedback and informs the employee on the areas where the required standards are not met against the targets set.
- ii. Every effort should be made by the (Line Manager) to understand the reasons for the employee not performing to the standards required by the Company and whether it's related to the role description, targets or a behavior related issue.
- iii. Employee's performance continues to be poor, then the Company shall consider applying a more formal process which could lead to disciplinary actions.
- iv. Performance improvement plan shall be placed by the Line Manager for employees that fall in the "not meeting expectations" bracket.

#### **10.12 Bonus distribution in the Company**

**10.13** Performance bonus is paid to HO employees annually based on both Company performance and individual performance. Company performance is determined and approved by the shareholder (s) / Board based on Company scorecard whereas individual performance is based on set of individual KPIs.

**10.14** The shareholder (s) / board has the sole discretion to approve the total bonus pool applicable to the Company on an annual basis.

**10.15** The shareholder (s) / Board has the discretion to change the formula related to bonus calculation.

**10.16** Guidance on multiplying factor and weightages are from PwC consultant recommendation and is subject to change on a yearly basis recommended by DHC and approved by MD and HCC.



### PricewaterhouseCoopers (PwC) on Individual payouts

Individual payouts will vary with performance and seniority. Performance gearing provides sufficient differentiation while retaining team spirit and seniority gearing acknowledges the greater impact employees in higher grades have on overall organizational performance, hence, a higher percentage of the employee's salary is at stake. This is as per market practice.

#### Performance Gearing (PG) Multiples of Basic Salary

| Performance Rating | Poor (4) | Achieves (3) | Exceeds (2) | Excels (1) |
|--------------------|----------|--------------|-------------|------------|
| Gearing            | 0.0      | 1.0X         | 1.5X        | 2.0X       |

An employee with a performance rating of "Excels" will receive 2 times the bonus of an employee with a performance rating of "Achieves"

#### Seniority Gearing (SG) Multiples of Basic Salary

| Grade   | 1 to 4 | 5 to 8 | 9 & above |
|---------|--------|--------|-----------|
| Gearing | 1.00   | 1.25   | 2.00      |

A senior management employee will receive 2.5 times the bonus than a staff employee

The above tables set out the ratio in which the bonus pool will be distributed across performance ratings and seniority. However the actual bonus will be dependent on the organization achievement and the profit generated in that year:

An adjustment factor [=  $Bonus Pool / (\sum PG_i * SG_i * Basic Salary_i)$ ] is used to calculate the individual payouts.

## 10.17 Bonus Eligibility

- 10.17.1 New employees who have completed 3 months in the Company during the performance cycle, will be eligible for a bonus on a pro-rated basis from the date of joining for that year.
- 10.17.2 Employees eligible for bonus and completed 3 months in the Company during the performance cycle shall be paid the bonus at the time of distribution.

- 10.17.3** Bonus payments shall not be carried forward or accumulated to be paid in a subsequent year.
- 10.17.4** The EMD's will approve the bonus for the executive management team.
- 10.17.5** In case of a permanent transfer of an employee within OOC group of companies, both companies will pay the bonus (if bonus payout occurs) on pro rata basis. Both sending and receiving Companies shall agree on the distribution at the time of transfer depending on the time spent in each Company by the employee.
- 10.17.6** In case of an employee being on either international or local assignment, performance evaluation is conducted by Host Company, and bonus payout needs to be agreed between base and discretion of host Company. Generally, the host Company would be responsible for cost during the assignment period while the scheme shall follow the base Company.
- 10.17.7** In the case of an employee being away on prolonged sick leave or unpaid leave, then the employee shall be paid the bonus on a pro rata basis if the duration of absence exceeds 3 months. If an employee resigns from employment and he/she is not in employment at the time of bonus payment, then he/she will not be eligible for bonus.
- 10.17.8** Employees who have 'unsatisfactory performance' as their individual performance rating, will not be eligible for bonus distribution from the Company. Employees leaving Abraj employment before the date of payment of bonus, he / she shall not be eligible for payment of bonus.

#### **10.18 Elements not to be factored as Part of Bonus Calculation**

- 10.18.1** The Company shall not factor the following cases as reasons to directly deduct bonus from the employee, however the misuse of these factors may contribute to the employees' individual performance rating being impacted.
- 10.18.2** The factors are but not limited to:
- I. Sick leaves.
  - II. Emergency leaves.
  - III. Late attendance.
  - V. Disciplinary measure.

#### **10.19 Increment**

##### **10.19.1 Overview**

- 10.19.1.1** Increments are defined as an increase to the individual's basic salary within the same grade.

##### **10.19.2 Purpose**

- 10.19.2.1** The purpose of distributing Increments to reward individual high performers in the Company and to ensure their progression within their Salary scale.

**10.19.3 Policy**

- 10.19.3.1** Annual increments occur typically at the end of the performance cycle of the Company.
- 10.19.3.2** The Company may review specific cases related to salary adjustments, increments or promotions during the mid-year review and may apply changes in exceptional circumstances.
- 10.19.3.3** The awarding of increments in the Company is at the discretion of the Company management which will consider market-related factors affecting the Company's financial performance in the year.
- 10.19.3.4** The employee must have completed a minimum of 6 months in the Company to be entitled to the annual increment.
- 10.19.3.5** The factors related to distributing increment to employees may be amongst the following:
- i. Current position in the salary structure.
  - ii. Individual performance rating.
  - iii. Internal equity and comparison against other peers in the Salary structure.
  - iv. Significant change in the size of the job value and jobs.
- 10.19.3.6** If the Employee achieves a 'meeting expectations' rating in the individual performance rating, then the Company is required to award the mandatory (3 %) annual increment as per the requirements of MOMP.
- 10.19.3.7** Employees who have 'unsatisfactory performance' in the individual performance management, the (%) Increment is not mandatory and the Company shall inform the relevant government authority of the employee's details and reasons for not distributing Increment.

## Chapter Eleven

# Talent Management

## 11 Chapter Eleven: Talent Management

### 11.1 Overview

11.1.1 Talent Management is the process of identification and placement of individuals who meet or exceed performance expectations and demonstrate willingness, ability, and potential to develop new skills and take on challenges that come with jobs at the next level in the Company.

11.1.2 Talented individuals are those who can sustain a level of performance that consistently meets or exceeds the output requirements of their job as well as demonstrate potential to take up a higher role.

### 11.2 Purpose

11.2.1 The purpose of a defined Talent Management framework is to ensure the Company attracts, identifies, develops, rewards and retains its top talents in a fair and systematic manner.

### 11.3 Scope

11.3.1 This policy applies to all full time employees in the company, with the goal of developing nationals as a priority to support the overall **Omanization** policy.

### 11.4 Talent Board

#### 11.4.1 Overview

11.4.1.1 Talent board is the engine that drives the Talent Management agenda forward and ensures that talent management efforts serve both the strategy of the Company and the aspirations of employees.

11.4.1.2 Talent board is a management committee focusing on strategic Talent Management initiatives in the Company and helps to entrench the mind-set in the Company that talented people are a valuable asset and that talent should be managed consistently and with focus.

11.4.1.3 Talent board is typically comprised of the MD of the company, the senior management team – and facilitated by DHC.

#### 11.4.2 Talent Board Objectives

11.4.2.1 The objective of the Talent Board in the Company is to:

- i. Ensure the pipeline is healthy in terms of talent and identify strategies to overcome positions with shortages in talent.
- ii. Identify talented employees at various levels and functions in the Company.
- iii. Ensures the HCD is providing the tools and processes for departments and Line Managers to have quality conversations about their people.
- iv. Ensures employees are aware of a fair and transparent discussion of talent management in the Company.

### 11.4.3 Roles of the Talent Board

- 11.4.3.1 Review organizational and talent capacity in line with business priorities.
- 11.4.3.2 Agree on development and retention actions for high performing employees.
- 11.4.3.3 Agree on succession plans of managerial grades and above in the organization.
- 11.4.3.4 Decide on mobilization of talent internationally, across OOC Group of Companies and outside the OOC group of Companies.

## 11.5 Succession Planning

### 11.5.1 Overview

- 11.5.1.1 Succession Planning is the process and practice through which the Company ensures that critical positions can be filled with competent employees when vacancies occur.
- 11.5.1.2 Succession planning is a proactive approach to reducing the risk of having critical positions vacant for any period of time and ensuring redundancies are being managed through a flow of talent in the business.
- 11.5.1.3 Critical positions are the jobs that are critical for business continuity and is defined based on a combination of factors which include but not limited to job complexity, value of job, risk of departure and replacement.

### 11.5.2 Purpose

- 11.5.2.1 The purpose of Succession Planning is to:
  - i. Minimize the risks resulting from unanticipated vacancies in critical positions by being prepared to fill these vacancies in the shortest time possible.
  - ii. Ensure that there is a potential successor for all critical positions in the short and medium terms.
  - iii. Transfer knowledge within the organization.
  - iv. Support the career management process and reduce the loss due to turnover.
  - v. Prepare Employees to fill more challenging jobs over the course of their career.
  - vi. Be able to effectively deploy talent across the OOC Group of Companies based on business needs.

### 11.5.3 Scope

- 11.5.3.1 Leadership positions: non-technical/technical and project managers.
- 11.5.3.2 All positions that defined as critical for business continuity.

### 11.5.4 Policy

- 11.5.4.1 Succession Planning focuses on critical positions that are identified in terms of operational requirements and the availability of potential successors. (Functional Heads/Line Managers) must identify such positions in conjunction with the HCD.
- 11.5.4.2 Succession Plans should be prepared and maintained at least annually in coordination with the HCD.
- 11.5.4.3 Potential successors shall be identified on the basis of their performance, capabilities, growth potential skills and competencies as they are relevant to the future job. Appropriate and relevant assessment methods shall be applied to ensure a consistent and fair treatment.
- 11.5.4.4 Employee shall be informed they are considered as a potential successor for a position in the Company, without undertakings or promises that the job is guaranteed as to avoid expectations being raised.
- 11.5.4.5 The potential successors' competency and skill gaps have to be identified and a development plan should be put in place to address them with the support of the HCD.
- 11.5.4.6 Candidates in the succession pool for a given position must be considered before a decision is reached regarding recruitment of that given vacant position in the Company.

#### 11.5.5 Guidelines

- 11.5.5.1 Succession planning for managerial positions is within the scope of the talent board of the Company and is reviewed at least once annually.
- 11.5.5.2 When a member of the succession pool is appointed to a vacant position according to the succession plan, the employee may be supported by a mentor in order to cope with the initial challenges.

#### 11.5.6 The Succession Plan must:

- I. List all critical positions in the Company
  - II. Identify two possible successors for all critical positions where employees are in place who could take over the job by continuing with their current development plan.
  - III. Identify critical positions that have no employees identified as successors.
- 11.5.6.1 Identify employees who may become successors if they were given extra training, and outline that training as part of the development plan.

### 11.6 Career Management

#### 11.6.1 Overview

- 11.6.1.1 Career Management is the process of building careers and providing prospects for employees at the Company. In addition, employees shall be given the opportunity and support to develop their skills, knowledge and abilities to enhance their opportunities in the Company.

### 11.6.2 Key enablers

- I. Competency framework.
- II. Succession planning.
- III. Career Ladder.
- IV. Performance management.
- V. Talent Board activities.

### 11.6.3 Purpose

- 11.6.3.1** The purpose of career management is to prepare and identify opportunities where it's possible for employees to be promoted, trained for different jobs, and rotated to different jobs, secondment or involvement in special projects.
- 11.6.3.2** Career Management offers the employee a way to prepare themselves for more challenging and higher responsibilities roles when opportunities arise within the Company.

### 11.6.4 Policy

- 11.6.4.1** The involvement of an employee in the Career Management process does not guarantee promotion or career advancement.
- 11.6.4.2** Career Management process is driven by the business strategy and is based on:
- I. Business needs (e.g. future requirements for human resources/skills, investments, projects).
  - II. The business structure and organizational structure of the Company.
  - III. The competencies, skills, experience and knowledge requirements of a given job grade.
  - IV. The capabilities, competencies, experience, knowledge and performance of Employees.
- 11.6.4.3** Career plans have to be prepared by all functions in the Company.

### 11.6.5 Career Ladder

- 11.6.5.1** Career Ladder is a designed structure that defines the steps and levels of a given career path within or across different functions. In addition, career ladder enables the organization to plan and conduct career moves of Employees over time and guides employees regarding the career progression possibilities. Career ladders is a key enabler to having an effective talent management process.

### 11.6.6 Guidelines of Career Ladder



- 11.6.6.1 Career ladders have to reflect the level of accountability and complexity of the positions within and across given disciplines/functions.
- 11.6.6.2 Career ladder sections should be clarified with grading structure and compensations attached.
- 11.6.6.3 Advancement of employee depends on business needs first, then on performance and competency level proficiency for new role, and time at current level.
- 11.6.6.4 Competencies have to be identified for each level of the career ladder (specific to role).
- 11.6.6.5 Eligibility criteria on progressing through the career ladder has to be defined.
- 11.6.6.6 Assessments have to be conducted for employees moving into position of direct reportees to the MD or equivalent technical positions in the specialized career ladder.

### 11.7 Competency Framework

#### 11.7.1 Definition:

- 11.7.1.1 A Competency Framework is an integral cornerstone of talent management and is suggested for implementation to enhance capabilities. It is a structure that defines the required competencies, skills and proficiency levels for each position in the organization.
- 11.7.1.2 Competency Framework is made up of three main components:
  - I. Competency or skill: Describe the behaviors and/ or technical skills that individuals must have, or must acquire to fulfill the job.
  - II. Proficiency level: Encompass demonstrable performance outputs as well as behavior inputs and relate to minimum standards required.
  - III. Competency profile: set of competencies/skills with the defined proficiency level required for a particular job role.
- 11.7.1.3 In case a Competency Framework is implemented at a Company competency profile for each job shall be defined and each employee shall be assessed against the relevant competency profile at least every second year. Based on the assessment of competency gaps, development areas can be identified for each employee and use for individual development planning.

### 11.8 Learning & Development

#### 11.8.1 Overview

- 11.8.1.1 Learning and Development (L&D) is an organizational strategy that articulates workforce capabilities, skills or competencies required to ensure a sustainable and successful organization.

#### 11.8.2 Purpose

**11.8.2.1** The Purpose of Learning and development is to improve individual and organizational performance through developing Employees' capabilities. The L&D implementation is driven by ensuring the company has competency and skills gaps that are linked to business requirements.

### **11.8.3 Policy**

**11.8.3.1** Learning and development initiatives shall happen in a planned manner and budgeted as part of the annual budget of the Company.

**11.8.3.2** Preference for learning and development initiatives shall be for Omani nationals in the Company.

### **11.8.4 Guidelines**

**11.8.4.1** The Company must plan for the development of current and future essential competencies to ensure that its current talent is prepared to meet the Company growth as well its succession plans.

**11.8.4.2** Strategic Development Plan is developed to ensure that critical skills and skill pools are secured on a long term in order to maintain business continuity.

**11.8.4.3** The Annual Development Plan serves to plan, manage and execute the necessary development interventions on an annual basis.

**11.8.4.4** The Company must integrate development planning into other aspects of manpower planning, succession planning, career planning and Omanization planning and use development planning to attract, retain and improve the performance of employees.

**11.8.4.5** Development planning must be driven by competency and skills gaps. The (Line Manager) should identify competency and skills gaps using assessment methods provided by the HCD.

**11.8.4.6** Competency and skills gaps shall be assessed at least every second year. The performance appraisal process is also an input for development planning.

### **11.8.5 Training and Development Solutions**

**11.8.5.1** The training requirements for employees are identified under two categories:

- I. Technical/specialized training which may include safety training.
- II. Non-technical training.

**11.8.5.2** Training requirements are further classified as:

- I. Mandatory training.
- II. Recommended training.

**11.8.5.3** A "Mandatory Training Matrix" may be developed by the HCD (Training Department), in consultation with (Line Managers).

## 11.9 Skills Transfer

**11.9.1** Expatriate employees are employed to fulfill competency and skill gaps existent in the Omani workforce, and to develop Omanis to develop those skills. Therefore, as an essential part of an expatriates' job is to transfer on skills to other employees, especially Omanis.

**11.9.2** Expatriates employees are encouraged to routinely identify Omanis whom they could mentor, and support their continued development in the Company.

**11.9.3** As part of an expatriate employee's KPIs he/she should identify Omanis who could learn some or all of their own skills and provide proof of skills training and transfer.

## 11.10 Individual Development Plan (IDP)

### 11.10.1 Overview

**11.10.1.1** Individual Development Plans (IDP) is based on the identification of the competencies required for the particular grade of the job and the employee's gaps in skills and knowledge required for effective performance of the employee's job.

### 11.10.2 Guidelines

**11.10.2.1** All employees are encouraged to have IDP's, however it is mandatory to have IDP's for Omani Employees in specific positions as identified by business requirement by senior managers.

**11.10.2.2** The IDP should span a two-year period, but be reviewed and updated annually.

**11.10.2.3** The IDP shall include the following elements:

- I. The competencies/skills that need to be developed by the employee.
- II. The actions that will help the employee develop these competencies (e.g. types of training, secondment, on-the-job opportunities, mentor, job rotation, job shadowing, e-Learning etc.).
- III. The expected time for each learning opportunity.

**11.10.2.4** How the employee will be assessed as meeting the competency requirements.

**11.10.2.5** Employee may be asked to provide a Self-Assessment of training needs and should specify areas they wish to undergo training to directly strengthen their role in the Company.

**11.10.2.6** (Line Manager / Function Heads) are required to counsel employees when completing the IDP in order to evaluate the current skills level of the employees and identify specific training needs required.

### 11.10.3 Training Needs Analysis (TNA) - Guidelines

**11.10.3.1** When determining the Company's training needs, the HCD (training department) will formulate the TNA on the basis of the individual IDPs.

- 11.10.3.2** The TNA should be conducted at each department's level by analyzing the department's goals and objectives for functional and behavioral training needs of the employees in the respective department. The information from each IDP should assist the (Line Manager) to evaluate the current skills level of each of the employees reporting to the (Line Manager).
- 11.10.3.3** After the employee completes the IDP and the IDP has been reviewed by the (Line Manager), the HCD will review the IDPs of all employees in order to determine the Company's training needs.
- 11.10.3.4** The HCD, liaising closely with Functional Heads, will undertake the TNA study to identify the long term and short term training needs of the Company. The HCD is responsible for ensuring that the indicated training needs are consistent with the duties and responsibilities of the employees and that the TNA supports the Company's business objectives.
- 11.10.3.5** The HCD will compile the information from each department's IDPs to develop the TNA from the training needs identified in the IDP, serving as key indicators for the annual training plan of the Company as part of the annual budget process.

### **11.11 Types of Learning & Development Initiatives/Trainings**

#### **11.11.1 External Training**

- 11.11.1.1** External training includes training in the form of courses, seminars or any form of short-term education which is offered by external educational institutes, training providers, or consultants. Moreover, external training may be conducted through courses locally, regionally or abroad.
- 11.11.1.2** In order for the employee to be considered eligible to participate in external training the following eligibility criteria is encouraged to be fulfilled:
- I. The Employee must have successfully completed the probation period with the Company.
  - II. The external training should have a direct correlation between the employee's job profile and the course content.
  - III. The level of the identified external training should be appropriate for the employee's educational background and qualifications.
  - IV. The identified external training should ultimately benefit the Company and the training outcomes should be suitable to the Company and satisfy the Company's needs.

#### **11.11.2 Professional Certification**

- 11.11.2.1** The Company may provide financial assistance to employees of the Company who pursue courses of study which are professionally certified. In addition, courses of study which have professional certification include certificates and other accredited certifications.

**11.11.2.2** In order for the employee to be considered eligible for obtaining financial assistance from the Company for pursuing a professionally certified qualification, the employee must satisfy the following eligibility criteria:

- I. The course of study must be related to the Company's business or must aid in the progression of the employee's career within the Company.
- II. The Functional Head must support the request.
- III. The employee must be accepted and registered with an educational institute.
- IV. The Employee's is applying for the certification as a first attempt.

### **11.11.3 On the Job Training**

**11.11.3.1** The Company strongly advocates on-the-job training for acquisition or enhancement of skills and competencies of employees. The aim of on- the-job training is for experienced employees to pass on knowledge by giving less experienced Employees' relevant training in the practical application of skills that are useful and helpful to the performance of the team.

**11.11.3.2** The HCD shall work closely with departments to seek opportunities for rotation of employees in the Company.

**11.11.3.3** Line Manager must take responsibility to ensure that employees are given practical training whenever possible. If an employee is involved in the Career Management process or is a potential successor for a higher position, the (Line Manager) may assign an experienced colleague as a mentor for the sake of effective on-the-job training and the accelerated development of the given employee.

### **11.11.4 Conferences / Workshops / Seminars**

**11.11.4.1** Employees may attend conferences/workshops/seminars related to the Company's business or which will aid in the progression of the employee's career within the Company.

**11.11.4.2** Function Head shall endorse any request for attending seminars or workshops and will forward the request to the HCD for review with a justification that the conference/workshop/seminar is related to the Company's business or it would progress the employee's career within the Company.

**11.11.4.3** The HCD shall review the request with the DHC/MD. The Director HC/MD has the sole discretion to approve the employee's attendance at conferences/workshops/seminars.

### **11.11.5 In-house Training**

**11.11.5.1** In-house courses and seminars may be conducted by the Company for its employees.

**11.11.5.2** The in-house training may be conducted by HODs or any professional employees of the Company on various subjects to improve the functional, technical, and management areas of the Company.

**11.11.5.3** In some cases, external professional training providers may conduct in-house courses and seminars, provided that the department which requires the course or seminar has a genuine need for the training. The (Function Head) of the relevant department

requiring the in-house training to be conducted by external professional training providers must obtain the approvals internally as required.

**11.11.5.4** The HCD (Training Department) will request the external professional training providers to submit a request for proposal to the Company for approval internally by the Company.

**11.12 Training Evaluation**

**11.12.1** Employees shall provide feedback on the training attended and transfer the knowledge gained from the training to the other employees in the department through presentations and distribution of the course contents.

**11.12.2** The HCD (Training Department) shall aim to work closely with the (Line Managers) to capture the return on investment of training related to the employees' performance.

**11.13 Education Assistance for Omani Employees in Head Office positions**

**11.13.1** Abraj will provide education assistance to Omani employees in HO to complete their higher education which is relevant to their function and as approved by the management as per annual budget.

**11.13.2 Eligibility & Payment: -**

**11.13.2.1** Omani employees in HO who has completed more than 2 years of Abraj service.

**11.13.2.2** Omani employees in head office who has been rated "achieved" and above for continuous 2 years.

**11.13.2.3** Below the age of 45 years.

**11.13.2.4** Up to 85% of the fee for doing Higher Education will be reimbursed as approved for each term with the proof of payment

| <b>Employee education qualification level</b> | <b>Eligible to apply for Higher Education</b> |
|-----------------------------------------------|-----------------------------------------------|
| Secondary                                     | Diploma / Higher Diploma                      |
| Diploma / Higher Diploma                      | Bachelor Degree                               |
| Bachelor Degree                               | Master Degree                                 |

**11.13.3 Bond period**

- 11.13.3.1** After completion of the course, equal work period bond is required to be completed by employee. This means if an employee completes a course for 3 years, he / she shall continue to work for 3 years after the course completion.
- 11.13.3.2** If the employee leaves employment, balance amount after adjusting pro rata period completed would be deducted from his / her final settlement.
- 11.13.3.3** If the employee has taken education assistance and completed the course but failed in the examination, then he / she has to pay back to Abraj the full amount availed for the course.

#### **11.14 Eligibility for Training**

**11.14.1** All employees are eligible for training if he/she:

- I. Needs to acquire knowledge, skills or competencies to do their current job.
- II. Is doing a job that has changed and requires new skills or competencies.
- III. Requires regular certification to be qualified for the job.
- IV. Has demonstrated satisfactory performance levels.
- V. Has completed all other internal courses if any (such as safety, e-Learning, English skills) that he/she has been registered for.
- VI. Has completed and returned course evaluation forms for any previous courses attended.

**11.14.2** Preference for external trainings will be given to Omani Nationals as part of the Company's support for its Omanization policy.

#### **11.15 Internships**

##### **11.15.1 Overview**

**11.15.1.1** The Company will provide Internships to students as an opportunity to gain practical work experience in the workplace.

##### **11.15.2 Purpose**

**11.15.2.1** The purpose of Internships is to:

- I. Assist the interns to experience practical work experience from a development perspective.
- II. Assists the Company in identifying potential candidates for future positions in the Company.
- III. Can be part of the corporate social responsibility program of the Company.

##### **11.15.3 Guidelines**

- 11.15.3.1 In line with the Company's recruitment policy, the internship program will demonstrate the Company's commitment to the highest professional standards.
- 11.15.3.2 The Company will utilize various sources for selecting potential interns. Advertising for intern positions is not mandatory but preferred when hiring large numbers in one intake.
- 11.15.3.3 The Company will apply pre-requisites which are objective and transparent to candidates who may be eligible to be selected for internship with the Company, with preference being given always to Omani candidates.
- 11.15.3.4 If no suitable candidates are available, the Company will not be obliged to accept any interns.

### 11.16 Duration of Internship

- 11.16.1 Internship program will be up to a maximum of twelve (12) weeks with the Company and subject to be extended. The internship may include undertaking visits to the Group Companies, conducting research, writing reports. Moreover, interns may have a training program so as to ensure that a defined plan is structured for the intern's practical training whilst on the job.

### 11.17 Structured Learning of Interns

- 11.17.1 Line Manager is encouraged to develop a structured learning program for the Intern, for the duration of the internship to ensure the intern and Company are gaining from this opportunity.
- 11.17.2 The HCD (Training Department) shall collect the interns learning program from the (Line Manager) before the internship commences.
- 11.17.3 It is preferred that an Intern is assigned a mentor during his/her internship to monitor the progress.

### 11.18 Contract and Certificate

- 11.18.1 Interns will enter into a contract with the Company for the purposes of the internship (Short Term Training Contract) and sign the confidentiality and Work product agreement with the Company.
- 11.18.2 Interns may be paid a monthly stipend of a maximum OMR 150/- during the internship program, and it's agreed in the beginning of the internship.
- 11.18.3 Interns will be given an experience letter issued from the Company after completion of his/her internship program.

### 11.19 Promotions

#### 11.19.1 Overview

- 11.19.1.1 Promotion is a reassignment of the employee to a job with higher responsibilities and complexity.

#### 11.19.2 Purpose

- 11.19.2.1 Purpose of Promotion is to reward the employee for their contribution and performance in their current role and their suitability for a higher vacant role.



**11.19.2.2** Promoted employee will be given the benefits, salary and job grade associated with the new job according to the compensation and benefit policies and procedures.

**11.19.3 Policy**

**11.19.3.1** Promotions are based on the needs of the Company, and occur as a result of a vacant position or the creation of a new position for business/operational reasons. The promotion process is similar to that used for identifying an internal candidate for a vacancy.

**11.19.3.2** Promotions are based on evidence of knowledge, skills, competence, behavior, and attitude and not on length of service or the age of the employee. Excellent performance does not always guarantee promotion.

**11.19.3.3** As a guiding principle, an Employee should normally be in his/her current job for at least two (2) years before being considered as a candidate for promotion. In exceptional circumstances this period may be shorter.

**11.19.3.4** An annual manpower plan sets out the potential promotions that may take place over the course of a year.

**11.19.3.5** The minimum criteria required for the employee to be considered for a promotion shall be among the following:

- i. Employees Job competencies & qualifications and the ability to perform at next job
- ii. Achieving 'meeting expectations' or 'above expectations' performance rating for two consecutive years.
- iii. Employee must not have a court case against the Company.
- iv. Employee was confirmed after serving in the acting position of a higher position.

## Chapter Twelve

# Employee Engagement

## 12 Chapter Twelve: Employee Engagement

### 12.1 Overview

12.1.1 Employee Engagement is a workplace approach designed to ensure that employees are committed and motivated to achieve the organization's goals, while being satisfied with the nature of work and environment.

### 12.2 Purpose

12.2.1 Company recognizes that employees who are highly engaged in their jobs are generally the highest performers in the Company. The purpose of employee engagement is to ensure sustainable organizational performance and improve the employee satisfaction levels in the Company.

### 12.3 Policy

12.3.1 Employee Engagement is a shared accountability between EMD/MD, Senior Management, Line Managers, HCD and the employees.

12.3.2 The Company shall display and share to all employees its mission, vision and values and is encouraged to continuously instill the values of the Company through regular interactions with the employees.

12.3.3 Company's yearly objectives and targets must be shared with all employees and ideally during the early months of the 1st quarter of the new financial year.

12.3.4 Employee Engagement Surveys shall be conducted at least once every two years. Only in special circumstances, the Company may elect to bring forward or postpone the survey(s).

### 12.4 Accountabilities of different levels

12.4.1 Employee Engagement accountabilities are shared between three main stakeholders, Senior Management Team, HCD and employees as listed below:

#### 12.5 Senior Management Accountabilities

12.5.1 The **EMD/MD** & Senior Management Team in the Company are pivotal in fostering an environment where employees feel enabled, motivated, recognized and aligned with the Company's values and strategic direction.

12.5.2 The **EMD/MD** in particular is involved in the overall endorsement of the employee engagement survey and ensuring the action plans is rigorously implemented by the Senior Management Team.

12.5.3 In particular, the senior management team are expected wherever possible to:

- I. Cascade the Organization strategy, values, measures of success and expected performance to the employees.
- II. Monitor and encourage employee engagement in respective departments.
- III. Encourage open door communication between employees and (Line Managers).

- IV. Encourage a mentoring or coaching relationship for employees to pursue in the Company.
- V. Encourage employees to come up with ways and means to improve the 'way we work' or share information as a Company or department.

## **12.6 Line Managers Accountabilities**

### **12.6.1** The Line Managers are expected to:

- I. Cascade down the departmental objectives and expected performance from their employees.
- II. Recognize good results, performance and behaviors within their teams.
- III. Enable the employees with the needed resources to perform the tasks appropriately.
- IV. Review employees' performance regularly while providing constructive feedback.
- V. Encourage continuous learning and development within the team and department.
- VI. Ensure ongoing feedback and communication with employees.

## **12.7 Human Capital Accountabilities**

### **12.7.1** The HCD are expected to:

- I. Enable managers with the process, tools, and forms to perform employee engagement activities.
- II. Facilitate the employee engagement survey distribution, analysis of results and present the results to the senior management team.
- III. Facilitate the development of improvement actions and work with the (EMD/MD, Function Heads, and Line Managers) to support the implementation of the Employee Engagement initiatives in the company.

## **12.8 Employees' Accountabilities**

### **12.8.1** The employees in the Company are expected to:

- I. Perform their daily tasks with excellence and ensure they are always performing to the highest level.
- II. Communicate and share their career aspirations with their immediate (Line Managers).
- III. Initiate their own career and development discussions with their (Line Manager / Functional Heads).
- IV. Utilize employee engagement surveys to express opinions to improve the workplace practices.
- V. Share thoughts on improvements or areas of concerns with (Line Managers) as they arise.

VI. To always respect all employees and uphold the Company values.

## **12.9 Employee Engagement Surveys**

### **12.9.1 Overview**

**12.9.1.1** Employee Engagement surveys is an anonymous feedback tool for the Company to gauge the level of engagement and motivation employees have about their work and the Company's overall environment.

### **12.9.2 Purpose**

**12.9.2.1** The purpose of Employee Engagement Survey is to provide a channel for the employees to voice their opinions on various workplace practices that impact their experience with the Company as a workplace.

### **12.9.3 Policy**

**12.9.3.1** The Company will select a well-researched and tested tool/questionnaire to implement the Employee Engagement survey.

**12.9.3.2** Surveys may be anonymous to protect confidentiality so employees feel safe to express their opinion honestly and freely.

**12.9.3.3** The results of the survey may be communicated to all employees in the Company not later than 3 months after closing the surveys timeframe window.

**12.9.3.4** Based on the result of the survey, an action plan shall be prepared and endorsed by the MD. The implementation of the action plan will be communicated to the respective owners of the actions and progress will be monitored by the HCD

## **12.10 Staff Gatherings**

### **12.10.1 Overview**

**12.10.1.1** A Staff Gathering is an informal staff meeting conducted by the EMD/MD and Senior Management team as an opportunity to update and engage all employees in the Company.

### **12.10.2 Purpose**

**12.10.2.1** Purpose of conducting Staff Gatherings is to keep employees engaged and informed about the Company's progress and highlight any key achievements or updates in the future. It also provides an opportunity for the employees to engage with the senior management team in the Company and thus increasing the levels of engagement in the Company.

### **12.10.3 Policy**

**12.10.3.1** Staff Gatherings shall be held at least two (2) times a year.

**12.10.3.2** Employee must handle the matters and information discussed in these meetings in a confidential manner.

**12.10.4 Guideline**

**12.10.4.1** The agenda of the town hall meetings may include the following topics:

- I. The Company's performance.
- II. The Company's future plans and strategic direction.
- III. Business matters updates: current challenges, successes, changes.
- IV. Announcements.
- V. Celebrating Success.
- VI. Employees' questions and queries.

## Chapter Thirteen

### Disciplinary & Appeal

## 13 Chapter Thirteen: Disciplinary & Appeal

### 13.1 Overview

13.1.1 The disciplinary policy intends to correct employee conduct regarding unsatisfactory behavior or job performance and constitutes the minimum standards of discipline that needs to be adhered to by all employees.

13.1.2 The policy provides reference for managers and employees in dealing with situations that require disciplinary action. It also clarifies the role of managers in counseling employees about the expected behaviors required before being subjected to disciplinary action.

### 13.2 Purpose

13.2.1 The purpose of this policy is to encourage compliance with Company policies and (Code of Conduct). It also aims to ensure that the principles of fairness and consistency are applied reasonably in dealing with matters that may warrant disciplinary action.

### 13.3 Scope

13.3.1 This policy applies to all employees of the Company, and extends to any gathering of employees and particularly work-related social activities or Company sponsored events.

### 13.4 Responsibilities

13.4.1 It is the responsibility of all employees to maintain standards of performance and conduct in accordance with their job requirements, contracts of employment, and the Company's rules and regulations.

#### 13.4.2 HC Responsibility

13.4.2.1 Overall responsibility for ensuring that the **Disciplinary Policy** is implemented and operated in a fair and reasonable manner.

13.4.2.2 Provide advice and guidance to individual employees and to line managers, on compliance with applicable law and company policies.

13.4.2.3 Responsible for a fair, consistent and objective application of the policy.

13.4.2.4 Provide advice on consistency of treatment during the disciplinary procedure.

13.4.2.5 Responsible for notifying and initiating the complete disciplinary process.

13.4.2.6 Preparation and safe keeping of disciplinary letters and other documents.

#### 13.4.3 Line Manager Responsibility

13.4.3.1 Line Managers are responsible for maintaining proper conduct and discipline of employees under his / her supervision.



**13.4.3.2** Line Managers must ensure that any case they handle whether in a disciplinary or investigative role is solely on the merits of the case and without regard to any stereotypical factor or pre-conception which could lead to an unfair outcome in a case.

**13.4.3.3** Line managers have a duty to ensure that their staff are aware of the appropriate behavior and standards required in their department and that they are informed of their responsibilities to cooperate with this policy's requirements.

**13.4.3.4** Line Managers may not impose any disciplinary sanctions without consultation and endorsement from the HCD.

### **13.5 Policy**

**13.5.1** It is the Company's policy to ensure that employees who fail to meet required standards and expected behavior are given the opportunity and guidance to bring about the necessary improvement without the Company invoking the formal disciplinary procedure.

**13.5.2** Where possible, informal counseling or other good management practice will be used to resolve matters prior to any disciplinary action being taken.

**13.5.3** The Company has the ultimate responsibility to calibrate the misconduct and to decide on the appropriate disciplinary action in a manner that is consistent with local laws.

**13.5.4** No disciplinary penalty shall be issued against an employee after the expiry of 15 calendar days from the date on which the violation has been verified.

**13.5.5** The Employee must not be subjected to more than one disciplinary penalty at the same time for a single violation.

**13.5.6** The Company shall not issue a fine for an employee which exceeds five (5) days' salary deduction for one (1) offense.

**13.5.7** The validity of any penalty shall lapse after twelve (12) months from the date of the penalty except in the case of termination. Any new offence after the expiry of the penalty will be treated as a new offense.

**13.5.8** Each step (stage) of this disciplinary procedure must be undertaken without unreasonable delay.

**13.5.9** At every stage of the procedure the employee will be advised of the allegations against him / her and be given access to the appropriate evidence. In cases where witnesses' identity must be withheld the employee will still be advised of the substance of the allegations against him / her.

**13.5.10** The Company may report an Employee to the police if it is felt that the misconduct is also potentially illegal.

### **13.6 Counseling / Informal Process**

**13.6.1** Counseling is regarded as an informal disciplinary discussion and is an attempt to correct a situation and prevent it from getting worse without having to use the disciplinary procedure. The purpose of any informal discussion is to:

- 13.6.1.1 Bring to the Employee's attention the aspects in which it is thought that performance or conduct is unsatisfactory (for example, an issue of time keeping) and to ascertain whether the employee recognizes there is a problem.
- 13.6.1.2 Explore the extent to which a problem exists by citing specific examples, facts or incidents.
- 13.6.1.3 Outline the standards of job performance or satisfactory conduct required.
- 13.6.1.4 Bring to the employee's attention the aspects in which it is thought that performance or conduct is unsatisfactory (for example, an issue of time keeping) and to ascertain whether the Employee recognizes there is a problem.
- 13.6.1.5 Explore the extent to which a problem exists by citing specific examples, facts or incidents.
- 13.6.1.6 Outline the standards of job performance or satisfactory conduct required.
- 13.6.1.7 Explore possible reasons for shortcomings by listening to any explanations or statements made by the employee.
- 13.6.1.8 Discuss how the employee should seek to improve.
- 13.6.1.9 Explain to the employee that failure to meet the established reasonable standards will lead to more formal disciplinary action.

### **13.7 Formal Disciplinary Procedure**

- 13.7.1 No disciplinary action will be taken against an employee until the matter has been fully investigated and a disciplinary meeting, if appropriate, is held.
- 13.7.2 The disciplinary process should be commenced within 15 calendar days of issue being discovered or else may be deemed as in dismissible.

#### **13.7.3 Steps in Disciplinary Process:**

- 13.7.3.1 Notifying the employee: the employee concerned should be notified in writing the alleged misconduct and the intention to hold a meeting within 15 calendar days. The HCD will be responsible to notify the employee.
- 13.7.3.2 Investigation: every endeavor should be made to investigate and establish facts relevant to the case. Depending on the circumstances of the case, a specialist team (Security, Finance, IT, HSE, Legal etc.) may be used to conduct the investigation with the HCD. If the matter is serious, the Company may decide whether to suspend the employee to facilitate the Investigation.

#### **13.7.4 Hold a meeting with the Employee:**

- I. The disciplinary meeting will normally be in the presence of a minimum of 3 individuals excluding the employee investigated. The employees (Line Manager), member from the HCD and a third unbiased senior member preferably from another department be present.

- II. Employee must be given at least 2 days' notice of the date and time of the disciplinary meeting.
- III. Every effort should be made to agree a mutually convenient date and time for the meeting.
- IV. Employee is given every opportunity to state his / her case regarding the offence.
- V. After the facts have been established, the disciplinary meeting representatives will consider whether any disciplinary action to be taken in accordance with the gravity of the offence.
- VI. Within 14 calendar days of the meeting, the HCD will send a letter to the employee detailing the decision, the reasons for the decision, the penalty imposed and the rights to appeal. A copy of the letter will be held in the employee's file.
- VII. All details of the disciplinary meeting must remain confidential.

### **13.8 Forms of Disciplinary Action**

**13.8.1** Formal disciplinary actions may include the following levels of sanctions in accordance with the Labor Laws:

- I. Verbal warning.
- II. Written warning.
- III. Final written warning.
- IV. Termination.

**13.8.2** The Company reserves the right to issue a disciplinary warning at any of the levels outlined above, if the employee commits an offence that is considered to automatically escalate the disciplinary action.

#### **13.8.3 Formal verbal warning**

- I. A formal verbal warning should normally be given in the first instance where there is a relatively minor instance of failure to meet a standard of performance or misconduct. Although this is a "verbal" warning, it should nevertheless be properly recorded as a file note on the employees file through a form of a letter or email.

#### **13.8.4 First-Level Written warning**

- I. If an employee has continued to fail to meet the required standard of performance or behavior despite an earlier verbal warning, or it would be appropriate to move to this higher and more serious level of warning. If the nature of the misconduct is sufficiently serious, it may be appropriate to apply this sanction for a first offence.

#### **13.8.5 Final written warning**

- I. A final written warning is likely to be issued when a previous performance or misconduct issue recurs despite previous warnings having been issued and where the employee has failed to bring about the required improvement. Additionally, a final written warning may also be issued for a very serious performance or misconduct issue. Should an Employee receive a final written warning, they are likely to be advised that failure to improve may lead to their dismissal.

### 13.8.6 Termination

- 13.8.6.1 Employee is likely to be terminated, provided that the on-going performance or misconduct issue is sufficiently serious. Termination may be with or without notice or pay in lieu of notice, depending on the circumstances and is the most serious outcome of all and as such is clearly a last resort.
- 13.8.6.2 Employee can be requested not to attend work after being dismissed and paid one-month gross salary in lieu of the thirty (30) days' notice period.
- 13.8.6.3 All other employees' settlements and dues will be paid after completion of the exit process and handover of all the Company assets.
- 13.8.6.4 Employee may be terminated for a first offence as per article (40) of the labor law and may not be entitled to settlements or due by the Company.
- 13.8.6.5 A decision to dismiss a permanent employee may only be taken by the approval of DHC / MD, following a review of the evidence.
- 13.8.6.6 After MD approval, the DHC will present the written letter to the employee detailing the reasons for the dismissal, the date of which the employment will terminate and the right of appeal.

### 13.9 Suspension

- 13.9.1 Suspension is not a disciplinary act and does not imply that there has been any misconduct, or that there is any suggestion of guilt.
- 13.9.2 Suspension should only be used in the following circumstances:
  - I. To enable an investigation into issues when considered his/her presence on the work site is inappropriate, mainly in the case of gross misconduct.
  - II. To prevent the employee from causing risk to the company or colleagues or themselves.
- 13.9.3 The suspension must be confirmed in writing to the employee and the reasons for the suspension stated.
- 13.9.4 The suspended employee is not allowed to return to the Company's premises without the prior authorization of HCD.
- 13.9.5 Employees will have the conditions of suspension in written confirmation and will be sent to them.

**13.9.6** Suspension pending investigation can be up to a maximum of three months, during which the employee is deprived of his gross salary for the first month and is paid half his gross salary in the second and third month. During investigation if the employee has been found innocent, he/she shall be reinstated and the previously suspended salary shall be paid to him/her.

**13.9.7** Every effort will be made to reduce the period of suspension. The time off will be determined in consultation between DHC, Function Head, Line Manager and MD of the Company.

### **13.10 Refusal to Receive a Penalty Notification**

**13.10.1** In the case the employee refuses to receive or sign on the warning letter, then the Company may:

- I. Ask the other members in the disciplinary meeting to sign the warning letters as witnesses to the investigation and disciplinary action being imposed.
- II. If the employee was absent from work, then the penalty notification may be sent through registered post with acknowledgment of receipt at the address shown in the employee's employee file. Email notifications are not sufficient in this case.

### **13.11 Documentation**

**13.11.1** A copy of all disciplinary records will be kept in the employee file of the employee concerned but any disciplinary sanction applied (e.g. warnings) will lapse after a specified period subject to satisfactory conduct and performance.

**13.11.2** All warnings will be confirmed in writing and will be held on the employee's records of employment and take affect from the date of announcement. They remain current for the following periods:

**13.11.2.1** Verbal Warning- 6 months

**13.11.2.2** First written warning – 12 months

**13.11.2.3** Final written warning – 12 months (longer period may be specified)

### **13.12 Appeal**

**13.12.1** Employee will have the right to appeal against any disciplinary action. Employees who wish to appeal should do so in writing within 7 calendar days from the date of the warning being clearly communicated to him/her.

**13.12.2** The appeal letter should state the main reason(s) why the disciplinary action should be reviewed. The basis of an appeal should normally relate to one of the following areas:

**13.12.2.1** That the Company's procedure had not been followed correctly.

**13.12.2.2** That the resulting disciplinary action was inappropriate.

**13.12.2.3** That the need for disciplinary action was not warranted.

- 13.12.3** The appeal will be conducted in the same manner as the disciplinary meeting. Where possible, a different HC representative and a different managerial level representative to the (Line Manager) should be present at an appeal hearing.
- 13.12.4** All the facts collected during the initial investigation will be presented to the members reviewing the appeal decision.
- 13.12.5** The appeal committee representatives may uphold the original decision, cancel a disciplinary sanction or substitute a sanction. The decision taken by the appeal committee is final; no further appeals will be permitted. The decision will be communicated in writing as soon as possible after the hearing. Where there is a successful appeal against dismissal, the employee will be reinstated with no loss of service or employment rights.
- 13.12.6** Company will notify the employee writing within 7 Calendar days of the decision of the appeal.

## Chapter Fourteen

### Grievances

## 14 Chapter Fourteen: Grievances

### 14.1 Overview

14.1.1 Grievances are concerns, problems or complaints raised by the employee to the Company on a matter which the employee is dissatisfied about, provided that the matter concerns work, or work conditions, or work relationships with other employees, or any other aspects of employment.

14.1.2 All employees are entitled to be treated fairly and respectfully and any employee is entitled to raise a concern about unfair treatment or unacceptable behavior and to have that concern treated seriously, impartially and confidentially.

14.1.3 It is the Company's policy to establish and maintain a climate favorable for fostering effective relationships amongst employees at all levels and to encourage resolving grievances at an early stage in a prompt and informal manner.

14.1.4 The grievance procedure does not extend to external parties who are not employed by the Company and, as far as possible, external parties will not be involved in the process.

### 14.2 Purpose

14.2.1 The purpose of this chapter is to give employees guidance and process on how to resolve their problems at work when individual efforts have been exhausted. The employee may raise a grievance following the procedure outlined in this chapter.

### 14.3 Scope

14.3.1 Applies to all employees in the Company.

### 14.4 Policy

14.4.1 All grievances should be treated fairly, quickly, sensitively and applied consistently.

14.4.2 All Employees have the right to raise a concern about any unfair treatment, or unacceptable behavior, and to have that concern treated seriously, impartially and confidentially.

14.4.3 The Company will carry out an investigation in the event an employee has made a complaint against any other employee, ensuring all the facts and reasons are available to support the grievance. In the absence of sufficient evidence, the Company may opt to discipline the employee that raised the grievance.

14.4.4 The internal formal grievance process shall be resolved within 10 working days.

### 14.5 Grievance Process

#### 14.5.1 Informal route first

14.5.1.1 It is encouraged that the employee raises the first level of grievance to their direct (Line Manager) as most of the minor cases can be resolved at this level. If the grievance is



about the direct (Line Manager), then the employee may raise the grievance to the (Line Managers) Superior or the HCD.

#### 14.5.2 Formal Grievances- guidelines

**14.5.2.1** The formal grievance procedure allows the Company to give reasonable consideration to any issues which cannot be resolved informally and to deal with the issues fairly and consistently. Pursuing the formal route should be a last resort rather than the first option.

**14.5.2.2** Employee shall follow the following process in the case of a formal grievances:

- i. Employee shall raise the grievance to their direct (Line Manager) who should attempt to resolve the grievance within Three (3) working days for HO employees and 1 week for field employees.
- ii. If the grievance remains unresolved by the end of the third day, the employee may raise the matter directly to the (Functional Head).
- iii. Functional Head will attempt to resolve the issue within two (2) working days and will discuss the issue with the (Line Manager) in consultation with a representative from the HCD.
- iv. If no conclusive satisfactory resolution is obtained after the intervention of the (Functional Head), the employee may discuss the grievance directly with the HCM who will attempt to resolve the issue within three (3) working days.
- v. As a last resort, the employee may discuss the grievance with the MD who will attempt to resolve the issue within two (2) working days. The decision made by the MD will be final in respect of the grievance.

#### 14.5.3 External reporting of Grievance

**14.5.3.1** If the internal grievance procedure does not result in resolving the employee's grievance, and if the case warrants reporting to the relevant authorities, the Employee should notify the Company that the internal solutions within the Company have been exhausted and the employee intends to report the matter to the relevant authorities.

## Chapter Fifteen

# Compensation & Benefits

**15 Chapter Fifteen: Compensation & Benefits****15.1 Overview**

15.1.1 This section highlights the policies related to compensation structures and benefits which the Company provides to its Employees.

**15.2 Purpose**

15.2.1 The objective of the Compensation and Benefits policy is to:

- I. Ensure the Company follows a fair and equitable method for determining the Employee's compensation and benefits.
- II. Pay Employees relative to the value of their jobs and the way in which those jobs are performed.
- III. Position itself as an 'Employer of Choice' to attract new employees
- IV. Ensures the Company retains valued Employees.
- V. Ensure all Employees understand how the salary system operates and how it applies to them individually.

**15.3 Scope**

15.3.1 This Policy applies to all Full-Time employees in the Company

**15.4 Policy**

15.4.1 The Compensation structure in the Company must be coherent and reflect the value of a job in the business process and the performance of the employee.

15.4.2 The Company should follow the guidelines for its compensation and employee benefits, in line with the current market rates and common practice, is commensurate with job responsibilities, in keeping with workplace changes, and cognizant of other related factors.

15.4.3 The compensation package is agreed between the Company and the Employee on an individual basis and the Employee benefits are structured in accordance with the Employee grade as established by the Company.

15.4.4 The details of Employees' remuneration are strictly private and confidential between the Employee and all those who have access to such information by virtue of their job within the Company.

**15.5 Review of the Compensation Structure & Benefits**

15.5.1 The Company may conduct a Compensation and Benefits benchmark to the job market at least once every second year if the Company has an issue in attracting or retaining Employees.

15.5.2 In order to check the coherence and competitiveness of the compensation and benefit structure, the Company should appoint consultants to conduct relative-worth studies of various compensation structures in the Sultanate of Oman and benchmarking the Company's compensation structure with similar compensation structures in the industry, as necessary.

**15.5.3** The approval of initiating a Compensation and Benefits benchmark study is as per the Manual of Authority.

### **15.6 Job Evaluation and Grading Structure**

#### **15.6.1 Purpose**

**15.6.1.1** The purpose of Job Evaluations and Grading Structure is to ensure each position is mapped accurately in the hierarchy of the Company while defining compensation elements.

#### **15.6.2 Policy:**

**15.6.2.1** All Employees of the Company will be employed in positions according to the Grading Structure of the Company.

**15.6.2.2** Job Grades are mapped to the position and shall reflect accurately the complexity of the job, scope of responsibilities, necessary knowledge, skills, competencies and the required level.

**15.6.2.3** Job Grades are not mapped to the person. A grade of a job shall not be modified in cases where the person fulfilling the job is more competent or growing more competent than the given job requires or in cases where the Employee has spent a long period of given time in the position.

**15.6.2.4** Positions in the Company which have the same complexity and require similar knowledge, competencies, education shall be at identical grade level regardless of their department functions.

**15.6.2.5** Grades can only be defined or modified through an external third party service provider with the approval of the Board.

**15.6.2.6** The Board approves the Grading structure of the Company at its sole discretion.

### **15.7 Salary Structure**

**15.7.1** The Salary Structure provides a competitive salary range for each Grade. Sufficient spread is provided within each salary grade to permit recognition of levels of performance, experience and responsibility.

**15.7.2** Compensation packages comprises of the employee's basic salary and allowances which may include, amongst others, housing allowance, living allowance (for telephone, transport and utilities) and cost of living allowance. The allowances permitted to an employee will be consistent with the job grade of the employee.

**15.7.3** Compensation packages of each Employee of the Company may vary. Allowances apply equally and consistently for all employees on a particular grade but the basic salary of the employee will be unique to the Employees' nature of job, skills, experience, performance and other related factors.

**15.7.4** Salary ranges provide the opportunity to increase the salary of an Employee in a given grade if the employee develops the necessary competencies and knowledge required by the job and is able to fulfill the job at a more efficient level.

## 15.8 Compensation Guidelines

15.8.1 Salaries payable to Employees may, depending on the Employee's grade and work location, include the following:

- I. Basic Salary
- II. Allowances
- III. Market Allowance as required
- IV. Field / Work schedule Allowance
- V. Any other company & industry specific allowances

## 15.9 Salary Administration

15.9.1 Employees' salaries shall be payable in the currency of Omani Rials (unless it is otherwise mentioned in the employment contract) prior to month end, but in most circumstances by the 25th of each month via bank transfer or any appropriate means.

15.9.2 Omani Employees shall be subject to deduction for Social Insurance payable to PASI in accordance to the Omani Labor Law.

## 15.10 13th month salary for Omani Head Office based employees only

15.10.1 Omani Head Office employees are eligible for 13th Month salary (1 basic salary on pro-rata basis for every year) which is normally paid during Ramadhan season.

## 15.11 Employee Benefits

### 15.11.1 Employee Recognition Scheme

15.11.1.1 In special cases employees may be considered for award for specific acts or extraordinary behavior demonstrated or for making an exceptional contribution towards achieving a remarkable success for Abraj.

### 15.11.2 Recognition Guidelines

15.11.2.1 Managers will approve all awards.

15.11.2.2 All employees on payroll, in all salary groups/grades are entitled to be nominated for awards

15.11.2.3 The nominee's Department will fund the award. Overall budget is monitored by HCD.

15.11.2.4 If a nomination is rejected, justification for the rejection must be given.

15.11.2.5 The value of 4 star awards is independent of salary group i.e. not capped to the salary of the nominee.

15.11.2.6 Abraj will recognize employee's contributions however small, and reward them in a fair and consistent manner. Hence a program for recognizing employees is recommended to be put in place with objective to establish and sustain a culture recognition and appreciation within Abraj.

**15.11.2.7** The recognition method will be based on formalized monetary and non-monetary scheme as illustrated in Employee Recognition Grid.

### 15.11.3 Employee Recognition Grid

| Award Rating                                              | 1                                                                      | 2                                                                      | 3                                                                                                                              | 4                                                                                                                              |
|-----------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| Award Value                                               | 50 RO                                                                  | 100 RO                                                                 | 200 RO                                                                                                                         | 500 to 1,500 RO                                                                                                                |
| 1. HSE (as per consequence/risk matrix)                   | Identifies a way to prevent a situation with a consequence rating of 1 | Identifies a way to prevent a situation with a consequence rating of 2 | Identifies a way to prevent a situation with a consequence rating of 3, or were successful in dealing with such a situation    | Identifies a way to prevent a situation with a consequence rating of >3, or were successful in dealing with such a situation   |
| 2. Savings (annual or medium term cumulative)             | Identifies & implements savings of \$ 10k - \$35k                      | Identifies & implements savings of \$35k - \$50k                       | Identifies & implements savings of \$50k - \$75k                                                                               | Identifies & implements savings of > \$75k                                                                                     |
| 3. Extreme hard work and dedication to project allocation | Taking the project seriously with an output of saving \$10k-\$30k      | Implemented technique by way of saving \$30K                           | Identifies ways of improvising the established practices resulted on saving \$ 40k                                             | Brought up revenue saving more than \$50k                                                                                      |
| 4. Team Work                                              | Consistently uses team work to solve problems                          | Creates a team atmosphere which noticeably improves team performance   | Key player in creating a sustainable improvement in team work which will significantly affect the team's long term performance | Key player in creating a sustainable improvement in team work which will significantly affect the team's long term performance |
| 5. Process Initiative & Improvement                       | Proposes a process improvement which affects teams                     | Proposes a process improvement which affects the Department            | Proposes a process improvement which affects more than one Department                                                          | Proposes a process improvement which affects Abraj                                                                             |

|                |                                          |                                          |                                    |                                    |
|----------------|------------------------------------------|------------------------------------------|------------------------------------|------------------------------------|
| Approval Level | Respective Superintendent or equivalent. | Respective Superintendent or equivalent. | Respective Department Manager + MD | Respective Department Manager + MD |
|----------------|------------------------------------------|------------------------------------------|------------------------------------|------------------------------------|

**15.11.3.1** The above employee recognition grid is for the guidance; however, a different amount from the above may be approved by DHC/MD.

#### 15.11.4 Workload Allowance

**15.11.4.1** Workload allowance is payable to Head Office based employees; when an employee takes additional responsibility of new project as per company requirement from time to time.

**15.11.4.2** Twenty 20% of employee's present gross salary would be paid towards Workload Allowance.

**15.11.4.3** In order to be eligible for workload allowance, employee shall handle new assignment in addition to his / her existing duties simultaneously; the performance would be monitored by supervisor.

**15.11.4.4** Workload Allowance is payable for short duration assignments up to a maximum period of 1 year unless it is specially approved for a longer period.

**15.11.4.5** There are advantages of workload allowance scheme for the employee getting instant reward for additional responsibilities along with a chance to expose him / her to other areas in new projects and Abraj will build agility in managing its operation especially for short term contracts or cost optimization projects.

**15.11.4.6** Eligibility for workload Allowance is proposed by department head defining additional job responsibilities through Director Human Capital to Managing Director for approval in the prescribed form for the assigned period.

**15.11.4.7** Workload Allowance may be discontinued during assigned period or once the employee ceases to perform his / her assigned responsibilities with or without giving any reasons purely at the discretion of Abraj Management.

#### 15.11.5 Acting Allowance payable for Head Office employees

**15.11.5.1** Acting Allowance is payable to Head Office based employees; when an employee takes additional responsibility of a job higher than his / her position in the absence of the incumbent for a short / long term depending on company requirement from time to time. This scenario happens when an employee leaves and the next in command takes over as a successor for a short period until the vacancy is filled.

**15.11.5.2** 20% of employee's present basic salary would be paid towards Acting Allowance.

**15.11.5.3** In order to be eligible for Acting Allowance, employee shall handle new assignment in addition to his / her existing duties simultaneously; the performance would be monitored by supervisor.

**15.11.5.4** Acting Allowance is payable for short assignment up to a maximum period of 1 year unless it is specially approved for a longer period.

**15.11.5.5** Eligibility for Acting Allowance is proposed by department head defining additional job responsibilities through Director Human Capital to Managing Director for approval in the prescribed form for the assigned period.

**15.11.5.6** Acting Allowance may be discontinued during assigned period or once the employee ceases to perform his / her assigned responsibilities with or without giving any reasons purely at the discretion of Abraj Management.

#### **15.11.6 Acting Allowance for field positions**

**15.11.6.1** Field employees are required to act in higher positions in addition to their present responsibilities. Acting is generally for a period of maximum 3 months.

**15.11.6.2** There is continuous monitoring of his performance on the job to evaluate his performance on new position along with Training Matrix to be completed by the employee to take over the new role.

**15.11.6.3** In 3 months the employee will be promoted to the acting position with salary of the position, if performance is satisfactory and Training Matrix is completed as per the position requirement. The field line manager may extend the acting period for another month if he deems fit to provide such extension to complete Training Matrix as required. Once the employee is fit to be promoted, field line manager completes promotion proposal form through line manager at base and Human Capital team.

**15.11.6.4** If employee cannot take over acting position with such extended period; he will be brought back to the original position discontinuing acting allowance.

**15.11.6.5** Acting allowance for various positions are fixed with daily rate for acting in such positions. Acting allowance is paid with the supporting document certified by the site management and the departmental head / DS in Head office.

#### **15.11.7 Emergency Loan**

**15.11.7.1** Emergency loan will be disbursed to Abraj Omani employees as follows:

- i. For employees grade 8 and above; a maximum of 3 Basic salaries (Once every 3 years).
- ii. For employees below grade 8; a maximum of 3 Gross salaries (Once every 3 years).
- iii. All eligible employees have the right to claim emergency loan more than once if the total eligibility of emergency loan was not fully taken at the first attempt.

**15.11.7.2** The conditions / criteria as emergency for providing emergency loan:

- I. If employee house is subject to fire / theft
- II. Car accident beyond insurance coverage
- III. First / second relative of family member to undergo an operation.
- IV. Any other reasons that will be approved as per management discretion.



## Human Capital Manual

V. The employee is required to provide guarantee cheque for equal amount.

**15.11.7.3** Recovery of emergency loan will be done within maximum period of 12 months.

**15.11.7.4** Discretion of MD for waiver of remaining amount of emergency loan in the case of employee been separated for genuine reasons based on recommendation of Employee Relation team on case to case basis.

### 15.11.8 Educational Assistance for Children of Expatriate Head Office Employees

**15.11.8.1** Abraj will provide educational assistance to Expatriate employees in the head office (Grade 8 & above) to support the education of their children residing with them in the Sultanate of Oman as below:

|                          |                                                                                |
|--------------------------|--------------------------------------------------------------------------------|
| No. of eligible children | Maximum of three (3) children per family                                       |
| Age of eligible children | Minimum of 5 years or KG 1 up to 18 years of age                               |
| Education Level          | Up to Secondary school (12 Standard)                                           |
| Reimbursement of Fee     | 85% of the academic fees paid (fee for additional activities not reimbursable) |

**15.11.8.2** Education assistance for children of expatriate employees are available only if the child is studying in Oman.

**15.11.8.3** The reimbursement is capped at OMR 2000 per child per annum. Since this is a reimbursement, the payment of this assistance will be paid to the employee only after the employee has spent the money and produced the proof of payment.

**15.11.8.4** GCC employees are treated as Omani employees.

### 15.11.9 Provision of Mobile Telephone Service

**15.11.9.1** This service is provided as per Company operational requirement which is managed by business support department. Company has the right to review, stop this service at its sole discretion.

**15.11.10 End of service Benefit (EOSB)**

- 15.11.10.1 All expatriate employees shall be entitled to end of service benefits (gratuity) computed at 15 days' basic salary for every completed year of service for the first 3 years and 30 days' basic salary thereafter. Gratuity will be calculated based on the last drawn salary and up to the last working day.
- 15.11.10.2 Employees who have served less than one year will not be eligible for gratuity.
- 15.11.10.3 Employees will be entitled to receive gratuity for part of the year following the last year of service at a proportionate rate.
- 15.11.10.4 Expatriate employees joined before 1st January 2016, will have one month basic for every completed year of service. Gratuity will be calculated based on the last drawn salary and up to the last working day.
- 15.11.10.5 Employees terminated for disciplinary reasons, the Company has the right not to pay them EOSB.

**15.11.11 Public Authority for Social Insurance (PASI)**

- 15.11.11.1 All Omani employees would be covered under the Social Security Scheme. 7% of the monthly gross salary (caped at OMR 3000/-) is deducted from the employees as contribution to the fund.
- 15.11.11.2 Abraj contributes 11.5% of the monthly gross salary (caped at OMR 3000/-) of each employee.
- 15.11.11.3 The amount so deducted from the employees along with Abraj contribution will be paid maximum by the 15th of the following month as per rules of the scheme to the respective account.
- 15.11.11.4 GCC nationals are treated as per PASI guidance of their countries.

**15.11.12 Professional Body Membership**

- 15.11.12.1 Abraj will reimburse annual membership fee up to a maximum of RO 50/ year for some category employees in joining a Professional Association or Society to encourage competency development and professional development.

**15.11.13 Annual Passage for Expatriate Employees (Leave Travel Assistance - LTA)**

- 15.11.13.1 On completion of one year of service, expatriate male employees will be entitled to return air passage for self, wife and two dependent children up to the age of 18 years to the airport near to their hometown by the shortest route for every completed year of service as per the contract of employment.
- 15.11.13.2 Expatriate employees in Grade 8 & above are only eligible for family status therefore others are not eligible for leave travel assistance for their family. This will effect employees joining Abraj in 2018 onwards.
- 15.11.13.3 Expatriate female employees whose spouse is employed in the Sultanate of Oman will be entitled to claim return air passage to the airport near to the home town for self only.

## Human Capital Manual

- 15.11.13.4 Spouses not on Abraj family visa will not be eligible for Leave Travel Assistance.
- 15.11.13.5 This facility covers children's up to the age 18 years.
- 15.11.13.6 The employee is entitled to obtain this facility only while proceeding on annual leave.
- 15.11.13.7 The employee is at liberty to avail ticket money up to 100% of the business and economy class amount at annual average cost as guided by business support department. Business Class eligibility may be revisited by the company as it deems fit.
- 15.11.13.8 The company encourages its employees to utilize this facility so that they spend enough time to rest and meet relatives.

### 15.11.14 MEDICAL & Health coverage

- 15.11.14.1 Medical facilities for all HO employees and family members. It's also extended to senior field employees and their family members as governed by the employment contract. Any new government instructions to cover other categories within Abraj will supersede this policy.
- 15.11.14.2 Family members includes the employee's spouse on Abraj sponsorship and dependent children under the age of 18 years residing with the employee in Oman.
- 15.11.14.3 For office based employees, medical facilities for employees and their dependent family members consisting of 5 members (employee, spouse and three children) living in Oman shall be provided by Abraj as per the medical insurance policy. Medical claims/reimbursement will be as per the medical insurance policy from time to time.
- 15.11.14.4 For expatriate site based employees, family is not covered for medical insurance. Omani senior crew has the coverage for their dependent family consisting of 5 members (employee, spouse and three children).
- 15.11.14.5 Air evacuation for expatriate employee, spouse and dependent children living with the employee in Oman for security reasons could be provided if approved by MD.
- 15.11.14.6 Female expatriate employee will be eligible for medical facility only for herself (no family will be included).

### 15.11.15 Work Accidents and Industrial Sickness

- 15.11.15.1 Abraj will pay for all employees the full cost of all medical treatment which is required by employees suffering from occupational diseases or from the effects of industrial accidents, as per the Labor Law.
- 15.11.15.2 Site employees will have recourse to a first aid facility at the camp which will provide first aid in the case of serious accidents and have recourse to emergency casualty evacuation provided to a hospital in the Capital Area.
- 15.11.15.3 Omani employee or direct hire expatriate who is unable to work and is undergoing medical treatment as a result of an industrial illness or industrial accident, will receive his or her full remuneration until treatment is completed and the Employee is fit to return to work within three months period, thereafter he is treated on a sick policy.
- 15.11.15.4 Any period above three months of absent the approval is required from MD.

**15.11.15.5** Medical board decision is obtained for further processing of fitness to work or refer to social insurance for retirement.

**15.11.15.6** Workman compensation insurance coverage is available for all employees.

#### **15.11.16 Insurance**

**15.11.16.1** Abraj covers all employees up to the age of 60 years through life insurance (or as the maximum age coverage at the policy time) based on company discretion. Present cover gives cover up to 52 months' basic salary pay in the case of accidental death or for total disability.

#### **15.11.17 Fitness and Health Club**

**15.11.17.1** HO based employees including family are eligible for a maximum of RO 200 per year for Grade 8 & above and RO 100 per year for Grade 7 & below towards health club membership subscription. This is a re-imbursment and shall produce the original invoice / bill for actual payment proof.

#### **15.11.18 International Travel**

**15.11.18.1** It is a condition of employment that employees will travel overseas when such is required for business or development program.

**15.11.18.2** It is Abraj policy that the employee traveling on Abraj business outside of Oman should not at any time be inconvenienced financially as a result of traveling on behalf of Abraj. It is recognized that it is often necessary for employees to suffer a degree of hardship while traveling on Abraj business. Traveling internationally on Abraj duty implies separation from family and often requires considerable overnight travel, movement across major time zones and considerable disturbance to the individuals in terms of the biological clock, while often functioning under pressure when conducting business.

**15.11.18.3** Abraj will provide the required air ticket and reimburse expenses incurred against supporting evidence.

**15.11.18.4** Abraj will provide business class to Grade 8 & above if the total flying hours (inclusive of transit time) are in excess of 6 hours. Otherwise, economy class tickets will be provided.

**15.11.18.5** Abraj will provide economy class tickets to below grade 8 when traveling on Abraj business.

**15.11.18.6** For training purposes, all employees will be entitled to economy class tickets only.

**15.11.18.7** Where an employee is a member of a delegation he or she may, at the discretion of the Manager concerned, be upgraded by Abraj to the level of the most senior member of the delegation, if traveling together.

**15.11.18.8** When traveling on Abraj business, the employees will be on single status.

**15.11.18.9** Accommodation on Abraj business: Where possible Abraj will make advance hotel reservations for the employee traveling on Abraj business. The hotels will be booked subject to the following provisions:

## Human Capital Manual

| Grade level in Abraj | Accommodation Facilities |
|----------------------|--------------------------|
| Grade 11 & above     | 5 star hotel             |
| Grade 8 – 10         | 4 star hotel             |
| Grade 7 & below      | 3 star hotel             |

### 15.11.19 Travel Allowance

**15.11.19.1** Alternatively, employees may be given advance travel allowance as per following table. This will cover hotel and all other expenses needed while traveling. Employees represent Abraj while on business and hence, must book in hotels not less than star rates indicated above.

| Zone | Group of Countries                                                                  | Employees Grade  |                  |
|------|-------------------------------------------------------------------------------------|------------------|------------------|
|      |                                                                                     | Grade 11 & above | Grade 10 & below |
| 1    | Europe (including Eastern Europe), Japan, Australia, New Zealand, America & Canada. | 165 RO           | 140 RO           |
| 2    | Middle East, North Africa, Indian sub-continent & Far East including China.         | 130 RO           | 110 RO           |

**15.11.19.2** The above table of country based allowance is claimable for the nights spent in that country since daily allowance is for accommodation and food expenses while staying at hotel.

**15.11.19.3** Top management is eligible for travel allowance at actual. If no bills are available, middle management allowance will be considered as country based allowance.

### 15.11.20 Kit Allowance

**15.11.20.1** A kit allowance will be paid to HO Omani employees before proceeding on an official foreign tour (other than GCC countries) once in three years. This allowance is meant for purchase of travel items/ attire. No bills need to be submitted for claiming the kit allowance.

| Grade      | Kit Allowance Payable |
|------------|-----------------------|
| All Grades | R.O. 250              |

**15.11.21 Other Travel Incidental Expenses**

**15.11.22 Reimbursable expenses are:**

- i). Airport taxes
- ii). Business telephone calls and communication expenses.
- iii). Other business expenses such as local transportation, courier, hire of conference rooms and authorized entertainment
- iv). Short telephone calls to the family - a maximum of 10 minutes (on arrival, prior to return and every other day if the duration of the trip so justifies).
- v). Business Trip Insurance
- vi). Booking of the hotel is made by Abraj, using Abraj Energy Services SAOC arrangements for hotel rates and logistics where available.
- vii). Abraj may enter into a long-term contract with any local or international airlines for different sectors in which case, it shall become the preferred choice of airline for travel.
- viii). Abraj shall not pay any excess personal baggage charges.
- ix). Abraj will bear such miscellaneous expenses like airport tax, expenses which are related to obtaining travel documents / inoculations / visas, etc., which are essential requirements of foreign travel.

**15.11.23 Other Benefits for Omani employees**

**15.11.23.1** Abraj MD will have the following privileges while deciding on an Omani employee benefits in following cases: -

- I. When an employee is retiring from employment for any reasons, after having completed his / her 10 years of continuous employment in Abraj and the employee is out of PASI (Public Authority for Social Insurance), he / she may be paid up to 5 basic salaries.
- II. Employee not provided with Abraj medical insurance cover suffering from critical illness resulting in long term treatment in private hospitals inside or outside of Oman, may be paid up to maximum of RO 5000/-

- III. Eligibility for the above benefits are proposed by department head with the detailed supporting the case through Director Human Capital to Managing Director for approval which may be approved or rejected based on the case at the discretion of Abraj Management.

### 15.11.24 Vehicle Policy - LOCAL TRANSPORTATION

- 15.11.24.1** Abraj provides Company Vehicles to its employees based on hierarchy in the organization or as per job requirement. Approval of eligibility of Vehicle or vehicle allowance is with MD/DHC which will be reviewed in accordance with business needs. As for hierarchy, MANAGING DIRECTOR position is the only recommended position to be eligible for a STATUS vehicle. All other approved positions will be provided with a vehicle or a vehicle allowance.
- 15.11.24.2** A set of Company pool vehicles will be made available for use by Abraj employees of any department who is assigned to do official work whenever possible provided employee is not assigned a company vehicle.
- 15.11.24.3** Commuting within/outside Muscat Governorate with employee personal Vehicle for business purpose will be compensated for RO 0.220/km. Expenses should be claimed in the prescribed format, signed by the respective Line Manager/Supervisor.
- 15.11.24.4** Company pool of vehicles will be managed by Logistics Department to provide vehicles to employees with no assigned vehicles, as and when operationally required. Vehicles will be made available for employees use with advance booking request pending availability.
- 15.11.24.5** Logistics Department will be responsible to ensure all compliance with ROP and clients rules and specifications before the vehicle is handed over to the employees i.e. fire extinguishers, first-aid kits, tool kits, spare wheel and other accessories. The employee will be held responsible for any missing items from allotted vehicles.
- 15.11.24.6** A company provided vehicle or vehicle allowance of RO 200/- per month will be paid for certain positions based on job requirement.
- 15.11.24.7** All the office based employees will continue to have the salary components of Basic/Housing/Transport/Utilities, etc. Transport allowance does not entail entitlement for a company vehicle or vehicle allowance. Vehicle allowance is paid in lieu of a company vehicle.

### 15.11.25 FUEL FOR COMPANY PROVIDED VEHICLES

- 15.11.25.1** If Company vehicle is used outside Muscat governorate the employees will be eligible for reimbursement of actual fuel expenses subject to approval of department head.
- 15.11.25.2** Head Office employees utilizing pool vehicles within/outside Muscat Governorate are eligible for reimbursement of fuel expense. Expenses should be claimed in the prescribed format, signed by the respective Line Manager.
- 15.11.25.3** In case of assigned company vehicle, expenses for fuel in Muscat Governorate will not be reimbursed for company provided vehicle as it is considered as part of the transportation allowance paid in salary brake up. However, business trip outside

Muscat Governorate would be reimbursed at actual amount supported by original bills subject to endorsement by Head of Department.

- 15.11.25.4** Head office drivers/PRO/logistics team using company vehicles for official trips would get reimbursement for fuel at actual amount supported by original bills subject to endorsement by Head of Department.

### **15.11.26 RULES RELATED TO COMPANY VEHICLES**

- 15.11.26.1** Employees who are provided with Company vehicle may hand over the keys and vehicle to the Logistics Department before they proceed on leave or long business trips.
- 15.11.26.2** It is a joint responsibility of Logistics & Employee, who is assigned a Company vehicle to ensure that vehicle registration card and a photocopy of the vehicle Insurance Papers are in the glove compartment (a Police requirement in case of accidents or road checks).
- 15.11.26.3** Servicing and repairs of company vehicles shall be carried out by the Logistics Department.

### **15.11.27 DAMAGES & ACCIDENTS TO COMPANY VEHICLES**

- 15.11.27.1** All damages to company owned vehicles must be reported to Logistics Department. For damages which involve an accident, a police report must be obtained by the employee involved in the accident.
- 15.11.27.2** Logistics Department will be responsible for allotment of replacement vehicles to the employee concerned, where necessary; arranging for towing of the vehicle, collecting estimates of the cost of repair, submitting insurance claims, arranging for repairs to the damaged vehicle, etc.
- 15.11.27.3** All fines / penalties imposed upon the employee on account of an accident or traffic offence will be borne by the employee and will not be reimbursable by the Company.

### **15.11.28 REPLACEMENT OF COMPANY PROVIDED VEHICLES**

- 15.11.28.1** Company cars allotted to individual employees may be replaced once every six years depending on the condition of vehicle. Logistics department will take up replacement through DCS/MD approval.



**Annexure 1**

**Human Capital Committee Terms of Reference**

The following contents will briefly demonstrate the Human Capital Committee's Terms of Reference. Relative subheadings will include the Committee's composition, role and the meeting procedures.

**COMMITTEE COMPOSITION**

1. The Committee in subject is referred to as the Human Capital Committee (HCC);
2. The committee members including the chairperson of the committee are not less than 3 members and will be appointed by the Board of Directors.
3. The D-HC will be ex officio member of the Committee and will act as the Secretary of the committee.
4. The Chairperson of Board of Directors will review the composition of the committee every 3 years.
5. Any member of the Committee may be removed with or without a cause by the chairperson of the HC Committee or the Board of Directors ;

**HCC ROLE**

1. The role of the Committee (HCC) is to support and advise the Board in exercising its authority in relation to the matters set out in these terms of reference. The committee reports to the chairperson of the Board of the Company. Minutes of the meeting and reports will be forwarded to the chairperson of the Company after being presented to the MD of the Company for record.
2. The purpose of all Committee work is derived from the Board's task to monitor the decisions and actions related to the Human Resource activities to ensure that decisions and actions are in line with the Company strategy and Business plans.
3. The Committee's purpose is to assist the Board and management in its consideration for related approval and on-going oversight of Human Capital matters limited to and pertaining to:
  - a) Review, recommend, and/or endorse recommended changes to all Human Resources policies and procedures;
  - b) Review, recommend, and/or endorse Human Capital's Strategy and Business Plan;
  - c) Review, recommend, and/or endorse overall yearly manpower plan and Organizational Structure;
  - d) Review & advise on talent management, career management and succession planning systems and their performance
  - e) Review and approve the annual Learning & Development Plan
  - f) Review, recommend, and/or endorse changes on Human Capital infrastructure and information system
  - g) Review, recommend, and/or endorse changes to the Compensation system – including job evaluation and grading – and its performance
  - h) Consider any other issues and/or topics as defined by the MD and/or the Board of Directors

4. The Committee shall make recommendations to the MD and/or the Board of Directors on all matters unless the MD or Board of Directors expressly delegates authority to the Committee to make decisions.
5. Any person may be invited to attend meetings of the Committee, but not necessarily for the full duration of the meeting, as and when the Chairperson considers it appropriate.
6. The Committee shall monitor the overall performance of the Human Capital Department of the Company applying the KPIs defined in the attached Annexure.

### **MEETING PROCEDURES**

1. The Committee shall meet once every quarter of the year or as necessary.
2. The HCC may conduct business by way of electronic means as circumstances require.
3. Any Committee member or the Secretary may call a meeting of the Committee or may request a member to call a meeting.
4. The HCC Secretary, will develop and circulate the agenda to the members 7 calendar days before the meeting.
5. Minutes of proceedings and resolutions of Committee meetings shall be kept by the Committee Secretary.
6. The Committee Secretary will circulate the minutes for comments to all members within 7 calendar days after the meeting.
7. The Committee Secretary will set the date, time, and venue of the following meeting at the conclusion of each scheduled meeting.
8. The Committee Chairperson will quarterly report, as part of management information system (MIS), the results of the Committee's reviews and make recommendations on specific actions or decisions the Committee should consider including the adequacy of, and any changes to, these terms of reference.
9. The Committee is authorised by the Board to seek any information it requires from any employee of the unit or adviser in order to perform its duties.
10. Each member of the HCC, with the consent of the Committee Chairperson and the assistance of the Secretary, may seek independent professional advice at the expense of the company connected with the discharge of his or her responsibilities.

Annexure 1- a

**PERFORMANCE MANAGEMENT SYSTEM**

**EMPLOYEE PERFORMANCE APPRAISAL FORM**

| <b>EMPLOYEE DETAILS:</b>                                                                           |  |                  |                 |
|----------------------------------------------------------------------------------------------------|--|------------------|-----------------|
| <b>Name:</b>                                                                                       |  | <b>Emp.#</b>     |                 |
| <b>Position:</b>                                                                                   |  | <b>Location:</b> |                 |
| <b>Department:</b>                                                                                 |  | <b>Date:</b>     |                 |
| <b>ASSESSOR:</b>                                                                                   |  |                  |                 |
| <b>Name:</b>                                                                                       |  | <b>Position:</b> |                 |
| <b>ESTABLISHING KEY PERFORMANCE INDICATORS (KPI) &amp; EVALUATION</b>                              |  |                  |                 |
| <b>Description of Key Performance Indicators including tools of measurement and target details</b> |  |                  |                 |
| <b>Measure:</b>                                                                                    |  |                  | (Weight age 0%) |
| <b>Measure:</b>                                                                                    |  |                  | (Weight age 0%) |
| <b>Measure:</b>                                                                                    |  |                  | (Weight age 0%) |
| <b>Measure:</b>                                                                                    |  |                  | (Weight age 0%) |
| <b>Measure:</b>                                                                                    |  |                  | (Weight age 0%) |

|                                         |  |                                         |  |
|-----------------------------------------|--|-----------------------------------------|--|
| (Weight age 0%)                         |  |                                         |  |
| <b><u>Measure:</u></b>                  |  |                                         |  |
| (Weight age 0%)                         |  |                                         |  |
| <b><u>Measure:</u></b>                  |  |                                         |  |
| (Weight age 0%)                         |  |                                         |  |
| <b><u>Measure:</u></b>                  |  |                                         |  |
| (Weight age 0%)                         |  |                                         |  |
| <b><u>Measure:</u></b>                  |  |                                         |  |
| (Weight age 0%)                         |  |                                         |  |
| <b><u>Measure:</u></b>                  |  |                                         |  |
| <b>Name &amp; Signature of Employee</b> |  | <b>Name &amp; Signature of Assessor</b> |  |