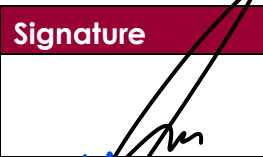

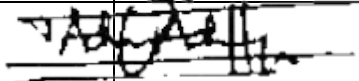


CONFIRMATION POLICY

Reviews & Approvals

This Confirmation Policy document has been reviewed and approved by the undersigned:

Designation	Signature	Date
Chairman, Signal Alliance Technology Holding		15/7/2022
Group Executive Director		14th July 2022
Group Head, Human Resources		13th July 2022

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1.0 INTRODUCTION

Signal Alliance Technology Holding ("SATH" or "the Company") is committed to continuous evaluation and monitoring of employees' contribution to its bottom-line in order to achieve its strategic objectives. This policy provides guidelines for managing the performance of new employees during the probationary period and to define standards for confirmation of employment.

2.0 PURPOSE

The purpose of this policy is to clearly articulate the framework and the requirements for employee confirmation with a view to ensuring that all eligible employees are confirmed as at when due, having satisfied all the conditions and guidelines as contained in this policy.

Specifically, the purpose of this policy is to:

- 2.1. Provide a clear and objective basis for confirmation of employment in SATH.
- 2.2. Standardise and formalise procedures for confirmation of employees upon completion of the mandatory probationary period.
- 2.3. Provide a basis for separation upon unsatisfactory performance by a new employee after an extended period of time
- 2.4. Provide a basis for decisions on employees' eligibility for rewards and other benefits that are premised on employment status
- 2.5. Ensure timely confirmation of employees in line with agreed performance goals, standards, values and expectations within a given period.

3.0 SCOPE

This policy covers all employees that have been engaged by SATH on a permanent basis or where it is specified employee's contractual terms that such confirmation will occur after specific number of years/months in the Company, subject to satisfactory performance.

4.0 KEY DEFINITIONS

- 4.1. **Probation** – This is defined as the first six months of employment and it is intended to examine the new employees' performance on the job role. This also applies to a permanent employee who has been moved to a new role in an acting capacity. In this instance, the role shall become substantive upon completion of the probationary period as well as a satisfactory performance report during the period.
- 4.2. **Confirmation** - This is defined as the attestation by the company that the new employee has displayed or demonstrated a satisfactory performance

during the probationary period, having satisfied all the conditions precedent for this purpose.

4.3 Line Manager: A direct supervisor and a first line performance manager who oversees the performance and development of one or more employees who are his/her direct reports. The Line Manager is responsible for providing performance summary on the new employee, having clarified the goals and expectations with the new employee upon assumption of duty.

5. REQUIREMENTS FOR EMPLOYEE CONFIRMATION

A new employee shall be deemed eligible for confirmation if these requirements are met:

- 5.1. The new employee must have spent a minimum of six (6) consecutive months of continuous service in SATH.
- 5.2. Receipt of satisfactory reference reports from:
 - i. Immediate last employer (i.e., the previous employer prior to joining SATH). The Head of HR or the Managing Director of the last employer must sign reference report.
- 5.3. There shall be reviews at the first three months and the final review shall be at six months. A completed Confirmation Review report by the employee's Line Manager and a second reviewer and HR will be required at every period of the review.
- 5.4. At the end of the six months, employees overall rating/score shall determine confirmation of employment or otherwise based on the benchmark below:

Table 1: Confirmation Benchmark:

Percentage score	Decision	Salary Implication
80% and above	Confirm Employment	10% salary increase
70% - 79%	Confirm Employment	5% salary increase
60% - 69%	Confirm Employment	Nil
50% - 59%	Extend for 3 months with PIP	Nil
0% - 49%	Terminate Employment	Nil

6.0. GENERAL GUIDING PRINCIPLES

- 6.1. All new hires into the Company's employment shall undergo a mandatory probationary period of six months. Relevant job descriptions specifying

expected level of performance will be made available to the employee at the beginning of their employment or during recruitment stage.

- 6.2. At the end of the probationary period, the Line Manager shall evaluate the employee's performance in conjunction with a second reviewer. The second reviewer is usually the most senior employee in the employee's chain of command or reporting structure. The objective is to ascertain and ensure concurrence in the review process. The HR department shall review all comments and validate confirmation if there is no further concern about the employee's performance.
- 6.3. Where performance during the probationary period is considered satisfactory, the new joiner's employment shall be confirmed, and such person shall be entitled to all benefits that are due to all confirmed employees of the Company.
- 6.4. An employment must be confirmed in writing upon successful completion of an employee's probationary period and subject to receipt of satisfactory reference reports.
- 6.5. Where performance is unsatisfactory after the first six months (notwithstanding a satisfactory reference report), the employee shall be given a minimum of three (3) month extension. The Line Manager in conjunction with the HR department must initiate a Performance Improvement Plan (PIP). The PIP must be documented in employee's records. **When employee is confirmed after a successful PIP, the confirmation benchmark as per salary increase will not apply.**
- 6.6. If an employee still fails to meet the performance requirements after the additional three (3) months extension, the Company shall terminate the employee's employment with notice and in accordance with the provisions on termination as contained in employee's offer of employment, as well as the Exit Policy.
- 6.7. For the avoidance of doubt, the employment of an unconfirmed employee may be terminated by either party, subject to a formal notice of disengagement in writing, giving two (2) weeks' notice period or two weeks' pay in lieu of the notice by either the employee or the Company.
- 6.8. **Where an employee who has satisfied all reference requirements remains unconfirmed after eight months of employment (i.e after additional two months have elapsed) due to no review feedback from a second reviewer, the Head of HR shall have the right to by-pass the second reviewer and invoke review comments for confirmation purpose. The effective date of confirmation in this instance shall be backdated to the date after the end of probation period.**

- 6.8.1. Where there is a case of non-receipt of reference report from previous employer, the employee shall be duly notified by the HR department. Where confirmation is delayed/prolonged for eight months due to non-receipt of previous employer reference, the Company shall reserve the right to take decision on continuity of employment with the employee.
- 6.8.2. Arrears will be paid where there was a delayed confirmation, regardless of PIP period.
- 6.9. **Adverse Reference Report** - Where the Company receives an adverse reference report on an employee that has been recommended for confirmation or noted to have an outstanding performance during the probationary period, the Head of HR shall notify the employee's Head of Department with a view to taking a position on the employee's confirmation. All reference reports shall be held in strict confidence by the HR department. In addition, the following shall apply to adverse reference report.
- 6.10. If during the probationary period or after the confirmation of employment, the employee is found to have falsified any document or misrepresented any fact pertaining to his/her employment, either prior to his/her employment or in the course of employment in SATH, the Company shall reserve the right to dismiss the employee. Kindly see the Employee Handbook for further details.

7.0. LEAVE OF ABSENCE DURING PROBATIONARY PERIOD

Employees under probation shall be deemed to have accrued their annual leave days during the probationary period.

- 7.1. **Paternity Leave during probation:** Please refer to the Company's Leave Management Policy.
- 7.2. **Maternity Leave during probation:** Please refer to the Company's Leave Management Policy.

8.0. CONFIRMATION OF A REHIRE

Exited employees that had been previously employed and confirmed with the Company and were subsequently rehired must go through the normal six months' probation period and be confirmed.

9.0. EMPLOYEE CONFIRMATION PROCESS

FIRST EVALUATION (THREE MONTHS): For a new staff, performance evaluation is carried out by both the line manager, a second reviewer and HR after three months. The employee is expected to complete a self review assessment before other reviewers can proceed with their comments. The term for performance evaluation may differ per employee depending on the Employee's role, the offer letter and the Contract of Employment.

The aim of this evaluation is to enable the Company to ascertain the staff's strength, capacity, understanding of the role and how well he/she has settled into the organization.

SECOND EVALUATION (SIX MONTHS): A second evaluation is done in the sixth month to determine the staff eligibility for confirmation or otherwise. The review parties remain the same.

Table 2: Confirmation Process

Steps	Actions	Responsibility
1	Human Resources Officer initiates reference mails to the referee of new staff (not more than 2 months after resumption of new staff. System should flag for noncompliance)	HR
2	Human Resource Officer updates employee reference information on the ERP based on status of reference.	HR
3	On the first day of the last week when new employee shall complete his/her the first three months of employment, the system notifies the new employee to complete his/her self-assessment (timeline is 3 days)	New employee
4	Upon completion of self-assessment, the probation form goes to the primary reviewer (line manager) for his comments and ratings (line manager's timeline is 3 days)	Line manager
5	Upon completion of line manager's comments and ratings, the probation form goes to the second reviewer – who is the most senior employee within the reporting structure where the new employee belongs. It can be the HOD or Chairman SATH, or Group Executive Director, depending on the reporting structure. (Second reviewer's timeline is 3 days)	Second reviewer
6	When the first and second reviewers have completed their comments and rating, HR also inserts comments (timeline 2 days)	HR
7	On the first day of the last week when new employee shall complete his/her sixth month, the system notifies the new employee to complete self-assessment (completion timeline is 3 days)	ERP
8	Repeat steps 5 to 7 above during six months review	

9	If employee is recommended for Confirmation after six months, Human Resource Officer is advised with the recommendation, else, extend probation period or perform employee exit process. Three options: Confirm, Extend, or Terminate	HR Officer
10	If the decision is to extend probation, a PIP – Performance Improvement Plan is triggered to the line manager by the ERP in order to document expectations.	
11	If employee is on PIP (i.e., extended probation for 3 months), there shall be monthly reviews between employee and line manager for first month, second month and third month. Reviews will only be done by the second reviewer after 3 months for comments and to either tick "Confirm, or Terminate". After second reviewer, then there would be reference to HR comments.	
6	If feedback from previous employer is not satisfactory: <ul style="list-style-type: none"> i. Notify the Head of HR for further investigations; ii. Where the investigation is consistent with the unsatisfactory feedback from referee, Head of HR to share report with the employee's HOD, Chairman or Group Executive Director, depending on the employee's reporting line. It is expected that the previous employer feedback would be reviewed and decision on confirmation would be taken by the Company. 	HR

10.0. GENERAL EXCEPTIONS

Notwithstanding all the aforementioned policy, procedures and processes, the management has unreserved authority to exercise its discretion to reject, query or rescind confirmation decision perceived as not being a fair and an objective reflection of the individual's actual performance based on justification/business case or other mitigating factors that might have impacted the performance of the employee.

11.0. MAINTENANCE OF THIS POLICY

It is intended that this policy will be reviewed and amended if considered necessary and as the business needs may require. Distribution of this policy is the responsibility of the Human Resources department.