

Title: **Overtime Policy**

Revision	Written By	Reviewed By	Approved By	Effective Date
A	Senior Human Resources Manager	Regional Managing Director	Regional Managing Director	16.04.2013
B	 Truong Duc Thang Senior HR Manager	 Jean-Pierre Mazzone Group Director of HR	 David Martin Ruiz Managing Director	1 March 2019

Revision tracking

Revision	Date of change	Content of change
A	N/A	The first initial
B	1 March 2019	Changed the working hours to flexible working hours for office employees

Purpose:

This policy aims to provide guidance to all Vietnamese employees on the operation of overtime, to ensure that it is applied fairly and in line with business and budgetary requirements. The policy outlines the rates of pay applied to overtime worked and sets out eligibility criteria.

Related Policies and Forms:

Overtime Request Form

Leave Request Form

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1. Scope

Archetype Vietnam recognizes that there may be a need for some employees to work over and above their normal contractual weekly hours in order to carry out specific projects or work during busy times. It is a requirement that the procedures set out in this policy are followed as any claim for overtime. Any employee that makes a claim for overtime that does not properly follow the procedures will not have their claim approved.

2. Working hours

The normal weekly working hours as follows:

- **In the Office:** From Monday to Friday

Morning: Flexible (8:00AM to 9:00AM) - 12:00PM
Afternoon: 13:00PM – Flexible (17:00PM to 18:00PM)

- **On site:** From Monday to Saturday, depending on site work schedule, work requirements and employee contract agreement.

There are occasions when the normal working hours of employees will be different to those outlined above, due to the specific nature of certain projects. In these circumstances, Archetype Vietnam will notify the employees involved in those projects of the normal working times and days upon their engagement in the project. By way of example, there may be certain projects that require employees to work on Saturdays and Sundays, in which case another normal week day (Monday – Friday) will be substituted for the normal day(s) off for that employee each week.

3. Overtime Rates of Pay

The current rates for overtime under the labor law are as follows:

- a. On normal working days: each overtime hour is remunerated with a salary increased by 50% (time-and-a-half) or converted in equivalent compensation hours.
- b. On weekends: each overtime hour is remunerated with a salary increased by 100% (double time) or converted in equivalent compensation hours.
- c. On public holidays, each overtime hour is remunerated with a salary increased by 300% (triple time) or converted in equivalent compensation hours.
- d. Night shift: An employee who works in night shifts (from 10:00pm to 06:00am of the next day) is remunerated additional amount at least equal to thirty per cent (30%) of the daily salary.

4. Principles

4.1. Due to the specific activities of Archetype, the following principles will apply:

Site Staff:

In order to create the safest working environment for all site employees, the **Site Management members** are responsible to ensure the below principles to be applied:

1. No employees to work more than 12 hours per day.
2. No employees to work on Public holidays unless it is really necessary due to the work requirements. In this case, 02 days off for Staff and 1 day off for Manager and above level will be compensated for those who have to work during Public holidays.
3. Employees must have at least 1 day off per week.
4. Compensation day off must be recorded clearly in the timesheet for Human Resources department's record.

In the Office:

Office staff will be compensated for the overtime working hours as mentioned in the below article 5. When an employee is required to work additional hours because they made mistakes in their work, such additional hours are not considered as overtime and will not be compensated in accordance with this policy.

4.2 Staff level application for overtime

Site Employees and Management level: Site Employees and Management level are paid a salary that includes compensation for all additional hours of work they may carry out on weekdays, Saturdays, Sundays, Public holidays and night shift. For this reason, no additional overtime payment will be made by the Company under any circumstances.

Other Employees: Other employees up to the position of Team Leader, overtime payments apply to your position in accordance with this policy.

4.3 Overtime payment method (remuneration or compensation day off)

Under the labor law, overtime may be paid in either cash or by the provision of compensation time off work. The application of time off or payment will be approved in advance by the Head of Department and by the Managing Director respectively.

5. Procedure**5.1 Responsibilities of Manager**

Overtime must be requested in writing by the Manager BEFORE Overtime work is done with the indication of Employee name and overtime allowed, term of payment suggestion, be signed off by the Head of Department and send to Human Resources Department for proper recording before the overtime occurs. Any paid over-time must get the prior approval of the Managing Director before sending to Human Resources Department for payment.

Managers and Heads of Department must consider the impact that the cost of Overtime will have on their departments and the allocation of resources, as well as consider the additional office costs required to keep the office open after 8.00pm. For these reasons it is requested that Managers are to keep Overtime after 8.00pm on a weekday, and on weekly rest days and public holidays in particular to a minimum.

5.2 Responsibilities of Department Director and Project Managers

The Head of Department or the applicable Project Manager are responsible to make a recommendation to the Managing Director on the payment method of overtime on the project, taking into consideration the overall budget and rostering of the project.

All overtime requests on projects are to be made following process outlined in this policy, and must be made in advance by the Project Manager, and approved in advance by the Managing Director. All approved overtime requests should be forwarded to Human Resources Department for maintaining a record of all compensation days or overtime payment for employees working overtime.

6. Overtime Reporting

The relevant line Manager must lodge an overtime claim with their Department Director within 48 hours of the overtime being worked. The overtime claim details the employees who worked overtime and the exact amount of time they spent working overtime.

The Director will refer the claim and whether it is approved or denied to the Human Resource Department before the 25th of each month, so the overtime details can be recorded in the monthly payroll.

7. Overtime payment

If the overtime claim is to be remunerated by cash, the Human Resources Department will calculate the amount owing so this can be paid to the employee in their next normal monthly salary payment. Overtime requests that are not received prior to the 25th of the month will result in a delayed payment to the employee.

Overtime that is to be remunerated through the provision of compensation days will be recorded by the Human Resources Department. When an employee wants to take a compensation day, they must apply for this time off work using the annual leave form and providing the same amount of notice required for the taking of annual leave.

Compensation days should be taken in the year that they are awarded. Any compensation leave outstanding at the end of the year will be forfeited by the employee at the end of April of the following year.

If an employee has unused compensation days when their employment ends with Archetype Vietnam, these days are forfeited and are not paid out with termination payment. It is the employee's responsibility to ensure they take their compensation days prior to leaving employment.