

LITE-ON SINGAPORE PTE LTD

# Human Resource Policy and Guideline

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The policies and procedures in this manual are not intended to be contractual commitments by Lite-On Singapore, and employees shall not construe them as such.

The policies and procedures are intended to be guides to both management and employees:

- Set out and clarify the terms and conditions of employment.
- Set out and clarify the rules and regulations which employees must abide to.
- Summarize the benefits employees may be entitled to.
- Set out some of the main issues which may be of interest to employees during the employment.

This handbook applies to employees of Lite-On Singapore Pte Ltd.

Lite-On Singapore reserves the right to revoke, change or supplement guidelines from time to time at the Company's sole discretion upon reviewing as and when necessary.

No policy is intended as a guarantee of continuity of benefits or rights. Moreover, this handbook cannot cover every possible situation and therefore, for doubts on individual situations not covered, management will address situations on a case-by-case basis.

Do feel free to speak with HR Representatives regarding any questions, comments or concerns.

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## **1 TERMS AND CONDITIONS OF EMPLOYMENT**

### **1.1 Objective**

These rules and regulations set the general conditions of employment with Lite-On Singapore.

### **1.2 Scope**

The present rules and regulations are based on the Employment Act of Republic of Singapore. Consequently, they form an integral part of your contractual terms and conditions of employment with Lite-On Singapore.

The term “employee” or “you” in this document refers to any person who has signed a Letter of Appointment that commences their employment with the company.

The term “LOS” refers to Lite-On Singapore Pte Ltd.

### **1.3 Manpower Requisite**

Any new headcount and or recruitment, a manpower request form will have to be completed by the respective hiring Managers/Head of Department (HOD) and approved by the SBG Head before providing it to HR Department for recruitment to be carried out. Hiring Managers/HOD is required to explore on the possibility of having the vacant position to be filled up by an existing employee within LOS before deciding on external recruitment.

### **1.4 Appointment**

#### **1.4.1 Employment Offer**

It is the policy of the Company to hire individuals who are qualified or trainable for employment as determined by our standards of education, experience, aptitude and character. All decisions regarding the recruitment, selection, and placement of employees are to be made solely on the basis of job-related criteria. Every effort will be made to hire employees for positions which best utilize their abilities.

Satisfactory completion of a pre-employment medical check is required for all prospective employees. Qualified candidates will be given an Employment and Assignment Contract with key employment terms and a copy of this Employee Handbook can be found in the HR common folder as well as in the ePortal Leave System.

An offer of employment is subject to the following conditions:

- 1) The candidate must declare the following personal information to the Company:
  - a) Documentary proof of no conviction of past criminal offences(s) / any criminal records;
  - b) Any medical conditions;
  - c) Bankruptcy status.

- 2) Non-citizens can only start their employment after approval of an Employment Pass, S Pass, Work Permit or a Letter of Consent by the relevant authorities.
- 3) A declaration of Fit for Employment after a Pre-Employment Check-up by the Company Appointed or Approved Doctor.

#### **1.4.2 Employment Checks**

Employment with the Company is based upon a satisfactory background check. This may include investigations on employment history, education, credit history and criminal records.

#### **1.4.3 Employment Letter**

The relationship between the employee and the Company shall be governed by the letter of employment (contract of service) with reference with this handbook.

#### **1.4.4 Personnel File & Submission of Documents**

On being employed, you will be required to submit documents, certificates, references, photographs (passport size) and any other information as may be required by the Company. These documents will be put into the Personnel file of the individual. Henceforth, all official documents related to the employment of this individual will be put into the Personnel file.

#### **1.4.5 Notification & Updating**

Employees must inform the HR Department immediately of any changes in their personal particulars (including Financial Situations and Criminal records). This enables the Company to maintain an updated record so that the best assistance can be rendered when the need arises. These will include:

- Name, home address and telephone number;
- Marital status (if you are married with children, please provide marriage certificate and child's birth certification);
- Nationality;
- Additional qualifications/training received;
- Passport (if you are a work pass holder).

Provision of false personal records, whether in the application for employment or during service, is a serious breach of contract and is liable to immediate dismissal without compensation or notice.

#### **1.4.6 Probation & Confirmation**

All new employees will have to serve a probationary period of three (3) months. An assessment – Employee Probationary Performance Appraisal will be done before the end of your probation period for the confirmation of your employment with the company.



The Company may extend the probationary period if it is deemed to be necessary. The probationary period may be extended at the Company's discretion for a further period not exceeding three (3) months. In such cases, the Company shall inform the employee of the extension in writing prior to the expiration of the initial three (3) month probationary period.

In cases of termination, the company will also notify employee in writing.

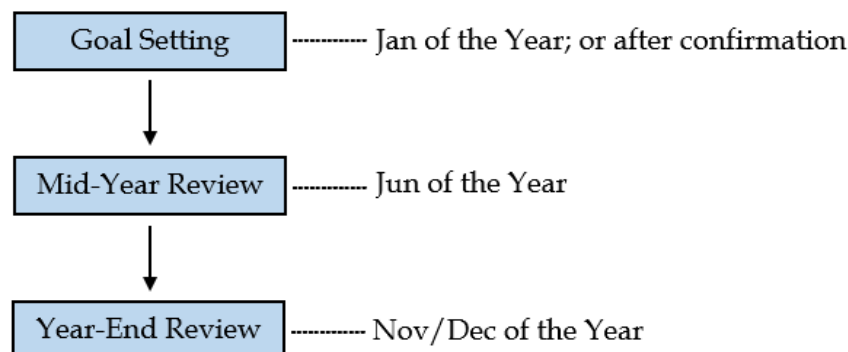
During the assessment, the employee will also discuss with immediate supervisor(s) to set goals and objectives that will be reviewed and/or assessed in the mid/year-end performance appraisal.

#### 1.4.7 Performance Appraisals

Performance appraisal helps organization quickly create high-value performance appraisals for all employees. It cultivates a high-performance workforce that is completely aligned with organization's goals and priorities. Performance appraisal will assist the organization to evaluate employee performance on meeting company goals and objectives. It will also serve as the key tool to determine employee year-end bonus, increment and promotion.

Performance appraisal is applicable to all full time and permanent employees who had served the Company for at least 3 months in the year.

The evaluation process:



#### Goal Setting

Individual employee needs to discuss and align with his Immediate Supervisor on his annual Key Performance Indicators. KPI will be used for the Mid-Year and Year-End Reviews to reflect employee performance.

Elements to be considered during KPI setting:

- A. Strategy**
- B. Financial**
- C. Operation**

Weightage will be determined by Immediate Supervisor after discussing with the employee.

#### Mid-Year Review

Immediate Supervisor and/or HOD to feedback and discuss with employee on 1H actual performance against KPI setting. They will then discuss and plan with employee to close the gap (if any) to meet KPI setting.

#### Year-End Review & Ranking

Immediate Supervisor and/or HOD to evaluate and rank the employee on yearly performance against KPI setting. HOD will sit down with Management Team to discuss and do a cross calibration. The final assessment after the calibration will be communicated to individual employee.

### **1.4.8 Day 1 Briefing & Orientation**

Day 1 Briefing will be held during new employee first day at work. This includes issuing of work items, stationaries, office access card, etc. and the introduction of respective key personnel in the Company. New employee will be introduced to your Immediate Supervisor who is responsible for your overall work performance during your employment with the Company.

Orientation will be arranged in a group on a monthly or needs basis that incorporate an introduction of the Company and sharing of Company's Policies, Procedures and Practices, work systems, etc.

## **1.5 Career Development**

### **1.5.1 Re-designation**

As deemed necessary, the Company has the right to re-designate employees. Employees shall be required from time to time, at the Company's discretion, to perform temporarily additional duties. This shall not in any way be construed as a promotion or upgrading

### **1.5.2 Transfer**

Employee may be transferred from one department to another within the SBG at the discretion of the Management. Employee will be required to carry out duties as required in the new assignment.

Employee may also be transferred among the different SBGs on the condition that an employee must be at least 2 years with the company & 1 year on the current job. Application will have to be put up to HR. Site HR will align with Corp/SBG HRs and revert on the next procedure.

### **1.5.3 Notice of Termination**

For all employment terminations, the party initiating the termination must either serve the notice period stipulated in the Letter of Employment or pay the other party the equivalent salary in lieu of notice.

Termination notice shall be written and may be given at any time during a working day, and the day on which the notice is served shall be included in the period of the notice. The employee is not allowed to use any accrued annual leave to offset the notice period.

#### **1.5.4 Dismissal**

If an employee is dismissed due to misconduct or breach of the employment terms, the notice period is not applicable. Under such circumstances, the employee will not be entitled to payment in lieu of the notice period.

#### **1.5.5 Promotion**

The Company believes in the policy of promoting from within. Employees are given the opportunity to advance their career if they prove themselves capable in the normal course of work. All regular and full-time employees shall be eligible for promotion.

HR Department will kick start the promotion exercise in May of the year. All successful promotion will take effect on 1<sup>st</sup> Jul of the year.

#### **1.5.6 In-Coming Training**

Generally, on-the-job training is provided by the employee's Immediate Supervisor/peers. Training is a line function and should be applied promptly where correction and improvement are necessary. The company may also put employee on job-rotation either within or between departments so as to cater for job enlargement and job enrichment.

The company can also develop special courses to be conducted in company by our own staff or commission an external training consultant to provide such training.

All employees, regardless of the period of employment, can be put through this scheme. Any employee who refuses to be trained or does not complete the course will be accountable for the consequences, if you are not able to do your job according to the appropriate standard of performance.

#### **1.5.7 Off-Company Training (reference to Training Policy & Procedure TD-SOP001 REV01)**

It is the Company's objectives to provide advice, opportunities, facilities and financial support to enable employees of the Company:

- To acquire the skills, knowledge and related qualifications needed to perform effectively the duties and tasks for which you are employed;
- To develop your potential to meet the future manpower need of the Company;
- In exceptional cases to develop individuals beyond the Organization's immediate and foreseeable needs.

All immediate supervisor and HOD are responsible for your subordinate's training and development. This is to facilitate individual's and company's growth. The immediate supervisor or HOD are expected to provide continuing attention to the employee's training needs in related to:

- Individual Performance Appraisal;
- Potential Development;
- Succession Plan;
- Career Development; and
- Company's requirements.

The company may require an employee to attend an off-company training program for any duration of length. The departmental training budget will be allocated on a yearly basis.

Immediate supervisor or HOD will discuss with your employees on their training plan for the year during their performance review. A Training Needs Analysis (TNA) will be compiled by HR in Q1 of each year on training courses required/requested for employees. HR will consolidate and review with VP/GM before trainings are rolled out.

Employees signing up for any training/seminar must submit your application and obtain management approval via the eflow system. All approvals must be obtained before an employee is allowed to attend the training/seminar. Upon completion of the training except for seminar, employees will be task to complete the Course Evaluation(s).

Important Notes:

Employees must refer to the Training Policy and Procedure for full details, inclusive of above pointers relating to employee training.

## 1.6 Hours of Work

### 1.6.1 Official Working Hours

Reporting	Time
Mon to Fri	8:30am – 5:30pm
Lunch Break	12:00pm – 1:00pm
Taking ½ Day Leave (am)	8:30am – 1:30pm
Taking ½ Day Leave (pm)	1:30pm – 5:30pm

Employees are expected to be on time, dressed appropriately and ready for work at your work station 5 minutes prior to the START and until the END time of your normal time. Excessive absence or tardiness will not be tolerated.

Where work situations demand continued support and attention, employees may not summarily dismiss yourselves from work at your official end time without regard to the service required of you.

The Company reserves the right to change any work schedule to conform to operating requirements at any time.

#### **1.6.2 Punctuality**

All employees are expected to be at their working position in accordance with the hours of work established by the company. If an employee is going to be late or absent from work, or must leave the work place early, the employee must duly notify and obtain prior approval from his immediate superior or Human Resource personnel. Each supervisor is responsible for ensuring a leave application is properly filed whenever an employee fails to report to work.

Complying with working hours and maintaining a good attendance record is necessary so that the company can plan and conduct its business with minimum disruption. Employees who are late or absent continually are subject to disciplinary action.

#### **1.6.3 Attendance & Absenteeism**

Regular attendance is expected and required at the Company. If you are unable to report to work due to emergencies, you must notify your immediate supervisor and HR at once and if possible BEFORE the start of your work.

Failure to report absences shall be considered Absence without Leave and will be treated as Unpaid Leave. It will be deemed that you have voluntarily left the Company's employment if you are absent for more than two (2) day without prior approval or reasonable reason.

All medical leave(s) must be reported one (1) hour in advance prior to your working hours and medical certificate(s) are to be submitted to HR with your immediate supervisor approval within the next three (3) working days.

#### **1.6.4 Overtime**

Employees earning less than S\$2,600.00 and below, shall be eligible for overtime payment. However, the overtime rate payable is capped at the salary level of S\$2,600.00.

For work done after your official scheduled hours, or on Saturday, overtime payment will be at a rate of 1.5 times your hourly basic rate of pay while work done on Sunday, Public Holiday or Company Holiday, overtime payment will be at a rate of 2 times your hourly basic rate of pay.

Overtime payment will only be paid if you fulfil the following conditions:

- OT must be at least one (1) hour after the official working hours;
- All OT calculation and submission shall be based on a 'half an hour' unit only;
- Obtain approval from your immediate supervisors BEFORE overtime is performed.

Overtime Claim Form must be duly signed & approved by immediate supervisor and HOD and submitted to HR latest by 20<sup>th</sup> of each month.

Employees of Executives level category and above are expected to arrange and carry out work beyond the stipulated hours as and when necessary without any additional overtime payments. Paid-time-off will be granted for work done on PH which PTO must be cleared within two (2) weeks after PTO being credited into your leave.

## **1.7 Salary**

### **1.7.1 Salary Structure**

The Company practices a flexible salary structure that responds to the market situation and conditions. The starting salary of any employee shall commensurate with experience, qualifications, skills, knowledge and competence. Subsequent increments will depend on the performance of the employee and the Company. Any salary adjustments will be made during the yearly increment period in July of the year.

### **1.7.2 Salary Calculation**

#### **a) BASIC RATE OF PAY**

- Total amount of payout (including wage adjustments and increment) which an employee is entitled to under his contract of service but does not include:
  - ✓ Overtime;
  - ✓ AWS or bonus;
  - ✓ Reimbursements for special expenses incurred in the course of work;
  - ✓ Payment to improve an employee's productivity or performance which are not part of the employee's regular salary package; and
  - ✓ Any allowances.
- Basic rate of pay is used to calculate payment for:
  - ✓ Overtime work (if any);
  - ✓ Work on rest day; and
  - ✓ Work on public holiday.

## b) GROSS RATE OF PAY

- Total amount of payout including allowances which an employee is entitled to under his contract of service, but does not include:
  - ✓ Overtime;
  - ✓ AWS or bonus;
  - ✓ Reimbursements for special expenses incurred in the course of work;
  - ✓ Payments to improve an employee's productivity or performance which are not part of his regular salary package; and
  - ✓ Travelling, food or housing allowances.
- Gross rate of pay is used to calculate:
  - ✓ Public holiday;
  - ✓ Annual leave, inclusive of No Pay leave;
  - ✓ Maternity leave;
  - ✓ Hospitalization leave;
  - ✓ Payment in lieu of notice; and
  - ✓ Deduction of pay for absence from work.

Definition	Formula
Rate of Pay per Day for incomplete month	Monthly Gross rate of pay / Actual no. of days for that month excluding Off-Saturday and Sunday only.
Rate of Pay per Hour (Hourly Rate)	$(\text{Monthly rate of pay} * 12) / (52 * 44)$
Rate of Pay per Day (Daily Rate)	$(\text{Monthly rate of pay} * 12) / (52 * \text{Average no. of working day per week})$

### 1.7.3 Payment of Salary

Employees shall be paid salary on a monthly basis which will be credited to your personal bank account on the last day of each month. If the last day of the particular month falls on a Sunday or Monday, salary will be credited in advance to your bank account on Saturday.

Employees are to check their pay-slips and notify HR of any discrepancy within seven (7) days from the day that the salary is received.

### 1.7.4 Deduction of Salary

The Company can make salary deductions for **specific reasons** under the Employment Act. We can also make salary deductions if we obtain written consent from employees, and enable employees to withdraw their consent anytime, without penalty.

## 1.8 Expenditure & Reimbursement Claim

The Company shall reimburse business travel and other expenditure claims submitted and approved via the eflow system by all authorized parties involved. All claims must be supported by official receipts and/or invoices issued in the employee's name.



All business travel claims, with the exception of mobile phone claims (to be claimed upon receipt of phone bills in the following month), must be submitted within 10 working days upon return unless a special request has been arranged prior to the trip. Any rejected or delay submission would need to seek the approval of Finance Head and GM for resubmission.

Falsifying information or filing false claims is a serious offence subjected to disciplinary action.

## **1.9 Cessation of Employment**

### **1.9.1 Resignation/Termination of Employment**

Employment may be terminated at any time by the employees or the Company. A written notification of the employee's intention to resign or termination of contract of service must be given to their immediate supervisor. A copy of the resignation letter should also be copied and forwarded to the HR department.

Unless otherwise stated in your individual's Employment and Assignment Agreement, both parties may terminate the contract of service at any time by giving the required notice or payment-in-lieu. In general case, it shall be one month's notice.

Earned or accrued leave or unconsumed public holidays shall not be used to offset any portion of the period of notice without the approval of the Management. However, the Company reserves the right to waive the full or part of the period of notice in special circumstances.

Notwithstanding the foregoing, the Company reserves the right to terminate without notice, the service of any employees found guilty of misconduct with the fulfillment of the expressed or implied conditions of service. This will be construed as a dismissal.

### **1.9.2 Exit Interview**

Upon leaving the Company, employees are required to go through an Exit interview with at least one representative from the HR department. The purpose of the interview is for you to provide us with feedback to better our internal procedures in the future.

### **1.9.3 Return of Company's Property**

All documents (drafts, notes, photocopies, graphics, books, soft/saved copies, etc.) that employees have acquired through the Company in relation to work are property of the Company. An employee who leaves the Company has the obligation to return these documents, without keeping copies. All other company owned equipment or items (such as employee pass, access card, laptop, USB, any IT peripherals and etc) not mentioned above should also be surrendered to the respective department in-charge on your last day of service. The replacement value of any items not returned or any outstanding amount due to the Company will be deducted from your final salary payment.



**1.9.4 Withholding of Income Tax**

The Company reserves the right to withhold remaining wages of a foreign employee who has ceased employment until he/she cleared his/her payment with the Inland Revenue Authority of Singapore (IRAS) or when the IRAS gives its instruction to release monies to the employee concerned.

**1.9.5 Retirement**

The retirement age shall be 62 years subject to the employee being examined annually and certified medically fit by the Company's appointed doctors to continue employment.

**1.10 Re-Employment Policy**

In line with the initiative to help older employees remain economically productive, employees who are reaching 62 years of age may be offered Re-employment on a yearly contract up to the age of 67 with LOS, subject to the following conditions:

- a) Employee is a Singapore Citizen or Singapore Permanent Resident;
- b) Employee has served LOS for at least 3 years before turning 62;
- c) Employee's work performance is satisfactory or above;
- d) Employee is medically fit to continue working;
- e) Employee is born on or after 1 July 1952.

The Re-Employment process shall be carried out in accordance with the following procedures:

- a) **Stage One (1):** Engage the employee at least six (6) months before reaching 62 with a Re-employment Consultation Session which will cover the following:
  - i. Communicate the possibility of variations in remuneration and re-employment;
  - ii. Manage expectations on re-employment;
  - iii. Understand employees' concerns.

The company will consider various job arrangements for eligible employees including:

- i. Re-employment in the same job (with appropriate adjustments in wages and benefits based on reasonable factors, where necessary);
  - ii. Re-deployment with modification to their existing jobs or to different jobs on renegotiated terms;
  - iii. Re-employment on other work assignments mutually agreed between both parties.
- b) **Stage Two (2):** Offer the Re-Employment Contract or Non-offer of Re-Employment Letter to the Employee three (3) months before age 62. If a Re-Employment Contract is offered, the contract is subject to the employee being medically fit to continue working after going for a medical examination and certified by the Doctor. LOS will only send employee for medical examination 3 months before the re-employment.

The eligible employee should inform HR and the supervisor/manager in writing if he/she does not wish to continue working after retirement. The Employment Assistance Payment (EAP) will not be offered to eligible employee who rejects the re-employment offer and he/she will retire by serving the required notice period.

In the event that the employee meets all the above-mentioned criteria but LOS is unable to offer re-employment, EAP will be offered to the employee based on the following:

Re-Employment Period since age 62	EAP for Full-Time Employee
Not offered re-employment/less than 30 months	A one-time payment equivalent to 3.5 months' salary, subject to min of S\$5,500 and max cap of S\$13,000
At least 30 months since age 62	A lower EAP amount of 2 months' of salary, subject to min of S\$3,500 and cap of S\$7,500.

- c) **Stage Three (3):** The Re-Employment Contract will only be valid once the Employee reaches age of 62 till 67. After which, an annual renewable contract will be offered to the Employee based on the above (a) – (e) conditions.

## 2. COMPENSATION AND BENEFITS

### 2.1. Public Holidays

Employees are entitled to all paid holidays gazetted by the Government in Singapore. Should a Public Holiday falls on a Saturday, all employees will be compensated with a day off on the following Monday.

The Company may grant employees some designated holidays accordingly to the LOS calendar's schedule, which is announced prior to the beginning of the next year.

### 2.2. Paid Time Off (PTO)

PTO is only applicable for employees for work done out of statutory working hours with prior approval from immediate supervisor on a Public Holiday.

To ask for PTO, employees must submit to HR an email approval from immediate supervisor for the work performed. With this, HR will update the PTO in the leave system. Once updated, the employee can log in the system to apply the PTO accordingly. PTO must be cleared within 2 weeks.

### 2.3. Annual Leave

Employee shall be entitled to annual leave in proportion to the number of completed months of service that year.

Annual Leave entitlement (based on calendar year) for all employees is as follows:

<u>Years of Service</u>	<u>Annual Leave Entitlement</u>
1 - 2	15 working days
3 - 4	16 working days
5 - 6	17 working days
7 - 8	18 working days
9 - 10	19 working days
11 - 12	20 working days
13 onwards	21 working days

Except in the event of the employee's service being terminated for misconduct, the employee who has not completed twelve months of continuous service in any year shall be entitled to annual leave in proportion to the number of completed months of service that year.

Employee may accumulate his/her annual leave for not more than one year's entitlement, and under the condition that the accumulated leave not taken by the end of the immediate following year shall be deemed to have lapsed.

Annual leave shall be granted subject to the demand of the Company's business and, as far as possible, an employee's convenience shall be taken into consideration. However, the company reserves the right to reject/counter-propose the dates of the employee's leave application due to operational exigencies.

Leave applications are to be submitted in advance through intranet for approval by the immediate supervisor/manager before going on leave. The required days of advance notice for leave application is as follow:

- a) Annual leave(s) must be applied at least one (1) week in advance;
- b) Any annual leave must be applied at least two (2) months in advance if it is more than five (5) continuous working days.

Upon resignation, all unused annual leave will be en-cashed, and any annual leave taken in excess of entitlement will be deducted from the final salary payment. Moreover, annual leave cannot be used to offset against the notice period. The approval of leave application during notice period is at the discretion of management.

In the event of termination for any reason, the employee shall indemnify the company for any advance annual leave granted to him/her in the course of employment.

#### 2.4. Emergency / Urgent Leave

Any leave taken one (1) day before or on the actual day of the leave application is considered as Emergency/Urgent Leave. In the event that an employee is unable to report for work due to an emergency or sickness on that actual day, he/she must inform his/her immediate supervisor/manager and HR Representatives immediately with reasons provided. Employee should apply for the leave immediately upon returning to work or get the authorized Admin clerk to assist with the leave application.

#### 2.5. Advance / Unpaid Leave

Advance and unpaid leave may be granted at the discretion of the Management to employee only when all annual leave entitlement has been used up. Advance Leave is typically not approved without compelling good reason.

#### 2.6. Sick Leave

Employees who have informed or tried to inform the Company **within 48 hours** of your absence shall be qualified for paid sick leave when you are **certified to be unfit for work** by a medical practitioner registered under the Medical Registration Act or Dental Registration Act.

The number of days of paid sick/hospitalization leave an employee is entitled is dependent on his/her service period:

No of months of service completion	Paid Outpatient Sick Leave Entitlement (days)	Paid Hospitalization Leave Entitlement (days)*
3 months	<b>5</b>	<b>15</b>
4 months	$5 + 3 = \mathbf{8}$	$15 + 15 = \mathbf{30}$
5 months	$8 + 3 = \mathbf{11}$	$30 + 15 = \mathbf{45}$
6 months	$11 + 3 = \mathbf{14}$	$45 + 15 = \mathbf{60}$
thereafter	<b>14</b>	<b>60</b>

*\* An employee is deemed to be hospitalized if he/she is certified by a doctor to be in need of hospitalization. He/She does not necessarily have to be admitted in a hospital.*

No employee shall be entitled to paid sick leave on a rest day or on a holiday to which he/she is entitled or on any day of paid annual leave or on a day when he/she is on leave of absence without pay granted by the employer at his/her request.

An employee who falls sick on his/her annual leave, his/her absence from work would still be treated as annual leave and not sick leave. However, if an employee consults doctor and is given sick leave the day before he/she goes on paid annual leave, HR may treat it as paid sick leave with the provision that the employee notifies his/her immediate supervisor & HR the day he/she is given the sick leave.

Employees must immediately inform their immediate supervisor/manager when they are granted medical leave. Upon return to office, the employee must go into the E-Leave system to apply for and update his/her sick leave records. For employees on long medical and/or hospitalization leave, the appointed Admin Clerk should log in and apply on behalf of the employee. However, in the absence of Admin Clerk, HR will follow through this.

All original copy of the Medical Certificates (MCs) must be submitted to HR department for final approval and filing. Failure to submit MCs will result in deduction of one (1) day's leave (considered as annual leave) even though un-utilized leave balances are available. Disciplinary actions will also be taken against you for any unauthorized absence from work.

## 2.7. Maternity Leave

All female employees who have completed for at least 90 calendar days of continuous service with the Company before the child's birth shall be eligible for maternity leave as follows:

At point of confinement	Child is Singaporean and employee is lawfully married to child's biological father	Child is Singaporean and employee has not lawfully married to child's biological father OR Child is Non-Singaporean
First 2 confinements	8 weeks' paid leave by the Employer plus 8 weeks' paid leave by the Government	8 weeks' paid leave by the Employer plus 4 weeks' unpaid leave
Third & subsequent confinements	16 weeks' paid leave by the Government	12 weeks' unpaid leave

The maternity leave shall be taken in a continuous block of 16 weeks. However, flexible arrangement for the last 8 weeks of the maternity leave can be taken within 12 months from the child's date of birth prior to mutual agreement between both Employee and Employer

The eligible female employee should make requests for maternity leave to her supervisor at least one week in advance on which she intends to commence her maternity leave. While for unforeseeable event whereby the eligible female employee who has been confined, shall as soon as practicable inform her supervisor or HRD of the date on which she was confined. Failure in either case, the eligible female employee shall be entitled to only half the amount of any payment to which she is entitled to under this policy.

A valid medical certification from a Singapore Government Medical Officer or Private Medical Practitioner must be submitted to the HR Department verifying the need for maternity leave and its beginning and expected ending dates.

An employee who gives birth to twins, triplets, etc. will be treated the same way as an employee who gives birth to a single child. It will be considered as a single confinement and she will not receive double maternity benefits.

If the eligible employee works for any other employer while she is on maternity leave, she shall forfeit her claim to any payment to which she is entitled under this policy and shall be liable to dismissal.

Any absence from work due to miscarriage, abortion or any other illness arising out of and in the course of pregnancy shall be treated as paid sick leave if the employee satisfies the qualifying conditions for paid sick leave.

If at the expiry of the maternity leave the employee is medically certified as unfit for duty, her absence shall be treated as paid sick leave if the employee satisfies the qualifying conditions for paid sick leave.

When a maternity leave ends, the employee will be reinstated to the same position, unless either the job ceased to exist because of legitimate business reasons or each means of preserving the job would substantially undermine the ability for Lite-On Singapore to operate safely and efficiently. If the same position is not available, the employee will be offered a comparable position in terms of such issues as pay, location, job content, and promotional opportunities.

If an employee fails to report to work promptly at the end of the maternity leave, she shall render herself for a disciplinary action including dismissal.

Employees are not allowed to use the Maternity Leave to offset the notice period for termination of employment.

EMPLOYER ROLES AND RESPONSIBILITIES			
	Before maternity leave	During maternity leave	After maternity leave
Child is Singaporean / Non-Singaporean	<ul style="list-style-type: none"> <li>Receive letter of certification and/or declaration form (Form GML1) (if applicable) before employee goes on maternity leave.</li> <li>HR shall be the final approval when female employee applies for the maternity leave.</li> </ul>	<ul style="list-style-type: none"> <li>Receive information from female employee on child's date of delivery and the expected date of her return to work.</li> </ul>	<ul style="list-style-type: none"> <li>Receive a copy of identity card of both employee and spouse, birth certificates of all children and marriage certificate upon employee returns to work.</li> <li>HR shall submit claim for reimbursement within 3 months (applicable to child who is Singaporean).</li> <li>Keep declaration form (Form GML1) (applicable to child who is Singaporean) and documents for a period of 3 years for auditing purpose.</li> </ul>

EMPLOYEE ROLES AND RESPONSIBILITIES			
	Before maternity leave	During maternity leave	After maternity leave
Child is Singaporean	<ul style="list-style-type: none"> <li>Employee needs to apply maternity leave at least one (1) week before the expected date of delivery via the Leave Automation System.</li> <li>Employee is legally obliged to submit a letter of certification from Government Medical Officer or Private Medical Practitioner as well as a duly completed declaration form (Form GML1) to HR.</li> </ul>	<ul style="list-style-type: none"> <li>Employee shall inform HR the date of birth of her child.</li> <li>Employee shall inform HR on the date of her return to work so that HR can prepare to submit the online claim for reimbursement.</li> </ul>	<ul style="list-style-type: none"> <li>When employee returns to work, employee must submit a copy of identity card of both employee and spouse, birth certificates of all children and marriage certificate.</li> </ul>
EMPLOYEE ROLES AND RESPONSIBILITIES			
	Before maternity leave	During maternity leave	After maternity leave
Child is Non-Singaporean	<ul style="list-style-type: none"> <li>Employee needs to apply maternity leave at least one (1) week before the expected date of delivery via the Leave Automation System.</li> <li>Employee is legally obliged to submit a letter of certification from Government Medical Officer or Private Medical Practitioner to HR.</li> </ul>	<ul style="list-style-type: none"> <li>Employee shall inform HR the date of birth of her child.</li> <li>Employee shall inform HR on the date of her return to work.</li> </ul>	<ul style="list-style-type: none"> <li>When employee returns to work, employee must submit a copy of identity card of both employee and spouse, birth certificates of all children and marriage certificate.</li> </ul>

## 2.8. Paternity Leave

The Government recognizes that fathers play an important role in raising children. To emphasize the importance of shared parenting responsibility, and to support fathers in bonding with and caring for their newborn, from 1 January 2017, eligible working fathers will receive 2 weeks of Government-Paid Paternity Leave, to be taken within 16 weeks after the birth of their Singapore Citizen child. Paternity leave can be taken flexibly within 12 months after the birth of the child, if there is a mutual agreement between the employer and employee.

Working fathers will be entitled to 2 weeks of Government-Paid Paternity Leave for all births provided they meet the following criteria:

- Child is a Singapore Citizen born (or with EDD) on or after 1 January 2017;
- The child's parents are lawfully married;
- Father must have served the Company for a continuous duration of at least 3 calendar months immediately preceding the birth of the child.



The 2 weeks of paternity leave will be funded by the government (each week of GPPL is capped at S\$2,500 including CPF contributions).

For working fathers who do not meet the above criteria, the Company shall grant 2 days' paid paternity leave to a male confirmed employee on the birth of his own child. This must be consumed within 2 months from the date the child is born.

Employees are required to forward a copy of the child's birth certificate and marriage certificate to the HR department as documentary proof and credit of paternity leave in the system.

Employees are not allowed to use the Paternity Leave to offset the notice period for termination of employment.

## 2.9. Childcare Leave

Each working parent shall be entitled the statutory child care leave under the following act.

### **Eligibility & Entitlement under the Child Development Co-Savings Act**

An employee is entitled to 6 days of childcare leave per year if he/she is covered under the Child Development Co-Savings Act. The Child Development Co-Savings Act covers all parents of Singapore citizens, if all four of the following conditions are met:

- a) The child (including legally adopted children or stepchildren) is below seven (7) years of age;
- b) The child is a Singapore Citizen;
- c) The employee has worked for the employer for at least three months; and
- d) The child's parents are lawfully married (including divorced or widowed parents).

Description	Child is Singaporean under the age 7 years (includes adopted/step children) and employee is lawfully married with 3 months of service period with company	Child is Non-Singaporean OR employee has not lawfully married
Employee's Entitlement	6 days ^	2 days *
Payment by Employer	First 3 days	2 days
Payment by Government	Last 3 days	-

^ Applicable to working mothers covered under the CDCA

\* Applicable to employees covered under the Employment Act

The number of days of paid childcare leave a new employee is entitled to depend on his/her service period. Likewise, the number of days a paid childcare leave for an employee during his/her last year of employment depends on his/her service period.



No of completed months of service	Eligible Childcare Leave (days) for new employees	Eligible Childcare Leave (days) for employees ending their contract
1	Not eligible	0 (if employee has worked with employer for less than 3 months)
2	Note eligible	2 (if employee has worked with employer for more than 3 months)
3	2	2
4	2	2
5	3	3
6	3	3
7	4	4
8	4	4
9	5	5
10	5	5
11	6	6
12	6	6

Parents of non-citizens children or single (unmarried) parents covered under the Employment Act are entitled to two (2) days of childcare leave per year if:

- The child (including legally adopted children or stepchildren) is below seven (7) years of age; and
- The employee has worked for the employer for at least three months.

### **Extended Childcare Leave**

The Government recognizes that working parents will also need time away from work to see to their children's needs when they are in primary school. From 1 May 2013, working parents will be entitled to 2 days of Government-Paid Childcare Leave if they have a Singapore Citizen Child between the ages of 7 and 12 and if they fulfill the following conditions:

- Child is between 7 and 12 of age on or after 1 May 2013;
- Child is a Singapore Citizen;
- Parent is lawfully married; and
- Parent must have served his or her employer for a continuous duration of at least 3 calendar months.

Parents with children in both age groups, i.e. those below 7 years, as well as those between 7 and 12 years, will have a total child care leave entitlement of 6 days per year for each parent.

The 2 days child care leave for parents with children between the ages of 7 and 12 will be funded by the Government (capped at \$500 per day including CPF contributions).

Employees who are eligible for the Childcare Leave or Extended Childcare Leave are required to provide supporting documents and submit a Government-Paid Childcare Leave Scheme Declaration Form (submission by new employee) to the HR department at least one week before going on childcare leave. This will allow HR to verify your eligibility before granting your leave. A copy of the child's Birth Certificate and Marriage Certificate must be furnished before your first application of such leave.

Any unused Childcare Leave not taken during the calendar year shall be forfeited. Childcare Leave is not transferrable between spouses, monetized or carried forward to the following year. Childcare Leave cannot be used to offset notice period during resignation.

## 2.10. Shared Parental Leave

To encourage shared parental responsibility and give working couples additional flexibility for care-giving arrangements, working fathers can currently apply to share up to 4 weeks (capped at S\$2,500 per week, including CPF) of the 16 weeks of maternity leave, subject to the agreement of the mother, if the mother qualifies for Government-Paid Maternity Leave.

Working fathers are entitled to Shared Parental Leave if you meet the following requirements:

- a) Child is a Singapore Citizen born on or after 1 May 2013
- b) Mother qualifies for Government-Paid Maternity Leave;
- c) Father is lawfully married to the child's mother.

The shared parental leave is to be consumed as a continuous block within 12 months of the birth of the child. If there is a mutual agreement between the employer and employee, the leave can be taken flexibly (i.e. in a non-continuous manner) within 12 months of the birth of the child.

Employees are not allowed to use the Shared Parental Leave to offset the notice period for termination of employment.

## 2.11. Unpaid Infant Care Leave

Infant Care Leave without pay shall be granted to employees who have served the Company for a continuous period of at least 3 calendar months.

An employee with a child who is a **Singapore Citizen** (including legally adopted or stepchildren) **below 2 years of age** is entitled to **6 days of unpaid Infant Care Leave** per year.

Infant Care Leave is capped at 6 days per employee regardless of the number of qualifying children.

### **2.12. Adoption Leave**

Adoption leave shall be granted to female employees who have served the company for a continuous period of at least 3 calendar months immediately preceding the point of her formal intent to adopt.

Female employees will be entitled to 12 weeks of Adoption Leave who adopt a child below 12 months of age and is a Singapore Citizen (the adopted child must be a Singapore citizen within 6 months of the adoption and at least one of the adoptive parents must be Singapore Citizen).

Female employees must be lawfully married at the point of the formal intent to adopt. Not applicable for unwed adoptive mothers whose formal intent to adopt is on or after 1 January 2017.

The adoption order must be passed within 1 year from the formal intent to adopt.

Adoption leave is to be taken in a continuous block within 12 months of the birth of child or taken flexibly within 12 months of the birth of the child upon mutual agreement by the employer and employee.

Female employees are not allowed to use the Adoption Leave to offset the notice period for termination of employment.

### **2.13. Marriage Leave**

Every confirmed employee shall be eligible to 5 working days of paid marriage leave on the occasion of his first legal marriage.

The employee shall be required to produce a properly authenticated certificate of such marriage to support his application. The date of marriage must be within the period of employment with Company. This must be consumed consecutively within one (1) year from the date of marriage registration.

### **2.14. Compassionate Leave**

Every confirmed employee shall be entitled to 3 working days of paid compassionate leave in the event of death of spouse, children, parents, siblings, grandparents or parents-in-law

Compassionate leave shall be granted on the working day following the death of the employee's next-of-kin. Such leave shall not be accumulative or taken after the eligibility period.

Any application for paid compassionate leave shall be supported by the necessary certificate or any other documentary evidence acceptable to the Company. If it is subsequently found that such leave has been obtained by a misrepresentation of facts, the employee may render himself liable to disciplinary action by the Company.

### **2.15. Military Leave**

An employee will be entitled to paid time-off for military service or reservist training or routine report. He must inform his immediate supervisor as soon as he knows of the dates of his absence or received the notification from the authorities.

Upon receipt of the notification from the authorities, employee shall submit the notification together with the leave application in the system at least 2 months in advance to the HR department in order to process the make-up claim.

### **2.16. Examination Leave**

The Company may at its absolute discretion grant a paid examination leave to confirmed employees to sit for examination/trade test in subjects related or relevant to their work.

Management approval must be obtained prior 2 to 3 weeks before the examination date. Examination leave shall be granted subject to an aggregate of not more than 4 days in a calendar year.

### **2.17. Medical Benefits**

#### **2.17.1 Outpatient Medical Benefit**

Every employee shall be eligible for normal medical consultation and prescription at our Company's appointed clinic, Raffles Medical Clinics for simple domestic illness.

Medical consultation and prescription at any other medical practitioner clinics can be reimbursed up to S\$40 per visit/day.

An employee who is unwell and seek treatment from the A&E Dept in a Government hospital, the company will reimburse the A&E fee (standard fee only).

Employee can also reimburse up to S\$500 per year for visiting Licensed Traditional Chinese Physician. However, such claim is limited to normal medication and consultation fee only. Other genuine medical conditions that require physiotherapy, acupuncture, tui-na, guasha, fire cupping, etc. will be subjected to Management & HR head for approval based on the nature. Purchase package for such service is strictly prohibited.

Within any one-calendar day, the Company shall bear only one medical expense incurred for consultation or treatment rendered by either the Company's doctor or a Singapore Government registered general practitioner.

The company shall NOT bear the cost of the following:

- a) Treatment related to pregnancy, miscarriage, sub-fertility, abortion and contraception;
- b) Cosmetic or any aesthetic treatment/products e.g. skin and body care, weight gain/loss, hair loss;
- c) Preventive treatment including immunization, health supplement and general health check-up;
- d) Treatment for congenital abnormalities;
- e) Treatment relating to sexually transmitted diseases;
- f) All dental treatment and implants;
- g) Treatment arising from abuse of drugs and alcohol;
- h) Treatment arising from self-inflicted injury or illness;
- i) Long-term medication and treatment.

#### **2.17.2 Work Injury Compensation Insurance**

All employees shall be insured and be compensated in accordance with the provisions of the Workmen's Compensation Act (Chapter 354) with reference to the Insurance Plans.

#### **2.17.3 Group Hospital and Surgical Insurance with Group Extended Major Medical**

All employees up to the age of 69, upon date of employment shall be covered under the scheme. Employees may choose to use either a government or restructured hospital accordingly to their own preference based on their plan entitlement.

If an employee deems to be hospitalized, he/she shall be eligible for the benefits of hospitalization in accordance with Hospital and Surgical Insurance Scheme set out in the Insurance Plans.

#### **2.17.4 Group Specialist Outpatient**

An employee shall be covered and eligible for the benefits set out in the Insurance Plans.

The scope of cover includes Specialist's Consultation (Clinical), Diagnostic X-Ray and Laboratory Test (Clinical).

Specialist's Consultation (Clinical) provides reimbursement for expenses incurred by an employee for specialist consultation recommended by a registered Medical Practitioner. Reimbursement for such consultation included the cost of medicine prescribed.

Diagnostic X-Ray and Laboratory Test (Clinical) provides reimbursement for expenses incurred by an employee for diagnostic X-ray and laboratory test made in a hospital, clinic or laboratory referred by a registered Medical Practitioner as a result of accidental bodily injury or sickness or disease without the need to be hospitalized.

### 2.17.5 Group Personal Accident

An employee shall be eligible for the benefits set out as below.

Employee Category	Basis of Sum Insured
Grade 6	18 X Last drawn basic monthly salary, subject to max sum insured of S\$1,500,000 per insured member
Grade 8 & above	26 X Last drawn basic monthly salary, subject to max sum insured of S\$1,500,000 per insured member

The scope of coverage includes compensation for death or permanent disablement resulting solely and directly from an accident.

Below is the basis of compensation and it covers worldwide 24 hours.

- a) Accidental Death – 100% of Capital Sum Insured;
- b) Permanent Total Disablement - pays up to 150%;
- c) Major Burns Coverage (2<sup>nd</sup> & 3<sup>rd</sup> degree burns) – pays up to 100% of Capital Sum Insured.

The Insurance Plans also spelt out the details of the Group Personal Accident Insurance benefits and the Table of Benefits.

### 2.17.6 Group Term Life

An employee shall be eligible for the benefits set out as below.

Category of Employee	Basis of Sum Insured
Grade 6	18 X Last drawn basic monthly salary
Grade 8 & above	26 X Last drawn basic monthly salary

The scope of coverage includes compensation upon death of the insured employee by whatever causes. The basis of Compensation is set out in the Insurance Plans.

### 2.17.7 Group Business Travel Insurance

An employee shall be eligible for the benefits set out in the Insurance Plans. It covers international territory, employee travelling on business including personal deviation (up to 31 days) before, during or after business trip and each trip not exceeding 182 days.

## 2.18 Pre-Employment Medical Examination

All prospective employees are required to undergo a pre-employment medical examination conducted by Company appointed or approved doctor. The offer and confirmation of employment is subjected to the employee's passing the pre-employment medical examination.

## 2.19 Health Check / Screening

All employees will be eligible for a health check/screening every 2 years with the 1<sup>st</sup> health check assign on the following year from the employees' year of join.

E.g. Cathy joins in year 2010 and she will be sent for a health check in year 2011 with the next health check in year 2013.

HR personnel will inform respective employee when and where the health check will be done via email notification. A summary report of individual employee will be sent and kept by HR personnel provided by Health Provider and the record will be **STRICTLY CONFIDENTIAL**.

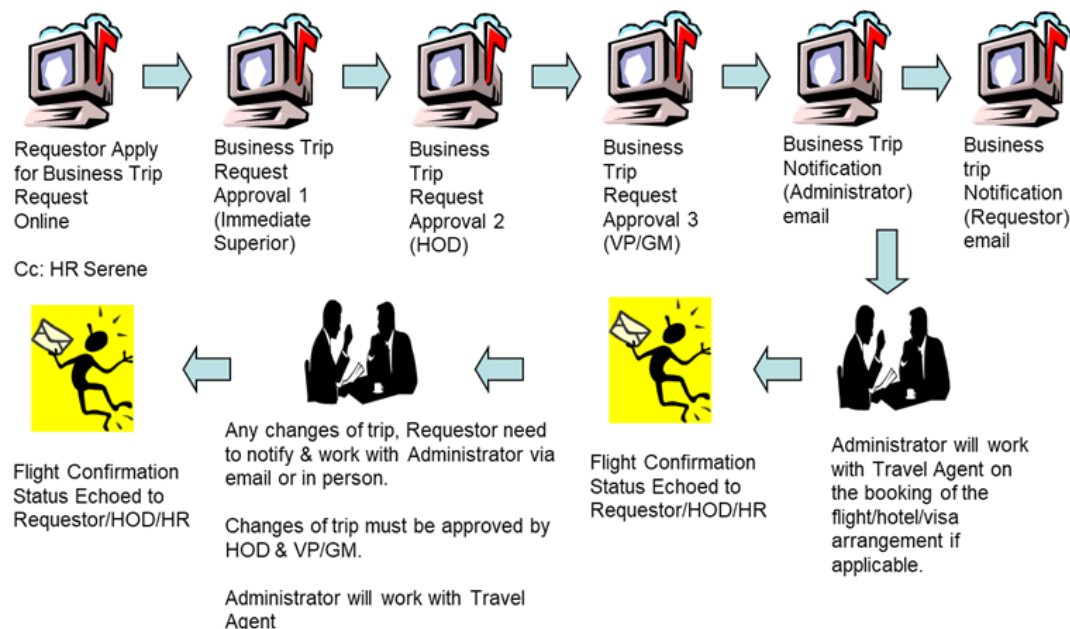
## 2.20 Business Travel

First time traveler must provide a clear copy of his/her passport to the Administrator prior before his/her travel.

The Administrator in-charge is as follow:

- Pricia Tan: OPS SBG except for expatriates
- Julie Loke: All other SBGs and expatriates

Business trip approval must be submitted via eflow - Business Trip Request at <https://eflow-sg.liteon.com>. You may refer to the slides on Business Trip Request Training Materials.



An employee, who needs to go on business trip by flight, shall be entitled to travel on economy class only.



All travel related (car rental, flight, visa application, accommodation, etc) to get Administrator to assist in the arrangement.

Any changes made to the flight and accommodation due to travel schedules amendment/needs, must have proper supporting approval.

In the absence of Administrators, employees who are required to book their own air-ticket and accommodation via the travel agent – RMG Travel Pte Ltd that we are using, Administrator must be included in the email circulation / cc list.

RMG Travel Pte Ltd	
Contact Person	Ms Florence Hun Travel Consultant
Email Address	<a href="mailto:florence@rmgtravel.com.sg">florence@rmgtravel.com.sg</a>
Contact Number	
* Office Hour	+65 6223 4339 (Ms Florence Hun)
* After Office Hour	+65 9640 4680 (Ms Lydia Er, Sales Mgr)
Office Address	178 Telok Ayer Street Singapore 068626

An employee shall be eligible for the Business Travel reimbursement as per stated in point 2.21.2

## 2.21 Expense Claims

All expense claims must be submitted and indicated clearly via <https://eflow-sg.liteon.com/> and supported by original receipts/invoices/visa receipts/other relevant supporting documents. Company has the right to reject any claims if approval is not obtained from your line supervisor/Manager/Department Head prior to the purchase of items or procurement of service.

### 2.21.1 Transport Reimbursement

Subject to prior approval from Manager/ Department Head:

- Employee (non-driver) shall be eligible for taxi claim from office to home (subject to prior approval from Head of Department) if he/she is required to stay in the office beyond 8.30pm due to urgency of work in the company. Original receipts must be submitted for such claim;
- Employee shall be eligible for taxi claim if he/she is required to travel for official business. Original receipts must be submitted for such claims;
- Mileage claim at S\$0.70/km for employee who uses his/her own transport for official business with ERP and parking fees claimable where applicable.



## 2.21.2 Business Travel Reimbursement

For any business travel, the following expenses incurred in the course of business trip can be reimbursed and original receipts and credit card/phone bills must be submitted as supporting documents.

- a) Airport tax, visa application, and transportation;
- b) Accommodation and daily allowance for meals (Table 1). For any outbound flight from Singapore, meal may be claimable only if consumed from Singapore Changi Airport (after immigration) and beyond. Meals are referred to as consumption of proper meals that fill up your stomach. Any special dietary should be requested and brought up to the attention of your immediate supervisor and HR personnel prior to the trip;
- c) Laundry is applicable only for trips with at least 5 consecutive nights;
- d) Personal mobile claim while on business trip will be capped at averaging per day listed in Table 2.

**Table 1**

Region	Accommodation	Daily Allowance (Max)
Asia & Singapore	SGD200	SGD50
Korea	SGD300	SGD65
Japan & US	SGD300	SGD80
Europe	SGD400	SGD80
<b>Remarks:</b> <ul style="list-style-type: none"> <li>Daily allowances will be computed based on average per trip. <ul style="list-style-type: none"> <li>✓ Hotels nights stayed +1 to compute daily allowances</li> <li>✓ E.g. 5 nights in Taipei. Max allowance claimed will be <math>(5+1)*50 = S\\$300</math></li> </ul> </li> <li>Employees are reminded to keep within the range stated above. Any excess amount will not be reimbursed.</li> <li>Expenses incurred on snacks for personal consumption or gifts to colleagues &amp; customers will be on own accord and hence, cannot be claimed/reimbursed.</li> </ul>		

**Table 2**

Personal Mobile Claim Policy (While on Overseas Travel)	
Region	Max Claim/Day (SGD)
Asia	\$20
US / Europe	\$30

When employees submit their travel expense claims, they must take note that:

- a) All business travel claims, with the exception of mobile phone claims (to be claimed upon receipt of phone bills in the following month), must be submitted within 10 working days upon return unless a special request has been arranged prior to the trip.
- b) All business travel claims need to be supported by (1) Approved Business Trip Request send by PA, (2) Business Trip Report (3) Original receipts, UNLESS
  - Expenses on public transport (e.g. Train in Japan) that does not furnish receipts, a threshold of S\$10 per day is allowed with approval.
  - If above claim exceeds the threshold, approval will to be sought from Finance Head through justifications from Manager/ Department Head.
- c) Travel Report to be submitted together with your travel claims.
- d) Any rejected or delay submission would need to seek the approval of Finance Head and GM for resubmission.

### 2.21.3 Customer Entertainment Reimbursement

When there is a need for customer entertainment, the claim will be as stated below.

Region	Lunch/Pax	Dinner/Pax
Singapore / Asia	SGD20	SGD30
US/Europe/Japan/Korea	USD30	USD50

#### Remarks:

- a) Any excess amount will not be reimbursed unless approval from VP/GM is granted.
- b) Original receipts must be submitted and attached.

### 2.22 Employee's Child Birth Gift

Every confirmed employee shall be granted a birth gift of a value not more than S\$80.00 upon the birth of his/her child.

To ensure the employee's particulars are properly updated and such payment to be made without further delay, the eligible employee is required to submit a copy of birth certificate to HR Personnel, within one (1) week from the date of registration. Any late submission will not be accepted without a valid reason.

### 2.23 Get Well Hamper

A health and fruits hamper of a value not more than S\$80.00 will be send to employee who is hospitalized.

## **2.24 Funeral Wreath**

A funeral wreath of a value not more than S\$80.00 will be send to employee or employee's immediate family member upon the death of employee, employee's spouse, children, parents, siblings, grandparents or parents-in-law.

The relevant death certificate is required to be submitted to HRD for administrative purposes within three (3) working days after the employee returned to work from leave. In the event of the death of an employee, employee's immediate family member must submit a copy of the relevant death certificate to the company within 2 weeks.

## **2.25 Flexible Benefit**

All employees who have completed one year of service shall be eligible for S\$450 per calendar year. New employees who join less than 3 months and/or yet to be confirmed as of 31 Dec shall not be eligible for this benefit. Any employee who has not completed twelve months of service shall only be eligible for pro-rated amount of the benefits based on the working days computation. This benefit is extended cover outpatient medical for next-of-kin (spouse & children) and children's educational fees. Cigar & alcohol are not claimable and multiple receipts are acceptable.

New employee can only claim the benefit on/after his/her confirmation. Employees will have to file in the claim via <https://eflow-sg.liteon.com/> and submit all original receipts/invoices with support of visa receipts/bills and/or other documents to HR personnel.

## **2.26 Winter Clothing**

All employees shall be eligible for S\$350 every five (5) years if you are required to travel to countries with 16 Degree Celsius & below. Employees will have to file in the claim via <https://eflow-sg.liteon.com/> and submit all original receipts/invoices with support of visa receipts/bills and/or other documents to HR

## **2.27 Patent Incentive**

There are 2 groups of Patent Incentive:

- a) Individual applicant: Patent Incentive for Individual employee is fully aligned with LiteOn Group encourage structure;
- b) Group (>4 members in a team): Group Incentive is to encourage teambuilding and efforts to share innovation and ideas. Group incentive total quantum will be shared by all the members.

Department Head must submit the Patent Incentive Application Form (**Appendix G**) for approval and the written proposal/policy with the full details is kept and filed by HR department.

## 2.28 Employee Recognition Award

This award is to create effective mechanisms that incentivize employees and encourage employees to cultivate positive, legitimate and pro-active behaviors in order to create maximum benefit for the Company. This is established primarily to recognize employees for their outstanding performance or behaviors; however, should employee performance fall within the scope of their personal responsibilities, the employee shall be duly rewarded by means of the Company's performance management system and this award shall not apply.

Depending on the extent of performance/behaviors that qualifies for the recognition, employees may receive cash prizes and/or thank you note. The degree of the performance/achievement will be as below but not limited to:

Amounts	Checklists
Thank you note	Suggestion received and acknowledged by management
Cash prizes	Suggestion to improve working environment Small efforts, savings & improvement
	Out of normal scope activities. Require an employee's extensive commitment to complete a task within short period of time that was not planned for * Urgent projects/audit – out of normal scope
	Key Contributions to Organization with substantial savings (e.g. impact to Revenue/Branding): * White paper/Technical paper * Key cost reduction program * Key Design Win

Based on the facts and details of the performance/accomplishment, the immediate supervisor of the employee shall complete the "Employee Recognition Nomination Form" (Appendix XX) and submit it along with any relevant supporting documents and suggested reward to the HR department for concurrence. The application shall then be submitted to Department Head followed by HR Head and GM/VP.

## 3 CODE OF CONDUCT AND DISCIPLINE GUIDELINES

The Company has adopted a Code of Conduct ("the Code") that applies to all employees. The Code sets out the principles to guide employees in carrying out their duties and responsibilities to the highest standards of personal and corporate integrity when dealing with the Company, its clients, its competitors, customers, suppliers, other employees and the community.

It is the responsibility of every employee to comply with the spirit and principles of the Code, as amended from time to time.

### 3.1 Dress Code & Grooming Standards

It is the Company policy to present a conservative and professional image to the clients we serve. Because every employee may at one time or another meets our clients, it is important for all employees to be dressed appropriately at the office every day.

- a) Monday – Thursday : Smart office attire
- b) Friday: Smart casual which consists of denim wear and t-shirts

#### Remarks:

- Bermuda, shorts and sports attire are always not permitted.

### 3.2 Gifts from External Parties

Benefits/Gifts such as cash, vouchers, hampers, sample products, goods or services for personal use from external parties are **UNACCEPTABLE**. Cash money should be rejected immediately. If it is inappropriate to refuse a gift or employees are unable to return a gift, employees should promptly report the gift to Admin who can decide how best to treat it after consultation with the Management.

Employees must also be careful that gifts and entertainment may be construed as bribes, kickbacks or other improper payments. This is also to avoid any conflict of interests and to ensure that employees are not placed under any obligation which can influence them in the proper discharge of their duties.

### 3.3 Attendance & Punctuality

All employees are expected to be at work on time each day. Absenteeism and tardiness hinder the operation and create inconvenience to fellow colleagues. If an employee is unable to report to work, he/she must notify his/her immediate supervisor and HR personnel immediately. Any employee for any specific reason who are granted permission for reporting late may off-set against time worked after the official workday ends to make up for the period, he/she is late for. Excessive absenteeism or tardiness may be a cause for disciplinary action including dismissal.

Attendance and punctuality will form part of the work performance criteria reviewed in our Company during annual performance management review.

### 3.4 Leaving the Company during Office Hours

Employees are not to leave the company's premises during office working hours without prior permission from their Manager/Department Head.

### **3.5 Company Property & Assets**

Employees are responsible for company properties entrusted to them. This includes but not limited to physical properties (such as desk phones, notebook, computers, staff ID pass, office access card, etc.), records (such as data on customers and company records), and intangible property (such as computer software and computer records). It is important that, whichever category the properties fall into, employees must treat LOS properties as they would of their own and must not damage, deface or remove for personal use, unless authorized to do so. Company's documents and equipment cannot be brought out of company premises except for personal assign notebook.

Employees who want to bring out/home specific documents and/or equipment must seek approval from their Manager/Department Head.

Employees are also responsible for the proper expenditure of the company's funds including expenses. While spending or committing company funds, employees must be sure that the transaction is proper and documented, and that the Company receives appropriate value in return.

### **3.6 Information Technology (IT) Access & Security**

The Company may provide business tools in the form of equipment and software (collectively, "IT Tools") to employees for the purposes of work.

It is the responsibility of each employee to ensure that this technology is used for proper business purposes and in a manner that does not compromise the Company or its employees in any way. Such equipment and information belong to the property of the Company and must be surrendered by the employee upon ceasing employment with the Company.

The privileges of IT access are governed by a framework of confidentiality and security, policies and procedures. Unauthorized disclosure or retention of such IT access and security, or the contravention of such confidentiality and security, policies and procedures, may lead to disciplinary action, dismissal or even legal action.

### **3.7 Computers**

Employees must use office assign computers or notebook, only in the way in which they have been instructed. They should protect their own password and not use anyone else's ID or password to access records.

Unless authorized, employees must not alter records or software instructions. They must always ensure that any software they use had been obtained from authorized suppliers and should only install software through the IT personnel or if they are permitted to do so.

Just as they must not misuse company properties, they must not dispose of any company property in an unauthorized manner, such as by selling, loaning or giving it away without authorization given by management.

### **3.8 Email / Social Media**

To facilitate communication for the purposes of work, employees will be provided with email account, software and access to the Internet.

Employees are always to adhere to the Company's prescribed IT usage guidelines while using such resources:

- a) Lite-On Singapore prohibits the sending or retaining of offensive messages including those of a religious, sexual, gender or cultural nature. If you receive such messages, you are to delete them immediately;
- b) Lite-On Singapore prohibits the unauthorized release and distribution of Company confidential information;
- c) Lite-On Singapore prohibits the unauthorized forwarding of sensitive internal correspondence; and
- d) Lite-On Singapore prohibits the use of email for personal purposes

The Company reserves the right to intercept any email for monitoring purposes, record keeping purposes, preventing or detecting crime, investigating or detecting the unauthorized use of the Company's telecommunication system or ascertaining compliance with the Company's practices or procedures.

### **3.9 Personnel Records**

The Company maintains personnel records for each of its employees and makes every effort to ensure that employee information collected in these records is relevant to job-related decisions or needed in case of emergency. All data will be kept strictly confidential.

It is the employee's responsibility to inform the HR personnel of any changes as per highlighted in para 1.4.5.

### **3.10 Confidential Information**

Employees shall not at any time during their employment or at any time after their employment have been terminated, disclose to any party's confidential information relating to the Company or use such confidential information for any unauthorized purposes.

The expression "confidential information" as used in this paragraph includes information relating to the business products, affairs, finances, R&D, marketing pricing and HR of the Company and business secrets relating to the business of the Company or of any of its employees or customers.



All employees are required to sign an undertaking (**Service Agreement & New Employee Notice**) relating to confidentiality of information and conflict of interests with the Company's business. This is a standard business practice and basically requires employees of the Company to respect the Company's confidential information and not become involved in activities or business dealings that may conflict with the interests of the Company.

Management views this seriously, disciplinary actions including expulsion and termination will be taken against employee who does not comply.

### **3.11 Code of Business Conduct & Ethics**

Reference to Lite-On Singapore – Code of Business Conduct and Ethics Version 1.1.

### **3.12 Tidiness**

The Company aims to provide a pleasant working environment for all employee. For this reason, every employee has the responsibility in ensuring that the work premises remain orderly and clean.

### **3.13 Usage of Work Stations**

Be considerate. Desk must always be kept tidy and free of unnecessary items . All electrical supplies should be powered off when not in use before leaving at the end of the day.

### **3.14 Usage of Pantry**

Employees who bring food to work should not leave it lying around but keep them in an orderly manner.

Food shall not be left half eaten on the tables or fridge as it might pose certain hygiene issues. All waste, including food remnants in the sink after washing, shall be disposed of properly in the dustbins provided. Tables should be wiped after use. The fridge is be kept cleaned and anything left in it without clear marking or indication will be disposed away.

### **3.15 Disciplinary Guidelines**

All employees are expected to meet certain standards of performance, respect the rights and property of others, and follow the Company's rules and regulations.

The Company reserves the right to undertake disciplinary action on grounds of misconduct against the employee concerned for any misconduct, indiscipline or any beach of the Company's rules and regulations in accordance with the general principals of natural justice.



**a) Disciplinary Action**

All Managers or Department Head are responsible for enforcing the Company's policies and procedures. There are basically two categories for disciplinary action - **PERFORMANCE AND CONDUCT**. Managers or Department Head should consider which category is involved before acting. Under no circumstances shall a Manager or Department Head undertake disciplinary action without proper cause.

If disciplinary action is necessary, Manager or Department Head should first draft out the case and the charges preferred against the employee. The information should include the following:

- A specific description of the violation and reference to the company procedure, policy or instruction which prohibits it;
- Findings concerning any past warnings or actions taken for similar violations;
- The disciplinary action being taken;
- Description of what type change is required of the employee and what assistance is available;
- Warning about the disciplinary steps which may be taken if the situation reoccurs.

The Manager or Department Head will undertake disciplinary action of all offences. They shall decide whether to give warning, minor demerit or major demerit depending on the nature and seriousness of the incident and order employee to plan for rectification.

In case of major offences, which if proven, should warrant disciplinary action, the Human Resource Department would arrange for an inquiry to convene.

Depending on the gravity of the offence, progressive and appropriate disciplinary measures may be taken as follows:

- a) Counselling;
- b) Warning Letter(s);
- c) Minor Demerit;
- d) Major Demerit;
- e) Dismissal.

Should an employee's misconduct or negligence caused in severe injuries to his/her colleagues, bring serious damage to the Company's reputation or interests, the Company shall dismiss the employee. Moreover, should Management of all layers failed to perform the duties of supervision, management shall take joint responsibility.

In regard to the handling of employee's discipline, the HR department shall refer to the facts/policy and adopt principles of objectivity and fairness to provide guidelines from the policy on the discipline. All disciplinary actions to be taken shall fall under the decision of both Department Head and Management. All disciplines shall be logged in written record and file into the personal profile.

The categories and examples of misconduct with the disciplinary actions which will be enforceable are as follow:

OFFENCES	DISCIPLINARY ACTIONS(S)
<b><u>ATTENDANCE</u></b>	
Applying for medical leave without a valid medical certificate	* Counselling * Warning Letter(s) * Dismissal
Absence from work without approval	* Counselling & Warning Letter * Dismissal
Excessive unplanned or unofficial leave	* Counselling & Warning Letter * Dismissal
Unauthorised absence or break-time during working hours	* Counselling * Warning Letter(s) * Dismissal
<b><u>PUNCTUALITY</u></b>	
Not at the workstation during the designated starting time	* Counselling * Warning Letter(s) * Dismissal
Excessive and/or habitual tardiness	* Counselling * Warning Letter(s) * Dismissal
<b><u>DISHONESTY &amp; FRAUD</u></b>	
Forgery a signatures, seals or documents	* Dismissal
Providing false information, data, document or committing other acts of dishonesty	* Dismissal
Theft	* Dismissal

OFFENCES	DISCIPLINARY ACTIONS(S)
<b><u>DISHONESTY &amp; FRAUD</u></b>	
Sentenced to imprisonment in a final and conclusive judgement, and is not granted a suspended sentence or permitted to commute the sentence to payment of a fine	* Dismissal
<b><u>POOR PERFORMANCE &amp; INCOMPETENCY</u></b>	
Negligence or failure to comply with relevant SOPs and procedures	* Counselling * Warning Letter(s) * Dismissal
Failing to achieve KPIs	* Counselling * Warning Letter(s) * Dismissal
Employee has been absent from work for two (2) consecutive days, without informing and valid reason,	* Dismissal
<b><u>IMPROPER CONDUCT</u></b>	
Misuse of Company's property for personal benefit(s)	* Counselling * Warning Letter(s) * Dismissal
Unauthorised removal of and/or malicious damage to Company's property and/or premises	* Counselling * Warning Letter(s) * Dismissal
Violating safety regulations and measures	* Counselling * Warning Letter(s) * Dismissal
Sleeping during official working hour(s)	* Counselling * Warning Letter(s) * Dismissal
Bringing in non-employees into Company's premises without prior permission	* Counselling * Warning Letter(s) * Dismissal
Smoking at non-designated areas	* Counselling * Warning Letter(s) * Dismissal
Possession and/or consumption of alcoholic beverages	* Counselling * Warning Letter(s) * Dismissal
Possession, consumption and/or abuse of drugs or other intoxicating agents on Company's premises	* Counselling * Warning Letter(s) * Dismissal
Fighting	* Counselling * Warning Letter(s) * Dismissal
Provocation	* Counselling * Warning Letter(s) * Dismissal

OFFENCES	DISCIPLINARY ACTIONS(S)
<b><u>IMPROPER CONDUCT</u></b>	
Insubordination	* Counselling * Warning Letter(s) * Dismissal
Use of vulgar or abusive language	* Counselling * Warning Letter(s) * Dismissal
Gambling within Company's premises	* Dismissal
Sexual Harassment	* Dismissal
Immoral and/ or indecency behaviour	* Dismissal
Unauthorized disclosure of Company's or client's confidential information to a third party	* Dismissal
Wilful violation of any of company's policies, procedures or regulations	* Dismissal
Bring statutory restricted articles or hazardous objects to the Company	* Dismissal

Disciplinary actions taken/ given will impact on employee's annual performance evaluation, specially, their performance level, annual salary adjustment, annual performance bonus and promotion. With regards to the adjustment in annual bonus, their Department Head shall determine the margin of adjustment depending on the severity of their discipline:

	Performance Level	Annual Salary Adjustment	Performance Bonus	Promotion
Warning	<=PL3	Below average	May not exceed 75% of average PB	Taken into consideration
Minor demerit	<=PL3	Withheld (note 1)	May not exceed 50% of average PB	No
Major demerit	<=PL4	No	No	No
Dismissal	---	---	---	---

**b) Grievance Handling**

It is always the Company's policy to maintain sound employee relations and to settle any suggestions, inquiries or complaints from employees at the lowest possible level.

Whenever possible, the Company expects supervisory personnel and the employee to resolve problems or complaints through informal discussions. The Human Resource Department is available to both parties to discuss the problem and to make suggestions for resolutions.

Only if an issue cannot be resolved informally, the employee's grievance shall be dealt with in accordance with the following procedures:

- a) Within three working days of the incident giving rise to a grievance, the employee may bring the matter to the attention of his Superior or Manager or, where the complaint is against such Superior or Manager, to the Head of Department concerned who shall give his decision within a week of reference to him.
- b) If the employee concerned is aggrieved by the non-action or decision, he/she may within three working days thereof refer the matter to the Human Resource Department which shall inquire into the matter as appropriate and shall take appropriate action.
- c) If the above has not satisfied the employee, the employee may make his/her final appeal by submitting the matter in writing to the Vice President/General Manager, not later than one week after receipt of the appeal decision from Human Resource Department.
- d) The Vice President/General Manager will, directly, or through an assigned representative, meet with the employee and render a final decision, to be confirmed in writing. This represents the final decision of company.

**c) Disciplinary Inquiry**

The following procedures shall apply for the convening of a Disciplinary Inquiry:

**1. Inquiry**

If an employee has committed a major offence, which if proven, should warrant disciplinary action, HRD would arrange for an inquiry to be convened. HQ legal council may be approached for further advice.

**2. Charges**

HRD will draft out the charges preferred against the employee.

**3. Suspension**

If the offence justifies that an employee should be suspended pending the inquiry (this should be done in consultation with employee's superior), the suspension order may be verbally conveyed to the employee by the employee's superior, but must be immediately followed by a written confirmation by the Human Resource Department.

**4. Period of Suspension**

Employee suspension from work within the ambit of the Employment Act for the purpose of Inquiry, shall not exceed one week. During the period of suspension, the employee shall be paid not less than half of his/her ordinary salary. If the inquiry does not disclose any misconduct on the part of the employee, the full amount of the salary so withheld shall be restored to him/her.

**5. Notification to Employee**

HRD shall notify the employee in writing of the charges against him/her, the date, time and place of inquiry and shall give him/her three days in which to exculpate himself/herself in writing if he/she wishes to do so.

**6. Committee of Inquiry**

The Committee of Inquiry shall comprise of at least three persons, of which one member shall be the employee's Head of Department or his/her representative. The second member shall be from Human Resource Department and the other should be one of any other Head of Department.

**7. Presentation of Case & Evidence**

The employee's Head of Departmental or his/her representative will present the case at the inquiry.

If the officer-in-charge of company's security is responsible for investigation leading to the convening of the disciplinary inquiry, then the officer-in-charge or his representative shall present the case and the evidence at the inquiry.

The employee shall be permitted to:

- give evidence on his/her behalf;
- produce witness/witnesses and request the company (with adequate notice) to require the presence of another employee to give evidence on his/her behalf;
- be represented by an employee of the company.

**8. Decision of Committee of Inquiry**

The Committee shall decide whether the charges against the employee have been proven and decide on the form of disciplinary action to be taken. It shall normally inform the employee of the disciplinary action at the conclusion of the inquiry.

The Committee shall inform the Vice President/General Manager in writing of its conclusion and within 48 hours of the conclusion of the inquiry forward to the Vice President/General Manager a copy of its record of proceedings.

The decision of the Committee of Inquiry shall be communicated in writing to the employee by the Human Resource Department within 72 hours of conclusion of the inquiry or at the earliest opportunity.