

Human Resources Management Standard

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1. Objective

This standard is formulated to further strengthen the human resources management, and gradually achieve scientific, standardized and institutionalized human resources management, and better promote the development of enterprises, according to the labor laws and regulations of each OPT location.

2. Scope

This standard applies to all employees of OPT, except as otherwise indicated in the standard.

3. Responsibility

The chairman of OPT is responsible for final approval of this standard.

General department of OPT is responsible for the development of this standard, supervise the implementation, modify and update, with the internal audit team feedback, recommendations,

All OPT employees are responsible for carrying out the provisions of this standard unreservedly.

4. Recruitment Management

4.1 Recruitment Principles

4.1.1 Comply with the relevant laws and regulations, policies and national interests.

4.1.2 Recruitment staff follow the "open and fair, two-way choice, choose because of work, the priority of efficiency" principle.

4.1.3 The selection and promotion of employees who meet the recruitment requirements and perform well in the company will be given priority. Then, consider the open recruitment for the community.

4.2 Application for Recruitment

Every department (project) make formal requests for employee needs based on actual business needs.

Fill in the "Human Resource Requirements Form" (see Attachment 1), including the proposed position, the reasons for recruitment, terms of reference, qualification requirements, salary benefits (or scope), etc., to the general department to audit, with the approval of the president in charge of business or regional president will the recruitment begin.

4.3 Recruitment Procedures

4.3.1 Recruitment Channels

4.3.1.1 Internal recruitment: through internal recruitment, internal promotion, horizontal transfer, job rotation and other methods to achieve.

4.3.1.2 External recruitment:

- Talent agency recommendation
- Job fairs
- The release and query of online recruitment information

4.3.2 Recruitment selection

Organized by the general department, the tests for the selection of candidates include resume screening, written examination, interview, work simulation, psychological testing, physical examination, background checks and other links. The actual operation can be depending on the specific circumstances.

4.3.2.1 Interview and Med-Check

- Recruitment personnel of the general department and relevant department manager are in charge of the interview, interviewees are required to provide the relevant information (ID card, graduation certificate, degree certificate, title certificate, last company certificate of departure). Interviewers need to judge the level of business and work ability of interviewees, but also introduce their positions in the specific terms of reference and job requirements, job status.
- After the first test, according to job and professional needs, the president of business or

regional president will organize the re-examination (this part can be combined with the implementation of the previous session).

- Interviewees who pass the re-examination shall be informed by the general department that the person need to go to appointed hospital/med-check center for medical examination, which will be paid by OPT.
- Qualified candidates for medical examination shall be issued by the general department to the "Recruitment Letter" (see Attachment 2).

4.4 On Board

4.4.1 Candidates sign the letters within the prescribed time will be informed by the general department to entry.

4.4.2 Staff induction (starting salary) date shall be the date of arrival.

4.5 Violation of the Standard

Any department who does not strictly enforce the recruitment process and the relevant provisions to recruit their own personnel, the company will not handle the appropriate personnel and wage formalities, all consequences borne by the corresponding department managers themselves.

5. Personnel Deployment Management

5.1 Purpose

5.1.1 Standardize the company personnel management system, and form the equal competition, merit-based employment, reward and punishment clear, reasonable flow of employment mechanism.

5.1.2 Allocate the human resources rationally, establish the standardized and orderly deployment of staff management mechanism to promote the company's stable and healthy development.

5.1.3 Encourage employees to improve the organizational structure, strengthen the training of talents, and promote the deployment of the work of standardization and procedures to promote the development needs of the company to ensure the smooth implementation of the company's talent strategy.

5.2 Deployment Principle

5.2.1 To ensure the staff demand of post, pay attention to the value of each employee, so that the deployment of work can meet the work needs.

5.2.2 Partial interests to obey the overall situation.

5.2.3 The deployment of all the staff is arranged by the general department and executed specifically by various departments.

5.2.4 The deployment, adhere to the principle of fairness, openness and impartiality.

5.3 Deployment Method

5.3.1 Deploy through interdepartmental consultations

5.3.2 Through internal competition;

5.3.3 General department shall timely allocate according to the human resources policy or the enterprise development plan;

5.3.4 Segment president or regional president and supervisor give the directives

5.4 Deployment Transfer

5.4.1 Work: the convergence and continuity of important work, important documents, information, documents, drawings and other transfer; the payment of such fees etc.; involving the company secret matters etc.

5.4.2 Financial: cost settlement, bill transfer etc.

5.4.3 Administrative: the transfer of valuable property and materials;

5.4.4 Human Resources: salary, personnel relations, archives and insurance, provident fund and other payment;

5.5 Deployment Procedure

5.5.1 HR personnel issues the Employee Assignment and Work Transfer Notice (see Attachment 3) to the deployment department.

5.5.2 Supervisor of deployment department shall arrange and supervise the transfer of work within three days and sign the confirmation of Employee Transfer and Work Transfer Notice.

5.5.3 Deployed staffs are required to report to the general department on the basis of the Employee Assignment and Work Transfer Notice.

5.5.4 Personnel commissioner of the general department verify the Employee Assignment and Work Transfer Notice, after passing the verification, notify the relevant departments by mail to the arrange work, and relevant personnel work to the position.

5.5.5 Personnel commissioner of the general department is responsible for updating the employee's information and sending the employee's job alteration instructions (format and key points same as the Recruitment Letter) to the employee.

5.6 Temporary Deployment

Employees need to be temporary (within 15 days include 15 days) deployed, when the relevant departments have consented, the general department will inform the relevant departments and relevant personnel by email, including but not limited to the reasons and the changes.

6. Probation Assessment Management

6.1 Purpose

6.1.1 Positive assessment is an opportunity for employees to assess the work, but also an important measure for the company to optimize staff, leaders at all levels should attach great importance to strict control.

6.1.2 Becoming a regular worker is a recognition for staff, a good assessment can provide staff with a re-understanding of their own and work opportunities to help employees improve themselves.

6.2 Probation Management

6.2.1 Probation period: no more than 1 month for employment contract period within 3-12 months; no more than 2 months for 1-2 years; no more than 6 months for 3 years above and no fixed period; middle and top management/technical personnel can be without probation.

6.2.2 The labor contract shall be signed during the probation period. The probation period contract shall be included in the labor contract, indicating the probation period, salary and welfare treatment.

6.2.3 Employing department is responsible for the staff's probation work arrangement; the general department is responsible for supervising the trial work.

6.2.4 If the employee makes a request for leave during the probation period, the company shall suspend the probation period with 'Probation Delay Notice' (see Attachment 10) and inform the relevant personnel. The probation period is postponed to ensure the validity of the employee probation period.

6.2.5 During the probation period, the employer department and the employee can submit an application for termination of employment on the basis of the actual trial result two days in advance, and submit the Employee Separation Application Form (see Attachment 4).

6.3 Procedure for Employment after Probation

6.3.1 Before the end of the probationary period, the employees should go to interview with the direct supervisor and conduct self-evaluation of their work during the probation period, and the direct supervisor evaluates the employee according to the Employee probation expiry application form (see Attachment 5), based on the opinions of the employees and their immediate supervisors, the supervisor of the department shall determine the examination results and fill in the opinions.

6.3.2 At the beginning of each month, supervisor in charge of employees shall submit to the general department the personnel who need to become the regular worker and the 'Employee Probation Appraisal Form' approved by department manager.

6.3.3 General department is responsible for updating the staff information, to send staff to the new Recruitment Letter, the probationary period Recruitment Letter has been provided for positive details can be used.

7. Labor Contract Management

7.1 General Principle

7.1.1 In order to regulate the labor contract management of the company, to promote the performance of the labor contract, to protect the legitimate rights and interests of the company and the employees, this system is formulated in accordance with the Labor Law, Labor Contract Law and other relevant laws and regulations, combined with the actual situation of the company

7.1.2 The company shall establish labor relations with its employees and apply this system to conclude, implement, change, terminate and terminate the labor contract.

7.1.3 Management of the study and implementation of local labor policy laws and regulations, and conscientiously abides by and implements various labor policy laws and regulations.

7.2 Conclusion of Labor Contract

7.2.1 The company and the employee shall sign the Labor Contract (see Attachment 6) in accordance with the principles of lawfulness, fairness, equality, voluntariness, consensus and good faith, each OPT location may use local required labor contract template.

7.2.2 When recruiting employees, the company shall truthfully inform the work content, working conditions, workplace, occupational hazards, safe production conditions, labor remuneration, and other information requested by the applicant. The company shall also examine the termination of its labor contract to prove, as well as other proof of the applicant and any employer does not exist labor relations proof; the company should be aware of the applicant directly related to the labor contract work experience, the status of labor relations, social insurance contributions, household registration, address, file status, family marital status, education, health status, vocational skills and other information and recorded in the employee's personal information file.

7.2.3 The labor contract shall be signed by the employee himself. The personnel department of the company shall verify that the signature of the employee is consistent with the ID card.

7.2.4 Labor contract shall be affixed with the seal of the company.

7.2.5 Labor contract is made in duplicate that should be held by the company and staff.

7.2.6 Retired staff hired back do not sign a labor contract, but should sign a re-engagement agreement (the Recruitment Letter) in respect of their remuneration and benefits during their employment.

7.2.7 Where the company violates the labor contract signed regulations, unauthorized employment, resulting in de facto labor relations and compensation and other related issues, should be held accountable for the responsibility, and depending on the severity and consequences of punishment given to the responsible person.

7.3 Duration of Labor Contract

The company shall, in accordance with the laws and regulations of the State Labor Administration,

determine the term of the labor contract in consultation with the employees according to the characteristics and needs of their respective production and operation in accordance with the following principles to ensure the relative stability of the management and business backbone team.

7.3.1 The introduced high and medium-level management personnel, professional and technical personnel, may negotiate a longer term or no fixed term labor contract, may not agree probation period.

7.3.2 Workers of main production and positions may negotiate a longer term or no fixed term labor contract. Workers of general production and positions shall have a fixed-term labor contract, but in accordance with the provisions of the Labor Law and the Labor Contract Law stipulating that there is no fixed-term labor contract, if the employee proposes to enter into a fixed-term labor contract, should be signed without fixed-term labor contract.

7.3.3 Newly employed personnel, in accordance with the provisions of the company, generally signed one-year labor contract period. Upon expiration of the contract, a person who meets the needs of the work may, upon consultation with me, renew a longer term labor contract (renewed for three years according to the first renewal and five years by the second renewal)).

7.3.4 Labor contract period shall not be null, it shall be filled the date of starting and ending, or specified no fixed term labor contract or indicate the completion of a work for the duration of the labor contract.

7.4 Content of Labor Contract

7.4.1 Details of the labor contract include, but are not limited to:

- Duration of the contract
- Work scope
- Labor protection and labor conditions;
- Remuneration;
- discipline;
- Termination conditions of labor contract;

- Responsibility of violating the labor contract

7.4.2 All the blanks in the labor contract which need to be filled in and agreed by the parties but not filled in by the parties shall be enclosed with slashes and no space shall be left.

7.4.3 The attachment of the labor contract is the Employee Personal Information Form (see Attachment 7) and the Confidentiality Agreement (see OPT-M-2016-003 Administrative Standard).

7.5 Performance and Change of Labor Contract

7.5.1 As result of work, when staff's position, type of work, salary, etc. change, the company shall issue a new Offer Letter, which signed by the employee and stamped by the company. The printed name or non-company stamped offer letter shall be invalid.

7.5.2 When the labor contract expires, the company agrees to renew the labor contract with the employee, and should inform the person 30 days in advance to solicit opinions. When the term of the labor contract expires, the employee who does not reply shall be considered as agree to renew the contract and renew the contract. Employees who meet the conditions in the labor contract with no fixed term and offer to apply for a fixed-term labor contract shall submit the written application to the department manager, the responsible person and the chairman for approval for documentation.

7.6 Termination and Dissolution of Labor Contract

7.6.1 When the labor contract expires, the labor contract shall be terminated, and the termination time shall be 24:00 of the last day of the labor contract. When the first labor contract expires, the employer shall carefully evaluate the performance of the employee during the labor contract and carefully study whether or not to renew the labor contract according to the wishes of the employees.

7.6.2 The company shall objectively record and evaluate the employees' performance during the probation period. If the employee does not meet the conditions for employment during the probation period, the company shall propose during the probation period to avoid the termination of the labor contract on the grounds that the probation period does not meet the conditions of employment after the probationary period.

7.6.3 When the parties to the labor contract have agreed to terminate the labor contract, the parties shall reach an agreement on the terms of the termination of the labor contract through consultation. After the parties have agreed to terminate the labor contract, they shall confirm the fact in writing and sign the Employee Separation Application Form (see Attachment 4).

7.6.4 Staff during the medical period, female workers in pregnancy, birth, breast-feeding period, shall not terminate the labor contract but shall be extended to the expiration of the above.

7.6.5 After the termination of the labor contract, the company shall, destroy the employee's files within the company for three years after completing the formalities for the transfer of the social insurance relationship.

7.7 Labor Contract Management

7.7.1 Labor contract management is highly policy-oriented and involves the interests of enterprises and employees. The company should strengthen leadership, standardize management, act according to law and avoid labor dispute.

7.7.2 The company shall strict labor contract signing discipline and set up the system of fault investigation, strictly prohibit the random employment, prohibit or prevent the employee from not signing the labor contract with the company and avoid the factual labor relation between the company and the employee.

7.7.3 The general department is responsible for the daily management work of labor contracts of the company. Labor contract management personnel should be familiar with and master the relevant laws and regulations, and constantly improve the management level, so as to manage labor contracts according to law.

7.7.4 The general department of the company shall set up the file of labor contract management information and carry out dynamic management.

7.8 Supplementary Provisions

Any unsettled affair shall be executed according to the Labor Law, Labor Contract Law and other

relevant state laws and regulations.

8. Personnel File Management

8.1 General Principle

Personnel files are recordings comprehensively and accurately reflect OPT human resources status, which should be managed in system and standardization, should be storage carefully to avoid losses and damages.

8.2 Personnel File Content

OPT employee personnel file includes two parts: files before he/she joined OPT, and files after he/she joined OPT. OPT personnel files include but not limited to:

8.2.1 Electronic files documented by HR personnel:

1. Scan copy of ID
2. Scan copy of Passport (for employees work overseas)
3. Scan copy of graduation and degree certificate
4. Scan copy of profession certificate (such as Accounting Certificate, Title Certificate)
5. Resume with OPT template
6. Employee Personal Information Form
7. Passport sized photo with white background
8. Med-check report (can be hard copy if available)
9. Scan copy of offer letter with employee and OPT signature (including promotion, pay rise, job transfer, etc.)

All the item should be numbered as listed above, for example, if the Med-check Report is not available in softcopy, then skip No 8, offer letter still be No 9.

When new employees get on board, HR personnel should create new account for him/her in HRM, and set iManagment access, then the new employee is responsible to update his personal data and attach item 1-7 in HRM.

8.2.2 Paper files documented by HT personnel:

1. Offer letter with employee and OPT signature (including promotion, pay rise, job transfer, etc.)
2. Labor Contract (local version can be used)
3. Confidentiality Agreement
4. Employee Personal Information Form
5. Employee Probation Evaluation Form (if applicable)
6. On-board Notice (applicable for employee not get on board on time mentioned in contract)
7. Employee Deployment and Job Handover Notice (if applicable)
8. 2 copies of ID
9. Copy of graduation and degree certificate
10. Employee Resignation Application Form(if applicable)
11. Labor Relation Lift/Termination Confirmation Letter (if applicable)

Local template should be used for any item above if government requests, and local required files should also be included in.

8.3 Personnel File Storage

8.3.1 Electronic version file should be managed in folder for each employee, and encrypted for any disclosure.

8.3.2 Paper version file should be stored in dry and neat place; archive room should be safe, dry, etc.

8.3.3 Personnel files are OPT secret documents, the storage, borrow and use of the file should follow confidentiality standard (in OPT-M-2016-003-Administrative Management Standard)

8.4 Personnel File Destroy

8.4.1 The personnel file should be kept for 3 years after the employee left OPT, status in HRM should be set as fired.

8.4.2 Personnel files without preservation value or beyond 3 years can be destroyed with approval of employee's original department manager, only to retain 'Labor Contract' and 'Labor Relation Lift/Termination Confirmation Letter', the file destruction should also be recorded.

9. Attendance Management

9.1 Working Hours

OPT observes 8 hours per day, Monday to Friday is working day, Saturday and Sunday are rest day, except public holiday. Oversea working hours are arranged by area/location manager, usually non-fixed working hours.

9.2 Leave Matters

Common leaves are listed below, please refer to national and local laws and regulations for other leaves. Local holiday regulations should be followed if the leave both mentioned in national and local regulations. Employee should submit leave application in HRM.

9.2.1 Sick Leave

Employee could ask for sick leave if his/her illness need treatment.

9.2.1.1 Salary during Sick Leave

Follow national or local laws and regulations.

9.2.1.2 Sick leave is not applicable if the employee's illness was caused by fights and/or hard-drinking. The leave within 5 days will be regarded as casual leave, more than 5 days will be as absence; further actions will be taken if the situation is serious.

9.2.1.3 If the sick leave is more than 3 days, employee should provide hospital diagnosis. If sick leave application was not submitted due to special reasons, such as sudden disease, the employee should inform his sick leave approver via phone calls, and re-submit within 3 days.

9.2.1.4 Penalty: once the sick leave expires, employee should return to his/her position, and report back to his/her direct manager; it will be regarded as absence if the employee didn't report back from

leave, or extend the leave. It will also be regarded as absence if the employee didn't re-submit sick leave application within 3 days due to special reason.

9.2.2 Causal Leave

Employee could ask for causal leave if certain things need to be done by himself/herself.

9.2.2.1 Refer to 9.2.1 for leave application process and penalty.

9.2.2.2 Accumulated causal leave cannot be more than 30 days in one year, extra days will be regarded as absence

9.2.2.3 Salary will be deducted according to the number of casual leave days.

9.2.2.4 It will be regarded as casual leave if the employee got sick during the leave; hospital or clinic diagnosis should be provided to extend the leave.

9.2.3 Marital Leave

The employee could apply for marital leave if he/she got married legally.

9.2.3.1 Refer to 9.2.1 for leave application process and penalty.

9.2.3.2 Marital leave time depends on national and local laws and regulations: Beijing is 10days, Shandong is 3 days.

9.2.3.3 Marital leave is with payment as workday

9.2.4 Maternity Leave

Female employee could apply for maternity leave before and after the childbirth.

9.2.4.1 Refer to 9.2.1 for leave application process and penalty.

9.2.4.2 Maternity leave time depends on national and local laws and regulations.

9.2.4.3 Maternity leave is with payment as workday.

9.2.5 Accompanying Maternity Leave

Male employee could apply for accompanying maternity leave when his legal wife is in maternity leave.

9.2.5.1 Refer to 9.2.1 for leave application process and penalty.

9.2.5.2 Accompanying maternity leave time depends on national and local laws and regulations.

9.2.5.3 Accompanying maternity leave is with payment as workday.

9.2.6 Annual Leave

Employee is entitled one annual leave ever year.

9.2.6.1 Refer to 9.2.1 for leave application process and penalty.

9.2.6.2 OPT annual leave is listed in below table, otherwise should be stated in offer letter.

Seniority	Annual Leave
1-5 years	5 days
5-10 years	7 days
10-15 years	10 days
15-20 years	12 days
20-25 years	15 days
>25 years	20 days

9.2.6.3 Public holidays and weekend are not included in annual leave.

9.2.6.4 Employee are not entitled with annual leave if:

- Employees are entitled with summer/winter holidays, and the time is longer than annual leave
- Casual leave is accumulated more than 20 days without salary deduction
- Sick leave is accumulated more than 2 months for employee with 1-10 years seniority
- Sick leave is accumulated more than 3months for employee with 10-20 years seniority

- Sick leave is accumulated more than 4 months for employee with more than 20-year seniority

9.2.6.5 If stated required minimum annual leave cannot be applied due to business need, with consent of the employee, salary for the annual leave period should be paid with triple of daily salary of the employee instead. If the employee refused to take annual leave with application, OPT will only pay his/her normal salary for the annual leave period.

9.2.6.6 Calculation of Annual Leave Salary for Demission

- If the employee has not taken annual leave before demission, annual leave salary will be paid based on his/her working days in the calendar year
- $\text{Paid annual leave days} = \frac{\text{days in OPT in the calendar year}}{365} * \text{annual leave days for the employee}$
- If paid annual leave days calculated from above formula is less than one day, it will not be paid
- If the employee has already taken the annual leave before demission, salary will NOT be deducted

9.2.6.7 Annual leave should be taken at one time, and cannot be accumulated for the next year.

9.2.7 Funeral Leave

Employee could apply for leave for funeral of his/her parents, parents in law, spouse, children, etc.

9.2.7.1 Refer to 9.2.1 for leave application process and penalty.

9.2.7.2 Funeral Leave Length

7 days for parents and parents in law; 10 days for spouse and children

9.2.7.3 Funeral leave is with payment as workday.

9.2.8 Industrial Injury Leave

Industrial injury leave is the time required for treatment and recovery after industrial injury.

9.2.8.1 Refer to 9.2.1 for leave application process and penalty.

9.2.8.2 If employee got injured during work or got occupational disease, he/she could apply for industrial injury leave with certificate from medical department, suspension with pay is generally not

more than 12 months; the leave can be appropriately extended for serious injury or special circumstances, but no more than 24 months; weekends and public holidays are included in industrial injury leave. Local laws and regulations should be followed in terms of industrial injury leave length and payment, OPT will follow the higher level standard between local laws and OPT standard.

9.2.8.3 Once the leave is completed, the employee should be back to his/her position, which can be rearranged based on his/her injury recovery, while the salary will stay the same. The employee could go for treatment during the work if needed.

9.2.8.4 The employee should apply for casual leave, if he/she cannot get back to work after the injury leave, otherwise it will be regarded as absence. Salary will NOT be paid during casual leave.

9.2.9 Rotation

Overseas employees take rotation for vacation, which is arranged by local manager.

9.2.10 Public Holidays

9.2.10.1 OPT employees are entitled to public holidays according to local government statement.

9.2.10.2 Salary will be paid for public holidays; working in public holidays will be paid triple.

9.3 Work Overtime Management

9.3.1 Overtime approval: employee can work beyond his/her normal working hours with approval from his/her direct manager, otherwise the overtime will not be paid by OPT.

9.3.2 Overtime limitation: overtime cannot be more than 3 hrs for 1 day, and 36 hrs for 1 month

9.3.3 Approved overtime working will be paid as following:

9.3.3.1 Time-off should be arranged with equal time length to make up for overtime working, otherwise, overtime working after normal working hours will be paid as 150% of normal working hour salary per hour

9.3.3.2 Time-off should be arranged with equal time length to make up for overtime working, otherwise, overtime working in weekend will be paid as 200% of normal working hour salary per hour

9.3.3.3 Overtime working in public holidays will be paid as 300% of normal working hour salary per hour

9.3.3.4 Overtime working salary is calculated according to the salary stated in offer letter of the employee.

9.3.3.5 Employees with irregular working hours are not entitled with overtime working payment.

9.4 Load Chart

All employee should submit load chart every month before deadline requested by location/project for approval; department/project manager should approve load chart in time, and inform the employee if his/her load chart is not appropriate.

10. Performance Appraisal

10.1 Objective

To standardize performance appraisal process, and ensure its implementation

10.2 Appraisal Time

Performance appraisal should be conducted in every quarter, usually the first 1-10 days after each quarter; overall appraisal conducted at end of every year.

Quarterly appraisal is not applicable for employees with below situation, and appraisal is not recorded

- continuous absenteeism with more than 30 days due to personal issues, disease or injury
- continuous absenteeism with more than 75 days due to industrial injury
- in probation
- working time is less than $\frac{2}{3}$ quarter

10.3 Appraisal Method

10.3.1 Employee Objective

The work objective of employee should be set by his/her manager based on the job responsibility in early January of each year, and input into HRM by employee. Objective of different job positions or grades should be different, and can be adjusted if job transfer occurred, or:

- work with points above 10% is canceled or added
- Other objective effect causing changes of certain work

10.3.2 Marking Method

The appraisal is total in 100 points, points of each objective are granted by the manager based on the importance of it.

10.3.3 Appraisal Basis

10.3.3.1 Clearance and Consistence: manager should conduct assessment based on the objective of the employee clearly in process

10.3.3.2 Communication: manager should communicate with the employee for his/her comments on the job performance

10.3.3.3 Timeliness: appraisal should be conducted based on the employee performance in this quarter and pervious performance appraisal result should not be taken into consideration

10.3.3.4 Objectiveness: manager should assess the performance of the employee objectively without emotional effect.

10.4 Appraisal

10.4.1.1 Assessor

- N+1 assessor is the direct manager of the employee who should do the assessment according to the whole performance of the employee
- N+2 assessor is the manager of the direct manager, who is responsible for the review of N+1 assessor's

comments and correct if needed but should notify N+1 assessor

- For G1 personnel, overall appraisal should be done by top management team

10.4.1.2 Appraisal feedback: assessor and assessed employee should review his/her performance face-to-face once appraisal starts, including achievements, deficiency, suggestions for future improvement, appraisal result.

10.4.2 Appraisal Grade

Final appraisal grade comes out at end of the year by evaluation conducted by assessor based on objective completion of the employee and evaluation factors in HRM, the grade will be:

A: >90%, B: 80-90%, C: 70-80%, D: 60-70%; E :< 60%

10.4.3 Meaning of Appraisal

Appraisal result will be important reference for HR department in terms of employee hiring, transfer, promotion, pay rise, bonus amount, etc.

10.4.3.1 Annual Performance Bonus

Actual Annual Performance Bonus= Annual Basic Salary before Tax* Annual Performance Bonus Percentage * Performance Index

10.4.3.2 Warning and Dismiss

In annual appraisal, the employee will get one warning letter if he/she got one E or two D in appraisal; the employee will be dismissed if he/she got 2 E or 3D.

10.5 Complaint and Settling

10.5.1 Submit Complaint

The employee could submit oral complaint to his/her N+1 assessor, if he/she is not clear or disagree with the appraisal result; the employee could submit ' Performance Appraisal Complaint Form' (Attachment 11) to N+2 assessor, if he/she did not achieve agreement with N+1 assessor. N+2 assessor reserves all rights for the final appraisal result.

10.5.2 Compliant Settling

N+1 assessor should reply within 2 working days once receive compliant

N+2 assessor should reply within 3 working days once receive compliant

10.6 Documentation Management

HR personnel is responsible for documentation of employee quarterly appraisal result and 'Appraisal Compliant Form'.

11.Training Management

11.1 Objective

Training should be delivered to the employee to keep OPT personnel competent in competitive market. This standard is to standardize training program planning, execution, and to increase line management attention.

11.2 Responsibility

OPT CEO is responsible for final approval of this training program.

OPT management is responsible for preparation and revision of training standard; preparation of training program, employee career development program, and training materials.

OPT general department is responsible for communication with line management for preparation of training plan based on employee transfer and promotion, and training execution; documentation of employee training history.

OPT employee is responsible to take all required training on time, take full use of the training, and give feedback.

11.3 Management Principle

11.3.1 Combination of Theory and Practice

Improve ability of employee to solve specific problems in daily work.

11.3.2 Combination of Current and Long-term Requirement

In addition to current work requirement, line management should also consider long-term development of OPT and OPT employee, improve innovation and creativity ability of employee via training.

11.3.3 Combination of Training and Work

Daily work and training schedule should be coordinated, and daily work should be put into first place.

11.3.4 Cost Control

Training organizer should control training cost in reasonable range according to training program and trainee mobilization.

11.4 Training Plan

General department is responsible for preparation of training plan in January of each year with discussion of the training instructor with training schedule, and budget, trainee list included.

11.5 Training Category

11.5.1 New Employee Orientation

11.5.2 HSE Training

11.5.3 Equipment Operation Training

11.5.4 Lab Training

11.5.5 Cementing Technical Training

11.5.6 Stimulation Technical Training

11.5.7 Other Training

11.6 Training Documentation

HR personnel should establish documentation for each employee once on board including employee training course and result for reference of appraisal and promotion. Employee should also update his/her training record in HRM.