



## Policy - Process – Procedure

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**POLICY TITLE** : **PROMOTION AND SALARY INCREMENT**  
**POLICY NO.** : **CO 4.2**  
**REVISION NO.** : **04**  
**ENTITY** : **CORPORATE / GROUP**  
**DOCUMENT OWNER** : **CORPORATE HR**

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| REV NO. | DESCRIPTION OF CHANGE   | ORIGINATOR   | RELEASE DATE |
|---------|---|--------------|--------------|
| 00      | First release   | Corporate HR | -            |
| 01      |   | Corporate HR | 01 Jan 2000  |
| 02      |   | Corporate HR | 01 Jan 2009  |
| 03      | Added annual increment, criteria to the promotion and salary increment, approval matrix<br><br>Changed the policy title | Corporate HR | 08 Nov 2021  |
| 04      | Revised the criteria for promotion and annual increment   | Corporate HR | 28 Feb 2023  |



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### **1.0 PURPOSE**

- 1.1 To define the criteria and procedure for promotion and salary increment.

### **2.0 POLICY**

- 2.1 The Company shall, in the event of availability of vacancy, give priority to existing staff based on individual merits. Merit increment may be awarded to deserving staff for superior performance, good attitude and loyalty. The approval of promotion and merit increments shall be at the absolute discretion of the Management.

### **3.0 PROMOTION AND PROMOTION INCREMENT**

- 3.1 A promotion exercise will be held in April of each year with mid-cycle promotion in October. Ad-hoc promotion is only allowed where there are special circumstances justifying an immediate promotion such as to fill an urgent vacancy.
- 3.2 In considering a promotion, the Company will consider the following factors:
- i. Vacancy due to Company expansion, natural attrition, creation of post, etc.
  - ii. Experience and seniority
  - iii. Performance record, education and training
  - iv. Aptitude, attitude and loyalty
- 3.3 Upon establishing the availability of vacancy in the department, the Department Head may identify potential candidate for promotion. Good performers with good attitude and performance may be identified and recommended for promotion increment during the annual increment exercise. The Department Head shall undertake to coordinate with the HR Department on such recommendations through the completion of a Performance Appraisal form obtainable from the HR Department.
- 3.4 Promotion increment quantum is determined at Management's discretion, with due consideration to internal and external equity and the salary range as per Collective Agreement, if applicable.

### **4.0 CRITERIA FOR PROMOTION**

- 4.1 The performance rating for the most recent appraisal is at least "Meet expectation with some areas above expectation".
- 4.2 Staff should be in the current position for at least twelve (12) months.
- 4.3 Staff must not have received any promotion and salary increase for the past three (3) months, ie. from 1 January. Any exception must be approved by Country GM or Executive Director for Corporate Staff.

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### 5.0 SALARY INCREMENT

- 5.1 The annual increment cycle is effective in April of the year, at the Management's discretion. Management reserves the right to modify the date of the annual increment.
- 5.2 Annual increment budget for each country will be determined with consideration of the following:
  - i. Country financial performance of the year
  - ii. Country's Recommendation by Country HR and Country GM
  - iii. Projected Market Increment
  - iv. Projected Market Inflation
- 5.3 Country GMs are empowered to make recommendations, within the allocated budgets.
- 5.4 Ad-hoc salary increment in October is only allowed where there are special circumstances justifying an immediate increment.
- 5.5 Pertaining to salary progression, the following increment shall be considered:
  - v. Annual increment
  - vi. Market adjustment
  - vii. Merit increment
- 5.6 Quantum shall be determined at Management's discretion with due consideration to individual merits, internal and external equity.

### 6.0 CRITERIA FOR SALARY INCREMENT

- 6.1 The performance rating for the most recent appraisal is at least "meet expectation".
- 6.2 Staff must not have received any promotion and salary increase for the past three (3) months, ie. from 1 January. Any exception must be approved by Country GM or Executive Director for Corporate Staff.
- 6.3 Staff must be confirmed on or before effective date of increment.
- 6.4 Staff must be active employee (no resignation/exit notice before issuance of increment letter)

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### 7.0 APROVAL MATRIX

|                             | Recommendation for promotion / salary increment | Endorsement    | 1 <sup>st</sup> Approver | 2 <sup>nd</sup> Approver |
|-----------------------------|---|----------------|--------------------------|--------------------------|
| Country Non-Executive Staff | Department Head                                 | Country HR     | Country GM               | Not applicable           |
| Country Executive Staff     | Department Head                                 | Country HR     | Country GM               | Regional Head            |
| Country Department Head     | Country GM                                      | Head, Group HR | Regional Head and COO    | Executive Director       |
| Corporate Staff             | Department Head                                 | Head, Group HR | COO / Executive Director | Not applicable           |
| Corporate Department Head   | COO / Executive Director                        | Head, Group HR | Executive Chairman       | Not applicable           |

### 8.0 PROCEDURES

- 8.1 Recommendation can be made by Department Heads to the HR Department through discussion and completion of a Promotion / Market Adjustment Justification Form.
- 8.2 HR shall evaluate the recommendations from the Department Heads and submit the recommendations to the Approver stated in the approval matrix in Clause 7.
- 8.3 Upon confirming the promotion, HR shall facilitate to issue a 'Letter of Promotion/Salary Increment' to the staff concerned through the Department Head. Such letter shall indicate the new position if applicable, revised salary, and other new terms and conditions of employment as may be deemed necessary.
- 8.4 Duplicate copies of the letter shall be filed in the Payroll File for payroll and shall be filed in the respective staff's personal file for record.

### 9.0 ATTACHMENT / REFERENCES

- 9.1 Performance Appraisal Policy
- 9.2 Promotion / Market Adjustment Justification Form