

## RETRENCHMENT POLICY

### **OBJECTIVE & PURPOSE OF POLICY**

Retrenchment may occur if and when the business activity of the CTL decreases due to a deterioration of economic and financial position resulting in organizational changes whereby certain positions in the employer may need to be eliminated due to sufficient work not being available to sustain all employees, necessitating a cut-back of the workforce.

Capital Trust Limited (CTL) has laid down a policy that states it's standing if it anticipates the elimination of a significant number of jobs or a layoff of a significant number of employees. The policy is fundamentally based on the principle of non-discrimination and reflects CTL's strong determination to tackle such situations in most employee friendly and legitimate manner.

### **POLICY**

The policy states that CTL will develop a retrenchment plan to mitigate the adverse impacts of retrenchment on employees, if it anticipates the elimination of a significant number of jobs or a layoff of a significant number of employees. The retrenchment plan will be consisting of the following key steps:

- CTL will ensure that retrenchment is necessary and there is no other alternative to deal with the economic situation
- CTL will commence consultation with key stakeholders (e.g. employees, government etc)
- CTL will look for potential alternatives to job losses (e.g. freeze on new hiring, internal transfer and deployment etc)
- CTL will ensure non-discrimination during the retrenchment process

### **IMPLEMENTATION**

This policy is publicly available throughout the Company and clearly communicated to all employees in a manner in which it can be understood through induction programmes, policy manuals and intranet portals.

The implementation of the policy is the responsibility of the Unit's HR Department. During the implementation, HR department will ensure that policy details are mentioned in all employment contracts & other applicable records. These records are maintained at CTL's office and are available for verification by any authorized personnel or relevant statutory body.

Any employee, who believes that he/she has been discriminated, is strongly encouraged to report this concern promptly to the Executive Director. CTL is committed to maintain a workplace that is free of any discrimination.

### **MONITORING & AUDIT**

Corporate Internal Audit undertakes audit and assessment annually. Corporate Human Resources undertakes random checks of records annually.