



# DENOVO DISCIPLINARY POLICY

## POLICY GUIDANCE

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## I GENERAL INFORMATION

### I.1 DENOVO

DeNovo is an energy company focused on meeting the energy needs of Trinidad and Tobago. DeNovo is the owner of Block I(a) located offshore in the west coast of Trinidad. DeNovo currently produces natural gas from the Iguana and Zandolie fields in Block I(a) from four (4) shallow water wells with two (2) unmanned platforms and a 45km pipeline to DeNovo's Gas Processing Unit which is located onshore.

### I.2 WINNING STATEMENT

We make a difference by safely, rapidly, and efficiently developing and operating greenfield and brownfield assets utilizing green technologies and automated processes (designed and built to industry standards) in order to deliver competitive energy molecules, all done through highly enrolled and empowered DeNovians.

## 2 OVERVIEW

DeNovo expects all employees to adhere to acceptable standards of performance and behavior. In the event of performance that is below standard or misconduct, DeNovo has established a progressive disciplinary procedure. The main objective of any disciplinary measures taken is not intended to be punitive but is aimed at correcting behavior.

### 2.1 ACCOUNTABILITIES

- The Managing Director has overarching responsibility for ensuring compliance with this policy across DeNovo.
- The Management Team has overall responsibility for ensuring the consistent and equitable administration of this policy across DeNovo.
- All Managers and Supervisors shall have responsibility for enforcing the guidelines by ensuring consistent and equitable conformance to the guidelines of this policy. Additionally, all Managers and Supervisors have an obligation to ensure all employees under their charge are informed of the steps within this policy.
- All employees have a responsibility to adhere to the guidelines outlined within this policy, are expected to educate themselves about the content and to seek clarity where needed.

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#### 2.1.1 DISCIPLINE

Employees are encouraged to conform to established standards of job performance and to behave sensibly and safely while at work. Supervisors and/or Managers should monitor an employee's job performance and behaviour and engage the employee through coaching and/or mentoring as soon as irregular or undesirable behaviour or job performance is detected.

Once deemed necessary, corrective disciplinary action may be taken as outlined in the Disciplinary Matrix. Corrective disciplinary action should be applied progressively. However, depending on the seriousness and/or severity of the matter, DeNovo may choose to proceed to any disciplinary step, in the interest of the safety and well-being of the employee, others and DeNovo.

Managers may choose to repeat stages of our disciplinary procedure as appropriate. This decision depends on employees' reaction to our disciplinary procedure, whether they correct their behavior and the nature of their offense.

Our disciplinary procedure begins when there is sufficient evidence to justify it. When there is suspicion or hints of misconduct, managers or supervisors must investigate the matter first.

Appeals are allowed and must be filed to the next line of management as soon as possible.

Managers and/or supervisors should document every stage of our disciplinary procedure (except the verbal warning.) If appropriate, include necessary information like evidence, testimonies and employee's progress or improvement. We are obliged to refrain from disciplinary actions that may constitute retaliatory behavior. A no retaliation company policy will be effective at all times to ensure there is no misuse of our disciplinary procedure.

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## 2.1.2 CONDUCT WHICH IS SUBJECT TO DISCIPLINARY ACTION

An employee may be disciplined on issues related to misconduct:

- Misconduct

Unacceptable or improper behaviour or conduct by an employee, which goes against DeNovo's Code of Conduct, Policies and Procedures.

- Progressive Discipline

Progressive discipline is aimed at correcting issues related to an employee's misconduct, prior to DeNovo making a decision to terminate his/her employment, except in the case where the infraction is deemed dismissable by DeNovo. As such, progressive discipline is intended to improve an employee's behaviour.

Before implementing progressive discipline, the Supervisor should discuss the issue with the employee since this often prompts corrective action.

If after one-to-one discussions, the desired behaviour or results are not achieved, the Supervisor should raise the matter with the Department Manager who can jointly speak with and monitor the employee in an effort to resolve the problem. The Managing Director or his delegate are available to discuss and advise on an appropriate line of action.

The Supervisor/Department Manager can refer the employee to the Employee Assistance Program ("EAP"), if necessary, to assist the employee in addressing the problem.

The date, purpose of the discussions held with the employee, and the agreed outcome must be documented.

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## 2.1.3 PROGRESSIVE DISCIPLINE STAGES

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### 2.1.3.1 VERBAL WARNING

This occurs where the Supervisor informs the employee that this first step in the disciplinary process has come about because all previous discussions have failed to bring about the desired behavioural change or result. A Letter of Advice is issued.

At this stage, the employee is invited to express his/her views as to why sufficient improvements have not been observed and to further discuss methods of resolving the problem. This is done in the presence of either the Team Lead, Department Manager or Legal Representative. The Supervisor must formally document the meeting.

Should the employee heed the verbal warning and improve his/her performance/attitude/behaviour, no further disciplinary action is required, and the verbal warning letter may be removed from the employee's file after six (6) months if, during that period, the employee's work and conduct have been deemed satisfactory.

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### 2.1.3.2 WRITTEN WARNING

If the verbal warning fails to result in corrective action by the employee or if the misdemeanour warrants disciplinary action that is beyond a verbal warning, the Department Manager, after consultation with the Managing Director and Legal Manager, may issue a written warning. This "Warning Letter" should detail the seriousness of the act, the expected adjustments, make reference to any verbal warning letter (if applicable) and outline what next steps, as outlined in the Disciplinary Matrix, will be taken if the situation remains unchanged.

Warning Letters may be (but is not required to be) removed from the employee's file after six (6) months if, during that period, the employee's job performance and/or conduct has been deemed satisfactory.

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### 2.1.3.3 SUSPENSION

This step is usually taken in instances of serious or repeated offences. Suspension may be issued without pay.

- Suspension without pay

In a case where an employee is suspended without pay, such action occurs when an employee has committed such a serious offence that suspension is warranted or when previous disciplinary steps have not corrected the problem or are inappropriate given the severity of the offence. Prior approval must be obtained from the Managing Director. Upon approval, the employee will be issued a letter signed by their Department Manager and copied to the Managing Director, Legal Manager and Financial Controller, stating:

- The length and dates of the suspension which shall be dependent on the severity of the circumstances.
- That the suspension is without pay.
- A description of the specific problem or offence and when it occurred.
- The effect of the employee's behaviour on the Department and Company.
- The performance or behaviour that is expected.
- A future date on which the employee's progress will be reviewed.
- Any other conditions to be adhered to while on suspension.
- The disciplinary action that will be taken if another violation occurs, which could include the termination of their employment services with DeNovo.

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### 2.1.3.4 DISMISSAL

Dismissal represents the final stage of progressive discipline and will only be pursued after all other reasonable efforts or interventions have been considered unless based upon the seriousness and severity of the offence it is appropriate. Termination shall be effected for severe violations of Company policies or for infractions that have continued, despite repeated warnings and/or suspension. Prior approval to dismiss any employee must be obtained from the Managing Director.

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## 2.1.4 INVESTIGATION

All incidents that involve the potential for disciplinary action shall be investigated by the employee's supervisor or other designated personnel of similar or higher office. If the investigation results in evidence that establishes that a disciplinary complaint should be made, that the employee engaged in conduct which warrants disciplinary action, the supervisor shall follow the disciplinary hearing procedures as outlined in this Policy.

In some cases, during the period of investigation, an employee may be suspended, with full pay. This period of suspension is not equal to disciplinary action. Instead, it is intended to facilitate an investigation process that is independent and free from influence or interference by the affected persons.

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### 2.1.4.1 DISCIPLINARY HEARING

The disciplinary hearing represents a critical step in the disciplinary process. An employee shall be informed of the requirement to attend a disciplinary hearing via the issuance of a "Charge Letter." The Charge Letter outlines the particulars of the charge: when where and how; the date, time and place of the hearing, the right to representation and the likely outcome if the allegation(s) is/are established. The Charge Letter allows the employee to have an opportunity to respond to the charges before a final decision is made to take disciplinary action.

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#### 2.1.4.2 RIGHT TO REPRESENTATION

The employee has the right to be accompanied by a work colleague or other representative at a disciplinary hearing. The employee is required to inform DeNovo of any representative that is external to DeNovo so that approval can be provided for the person to attend the Disciplinary Hearing.

### 3 PROCEDURES

#### 3.1 DISCUSSION

No.	Action	Responsibility
1.1	Supervisors should monitor employees' conduct and performance and offer constructive feedback regularly.	Supervisor
1.2	In the event of unsatisfactory job performance or misconduct, the Supervisor should engage the Employee in discussion to determine why the issue(s) occurred, outline the expectations for improvement, as well as what steps are required for correction, and offer support to the Employee in improving.	Supervisor and Employee
1.3	The details of this discussion (date, time, purpose, agreed outcome and timeline/date for review) should be accurately noted for reference if needed. This can take the form of a diary/file notation.	Supervisor
1.4	After the initial discussion, if desired improvements are not achieved, the Supervisor should engage the Department Manager and they can jointly discuss the issue(s) with the Employee.	Department Manager, Supervisor and Employee
1.5	The details of this discussion (date, time, purpose, agreed outcome and timeline/date for review) should be accurately documented for reference if needed. This can also take the form of a diary/file notation.	Supervisor/ Department Manager
1.6	If necessary, the Employee can be referred to the Employee Assistance Program if it is believed that the intervention may assist the Employee in correcting the issue(s).	Supervisor/ Department Manager
1.7	The Employee's performance or conduct should be reviewed at the previously agreed upon time to evaluate improvement.	Supervisor/ Department Manager

**3.2 VERBAL WARNING – LETTER OF ADVICE**

<b>No.</b>	<b>Action</b>	<b>Responsibility</b>
2.1	<p>If previous discussions have proven unsuccessful in bringing about corrective action, or, an infraction was severe enough to bypass the discussion stage, a supervisor can engage the first phase of the disciplinary process.</p> <p>At this first phase, the employee is Verbally Warned that their job performance or conduct is not in keeping with the expectations of DeNovo. A “Letter of Advice” is issued to the employee outlining the infraction or failure to make required corrections and explain expectations going forward.</p>	Supervisor
2.2	A copy of this letter shall be forwarded to the Legal Manager and Financial Controller to be placed on the Employee’s Personnel File.	Supervisor
2.3	The Supervisor should monitor and evaluate for improvements as outlined in the Letter of Advice.	Supervisor
2.4	If the employee heeds the Letter of Advice and their behaviour or performance has been deemed satisfactory for a period of six months, the Supervisor shall alert the Department Manager to have the Letter of Advice removed from the employee file.	Supervisor
2.5	Upon receipt of request from the Supervisor, the Department Manager shall verify the appropriate timeframe (six months) has elapsed, once verified, the Department Manager will request the Letter of Advice be removed from the employee’s file.	Department Manager, Legal Manager, Financial Controller



### 3.3 WRITTEN WARNING

If, after the issuance of a “Verbal Warning” the Employee does not demonstrate corrected performance or behaviour, the Department Manager may escalate to a “Written Warning”. This step may be taken if a particular infraction is severe in nature and justifies bypassing the previous steps in the Disciplinary Process.

No.	Action	Responsibility
3.1	Where the disciplinary process has progressed to the state of Written Warning, the Department Manager should issue a Written Warning to the employee. The written warning should outline previous discussions, and any consequent verbal warnings (“Letter of Advice”) issued. The letter should also detail the seriousness of the infraction, expected adjustments and consequence if improvements are not made.	Department Manager
3.2	Prior to issuing the Warning Letter, the Department Manager shall consult with the Legal Manager for advice and guidance.	Department Manager, Legal Manager
3.3	The Supervisor should monitor and evaluate for improvements as outlined in the Written Warning Letter. If no improvements, then the Supervisor can move to the next phase of the disciplinary process.	Supervisor
3.4	If the employee heeds the Warning Letter and their behaviour or performance has been deemed satisfactory for a period of six months, the Supervisor shall alert the Department Manager to have the Letter of Advice removed from the employee file.	Supervisor
3.5	Upon receipt of request from the Supervisor the Department Manager shall verify the appropriate timeframe (six months) has elapsed, once verified, the Department Manager will request the Warning Letter be removed from the employee’s file.	Department Manager, Legal Manager, Financial Controller

### 3.4 INVESTIGATION

All incidents that involve the potential for disciplinary action must be investigated before any decisions are made on further disciplinary action.

No.	Action	Responsibility
5.1	The Department Manager in consultation with the Managing Director of Integrity and/or Legal Manager shall appoint an Investigative Panel to conduct the investigation.	Department Manager
5.2	The Investigation Panel shall prepare a report outlining all of their findings and attaching any supporting documentation collated during the investigation process. The report should outline the findings of the investigation and any recommendation(s) – as applicable- should be submitted by the Investigating Panel.	Investigative Panel
5.3	The Employee will be required to provide a statement pertaining to the matter and this statement will form part of the investigation records.	Investigative Panel and Employee
5.4	The Investigative Panel shall review and in consultation with the Legal Manager and/or Managing Director of Integrity decide whether any further steps will be taken, inclusive of the conduct of a Disciplinary Hearing.	Investigative Panel with Legal Manager and or Managing Director of Integrity

### 3.5 DISCIPLINARY HEARING

Based on the findings of the Investigation Report, a Disciplinary Panel could be convened to give the Employee an unbiased opportunity to present his/her case and for DeNovo to decide as to culpability.

No.	Action	Responsibility
6.1	Based on the Investigative Report, and in accordance with DeNovo Disciplinary Policy and DeNovo Integrity Compliance Programme the charges to be laid shall be identified.	Investigative Panel
6.2	A “Charge Letter” shall be prepared detailing the charges laid against the Employee and inviting him/her to a Disciplinary Hearing at a specified date and time as well as advising the Employee of their right to a representative.	Legal Manager
6.3	The Managing Director shall appoint a Disciplinary Panel.	Managing Director
6.4	The “Charge Letter” shall be issued to the Employee no less than one (1) week prior to the proposed date of the Disciplinary Hearing.	Legal Manager
6.5	The Disciplinary Panel should be furnished with the Investigative Report as well as the “Charge Letter” issued no less than one (1) week prior to the proposed date of the Disciplinary Hearing.	Legal Manager
6.6	Should the employee request the Hearing be postponed, the request shall be honoured as far as is reasonably practical and shall be communicated to the Employee via letter or e-mail.	Legal Manager
6.7	The Disciplinary Hearing will be convened and the hearing minuted by a scribe. The Disciplinary Panel shall examine all facts presented including the investigation report, the response, and explanations of the ‘accused’ employee and statements or accounts of other witnesses. The Panel shall submit a report with recommendations to the Managing Director.	Disciplinary Panel
6.8	The Report from the Disciplinary Hearing will be reviewed by the Managing Director and in consultation with the Legal Manager and/or MDI, a decision regarding discipline is determined. Where the decision is to terminate, the Legal Manager will consult with the Managing Director before a final decision is made. The decision must be formally communicated to the ‘charged’ employee.	Managing Director

## 4 SUSPENSION WITHOUT PAY

Arising out of a Disciplinary Hearing, an employee may be recommended for Suspension without Pay.

No.	Action	Responsibility
7.1	The decision to Suspend without Pay shall be approved by the Managing Director.	Department Manager, Managing Director
7.2	The Department Manager in conjunction with the Legal Manager shall issue a “Letter of Suspension” to the Employee and shall copy the Managing Director. The letter should outline the specifics of the charge, the period of suspension, and that the period is without pay. The Letter of Suspension should also outline the steps to be taken if no improvement is noted/seen, inclusive of termination of his/her services.	Department Manager, Legal Manager
7.4	HSSE shall be notified of the Suspension.	Department Manager
7.5	A copy of the “Letter of Suspension” shall be placed on the Employee’s Personnel File.	Legal Manager, Financial Controller
7.6	The performance and/or conduct of the employee shall be monitored periodically and where no improvements are noted or where there is cause for further disciplinary action, the Department Manager should notify the Managing Director.	Department Manager

## 5 DISMISSAL

Dismissal is the final stage of the Disciplinary Process and shall only be utilised in accordance with this DeNovo Disciplinary Policy.

No.	Action	Responsibility
8.1	The Department Manager in consultation with the Legal Manager shall ensure that all reasonable efforts, or sanctions short of dismissal, have been considered in attempting to reform the Employee's performance and/or conduct.	Department Manager, Legal Manager
8.2	The Disciplinary Panel upon all relevant legal consultation shall recommend Dismissal of the Employee for approval by the Managing Director. All necessary supporting documentation must be provided in support of the recommendation.	Disciplinary Panel
8.3	The Legal Manager will consult with the Managing Director and a determination made as to whether the employee will be dismissed.	Legal Manager
8.4	Upon receipt of approval, the Legal Manager shall prepare the "Dismissal Letter" which should detail the reason for dismissal and effective date. This letter shall be signed by the Managing Director.	Legal Manager, Managing Director
8.5	The letter shall be issued to the Employee.	Legal Manager, Managing Director
8.6	The Disenrollment Form shall be completed.	Department Manager
8.7	HSSE shall be notified of the Employee's Dismissal.	Department Manager
8.8	The Department Manager shall be responsible for ensuring that all Company property is returned and accounted for on the Disenrollment Form.	Department Manager
8.9	The Employee shall be informed of all outstanding compensation and benefits owed to him/her and advised of when to expect settlement.	Legal Manager, Financial Controller
8.10	All documentation regarding the Dismissal inclusive of the Hearing Report, Investigative Report, Disciplinary Panel report and all prior warnings and/or suspensions shall be placed on the Employee's Personnel File.	Legal Manager