

الشركة السعودية للاستثمارية لإعادة التدوير

Saudi Investment Recycling Company

سياسات عمليات الموارد البشرية

Separation Employment Policies

Date (13. April 2023)

Separation of Employment

1 Types of Termination of service

1. The HR department is responsible to deal with different types of Termination as per the stated relevant policies and in compliance with Saudi Labor Law. The below lists the types of Terminations and this policy will provide the associated guidelines on each type respectively:
2. Employee resignation: The employee can choose to willfully resign from SIRC after he has discussed the reasons for the resignation with his Direct Manager.
3. Involuntary Terminations. Involuntary terminations may be initiated by SIRC for the following reasons:
 - Due to valid justification: Termination due to offences or breach of contractual agreement. Such termination Includes violation of conduct, disclosure of critical information. or any offence listed in article (80) of the labor law.
 - Non-renewal of employment contract: Employment contract is not renewed by SIRC.
 - Breach of employment contract: An employee is liable to be he/ she breaches a clause of the employment contract.
4. During Probation. If SIRC finds that the employee is unfit during the probationary may the of the employee without notice and without end of service benefit.
5. Due to retirement: On attaining the retirement age of 60 years (Georgian Calendar).
6. Due to medical unfitness: Employees who are proven to be medically unfit by an approved medical authority are liable to be terminated from the services of SIRC.

2 Employee Resignation

1. For unlimited term contracts Employees who are paid on a monthly basis are required to submit a written notice not less than (60) days prior to the effective date of resignation, as for the employees who are paid on an hourly basis, they are required to submit a written notice for a period not less than (60) days prior to the effective date of resignation.

2. For limited term contracts. based on article 74 of Saudi Labor Law the limited term contracts may be terminated by the parties' agreement.
3. All resigning employees must serve the notice period indicated In their contracts upon submitting their resignation, otherwise, employees are to pay the equivalent of this notice period to SIRC. The Concerned Director/Chief Officer has the to waive the notice of the resigning employee based on business needs.
4. Employees who to during the notice period, unless they are given an approved leave or a special exemption from the notice period by the Concerned Director/ Chief Officer.
5. Employees are entitled to resign without notice, while retaining they full entitlements rights. in the following cases:
 - If the employer fails to fulfil his contractual. statutory. or substantive obligations to the worker.
 - If SIRC, without the employee's written consent, assigns substantially different tasks than what was agreed upon in the contract as stipulated In article (60) of the Saudi labor law.
 - If the employer or his representative is found to have introduced fraud at the time of contracting in relation to the conditions of employment and circumstances.
 - If the Direct Manager or who represent SIRC committed a violent act toward the employee or a member of his family.
 - If the Direct Manager or who represent SIRC Insulted the employee and treated him with cruelty or unfairness.
 - If there were a serious health hazards or dangers in the workplace toward the employee, provided that the managers knew about their existence but didn't take any corrective actions.
 - If the Direct Manager or who represent SIRC treated the employee unfairly or broke the terms of employment contract which pushed the employee to resign.

3 Involuntary Termination

1. The HR Operations should formally inform the employee subject to involuntary termination about the following.

- Reasons behind the termination of employment.
 - Employment termination date.
2. For unlimited term contracts:
- Employees should be given a written notice In advance of terminating their contracts by the HR Operations: for employees paid on a monthly basis the written notice should be given (60) days prior to the termination date, and for employees paid on hourly basis the notice period should be given (30) days prior to the termination date.
 - The Concerned Director/ Chief Officer has the right to waive the notice period of the resigning employee based on business needs.
3. For limited term contracts:
- Employees should be given written notice in advance of terminating their contracts by the HR Operations at least (30) prior to the contract end, or in accordance with the relevant terms stated In their contracts.
4. In the case where SIRC decides to end the employee's contract before the end of the eligible notice period, SIRC must pay the equivalent of this notice period to the employee, except for cases where the employee is terminated based on article (80).
5. In case of involuntary termination, employees are entitled to 1 full day paid leave per week to look for alternative employment opportunities.
6. SIRC shall pay the employee end of service upon termination of his employment except in cases stipulated in Article (80) of the Saudi Labor these are listed
- If during or by reason of the work, the employee assaults the employer. the manager in-charge or any of his superiors.
 - If the employee fails to perform his essential obligations arising from the work contract, or to obey legitimate orders, or if, in spite of written warnings, he deliberately fails to observe the instructions related to the safety of work and employees as may be posted by the employer In a prominent place.
 - If it is established that the employee has committed a misconduct or an act infringing on honesty or integrity.

- If the employee deliberately commits any act or default With the Intent to cause material loss to the employer, provided that the latter shall report the Incident to the appropriate authorities within 24 hours from being aware of such occurrence.
- If the resorts to forgery in order to obtain the job.
- If the employee is under the probation period.
- If the is valid for than thirty days in one year or for more than fifteen consecutive days, provided
- that the dismissal be preceded by a written warning from the employer to the worker if the latter IS absent for twenty days in the first case and for ten days in the second.
- If the employee unlawfully takes advantage of his position for personal gain.
- If the employee discloses work- related Industrial or commercial secrets.

4 During Probation

1. SIRC or the employee may terminate the employment contract during the period without the need to provide a nonce period to the other party. provided that this term is specified within the employment contract.
2. SIRC's termination of employee's contract during the probation period should be based on the overall probation period evaluation conducted by the employee's Direct Manager.
3. If SIRC decides to terminate the employee's service during his probation period, the employee's Direct Manager may tell his employee reasons behind the termination of his service.

5 Retirement

1. The legal age of retirement is sixty (60) years for male employees and female
2. The Georgian birth date provided in the employee's National ID will be used as the basis for calculating the employee's age for retirement purposes.
3. The CEO is entitled to extend employee's service beyond the retirement age up to a maximum of two years, or with the agreement of the both parties.

4. The Nomination and Remuneration Committee is entitled to extend employee's service for more than two years beyond his age of retirement, provided the agreement of both parties. These situations should be dealt with in a case by case basis and handled by the HR Manager.

6 Medical Unfitness

1. SIRC may not terminate employee's contract due to sickness before exhausting all of the sick leave entitlements outlined in the Leave Management Policies and Procedures chapter.
2. SIRC may not dismiss female employees during their period of sickness due to pregnancy or child birth, provided that the period of their absence does not exceed the Maternity Leave entitlements outlined In the Leave Management Policies and Procedures chapter.
3. If a work Injury results In a partial or total permanent disability to the employee, the injured employee or the entitled people on behalf of him shall be entitled to compensation provided by the General Organization of Social Insurance as per its relevant Occupational Hazards Regulations.

7 Death due to work related injuries

1. In the event that an accident at work, including accidents that occur on the way to or from work, or any work-related sickness leads to the death of the employee, the contract shall be terminated at the date of death.
2. All dues to the deceased employee shall go to his legitimate inheritors through the relevant courts.
3. In case of death during service, not due to work related injury. The following will be applied:
 - The inheritors of the deceased employee shall receive a lump sum reward equivalent to three basic salaries, with a minimum of SR 10,000.
 - If the deceased employee a loan to the entitled people Will be exempt from paying the owed loan.
 - SIRC shall pay for the repatriation costs of foreign employee bodies whom Will not be buried in Saudi Arabia, SIRC shall also pay the repatriation costs of any of its employees if he dies in a business trip outside of Saudi Arabia.

8 Termination's Withdrawal

1. In the case of resignation, the employee may request the HR department to withdraw his resignation letter. In this case, the HR Manager IS responsible for evaluating the employee's request and raises it for approval to the concerned department. The withdrawal request will be evaluated based on the following guidelines:
 - The employee's previous performance results and his behavioral pattern in the organization.
 - The position that the employee resigned from is still vacant, additionally that no potential candidate was selected to fill it.
 - The time period of when the employee requested to withdraw his resignation.
2. In the case of Involuntary termination. the Concerned Director/ Chief Officer may request to withdraw the termination of service for the employee. In this case, the employee reserves the fight to accept or deny SIRC's request.
3. The withdrawal requests of both resignations and Involuntary terminations should be approved by the Concerned Director/ Chief Officer and the HR Manager.
4. The resigning employee may only withdraw the resignation letter for one (1) time during his period of service with SIRC.
5. The withdrawal request of resignations may only be considered by the HR Manager no later than 10 working days before the end of the employee's notice period.
6. The withdrawal request of both voluntary and involuntary termination will not be considered if the employee received the end of service entitlements.

9 Visa Cancellation

1. A final exit visa IS prepared for every expatriate employee at the end of their service, unless the Iqama is to be transferred to another employer.
2. In the event that an employee wishes to accept a Job offer from another employer, SIRC may choose to either approve or reject the transfer of sponsorship request based on the following:

- If SIRC paid the fees of the Saudi Visa and the relocation cost from the employee's home country to Saudi, then the request will be rejected.
 - If the employee transferred his sponsorship from a previous employer to SIRC, then the company may consider the request for approval provided that the employee had a satisfactory performance record.
3. The authorization for the transfer of sponsorship should be approved by the Concerned Director/ Chief Officer and the HR Manager for all positions below director level. For Director/ Chief Officer and above level positions, the CEO approval IS required prior to their transfer of sponsorship.
 4. If the employee sponsorship transfer was approved, the subsequent employer shall bear all related costs of sponsorship transfer.

10 End of Service Entitlements (including Repatriation)

1. End of service entitlements are based on the last pay paid at the time of termination. Where "pay" Includes basic salary. with all the fixed allowances agreed upon In the employment contract, commissions and percentages of the sales price and similar elements of the worker's remuneration, which are of a nature capable of increasing and decreasing, are not calculated in the wage on the basis of which the end- of—service entitlements is settled.
2. End of Service Entitlements will only be paid after obtaining approval on the Clearance Form (Appendix - Clearance Form).
3. End of service entitlements shouldn't be applied to employees who have committed any of the cases stipulated under Article (80) of the Saudi Labor Law.
4. Upon termination of employment, The HR department shall review the employee's final accounts to be settled based on the End of Service calculation detailed below.
5. If SIRC terminates the service of Its employee, the employee is entitled to the following based on his last pay:
 - For each of the first (5) years of service, the employee IS entitled to ½ of a monthly pay,
 - For each year beyond the 5th year of service the employee IS entitled to a one full monthly pay.

- The employee is entitled to a compensation of the fraction of a year spent at work,
6. Entitlements may not be payable on the following grounds:
- When an employee terminates his prior to completing two years of service.
 - When an employee is terminated based on Article 80 of the Labor.
7. In the event of employee resignation, the employee is entitled to the following based on his last pay:
- Employee is not entitled to end-of-service entitlements if his period of service is less than two years.
 - If his period of service is between two and five years, the employee is entitled to one third of end of service entitlements for his total years of service within SIRC
 - If his term of service is between five and ten years, the employee shall be entitled to two thirds of the end of service entitlements for his total years of service within SIRC
 - If the period of service is ten years or more, the employee is entitled to the full end of service entitlements for his total years of service within SIRC
8. Once the service of an expatriate employee ends, SIRC will bear the repatriation cost for the employee if he is on single employment contract and Will cover the repatriation cost for his family if he is on a family-based contract.
9. The end of service is payable in full amount if the employee leaves the work as a result of a force majeure beyond his control. female employees are also eligible for the full amount of end of service if their contracts have been terminated within 6 months from their date of marriage or within 3 months of their child birth date.

11 End of Service Deductions

1. The HR Department shall deduct any amounts unpaid from the employees before leaving their positions in compliance to the Saudi Labor Law, these deductions Include:
 - Salary deductions of the notice period days that were not fulfilled by the employee.
 - Any advance of the base salary, allowances, leave balance or any other entitlements paid to the employee in advance,
 - Any employee-specific loans.
2. For the event where the employee does not work the agreed notice period or in part, the difference is deducted from his end of service
3. End Of entitlements are only granted the employee signs the final settlement receipt, to ensure that all deductions are reflected in the end of service calculations.

12 Exit Interviews

1. Upon acceptance of the employee resignation, an exit Interview will be conducted. utilizing the *Final Exit Interview Form (Appendix 2 – Final Exit Interview Form)* for all employees by the HR Department.
2. The exit interview shall focus on the consolidation of the employee feedback on circumstances leading to resignation, his/ her feedback on policies and systems of the company and sense of fair treatment
3. The received employee feedback during the exit Interview shall be analyzed and summarized by the HR Manager. where the final study should contain the following:
 - Reasons of employee resignations
 - Root causes of raised issues
 - Recommendations for addressing these issues.

13 End of Service Clearance

1. The HR Department must ensure the filling of the Clearance Form (Appendix 1) by the employee before approving the end of service entitlements. The list of clearance items should include:
 - Termination of access to SIRC's systems.
 - Termination of email accounts.
 - Return of all issued Access Cards and disabling building access.
 - Return of ID Card.
 - Return of Company Devices and Equipment.
 - Return of any allocated petty cash.
 - Clearance from Shared Services Department.
2. The employee needs to obtain a "no dues" certification from his concerned department in order to qualify for the end of service entitlements.
3. The HR Department must coordinate With the IT Department to ensure that the terminated employee does not have access to any of SIRC's systems after his last day at SIRC
4. Once an employee's services are terminated, it is the responsibility of the Direct Manager to perform the following:
 - Transfer knowledge and information to the replacement of the employee.
 - Cease assigning major duties and new tasks to the employee.
 - Closely monitor the progress of tasks completion previously assigned to the employee.
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14 Disclosing Confidential Information

1. Subsequent to the termination of Services. employees Will be contractually obliged not to disclose confidential information related to SIRC or its employees and contractors to any other individual or entity.

2. Disclosing Information post-employment would require a formal consent from the Concerned Director/ Chief Officer and the approval of the CEO. Disclosing Information without approval from SIRC will be considered as a violation to the signed Code of Conduct and the individual will be subject to legal prosecution.
3. Employees shall on termination of services submit all confidential documents, reports and any other form of data to his Direct Manager.

15 Service Certificates

1. The service certificate is granted to the employee after all dues are settled and clearance certificate is signed.
2. The service certificate Will indicate the following:
 - Duration of employment.
 - Last position held
 - Last salary (based on employee request).
3. The HR department reserves the right to Inform third parties, including clients or contractors. of the departure of an employee directly or through any other communication channels.