



# **HUMAN RESOURCES POLICIES AND PROCEDURES MANUAL**





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Document #: HR 001

Revision: 8

Effective Date: Aug 2017

Compiled By: HR Officer

Approved By: HR Manager

The Human Resources Policy Manual contains Lasec Group's internal policies governing employment and conditions of employment. This includes Lasec SA, Lasec Export and Lasec Diagnostics, all referred to in this document as "Lasec". These replace all other existing policies in place and it is required from all employees that they familiarise themselves with the contents hereof.

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## 1. ENROLLMENT

### 1.1. Recruitment and Selection Policy

#### 1.1.1. Scope

A non-discriminatory and non-biased process is the backbone to Lasec's recruitment and selection policy. This covers prospective employees in the application, interview and selection process. It also covers internal candidates who are already employees at Lasec.

#### 1.1.2. Aim

The aim of this policy is to source prospective employees who whose skills and attributes meet the requirements of a particular job position. It will seek to ensure all appointments and recruitment procedures are dealt with in an unbiased and fair manner that complies with all relevant legislation.

#### 1.1.3. Policy

The employment decision will take into account the prospective employee's work experience, knowledge and qualifications when determining the best suited candidate for a job. Individuals who meet these aforementioned criteria will be given preference. Additionally the Affirmative Action plan and Employment Equity requirements Lasec will seek to uphold.

Reference checks will be conducted for all appointments. Should a manager at Lasec be contacted by another employer regarding the performance of a past employee, he/she should give verbal information that is strictly factual regarding the former employee.

Should a job position contain an element of risk, credit checks may be conducted prior to the appointment of that individual. Should a candidate be related to a current employee at Lasec, Director's approval must supplement his/her appointment to ensure fairness and avoid nepotism.

New employees will receive an induction on their first day, an employment contract and if applicable, a non-disclosure and confidentiality agreement. Internal candidates must fill in a change of status form for their employee file records. Employees who resign, will be offered an exit interview by their respective manager/HR department member.

### 1.2. Induction

Induction is the process of introducing new employees into the work situation and the working group.

This programme will include:

An overview of Lasec Mission, values, structure, working hours, notice period, dress code, smoking policy, parking, performance management, organisational culture, tools, equipment, electronic procedures, provident fund, medical aid, disciplinary code and procedures, leave module, grievance procedure and site facilities among others.

### 1.3. Probation

You will remain on probation for a period as stipulated in your contract of employment. Following this your appointment to permanent staff will depend on your suitability during your probation period.

## 2. CONDITIONS OF EMPLOYMENT

### 2.1. Ordinary Hours of Work

#### 2.1.1. Scope

The scope of this policy is to define the ordinary hours that will be worked by employees of Lasec in the performance of their duties.

#### 2.1.2. Policy

Ordinary hours of work are stipulated in each employee's contract.

### 2.2. Compensation

#### 2.2.1. Scope

This policy outlines the payment of remuneration to employees.

#### 2.2.2. Policy

It is Lasec policy that the remuneration that we pay our employees is fair and market related, and is non-discriminatory. Wages are governed by the relevant legislation. The confidentiality of salaries is of paramount importance and all employees are requested to comply with this policy. Any employee caught soliciting another employee's information will be disciplined. When and if it is applicable to pay allowances, such allowances will also be paid in terms of the current legislation or other such relevant legislation. The employee shall not be remunerated for any period of unauthorized absence, including industrial action or during a valid lockout. The principle of no work no pay, shall apply.

#### 2.2.3. Automatic payroll deposit

You must arrange to have your salary deposited into a bank account of your choice. Pay slips indicating the gross amounts, contributions, deductions and net amounts of your pay will be available online or printed and distributed depending on your position.

#### 2.2.4. Payroll deductions

Lasec is required by law to withhold payroll deductions for:

- Income Taxes
- UIF
- Court Orders

#### 2.2.5. Position Classification

To ensure consistency in the administration of compensation and benefits and compliance with all wage and hour regulations as established by Labour Law, the following employee classifications have been established:

**Full Time Employees** are those who are not in a temporary status and who are regularly scheduled to work up to 45 hours per week. Generally, these employees are eligible for Lasec benefits subject to the terms, conditions and limitations of each benefit program.

**Sub-Contractors** are those people who are used for a finite period of time. They are not regarded as employees.

#### 2.2.6. Overtime and Earnings Threshold

The company will adhere to the Minister of Labour's earnings threshold, whereby any employee earning above this threshold (R205433.30 per annum as at 1 July 2014 as amended) will not be

entitled to any provisions including: Ordinary hours of work, Overtime, Compressed working week, Determination of hours of work by Minister, Meal intervals, Daily and weekly rest period, Pay for work on Sundays, Night work -17(2) that deals with transport and night shift allowances and Public holidays – 18(3) that deals with payment for work on a public holiday that falls on a day on which the employee would ordinarily not have worked. This threshold is likely to change and the company agrees to comply with the changes as instructed by the Minister of Labour.

Employees will be required to work overtime from time to time as agreed upon between themselves and the company. Overtime will be governed by the BCEA (1997) chapter 10. Overtime is only applicable to employees who earn less than the earnings threshold. These employees who work in excess of 45 hours in a week are entitled to overtime paid at 1.5 times their hourly rate. Overtime payment for work on Sundays will be calculated at 2 times the hourly rate (unless Sunday is a designated work day in which case it will be calculated at 1.5 times the hourly rate). The company reserves the right to grant additional paid time off in lieu of overtime worked instead of further remunerating employees.

Reasonable notice will normally be given when overtime work is required but in the event of an emergency you will be required to do emergency overtime work without reasonable notice.

On the other hand, employees who earn over the designated threshold are generally employees who are in positions where they are expected to work over and above the standard working hours. This includes and is not limited to coming in to work early, staying late, taking work home and working on weekends.

#### **2.2.7. Expense Claims Procedure**

Employees will either be required to use their own funds or they will be provided with company funds (float is to be requested one week in advance) from petty cash. All claims, relating to fuel, parking, entertainment, welfare and office supplies are to be submitted in the following manner: Employees fill out the relevant information on the Business Travel Expense Summary claim form, attaching any necessary invoices/receipts. This is then submitted to their relevant supervisor for signature and approval. Employees then take the claim to the Cash Controller who will then double check that all figures are accurately calculated. Finally the claim is loaded on FNB by the Cash Controller and given to the Financial Controller for final approval and to release the reimbursement on FNB.

#### **2.2.8. Fuel Expenses**

Sales Solutions Specialists will be compensated for all business travel fuel expense. Current employees as of 1 March 2015 will include the travel between the employee's personal residence and the office. This will not be included for new employees after this date. The employee will be liable for all fuel related to personal travel.

The Company will only reimburse fuel up to a maximum vehicle fuel consumption rate of 10 litres per 100 km's. All fuel costs above this threshold will be for the employees account. The employee must complete the Company Fuel Card Claim Form each month and attach the relevant log book and submit it to the Payroll Administrator by the 10th of the month. The company is guided by the SARS recommended rate of R3.29 per km (\*as amended).



### 2.2.9. Cell phone and 3G/Wireless Expenses

It is acknowledged that some employees require using their personal cell phone for work purposes and accessing the internet outside of company internet servers. Only authorised individuals will have access to this expense claim mechanism as it is not automatic for all employees. It is the employee's responsibility to ensure he/she has a working cell phone (whether prepaid or on a contract).

The Company reserves its rights to cap such expenditure claims at a reasonable rate and will review these limits from time to time. The company will remunerate up to R500.00 per month for cell phone expenses, R70.00 per month for new 3G contracts/wireless expenses and R100.00 per month for existing 3G contracts. Regional Sales staff receive up to R800.00 per month allowance, with R150.00 for 3G contracts/wireless expenses.

To claim for the above expenses, the employee must follow the expense claim procedure. These expense claims must be approved by their manager, before submission to Payroll. Employees must submit their claims monthly, however a three month extension may be granted. Any submissions received three months after their occurrence will not be accepted by the Company and thus will not be reimbursed, unless written approval is received from an Exco member.

When an employee is travelling outside of South Africa and utilizing international roaming, they are encouraged to make use of the internet facilities offered by their place of accommodation and/or the supplier/customer they are visiting. It is also encouraged that their cell phone remains switched off unless in use. The employee may make use of this feature for business purposes under exceptional circumstances only and this should be discussed with their manager prior to their business travel. Any claims relating to this will need to be authorised by management.

### 2.2.10. Vehicle Allowance Policy

Some employees receive a vehicle allowance as part of their remuneration package. The purpose of this is to compensate staff for the wear and tear that their vehicles naturally experience during the course of their business trips.

In order to meet the requirements of the insurance policy that covers Company property, the vehicle must have a boot, or similar space, where items can be placed and not viewed from outside of the vehicle. The employee is responsible for the full cost of maintenance, insurance, licensing and registration of their vehicle

As staff are representing the company when visiting clients, they need to ensure that their vehicle is kept in a good visible condition and is no more than 5 years old. Staff are also responsible for ensuring their vehicles are in operational condition. Consequently, the company reserves the right to make reasonable instructions to these employees regarding the condition of their vehicles.

### 2.2.11. Service Engineer Travel Incentive

Service Engineers who travel outside of South Africa on business will be eligible to a daily incentive defined by the HR department. This will be payable on weekdays as well as weekends away. This will be paid one month in arrears via our payroll.

## 2.3. Travelling

### 2.3.1. General Travel Expenses (local)

For the purposes of this document 'travel' is defined as:

- When an employee is required to visit another geographical area which falls outside of the scope of their normal day-to-day functioning area for pre-approved business purposes, and;
- A minimum of one night away from their usual place of residence.
- Should an employee travel extensive distances and not make use of overnight accommodation this may be deemed travel subject to the approval of their manager.

Certain expenses incurred during periods of travel may be refunded. Flights and accommodation are generally prepaid as the company will book and pay for the flights and accommodation.

Parking at airports will be covered by the company (for local travel only) where it is cheaper than using an Uber (or a similar taxi service) from the office.

All expenses claimed for must have a receipt. Where a meal is claimed for a client, the name of the client and the company must be written on the receipt, e.g. Dinner Mr Smith – ABC Cleaning. A cash refund will be available after the Expense Claim Form has been authorised up to the value of R 300-00. Any amount over this will be refunded via electronic bank transfer.

For non-client meals the following limits (Maximums) apply:

- Lunch + Dinner = R 250.00
- Breakfast = R 100.00 (*where not included in accommodation*)
- Travel not overnight = R200.00/day

In addition, while a glass of wine or a beer is acceptable with a meal at night, multiple alcoholic drinks will not be allowed. These limits will be reviewed annually to allow for inflation.

Incidentals costs refer to the following:

- Acceptable = Parking at airports, necessary incidentals;
- Not acceptable = Plane delayed and employee buys (& claims for) 5 beers & a novel.

### 2.3.2. International Travel

Due to their position, some employees may be afforded the opportunity to travel overseas. The company invests resources into these trips; such as flights, accommodation, some internal travel, as well as daily expenses. Whether the trip entails client or supplier meetings, attendance of conferences or exhibitions or specific product training, the company is investing in the employee. It is for this reason that all employees, regardless of status or seniority, will be required to sign a Training and Development Agreement outlining the costs of the trip. This agreement stipulates that should the employees leave the company within a 12 month period subsequent to the trip (other than for reasons relating to retrenchment); they will be required to pay an amortised figure back to the company.

This international travel policy will cover the full trip, including getting to and from the airport in South Africa. Cost incurred to get to the airport or to get from the airport such as parking at the airport, will be covered by the daily allowance advanced to the employee for the trip. Other costs that are included in the daily travel allowance are bag wraps and meals at the airport. The company will therefore not pay for these expenses as the employee would have received sufficient funds in terms of the daily allowance.



Overweight charges due to equipment required for the trip will be paid for by the company, subject to approval from the applicable manager. (Note that a valid receipt will be required).

Accommodation should always be booked and paid advance. Should the employee have to pay for accommodation for some reason, the amount needs to be signed off by the manager and a valid receipt needs to be submitted. The employee travelling should make sure that he / she has proof of payments for accommodation before departure. If the traveller is unable to produce a receipt this will need to be signed off by a manager and the following must be provided: date, amount, location and receipt details.

For all employees travelling outside the borders of South Africa, travel subsistence will be advanced. The employee will receive a predetermined amount per territory per day. Depending on the time of departure and return, each employee will receive an amount in ZAR as well, to cover expenses to and from the airport. Each employee needs to complete the Travel Subsistence claim form, attached all required supporting documents and a manager needs to sign off on the claim. The claim needs to be submitted at least 4 days before travelling.

The daily rates will regularly be reviewed and changed by the export manager and finance. Finance reserves the right to reduce the rate per day in special circumstances.

Travel allowances advanced will be included on the employee's payslip during the month of travelling. Each employee has the option of obtaining and using a FNB Cash-Passport or alternative methods can be negotiated. Travel allowances are to be used for daily expenses that the travelling employee might incur outside of South Africa. These include, but are not limited to meals, public transport, airport transfers (this also applies to expenses in SA).

For countries where it is not safe for an employee to drive him- / herself, the company will cover a certain amount of the cost for taxis. This is subject to approval by the export manager and finance.

In rare circumstances employees can request additional advances, for example where a client will be taken to lunch or dinner. These requests need to be approved by the manager and finance before travelling. Should it not be possible to arrange this before travelling, upon return this expense can be claimed back subject to approval by the manager and finance. In both scenarios above, a valid invoice needs to be provided (annotated with the client's name taken to lunch / dinner). The difference between the advance and the actual expense needs to be refunded to the applicable party out of pocket.

### 2.3.3. Travel Principles

Employees who travel overseas for the company and work on a public holiday that is occurring in South Africa whilst they are outside of the company will be credited that day. However it is the responsibility of the employee to notify the HR department when this occurred so the necessary changes can be made.

It is acknowledged that overseas travels may require an employee to depart or return over a part of a weekend outside of core office hours. Time spent out of the country spent visiting clients or attending training paid by the company is not considered overtime, as it is part and parcel of the position of the

employee and is considered an educational opportunity. Employees will not be eligible for any overtime claims for time spent on overseas travels outside of work hours. On the other hand, domestic travel within the borders of South Africa is not considered overtime as this is a requirement of employees in certain positions.

The above does not preclude the company from negotiating and coming to an agreement with the employee of time off in lieu of extra time worked. This agreement is at the sole discretion of senior management and is required to be authorised prior to time off.

Employees are required to ensure that they follow certain guidelines when travelling:

- They are proactive capitalizing on early booking of flights to ensure that the trip is cost effective
- Curb unnecessary expenses where possible
- When booking domestic business flights, employees are only to select flights that occur outside of core business hours (08h00 –16h30).
- Department Heads are to approve all travel requests as well as all alterations to pre-booked flights
- Travel requests will only be accepted if the travel form is filled out and supporting documents provided
- Ensure that when booking accommodation, rental vehicles and flights, they are done simultaneously to avoid additional booking fees.

## **2.4. Termination of Service**

The objective of this document is to give an outline on the termination of service of employees.

### **2.4.1. Resignation:**

Should an employee seek to resign, he/she must give sufficient written notice. The following is in operation unless your contract defines it as something different. If so then the employment contract supersedes the below.

- During the first 6 months of employment: 1 week
- Longer than 6 months but not yet 12 months: 2 weeks.
- After 12 months of employment: 4 weeks notice.

The periods of notice set out above, shall not be applicable:

- In the case of summary dismissal in the event of disciplinary procedure.
- In the case of desertion or unauthorized absence for more than 5 (five) working days.

The employer shall have the right to pay the employee in lieu of notice.

### **2.4.2. Retrenchment:**

Although the Business will endeavour to provide jobs at all times, economic factors or operational requirements may result in a reduction of the number of jobs available. In the event of this occurring, the Business may have to terminate the employment of any number of its employees by retrenchment. This will be done in terms of the provisions of the Labour Relations Act (1995).

### **2.4.3. Retirement**

The normal retirement age at Lasec is 65 years of age. The employee will be expected to retire at the end of the month in which he/she reaches this age upon which his/her contract will automatically expire. However the Board of Directors reserve the right, in consultation with the employee, to continue the employee's employment for a fixed period with Lasec past this age. Should this be desired

by the employee, he/she must apply to the BOD 6 months prior to the end date. This will be determined by the BOD's based upon the operational and strategic requirements of the company. The written notice must be given during the period of Monday to Friday.

#### 2.4.4. Termination of Service

##### - **Misconduct or Poor Work Performance:**

Should an employee's services be terminated as a result of the employee's misconduct, this will only be done after a disciplinary enquiry has been held. The employee will not be entitled to notice pay in this regard. Should an employee's services be terminated as a result of poor work performance, this will only take place after the necessary counselling and intervention steps have been exhausted.

##### - **Incapacity : Ill Health and Injury:**

The procedure as outlined in the Code of Good Practice (Schedule 8) of the LRA Act 66 of 1995, as well as the procedure as outlined in Lasec Disciplinary and Good Conduct Code will be followed.

##### - **Operational Requirements:**

When Lasec contemplates terminating one or more employees for reasons based on operational requirements, the process as stipulated in terms of the relevant Labour Legislation (section 189 of the LRA) will be followed.

#### 2.5. Privacy in the Workplace

The working environment does not provide the same degree of privacy experienced at home. Offices, desks, telephones, lockers, and computers are furnished for business purposes that may require they be opened to authorized management representatives. For that reason, an employee's use of an office, desk, telephone, locker, or computer will not be considered private.

To avoid embarrassment or other difficulties, you should not discuss private matters over business phones, voice mail, electronic mail, the Internet or Skype.

Lasec reserves the right to search unlocked and/or publicly used Lasec property at any time without consent. Lasec may request a search of personal property at the worksite or locked Lasec property assigned to an individual if there is reasonable suspicion that evidence of illegal or prohibited activities resides therein.

You may be required to submit to a search of any pocket, package, purse, gym bag, briefcase, tool box, lunch box, or other container brought onto Lasec premises, and to submit to a search of a desk, file, locker, other stationary containers, computer data, applications, files, voice-mail and e-mail, provided by Lasec. Refusal of such a request may result in disciplinary action up to and including termination.

Lasec use CCTV cameras to monitor its premises. Staff are to take note that there is surveillance that takes place and they should be aware of this when going about their daily activities.

#### 2.6. Employment Equity

##### 2.6.1. Scope

Lasec is not an organ of the state and thus falls under the Professional Services Sector accordingly. The South African Constitution, Labour Relations Act (1995), Employment Equity Act (1998) and the Promotion of Equity Bill (2000) states that all employees have the right to be treated equally in the

workplace. Lasec however acknowledges that because of the country's past, natural disparities occur based on gender, race and disability. Lasec seeks to implement a policy that emphasizes equal opportunity and a no tolerance attitude to discrimination in the workplace.

### 2.6.2. Definitions

- **Designated Groups:** equates to black people, women and people with disabilities
- **Black People:** generic term for Black Africans, Coloureds and Indians.

### 2.6.3. Aim

Lasec will endeavour to have designated persons adequately represented at all levels within Lasec over the next 5 years. This will be based on the following factors:

- Regional demographic profile of the economically active population
- Pool of suitably qualified people from designated groups from whom Lasec may reasonably be expected to appoint employees.
- Economic and financial factors relevant to the sector and to Lasec
- The number of present and anticipated vacancies that exist in the various levels and Lasec's staff turnover rate.

Management will review all employment policies and procedures for unfair discrimination and related barriers, which are unjustifiable. For example, discrimination on the basis of and employee's: race, gender, sexual orientation, religion, ethnic/social origin, age, disability, political opinion, culture, language, beliefs, marital status or family responsibility. Lasec seeks to nurture an organisational culture that is dedicated to respecting diversity and empowerment. Additionally, Lasec will not tolerate tokenism and thus employees who are capable of performing the inherent required duties of the position will be appointed.

### 2.7. Restraint of Trade

The employee will not, (without the written consent of the company) for the period of 12 (twelve) months immediately after the termination date whether as principal or agent, and whether alone or jointly with or as a director, member, manager, partner, shareholder, employee or consultant of any other person, (juristic or otherwise) directly or indirectly:

- Carry on, or be engaged, concerned or interested in any business within the Republic of South Africa which is similar to and competes with any business being carried on by the company at the termination date and with which the employee was involved in at any time during the period of 12 (twelve) months immediately preceding the termination date;
- Negotiate with, solicit business from or endeavour to entice away from the company the business or any person, firm, company or organisation who or which, to his knowledge is or was a customer, client or supplier to (or who had regular business dealings with the company during the period of 12 (twelve) months immediately preceding the termination date and with whom he had direct dealings or personal contact in the normal course of his employment during that period, so as to harm the goodwill or otherwise damage the business of the company. This restriction will be limited to activities by the employee which will involve offering or providing services similar to those which he will have provided during the employment;

- Undertake to provide any service similar to those with which he was concerned during the period of 12 (twelve) months immediately preceding the termination date to or for any person who is or was a customer, client or supplier to (or who had regular business dealings with the company) during the period of 12 (twelve) months immediately preceding the termination date and with whom he had personal dealings in the normal course of his employment during that period;
- Interfere with, solicit or endeavour to entice away from the company any person who, to his knowledge is and was, at the termination date, or within the period of 12 (twelve) months immediately preceding that date had been, part of the senior management or technical team of the company and with whom he had personal dealings in the course of his employment during that period.

None of the restrictions shall prohibit any activities by the employee which are not in direct or indirect competition with any business being carried on by the company or any group company at the termination date. At no time after the termination date shall the employee directly or indirectly represent himself as being an interest in or employed by or in any way connected with the company, other than as a former employee of the company.

The employee agrees that, having regard to all the circumstances, the restrictions contained in this clause are reasonable and necessary for the protection of the company and that they do not bear harshly upon him and the parties agree that:

- Each restriction shall be read and construed independently of the other restrictions so that if one or more are found to be void or unenforceable as an unreasonable restraint of trade or for any other reason, the remaining restrictions shall not be affected; and
- If any restriction is found to be void but would be valid and enforceable if some part of it were deleted, that restriction shall apply with such deletion as may be necessary to make it valid and enforceable.

## **2.8. Medical and Polygraph Testing**

Due to some employment conditions, inherent requirements of the job and sensitive nature of the job responsibilities, employees may be required to submit themselves to the necessary medical testing as per section 7(1)(b) of the Employment Equity Act 1998. The employer is committed to ensuring confidentiality, sensitivity and protection of the employee in this endeavour where possible.

Should the need arise; staff may be required to undergo polygraph testing. This testing will not be the sole evidence used in a disciplinary hearing. Rather, it will be used as supplementary evidence to confirm and corroborate other evidence. Should the test be administered, it will be done in a fair and reliable manner, as per the standards set out in South Africa.

### 3. DEVELOPMENT

#### 3.1. Performance Management

Performance Evaluations will be done as and when required and you and your supervisor will meet to formally evaluate your work performance. Increasing your skills throughout the year will contribute to better performance and ultimately your overall performance for the year. All evaluations will become a part of your personnel file and can be used for employment decisions such as promotions, demotions and discipline.

The responsibility for an individual's job performance and its continuous improvement clearly rests with that individual. Job performance monitoring and the provision of feedback, both positive and negative, ensure that performance improvement is a key leadership responsibility.

The shared understanding/knowledge of the employee's performance strengths and weaknesses against required standards of competency achieved through this process provides the essential basis for discussion regarding the employee's development.

Lasec cannot afford to allow an employee to "coast" in a position or jealously guard specialist knowledge and skills. Every employee is therefore obliged to grow and develop to their full potential and to assist others to grow and develop, actively committing to the concept of continuous or lifelong learning. Employee performance should be directed and measured against Lasec goals and objectives at any given time.

The purpose of all performance management efforts must be to continuously improve the individual's job performance i.e. focus on the future and what can be done to improve, rather than on the past and what has not been done well. Feedback must be specific and accurate (examples should be given) and the focus of the discussion should be on specific steps and actions to be taken to enable improvement towards prioritised objectives. Performance reviews must assess both strengths and weaknesses. Criticism without praise will not energise and nourish performance.

Where performance problems are noted, underlying causes must be identified and corrective action instituted. Self-development should be driven by the employee. While the supervisor has a responsibility to facilitate and prompt development discussions, an employee will be more committed to growth and improvement plans that he/she played an active role in developing.

Every Manager is responsible for enabling the growth and development of his/her people. Managers will be accountable for the progress they make in developing people. A supervisor who fails to actively assist his/her employees to develop would be considered to be performing inadequately and should be managed accordingly.

Employee development plans should always focus on the opportunities for growth and development within the current role. Only where appropriate, the plans should extend to opportunities beyond the current role.



In the development of employees who initially show low performance levels, extra training, mentoring and support may be necessary to ensure the full development of the potential of these employees.

To assist employees in improving their job performance, clear job descriptions and relevant targets will be developed and be maintained. However, it is important to note that although each job description outlines the tasks and responsibilities of the role, it is not an exhaustive list. In light of this, reasonable and valid instructions given by supervisors and management are to be followed by staff. It is also acknowledged that tasks and responsibilities shift from time to time and thus the job description is not always completely up to date.

## 3.2. Training and Development

### 3.2.1. Scope

The objective of this is to outline the policy regarding Training and Development of employees.

Lasec recognizes and accepts that its success largely depends on the knowledge, skills, expertise and motivation of its employees. Training and development is a systematic and continuous process whereby all training is based on identifying relevant training needs, the functions within (Operational Functions and Support Functions) and the requirements for the development of individual employees.

### 3.2.2. Policy

Development of all employees is encouraged and training and development to achieve this is done in consultation with individual employees as part of either their formal SMART reviews or performance meetings with their supervisors. Any program/workshop/performance management that is done must be recorded and placed on the employee's file.

Lasec uses a variety of methods to train and develop its staff such as:

- **On-the-Job Training:** Through lateral job rotation and understudy assignments employees are exposed to different tasks and thus increase their working knowledge of the business. This is also beneficial to Lasec should an employee be unable to attend work, another who has trained in their position can fill in where necessary.
- **Workshops:** External training providers are used should it be required
- **Performance Management:** This is a tool used by Lasec to identify how an employee is managing in his/her job. Should the employee's performance be below the required standard, he/she will be given counsel, instruction, information and supervision where necessary in order to improve his/her performance.

The best training takes place in the "real" situation, i.e. In the normal course of work through training on-the-job, coaching, counselling and through effective supervision. The best form of development is self-development and this training approach is designed to help employees to improve their own performance and to develop their own skills and knowledge. The system of accountability management (taking ownership) plays an important role in the process.

It follows from the above that the main method by which employees can be equipped to do their jobs and to develop their potential is by ensuring that they have the required variety of experience, throughout their careers. This experience can and should be supplemented, but never replaced, by courses carefully timed and designed to meet specific needs. To ensure that training and development

makes a proper contribution to improving employees performance it is evaluated regularly and updated where needed to ensure that training is relevant and effective. Should staff participate in training where the cost is R3000.00 or more, they will be required to sign a training agreement with the HR department. As we invest in staff, Lasec needs to protect its investment, ensuring the cost is actualized.

Each employee must know:

- What their performance requirements are, how they will be monitored and measured and that performance will be reviewed at least annually.
- What support and or training will be provided.
- What the opportunities are for advancement.
- That they have access to Standard Operating Procedures and Job Descriptions which both need to be documented.

A well-trained and motivated employee will feel that they belong (pride of association), that their contribution is valued (they make a difference) and that they have a future (opportunity of growing and developing) in Lasec. It is most important for all employees (management and operational) to understand and accept that each and every one must take ownership for their development and growth as employees and individuals.

### **3.3.Promotion**

#### **3.3.1. Scope**

The scope of this procedure is to ensure that a fair process is followed with promotions. This procedure applies to all staff who are directly responsible for the promotion of personnel. This includes two types of promotions: a gap is created via an employee leaving requiring someone to step into the position or a new position is created as a result of growth or any other mean, resulting in a position available for someone to be promoted into it.

#### **3.3.2. Policy**

The promotion policy, as applied by Lasec, is based on the following principles:

- Whenever possible, vacancies shall be filled by the most effective people from within Lasec, subject to the right of management to recruit from outside if there are no suitable internal candidates.
- The advancement and promotion of staff is encouraged in preference to external recruitment. However, a balance is sought by external recruiting to gain new skills, knowledge, competencies and experience from time to time.
- Promotion is not affected by race, creed, sex or marital status.
- Promotion is not a right but is dependent upon availability of a vacant position, work performance, qualifications, experience, training and suitability.
- Vacancies will be advertised, subject to the discretion of the Manager.
- Internal advertising can be dispensed with where management considers that because of unusual/ special requirements there is no suitable candidate.



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### 4. ENTITLEMENTS

#### 4.1. Leave

##### 4.1.1. Scope

The objective of this document is to outline the policy regarding the granting and taking of leave.

##### 4.1.2. Policy

Lasec is bound by the regulations of the Basic Conditions of Employment Act (1997), regarding the number of days of leave that have to be granted to employees and in what manner this leave must be taken. Lasec provides leave of absence to cover a variety of personal circumstances. Leave of Absence is not automatic - it must be requested and approved.

There are six (6) categories of Leave:

- Annual
- Family Responsibility
- Maternity
- Sick
- Study
- Unpaid

**Paid Annual Leave:** Paid annual leave will be determined by an employee's employment contract (with the legal minimum being 15 days per annum). The annual leave shall be reduced by the number of days of occasional leave on full remuneration granted to the employee at the employee's request. Any request for annual leave will be submitted to the employer in writing and in turn be agreed upon or refused in writing. The leave shall be granted and be taken at a time to be fixed by the employer, with consideration of the operational requirements of the business, so as to commence within 6 (six) months after the completion of the 12 (twelve) months of employment to which it relates.

The employee is obliged to take all or part of his/her leave during any period of closure of business. Upon termination of employment, the employee will be entitled to be paid out in respect of any accrued leave not yet taken prior to the termination of employment. Employees are prohibited from entering into negative leave balances, but should this occur and they leave the company, the company reserves the right to (with the employee's permission) to deduct money from the employee's last paycheck up to 25%. Staff are not permitted to exceed 30 days of accumulated annual leave, as this creates a financial risk and thus staff are urged to ensure they keep their balance below this total.

**Family Responsibility Leave:** The Business may grant an employee, during each annual leave cycle, at the request of the employee, 3 (three) days paid leave. The employee should provide the employer with written proof of the reason for the requested leave. This is non-accumulating and is only given after four months of work. It includes a sick child, birth of a child and death of a parent, adopted parent, sibling, partner, child, spouse, grandchild, grandparents or adopted child. It does not include death of cousins, friends, girlfriend, boyfriend, in-laws, uncle or aunt.

**Maternity Leave:** Female employees are entitled to at least four (4) months unpaid maternity leave. Any maternity leave in excess of this amount will be at the discretion of the Directors. Should the employee be in



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possession of a Company cell phone, laptop and fuel card the following applies: The laptop and fuel card must be returned to the Company for the duration of the maternity leave period. This is to comply with the applicable national legislation. The cell phone may remain with the employee without change to the Company's applicable terms and conditions. The employee's group life cover will continue to be covered by the Company. All other conditions, which pertain to maternity leave, are contained in the Unemployment Insurance Act, 30 of 1966.

**Sick Leave:** During each sick leave cycle of 36 (thirty-six) months' employment with the employer, the employee shall be entitled to an amount of paid sick leave equal to the number of days the employee would normally work during a period of six weeks. This sick leave is calculated as follows: 30 (thirty) days in the case of a 5 (five) day workweek and 36 (thirty-six) days in case of a longer workweek.

During the first 6 (six) months of employment, the employee shall be entitled to 1 (one) day's paid sick leave for every 26 (twenty-six) days worked. There after the balance of thirty days will be available to the employee minus any leave taken during those first 6 months.

The employer may reduce the employee's sick pay and increase the number of days of sick leave proportionately in terms of the Act. The amount of sick leave can be increased in proportion to the percentage of reduction in salary.

Should the employee be absent for more than 2 (two) consecutive days or on more than 2 (two) occasions during an 8 (eight) week period or any day which precedes or follows a weekend, public holiday, off period or a day free of service, he/she shall not be entitled to sick leave unless he/she produces a medical certificate, signed by a registered medical practitioner, stating that he/she was unable to work for the duration of his/her absence on account of illness or injury. The employer retains the right to expect the employee to subject himself/herself to an examination to obtain a second medical opinion regarding his/her alleged illness/injury. Only medical certificates based on personal examination will be accepted.

The Business reserves the right to investigate circumstances where an employee habitually goes off sick, and to take the necessary disciplinary action if deemed appropriate. Payment for sick leave will be made on your usual pay day.

**Study Leave:** Lasec will adhere to a "case-by-case" approach to determining if study leave will be authorized. Study leave can be granted if the examinations are relevant to the employee's current line of work. Proof of the examination timetable will need to be submitted to the relevant supervisor and HR department. Employees can use a maximum of two (2) days per exam and a total of six (6) study days per calendar year. However should an employee only begin with the company after July 1<sup>st</sup>, he/she will only be entitled to three (3) study leave days that year. Study leave will not be granted for re-examinations. In special situations some employees may be studying towards a qualification that does not have examinations built in as part of the course, but rather require a thesis or research project to be completed. In this case, study leave can also be given, subject to the discretion of the HR department.

**Unpaid Leave:** This is not an entitlement and shall only be given in special circumstances. It is solely at management's discretion that unpaid leave be granted. This will only be considered if the employee has exhausted all annual leave.

#### 4.1.3. Departmental Associated Leave Benefits

Should an employee be employed within the certain departments, he/she will receive associated benefits:

Department	Benefit	Explanation
Procurement, Finance, Human Resources, Marketing, Education, Operations, Lasec Export, NSU, Brand Coordinators, , Lasec SA Sales & Lasec Diagnostics Sales	50% of CTC Paid Maternity Leave	For those employed with an unbroken service for at least 2 years. Paid on pay day. Contributions will be deducted from this amount.
	Long service	5 years of unbroken service will be entitled to 20 days of annual leave
LSA Warehouse	13 <sup>th</sup> Cheque	Not an entitlement, paid in December
	50% of CTC Paid Maternity Leave	For those employed with an unbroken service for at least 2 years. Paid on pay day. Contributions will be deducted from this amount.
	Long service	5 years of unbroken service will be entitled to 20 days of annual leave
Manufacturing, DBS Kit Packing (Lasec Diagnostics)	13 <sup>th</sup> Cheque	Not an entitlement, paid in December
	Attendance Bonus	R1 for every day arrived on time
	Unpaid Maternity Leave	4 months

#### 4.2. Unemployment Insurance Fund

##### 4.2.1. Scope

Membership of the Unemployment Fund (UIF) is compulsory for all employees.

##### 4.2.2. Policy

Lasec and the employee contribute an equal amount to the UIF monthly.

The income from the fund is used for:

- Unemployment Benefits
- Illness Benefits
- Maternity Benefits
- Benefits to dependants of deceased members

Lasec will ensure that all employees who qualify for membership of the UIF are registered as such and will furthermore ensure that all contributions are deducted on a regular basis.

Any employee who takes Maternity Leave and who has been a contributor to the UIF, will be made aware of the fact that she will qualify for benefits from the fund. Where possible, assistance will be given to register for such benefits.

### 4.3. Compensation for Occupational Injuries

#### 4.3.1. Scope

The objective of this document is to outline the policy regarding the Compensation for Occupational Injuries Fund.

#### 4.3.2. General

As far as practical, Lasec is committed to providing a working environment that does not endanger the health or safety of employees. Lasec policy takes into account this commitment and the provisions of the Occupational Health and Safety Act No 85 of 1993 (OHS Act) and its amendments.

Lasec is required by law to contribute to the Compensation for Occupational Injuries Fund on the behalf of all employees. Contributions to the Fund based on earnings as defined by the fund, are paid in full by Lasec. The Compensation for Occupational Injuries fund provides for the payment of benefits to any qualifying employee who is injured or contracts an occupational disease in the course of their duties. Compensation is paid in respect of temporary or permanent disablement or death.

Please note: Employees that are on their way to and from work, are not covered by the Compensation for Occupational Injuries Fund.

### 4.4. Health and Safety

#### 4.4.1. Scope

Lasec will be bound by the regulations of the Occupational Health and Safety Act of 1993.

#### 4.4.2. Policy

Lasec will provide and maintain a working environment that is, as far as practicable, safe and without risks to health, and will provide to employees such information, instruction, training and supervision as is necessary to ensure their safety and health. Instructions and role standards will ensure that there is a process for identifying hazards to the health and safety of Lasec, employees that these hazards are reported to management, and that corrective action is taken.

Where Lasec has 20 or more employees one representative per 100 employees (or part thereof) will be appointed and designated as the health and safety representative, in writing, for a specified period. Functions, rights and duties will be provided to health and safety representatives in writing and appropriate training will be provided. Employees are encouraged to participate in healthy physical activities and Lasec supports sports activities where possible.

#### 4.4.3. General Duties of Employees at Work

As an employee at work you shall:

- Take reasonable care for health and safety of yourself and others who may be affected by your acts/omissions.
- Co-operate with the employer and other persons to enable them to perform their duties.
- Report unsafe or unhealthy situations.
- Report injury to yourself or others health endangerment not later than the end of your shift to your supervisor or a Health and Safety representative.

No person / employee shall:

- Intentionally or recklessly interfere with, damage or misuse anything which is provided in the interest of health or safety.



- Tamper or misuse any safety equipment installed or provided to any person by an employer or user of machinery / plant.
- Fail to use any safety equipment at a workplace or in the course of his employment or in connection with the use of plant or machinery, which was provided by him by the employer or user.
- Wilfully or recklessly do anything at which threatens the health, or safety of any person (e.g. Tampering / sabotage).

#### **4.5. Long Service Recognition**

##### **4.5.1. Scope**

This policy applies to all employees of the company. Those with an unbroken service record will only have their current tenure considered.

##### **4.5.2. Aim**

The purpose of this policy is to recognise those employees who have shown loyalty and commitment to the company. It also seeks to identify and define the different categories of long service awards.

##### **4.5.3. Policy**

Employees who have completed 20, 25 or 30 years will be eligible for long service award. This will take the form of a company announcement sent out by the HR department and a certificate signed by a Board of Director member detailing the respective length of service.



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### 5. EMPLOYEE BENEFITS

#### 5.1. Medical Aid

##### 5.1.1. Scope

This includes all employees permanently employed by the Lasec Group.

##### 5.1.2. Policy

The medical aid scheme is compulsory unless you are on your parent, partner or spouse's medical aid or earn below the Company determined threshold. Proof of membership must be supplied. However, should you not fall into either of these categories, it is mandatory that you join the company's medical aid scheme. The company uses Discovery Health medical aid schemes. Lasec will not subsidize employees who wish to join Discovery Vitality; this is to be done at the employees' own expense. The company contributes a fixed medical aid allowance which forms a part of the employee's cost to company (CTC). However should the employee earn under the set threshold by HR then they will not receive the allowance, but rather the company will pay 50% of their medical aid scheme subject to the capped amount.

Employees have the option of adding their children, spouse, fiancé or life partner onto their medical aid. However this is at company discretion and the company reserves the right to request supporting documentation (eg: certificates, agreements etc) in order to prove any of the above relationships before adding them onto the medical aid.

#### 5.2. Provident Fund

##### 5.2.1. Scope

This includes all employees permanently employed by the Lasec Group.

##### 5.2.2. Policy

The provident fund and group life is compulsory. The company will contribute 5% of the basic salary component of the Cost to Company package to the provident fund. The administration cost, group life insurance and the company contribution to the provident fund forms part of the Cost to Company package. Employees will choose between contributing 5%, 7.5% or 10% to the provident fund. The money is available to employees when they leave the employment of Lasec.

#### 5.3. Educational Assistance Scheme

##### 5.3.1. Scope

All employees permanently employed by the Lasec Group are welcome to apply to the scheme.

##### 5.3.2. Policy

The Educational Assistance Scheme is put in place to not only encourage employees to further their education, but to assist those who cannot afford the related financial burden. Once an employee applies, his/her application will be assessed on the following criteria:

- Be of direct application to the employee's present duties and responsibilities;
- Be of use in the proposed new duties and responsibilities of the employee's job;
- Assist in the development of the employee towards positions as part of his/her career plan within the company;



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- Raise the employee's standard of education where their highest standard achieved to date is below Grade 12.
- Employment duration in that the employee would need to have been employed for at least one year before becoming eligible
- The employee's disciplinary history will be taken into account before approving any education assistance, particularly financial assistance.

Each application will be dealt with on a case-by-case basis by the HR department to determine its eligibility into the scheme. This policy is not designed to cover short courses or seminars of a job specific value, which are regarded as training. But courses that are at least one year in length. The finances for the funding will be approved annually in the company's budget and discretion around the costs involved will be used on each application.

Once approved by the HR Manager, the employee and their manager will be advised that the application has been approved. The employee will complete the Lasec Study Assistance Agreement and only thereafter will the Company make payment to this institution for registration, textbooks and examination fees.

Should the employee be unsuccessful in his/her examinations, then such employee will be indebted to the company to the amount of the difference between the total financial amount received less the fees of subjects successfully completed. The employee will have the option of repaying this in a lump sum payment immediately on the results being made available or may repay the outstanding amount over a maximum period of 6 (six) months. Should the employee leave the employ of the company at any time during a particular study course, the full amount of the education assistance will become repayable to the company.

All fees for successfully completed courses will be amortized over a period of 12 (twelve) months commencing from the date of completion of the course. Should any employee leave during that 12 (twelve) month period, the balance outstanding will immediately become due and payable to the Company.

## 6. PRINCIPLES

### 6.1. Company Purpose and Values

The purpose of the company is as follows:

“We passionately improve quality of life by providing winning Science, Health, Education and Technology solutions”.

We have five core values at Lasec which undergird all that the company does on a day-to-day basis:

- Passion : The love and drive we have for the work we do
- Integrity : Our actions are consistent with what we believe is right
- Excellence : We pursue continuous improvement in everything we do
- Optimism : There is good in every situation and we never give up
- Entrepreneurship : We are empowered to identify, create and action innovative opportunities we believe in

### 6.2. Ethics

#### 6.2.1. Scope

The policy sets the standard of conduct expected of all employees and is aimed at promoting a culture of honesty.

While all employee’s personal values, beliefs and cultures are respected, it also holds true that Lasec values of honesty, reliability and absolute integrity – delivering true value through open and honest relationships, should be respected and reflected in the actions of all employees.

#### 6.2.2. Internal Relationships

Confidence and trust go to the root of the relationship between Lasec and its employees. Accordingly Lasec expects all employees to conduct themselves honestly and in good faith at all times in relation to any matter in which Lasec may have an interest. In turn Lasec represented by its managers and supervisory staff is committed to dealing honestly and openly with employees.

Employees, including managers and supervisory staff at all levels, are expected to act in the best interest of Lasec and to be loyal at all times. This includes conducting themselves in a manner, which will not damage or compromise Lasec’s reputation in any manner. Every employee has the responsibility to treat customers, suppliers and other fellow employees with utmost respect, sensitivity and courtesy and to always seek constructive solutions to problems or differences of opinion. Employees are expected to always act fairly, honestly and with absolute integrity and treat others with respect, dignity, and compassion.

Lasec is committed to non-discriminatory employment practices and the provision of equal opportunities for employment development and advancement of suitably qualified individuals. In accordance with their duty to further the aims and objectives and to act in its best interest, employees must refrain from placing themselves in a position that may produce a conflict between their interests and those of Lasec. Employees have a duty, both during their period of employment and subsequent thereto, not to disclose confidential information and to make use of or disclose any of the trade secrets

including but not limited to technical know-how, data, systems, methods, software, processes, customers lists, business affairs, suppliers lists, marketing information or financial information. Employees may also not disclose confidential information or trade secrets of other persons disclosed to Lasec under conditions of confidentiality.

It is acknowledged that family ties in employee relationships can create problems in the working environment. When this occurs, each case should be dealt with at the discretion of management. However the following principles should be noted:

- Management should attempt to place employees in different areas of responsibility or proximity.
- The situation should be monitored to ensure that relationships do not adversely affect the working environment for other employees. If this occurs, it should be dealt with by counselling and consultation.
- Employees may be dismissed only if their behaviour causes disruption or adversely affects operational requirements.
- Internal appointments may not be affected where a conflict of interest arises in situations where close personal or family relationships exist with a person employed by an opposition to Lasec. Ongoing employment will also be reviewed where an existing employee forms new personal/family relationships with a person employed by an opposition to Lasec.
- Lasec is committed to providing a reliable service, maintaining loyalty to customers and to work with them openly, honestly, sincerely and to always stand by commitments made.

#### **6.2.3. Building a Culture of Integrity**

Demonstrating a culture of genuine integrity means that the Lasec and its employees should all strive to live up to Lasec values and to ensure that these are clear to all with whom Lasec has relationships. Whilst management recognises that people will make mistakes, it remains determined to conduct itself with honesty, integrity and decency to the customers, suppliers and fellow employees.

#### **6.2.4. Gifts**

This policy seeks to provide a broad framework for procurement and other staff who may come into contact with an external party who may seek to incentivise, bribe or entice employees into offering their organisation preferential business. Lasec is committed to integrity and honesty and consequently is committed to anti-corruption and anti-bribery measures. The company is aware that accepting gifts could jeopardize our independence, or the perception of it, since it would raise questions in clients' minds that our decisions were not based on facts.

Employees may not in any way offer, give, solicit or receive bribes, kickbacks or other illegal or improper payments, transfers or receipts. No employee shall offer, give, solicit or receive any money or anything else of value directly or indirectly, for the purpose of obtaining, retaining or directing business or bestowing or receiving any kind of favoured treatment or special concession.

Should employees receive promotional material of nominal value such as, but not limited to, pens, letters, hats, calendars, diaries, mugs, key chains and bags, they are not required to inform their direct supervisor. However should they receive an item that is perceived to be valued above R100, he/she is to disclose this gift to his/her direct supervisor. Depending on the nature of this item, it is encouraged that the receiver shares this with the rest of his/her team.

Employees are not authorised in any circumstances to accept cash or gift vouchers from external parties. Business meeting meals are exempt from the above.

Should the company, for example, be approached to provide a financial contribution to a client's end of year function, the employee dealing with the matter should politely decline and could instead offer the client a discount on their next purchase with Lasec.

Lasec is committed to recognise and discharge its responsibilities to uphold all laws and regulations governing the industry and the code of ethics. Lasec shall consistently apply the provisions of this policy. In the event that a violation of this policy takes place, management shall be entitled to deal with the matter in terms of the Disciplinary Code and Procedures. A breach of this policy shall constitute a breach of the employment contract.

### **6.3.Children in the Workplace**

#### **6.3.1. Scope**

This policy affects all employees who either bring or have children visit them at the office during work hours.

#### **6.3.2. Aim**

The purpose of this policy is to twofold: Firstly, to protect children from the dangers of a workshop, office and warehouse environment. Secondly it is to ensure that employees are not distracted from their work unnecessarily due to the presence of a child.

#### **6.3.3. Policy**

At all times children present on site remains the sole responsibility of the employee who has requested access for that child. Lasec cannot be and is not responsible for the safety of children brought on site. In such circumstances, Lasec will hold the employee responsible for the child, liable for any damage or injury caused by that child while on site. The following principles should be observed:

- The responsible employee should, ahead of time, explain any safety or courtesy rules applicable to the areas in which the child will be present, and ensure that all rules are observed.
- The responsible employee will accompany and supervise the child at all times.
- The responsible employee will not ask any other employee to supervise that child.
- Children are not permitted to use any company equipment including computer equipment.
- Children must not be left alone in parked vehicles or in parking lots.

Children are expressly prohibited from entering the following areas:

- Workshops
- Any areas where tools or machinery are located or used – even when not in use.
- Any areas where chemicals, cleaning fluids or other substances are stored.

### **6.4.Life Threatening Diseases (HIV/AIDS)**

#### **6.4.1. Aim**

The aim of the Health and safety policy is to provide guidance to the establishment and maintenance of a healthy and safe workplace environment. Lasec accepts that the responsibility for implementing and controlling matters of health and safety is primarily that of the Managers, who shall consider the promotion of health and safety to be an essential part of good management. However, employees





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also have a duty to take responsible care for the health and safety of themselves and their colleagues. Lasec policy shall be regarded as the minimum standard.

### 6.4.2. Legislation

Lasec is bound by the regulations of the Occupational Health and Safety Act with regard to:

- Identify and take all reasonable and practical measures to eliminate any risks or hazards that might compromise the health and safety of the employees.
- Provide and maintain a safe and healthy working environment with adequate welfare facilities.
- Provide for and ensure the safe handling, storage, transportation, usage and disposal of substances which are inherently or potentially hazardous.
- Provide safe systems of work, safe plant and equipment for all employees and such information, training and supervision as they may need for this purpose.
- Provide and maintain a safe and risk free place of work.
- Identify and appraise the exposures to risk
- Communicate and motivate the effectiveness of the Health and Safety systems.

### 6.4.3. Safe Environment

Lasec shall take due and proper regard to any risks to health and safety or welfare to which the employees may be exposed. Lasec shall seek to create a work environment and employment systems that would enable employees to feel safe and secure as far as reasonably practical.

Lasec shall ensure that:

- Employees are afforded as much protection as possible from violence from colleagues or members of the public.
- The use of alcohol, drugs and intoxicating substances do not impair the safe and efficient running of a Site or workplace.
- All employees are totally conversant with and aware of the risk factors pertaining to his/her duties. The provision of a service to the customer, productivity or quality of service is all subordinate to the health and safety of employees.

### 6.4.4. Health and Safety Processes

Health and Safety representatives shall be designated by Lasec from amongst its employees, where necessary. In those instances where Health and Safety committees are in operation Lasec would appoint employees who shall consult regularly with these committees in order to initiate, develop, promote, maintain and review safety and health measures for all employees.

Lasec shall appoint a Manager to report on health and safety matters within a specific area. It is the responsibility of that Manager to appraise the health and safety situation, the equipment used and ensure that appropriate training is conducted.

Lasec agrees that Safety Risk Management is not only concerned with the health and safety of employees, but also with the safety of assets, equipment and property.

The formulation and implementation of the health and safety processes is the result and cooperation between the Managers, employees and the customer. It is the responsibility of all parties in the said partnership concerned to inter-communicate regularly regarding health, safety and security.

Lasec shall establish, in consultation with customers where necessary, what dangers exist to the health and safety of employees in the performance of their duties, and shall take the necessary precautionary measures to eliminate or mitigate hazards or potential hazards.

Site Instructions and job descriptions shall ensure that there are processes in place for identifying hazards to the health and safety of the employees. These hazards shall be reported to the manager and corrective action shall be taken in consultation with the customer

All employees shall be informed of possible dangers to their health and safety as well as precautionary measures which were taken.

Each employee is responsible not only for his/her own health and safety but also for the health and safety of all other employees. The employee's contribution could assist to minimise health and safety risks in the workplace.

All employees and safety representatives shall receive the necessary information, training and instruction to ensure their health and safety.

The following arrangements shall be made in each operational area:

- All managers shall be responsible to report on health and safety matters within their area of responsibilities.
- A competent person appropriately qualified and able to develop Lasec's own Health and Safety policies and procedures shall be appointed.
- Where Lasec has twenty (20) or more employees on one (1) Site, one (1) representative for every hundred (100) or part thereof shall be appointed, designated and trained as the Health and Safety representative for a specific period.
- A Lasec statement of intent shall be prepared and displayed where possible.
- Manager/employee training regarding health and safety shall be undertaken.
- Risk assessment processes shall be developed.
- A process for checking the compliance with legislation, policies and procedures on all sites shall be put in place.
- Accident reporting and analysis shall be undertaken.

#### **6.4.5. Responsibilities of the Various Role Players**

All Managers are expected to:

- Understand the legal requirements relevant to their health and safety areas of responsibility.
- Ensure that their employees implement Lasec's Health and Safety policies and procedures,
- Consider the health and safety implications of any changes to equipment, working practices and procedures and to continuously seek to improve standards.

All employees are expected to:

- Become familiar with and observe Health and Safety procedures.
- Follow instructions and take care of their own health and safety and that of their colleagues.
- Inform any visitor or contractor of emergency procedures and relevant hazards.

#### **6.4.6. Medical Overview**

Medical experts on AIDS virus-related conditions state that there is no known risk of AIDS transmission between an affected employee and other employees through either casual or close contact that occurs during normal work activities.

Medical findings indicate that an employee who has a positive antibody test shall not necessarily develop an AIDS virus-related condition. The presence of the AIDS antibody is unfortunately, a sign of infection, not immunity. As is true for any employee with a life-threatening illness, a person diagnosed with an AIDS virus-related condition deserves and requires compassion and understanding. While that person is attempting to cope with his/her own vulnerability and fears, the support and understanding of friends and colleagues can be particularly valuable.

Some employees have fears about contracting AIDS based on misinformation or lack of knowledge about how AIDS is spread. Education providing accurate medical information can best alleviate fears of contracting an AIDS condition.

#### **6.4.7. Infected Employees**

Infected employees shall be treated empathetically and in exactly the same way as other terminally ill employees or any other employees who have serious injury or health problems. If a situation arises where an employee is found to be HIV (human immunodeficiency virus) positive and where his/her performance is affected, it is the Manager's duty to ensure that they are not simply dismissed. That would be an unfair labour practice.

Managers have a duty to ensure that productivity and morale is not disrupted, and shall take one of the following alternatives into consideration when it becomes clear that the employee is no longer able to carry out their present function or where it would be insensitive to colleagues or customers to leave the employee in his/her present position:

- Place the person in an alternative position if he/she is able to perform the function
- Adjust the salary and benefits in accordance with an alternative function offered to the employee.
- Consider adjusting the work schedule (hours) or place of work, to provide for more convenient circumstances for the employee
- Consider alternative positions - bearing in mind sound business practice
- Where alternative positions are not available, dismissal for incapacity may be considered.

All of the above processes shall be conducted in a fair manner with consultation and if possible with agreement.

If an infected employee is working in the kitchen or any department where there is a danger of being cut and blood subsequently contaminating food, then transfer of that employee to another position shall be affected. This shall be done in consultation with the Board of Directors.

#### **6.4.8. Other Employees**

Shall there be negative reactions from colleagues regarding the infected employee each situation shall be assessed and dealt with appropriately as it arises. It may also be necessary to arrange for an informed professional to educate the employees. It is necessary to be sensitive and responsive to colleagues concerns.

However, where there is no risk to other employees, and employees remain unwilling to work with a HIV positive colleague, after reassurance and with all appropriate safety and health precautions having been taken by Lasec, the unwilling employee shall be warned that such behaviour is unreasonable and scientifically unjustified and that his/her own employment situation may be placed in jeopardy.

If an infected employee is being victimised or harassed at work, making working life intolerable or impossible, Lasec has a duty to support the employee in order that he/she may work without disruption or harassment from fellow employees.

#### **6.4.9. Recruitment Pre-testing**

Lasec does not require applicants for employment to be tested for life threatening diseases or HIV. The criterion to use is “suitability to fulfil the job requirements”.

#### **6.4.10. HIV Testing of Employees**

Testing shall only be undertaken on a voluntary basis when requested by the employee and shall be for the employee’s own cost. However, in the event of prolonged or repeated sick leave, Lasec (at its cost) may request a medical examination by a medical practitioner of its choice as is the case with any other chronic or serious illness. The results of such an examination could be divulged to Lasec but shall be handled on a confidential basis.

#### **6.4.11. AIDS Information**

The National AIDS Information Service number is 0800 112322

#### **6.4.12. When Results Are Positive**

Employees receiving HIV positive results are not under any obligation to inform Lasec. However, HIV positive employees who work in the kitchens or similar positions or whose work performance is affected are urged to inform either the manager or the Managing Director, so that the situation could be dealt with and the employee assisted. When the employee discloses test results to Lasec, and where counselling has not taken place, this shall be arranged and medical aid assistance shall be explained where applicable counselling may also be required for the employee’s family.

The test results shall be kept strictly confidential. Only managers who need to know shall be informed confidentially. Disclosure or a breach of confidence could be regarded as an unfair labour practice or a violation of the employee’s rights.

#### **6.4.13. First Aid**

Every First Aid Box shall contain disposable gloves for use by the “first aider” when dealing with cuts and abrasions so that they cannot be infected. Employees providing assistance shall wash their hands thoroughly with disinfectant, soap and water afterwards and destroy the gloves.

#### **6.4.14. Medical Treatment and Living with AIDS**

Employees shall be advised and counselled on living with AIDS and ARV treatment provided by state medical facilities.

#### **6.4.15. Provident Fund**

At present, the Provident Fund treats AIDS in the same way as any other terminal illness or another ill-health retirement.

#### **6.4.16. Manager’s Responsibilities**

The physical and emotional health and well-being of all employees shall be protected, and reasonable accommodation for the medically impaired employee with an AIDS virus-related condition shall be provided, as long as the employee is able to meet acceptable performance standards.

To ensure these objectives are met, the following guidelines are to be followed:

- Any employee diagnosed with an AIDS condition is entitled, as is any other employee, to confidentiality of their medical condition and medical records.

- If it is deemed medically necessary, based upon current physical impairment, Lasec and the employee's Manager shall work to bring about any reasonable job modification or job transfer of the employee with a diagnosed condition of AIDS where possible.

## **6.5. Firearms**

### **6.5.1. Scope**

This affects all employees.

### **6.5.2. Policy**

The use of or carrying of firearms by employees of Lasec whilst on duty is not allowed. Any employee caught with a private firearm on him/her whilst on duty, will be charged in a formal disciplinary enquiry. Any exceptions to this rule will need to be done in writing, signed by both parties and be approved by HR.

## **6.6. Sexual Harassment**

### **6.6.1. Scope**

Sexual harassment is any unwanted behaviour of a sexual nature. This can cause offence, violates the right of the individual to privacy and dignity, and creates an intimidating, degrading or unpleasant environment. It could be once off or it could be a frequent occurrence. It could be verbal, non-verbal or physical. This policy involves all employees of Lasec.

### **6.6.2. Policy**

This behaviour is not tolerated in the workplace and management is responsible for ensuring that it does not occur and if it does, appropriate steps are taken in terms of the companies Disciplinary Codes and Procedures. If an employee is being sexually harassed by another employee, a more senior employee or a member of Management, the policy stipulates that they must contact the next level of Management and lay a grievance.

The complaint will be dealt with in a sensitive manner and the emphasis will be placed on protecting the rights of all the employees involved through handling the matter in a discrete and confidential manner.

The appropriate authorities will initiate an investigation into the matter and if required will proceed with disciplinary action against the individuals concerned.

Lasec views this offence in a very serious light and a guilty finding will lead to the strictest disciplinary measures being taken against the individual/s concerned. Employees are urged to behave in a dignified and professional manner at all times taking into account the dignity and privacy of their fellow employees.

If an employee of Lasec is harassed by a non-employee this is to be reported to the appropriate manager who will initiate the necessary action. Disciplinary action cannot be undertaken in this regard, however other remedies and recourse of the law are available to the employee.

Examples of sexual harassment are as follows:

- Physical: ranging from touching to sexual assault and rape, and includes a strip search by or in the presence of the opposite sex.
- Verbal: includes unwarranted innuendoes, suggestions and hints, sexual advances, comments with sexual overtones, sex-related jokes or insults or unwelcome graphic comments about a person's

body made in their presence or directed toward them, unwelcome and inappropriate enquiries about a person's sex life, and unwelcome whistling directed at a person or group of persons.

- Non-verbal: includes unwelcome gestures, indecent exposure, and the unwelcome display of sexually explicit pictures and objects.
- Other harassment can occur when an owner, employer, supervisor, member of management or co-employee undertakes or attempts to influence the process of employment, promotion, training, discipline, dismissal, salary increment or other benefit of an employee or job applicant, in exchange for sexual favours.

Please Note: Sexual Harassment is not, mutual attraction between people, nor is it behaviour or occasional compliments that are acceptable to the recipient.

## **6.7.Smoking**

### **6.7.1. Scope**

The aim of this policy is to conform to the Tobacco Product Control Amendment Act 1998, and protect the rights of both smokers and non-smokers.

### **6.7.2. Policy**

There are certain restrictions on advertising tobacco products and actually smoking. The limitations on smoking in the workplace come about as a result of the following:-

The definition of public place has been altered to include the workplace. Public place means any indoor or enclosed area which is open to the public or any part of the public and includes a workplace and a public conveyance. In other words, it is only that portion of the workplace which is open to the public or any part of the public which is a public place. This does not mean that the entire workplace is a public place therefore:-

The definition of workplace is:-

Any indoor or enclosed area in which employees perform the duties of their employment;

Includes any corridor, lobby, stairwell, elevator, cafeteria, wash room or other common area frequented by such employees during the course of their employment; but

Excludes any private dwelling and any portion of an area mentioned in paragraph (a) specifically designated by the employer as a smoking area and which complies with the prescribed requirements.

### **6.7.3. Rights of Smokers in the Workplace**

Smoking may only take place within designated smoking areas which comply with the prescribed requirements. Smoking will certainly be regarded as misconduct where it is carried out in a non-designated smoking area and in blatant disregard of Lasec smoking policy.

## **6.8.Alcohol and Substance Abuse**

### **6.8.1. Scope**

This policy affects all employees employed by the company.

### **6.8.2. Aim**

The purpose of this policy is to regulate, enforce and address substance and alcohol abuse in the workplace.



### 6.8.3. Policy

Lasec adopts a zero tolerance approach to alcohol and substance abuse. Employees may not report for work under the influence of either alcohol or any intoxicated or illegal substance. Employees will not be allowed to enter the workplace should it be found that the employee appears to be under the influence. Note will be taken of the employees appearance: his/her bloodshot eyes, slurred speech, attitude (aggressive or abusive) and the employee will be required to walk in a straight line with his/her arms held out horizontally.

Employees are not authorised under any circumstances to have any illegal substances or unauthorised drug paraphernalia in their possession at work and disobedience to this will result in disciplinary action. Employees are subject to random drug screening/ breathalyzer tests should they be required.

At staff functions where alcohol is allowed, employees are only allowed to consume alcohol in moderation in designated areas (which will be clarified at the time by management). The company will not tolerate excessive use and employees are specifically warned that any misbehaviour will be addressed immediately.

## 6.9. Religious Observations

### 6.9.1. Scope

The Company affirms freedom of conscience, religion, thought, belief and opinion in South Africa as stated in our Constitution's Bill of Rights. We also acknowledge the Employment Equity Act and its provisions surrounding unfair religious discrimination in the workplace.

### 6.9.2 Policy

We do not provide Religious Leave in addition to Annual Leave, and thus if staff want to take leave for Religious purposes, they may do so by following the regular Annual leave procedure.

There may be cases where a staff member chooses to observe certain religious requirements that might impact on either their work hours, work environment, dress code or something similar. The company reserves the right when assessing the employee's submission to request credible proof via an affidavit by a minister, rabbi, priest or religious representative of that religion explaining the reasoning for its centrality to that belief system. This submission will then be taken into account on a case-by-case basis ensuring that not only reasonable accommodation of the employee is made, but also the Company's operational and economic requirements.


## 6.10. Human Trafficking Policy

### 6.10.1. Purpose

The aim of this policy is to highlight Lasec's attitude of zero tolerance towards any acts of human trafficking, prostitution and slave labour in any form. This may include abduction, servitude, forced or compulsory labour of adults or children all of which have a common theme of exploitation and deprivation of human dignity. Any trade of human beings for the purposes of sexual slavery or commercial sexual exploitation is strongly condemned. We believe that human rights are fundamental and need to be respected. We are committed to transparency, integrity and a high ethical standard

### 6.10.2. Scope

This begins with our own group of companies, and expands outwards to parties we engage with such as suppliers, sub-contractors, consultants, vendors and partners.

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### 6.10.3. Policy

The values of the Lasec group undergird all our business practices and we thus stand in vehement disagreement with any person/entity that chooses to engage in any form of human trafficking, prostitution or modern slavery. We are committed to opposing such things in any manner we are able to and expect that those we do business with to adopt the same approach of zero-tolerance.

Senior Management has the responsibility to ensure that this policy is implemented throughout the company, its branches and its objectives are maintained throughout our supply chain. Although we cannot control how third parties choose to run their businesses in this regard, we do have control over who we choose to have a business relationship with.

Lasec does not engage in evaluating our suppliers' compliance with human trafficking, prostitution or slave labour laws. However should any claim or suspicion of such behaviour come to light, we will use the tools available to us to investigate the matter. Such a claim or indication would be reporting directly to our Board of Directors. Lasec will not continue to purchase goods or services from any supplier that is found to be engaging in human trafficking or using slave labour.

Should staff observe or come into contact with anything that may suggest any of the above, he/she has the Whistleblowing Procedure and Policy to support them. This Policy protects whistleblowers under two pillars: confidentiality and retaliation. The nature of the information received will direct the company's next course of action.



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## 7. WORKPLACE PRACTICES

### 7.1. Electronic Communication Systems and Security

#### 7.1.1. Introduction and purpose

Electronic information systems have become an integral part of Lasec operation. The integrity of these systems is vital for the quality of work produced, the access to accurate and timely information, for operations as diverse as sales, as well as the credit control function. The operation of Lasec is therefore dependent upon these systems, and the information maintained electronically forms part of Lasec assets. Therefore, every reasonable step needs to be taken to minimize the risks of sabotage, critical information loss to competitors or for other purposes of industrial espionage.

This policy applies to all employees, contractors and any other authorized users of Lasec information systems – referred to collectively in this policy as “users”.

#### 7.1.2. Policy

This policy applies to all Lasec information, and includes all electronically generated and stored information including all handwritten, typed, printed, faxed, or scanned information.

Lasec electronic systems and infrastructure are for Lasec use only, and are not for private use. Lasec cannot protect the confidentiality of any private information stored on Lasec infrastructure and what will be regarded as a contravention of this policy. User access is given for the purposes of the user performing a defined role, and no attempt should be made by the user to gain any additional access to the information systems. Any alleged contraventions of this policy will be investigated by management, and all users are required to report any contravention of the policy which comes to their attention. Management has a responsibility to continually monitor all systems and usage to ensure compliance with this policy. Appropriate disciplinary action will be taken against any user found to have contravened the system, and this may lead to dismissal, or termination of a contractor contract.

#### 7.1.3. Passwords

All users will be issued with an individual temporary password, which will provide the access to the systems, appropriate to the user's role. This must be changed upon first log in to a unique password. The password should be kept secret and not given to any other user. Any contravention of policy while using the password will be deemed to be a contravention by that user. Users should ensure that they log out when moving away from their desk for any purpose. Passwords must be changed at appropriate intervals to limit the risk of a login being jeopardised.

#### 7.1.4. Security of hardware and software

No user may remove any hardware or software from the premises without written authorization specific for each item. This includes but is not limited to transferring company data to any cloud storage account such as Drop Box. No user may bring any hardware or software for use on Lasec systems, without the specific written permission of an Exco member.

Management is responsible for the installation and maintenance of any virus-checking or other hardware and software protection systems. All users should immediately follow any electronic instructions, (e.g. to log out) related to these Security systems, and to follow all such instructions immediately and comprehensively. The connection of any storage device (e.g. CD's, flash drives, cell

phones or media players) to any Lasec owned IT property is strongly prohibited. In special circumstances only, a device be connected with approval from an Exco member to the IT Helpdesk. The device must first be scanned for viruses by an IT member. Under no circumstance may an employee install any program of any kind without the above mentioned steps and you must be able to prove that you are the legal owner and permitted to install said program by presenting the needed documentation.

#### **7.1.5. Electronic mail**

The email system is to be used only for Lasec-related business. Attachment files are only to be sent via e-mail.

Users should be aware at all times that the communication is a representation of Lasec and should ensure that an appropriate style and level of language and communication is used.

In addition no user should ever send any chain letters, fraudulent, harassing or obscene messages, or any messages which may be offensive to any nationality, or religious belief, or gender, or sexual orientation, or any other categorization of person or groups, protected against discrimination by law (eg: Employment Equity Act 2002 section 2.1). Gaining access to another users' electronic mailbox or reading electronic mail not designated for you is considered inappropriate.

Personal communication (e.g. Gmail) must be used for online subscriptions, banking notifications, social media, video clips etc. Company corporate email may only to be used for work purposes and please be advised that email filters will block, report any communication and be flagged for perusal by IT.

To respect the integrity of the computing and networking facilities: not to intentionally develop or use programs, Trojan horses, transactions, data or processes which could violate the IT systems or damage/alter software or data components of a system. Alterations to any system, networking software or data components are to be made only under specific instructions from authorized staff after the relevant change control documentation has been completed.

Apart from email, Skype may be used for Client Communication. However a complete Skype history must be available should employees choose to make use of this medium to communicate to any company clients. The use of any other messengers is not approved by management.

#### **7.1.6. Objectionable material**

Computing and networking facilities may not be used for the transmission, obtaining possession, demonstration, advertisement or requesting of the transmission of objectionable material, namely Material which has been refused publication by the Censorship Act:

- Any pornography
- An article which promotes crime or violence or incites or instructs in matters of crime or violence
- Any article which describes or depicts information or visuals e.g.: sexual misconduct or deviation, degrading or dehumanizing conduct and cruelty.

#### **7.1.7. Access to internet sites**

All users should take account the guidelines for email usage and should ensure similar protection of Lasec image while using the internet.

No sites which may be potentially damaging to Lasec image should ever be accessed using Lasec equipment. These include but are not limited to gambling, racial discrimination or sexual content of any nature.

#### **7.1.8. Wasting of Resources**

It is inappropriate to deliberately impair the operation of any part of the computing and networking facilities and to deny access by legitimate users to any part of them unless approved by Management. Any action which reduces the operational readiness of the facilities is unacceptable. The following is regarded as willful wasting of facilities:

- Wastefulness includes the passing of chain letters,
- willful generation of large volumes of unnecessary printouts or disk space usage
- or the creation of unnecessary network traffic
- Sending of “junk mail” is inappropriate.

To prevent computer viruses from being transmitted through the Company’s email/ internet system, there will be no unauthorised downloading of any unauthorised software. All software downloaded must be registered or approved by the Company’s IT department. Using Torrent sites/applications to download media such as videos, movies, music, software, applications and images is also prohibited.

#### **7.1.9. Computer Games**

The computer and networking facilities may not be used for recreational game playing. It is accepted that games do come standard with the operating system and may be present on the user’s desktop machine.

#### **7.1.10. Commercial Use**

It is inappropriate to use the computing and networking facilities for: Commercial gain and Non-Lasec activity.

#### **7.1.11. Interception of Communication**

In order to ensure that employees utilize the computing and networking facilities in accordance with this policy, management retains the right to monitor and inspect the contents of any e-mail, Skype, voicemail, instant messaging or WWW direct or indirect communication of any employee.

#### **7.1.12. Confidentiality of information**

The electronic and paper systems contain information about the business and its operations, its customers, products, supplier information, and its managers and employees.

This information is classified as confidential and sensitive information and may not be accessed unless for work related to the user role, and no other information may be accessed without written explicit and specific management permission.

Users who come into possession of such information may not disclose this to any other person without written explicit and specific management permission.

#### **7.1.13. Backup of information**

Management is responsible for the maintenance of the hardware and software and appropriate backup systems. Users are required to comply with any ad hoc or standing instructions to support these systems. It is the users’ responsibility to backup any and all work related data on their workstations on the company’s File share. At no time may a user have any critical data stored on local media as this creates a data risk. If data is not backed up, staff may elect to take their hard drive to a data recovery specialist at their own expense.

#### **7.1.14. User Acceptance and Agreement**

Management shall have access to all files, e-mails, and computers at any and all times, and may audit employees’ usage and communications for compliance with these policies.

### 7.1.15. Social Media

This includes all social media sites inclusive of, but not limited to the following: Facebook, Twitter, Myspace, Bebo, Instagram, LinkedIn, Pinterest, Flickr, Soundcloud, Vimeo, Tumblr, Google+ and Youtube. Apart from some defined positions that require the use of social media (eg: Marketing, HR & Sales Teams), this is not to be used during work hours. You may however use social media during your lunch breaks. Principles of integrity, professionalism, privacy and impartiality should be observed by all employees when posting online.

The social media sites may only be used for official purposes. Employees may not engage in online communication activities which could bring the company into disrepute. Employees are not allowed to disclose any confidential information that is financial (eg: sales trends, strategies or forecasts), operational or legal in nature, as well as any information that pertains to clients and employees. Dishonourable content such as racial, ethnic, sexual, religious, and physical disability slurs are not tolerated and the appropriate disciplinary action will result should an employee fail to use social media correctly.

## 7.2. Vehicles

### 7.2.1. Scope

This includes all fleet staff who utilize company branded vehicles as part of their job. It also includes staff sales as Sale Solutions Specialists or other employees who may be authorised to drive the vehicles.

### 7.2.2. Aim

The purpose of this policy is to monitor and establish a framework with respect to the use, maintenance and security of all company vehicles.

### 7.2.3. Policy

Employees are reminded that they are representing the brand and thus the image of the company when they operate the vehicle. Employees are responsible to take due care of the vehicle and observe speed limits and traffic laws at all times.

Employees are responsible for reporting to Management any damage, accidents, thefts, or missing items relating to company vehicles within 24 hours to the Fleet Manager and may be liable for such if not reported in a timely manner. All company vehicles remain company property, and employees shall surrender said property to Management immediately upon termination with the company.

In the event of the employee incurring traffic fines as a driver in the course and scope of his/her employment, he/she agrees to deduction of the value thereof from his/her salary or wage provided that such deduction may not exceed 25% of the ordinary salary or wage during any one time. Should it be deemed necessary, an enquiry into the circumstances of the incident will be conducted.

If the employee as a driver of the company vehicle is involved in an accident caused by the negligent, willful or unlawful conduct of the employee, the employer reserves the right to recover such loss or damage directly from the employee. Disciplinary action up to and including dismissal may be appropriate in these circumstances.

Company vehicles may under no circumstances be used for private purposes without Senior Management's authorization. Additionally under no circumstances may any private person(s) be



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transported in or on such vehicle without authorization. The employer is indemnified against any action due to an employee's failure to comply with this provision.

When utilizing the vehicle, employees are to use the log book to sign the vehicle in and out. If the vehicle is fitted with a gear lock or alarm system, it must at all times be used and activated respectively whenever the vehicle is not in use. It is the responsibility of the driver to remove items from view (eg: placing them in the back instead of the passenger seat) in so far as is reasonable to deter potential break-ins.

### 7.2.4. GPS

Employees who are customer-facing (eg: Sales Solutions Specialists) who drive their own vehicles may be required to fit their vehicles with GPS tracking systems. These customer-facing employees carry the responsibility of the execution of results and therefore operate within minimum supervision in which the working trust relationship becomes greater. The system will be able to determine the time spent at each location, the route travelled to get there and the approximate speed of the vehicle. The purpose of this addition is stated below:

- To identify and understand the distances travelled by our sales and service employees
- To ensure that our channel strategy is not compromised due to geographical locations
- To track customer activity vs outlying business trips
- To identify further outlying areas that may warrant dedicated staff
- To support our employees with their monthly mileage reports
- To assist our employees with their SARS vehicle mileage log books for personal tax purposes

The Company will cover the full cost of the installation and removal of device, monthly subscription fees and provide each affected employee with web access to log business vs private mileage. The Company will not monitor any off-duty activity, nor will it assist with any vehicle recovery issues.

### 7.3. Equipment

All Lasec provided equipment (PCs, laptops, fuel cards, tools, uniforms, laptop bags, mice, USB flashes, GPS units etc.) shall be documented from the time of issuance. Employees are responsible for reporting to Management any damage, accidents, thefts, or missing items of Lasec issued equipment, and may be liable for such if not reported in a timely manner. All Lasec provided equipment remains Lasec property, and employees shall surrender said property to Management immediately upon being given notice.

All equipment, laptops etc., issued to employees are to be maintained in serviceable conditions. It is the responsibility of the employee to look after the items and ensure their safety at all times. Failure to do so or the loss of the equipment assigned to designated employees through negligence will result in the replacement cost of that equipment being deducted from the employee's salary. Should the item be stolen out of a locked car boot with forced entry (during work hours), out of an employee's home (all hours), at a client's premises (all hours) or at the company's premises (all hours) the company agrees to pay the replacement cost.

Lasec accepts that individuals will from time to time have to make personal calls while at work. It is expected that employees will exercise due restraint and only use the office telephone in circumstances where this is urgently required. Employees are expected to keep the frequency and duration of personal telephone calls to a minimum. Employees should seek approval from their manager if they are to be using the telephone for personal use.



Where safety steel tipped shoes are required for warehouse staff, the company will purchase these for the staff member. Lasec will offer a standard steel tipped boot, however should an employee request a more expensive boot, he/she agrees to have the balance deducted off his/her salary. If the employee leaves the company within 12 months of the shoes being issued, he/she will be liable for a portion of the purchase. Should the employee opt to keep and exit the Company within 6 months of the boot being purchased, 75% of the amount will be deducted from the employee's final payment. If between 6 & 12 months, 50% of the amount will be deducted.

## **7.4. Biometric System Framework**

### **7.4.1. Scope**

Lasec in Cape Town and Durban utilize a Biometric scanning system to monitor employee attendance. This includes all employees who work in the Cape Town offices, from both Lasec Export and Lasec SA and all Manufacturing staff.

### **7.4.2. Aim**

The reason for having a Biometric scanner is threefold. Firstly the company has an obligation to comply with the Sectorial Determination 9 for the Wholesale and Retail Sector of 2003 section 33 (2)(a). This requires the company to record and retain the attendance data of staff. Secondly, should there be a Health and Safety emergency such as a fire the roll call record would need to cross-check with the attendance record of that particular day. Finally, the data from the scanner would be used to assess individual's attendance record and implement correction and disciplinary action should it be necessary.

### **7.4.3. Policy**

Regular reports will be generated that will calculate employees who come late to work, or leave early. The "shortfall time" will be totalled for the specific time period of the report. This will dictate any necessary action to be instigated.

For example should an employee be persistently late in a week, even by a few minutes, this may necessitate a verbal instruction by his/her manager or a first written warning.

Should an employee be late during the time period and it is a substantial amount of time accumulated, the employee may be disciplined in line with the disciplinary code of the company.

Internal reasons such as family and parental responsibilities can result in employees failing to attend work on the agreed time. The company also acknowledges that there are external reasons that could cause an employee to be late for work. From public transport issues such as late trains, to increased levels of traffic due to accidents on the road; it is understood that these occur. It is important to note that regardless of the reasons, employees are still required to inform their direct supervisor that they will not be on time.

Each matter will be approached by the company on a case by case basis, where an investigation into the reasons for failing to attend work on the agreed upon working hours will be done.

## **7.5. Company Uniforms – Unbranded**

### **7.5.1. Scope**

This policy applies to all staff at Lasec. The different roles will be split so as to distinguish certain positions that require a more professional appearance from those who only require more casual attire.

### 7.5.2. Aim

In an office environment the appearance of the employees reflect the professionalism and culture of the organisation. Therefore the aim of this policy is to ensure that the appearance of staff accurately reflect these elements. From first impressions when meeting clients on site, to clients visiting our offices, we want to ensure that our presentation of all staff is at a consistent standard that is conducive to our work environment and industry.

### 7.5.3. Policy

Managers are to ensure that their subordinates are compliant to the below policies. If anyone is unsure or requires assistance with the interpretation or enforcement of this policy, HR is to be contacted at [hr@lasec.co.za](mailto:hr@lasec.co.za). Repeat violations of this policy may result in disciplinary action as per the disciplinary code of Lasec.

The company is also cognizant that individuals in their dress code want to observe cultural and religious conventions and this is welcomed to the extent that employees are not hampered in fulfilling the requirements of their job.

This policy is predicated on the employee's respective position. For example Sales Solutions Specialists interact directly with clients face to face. Often they are the first point of contact with clients and thus need to ensure that their appearance is especially up to the standards of a professional office environment.

Additionally while Lasec celebrates individuals' uniqueness and encourages employees to give expression to their individuality and distinctive style, employees are asked to do so within the guidelines provided below:

	Men	Women
Client facing: ( <i>eg: sales solutions specialists, reception</i> )	<ul style="list-style-type: none"> <li>• Semi-formal</li> <li>• Chinos, smart trousers</li> <li>• Jackets,</li> <li>• Smart jerseys</li> <li>• Office shoes</li> <li>• Collared shirts</li> </ul>	<ul style="list-style-type: none"> <li>• Dresses,</li> <li>• Skirts of an appropriate length</li> <li>• Smart pants</li> <li>• Blouses</li> <li>• Neat Sandals, flat shoes</li> <li>• Stockings</li> </ul>
Internal: ( <i>finance clerk, IT</i> )	<ul style="list-style-type: none"> <li>• Smart sneakers</li> <li>• Open collared or golf shirts</li> <li>• Smart casual pants</li> </ul>	<ul style="list-style-type: none"> <li>• Leggings or tights worn in conjunction with a skirt or dress</li> <li>• Smart casual top</li> <li>• Smart casual pants</li> </ul>
Warehouse: ( <i>eg: picker</i> )	<ul style="list-style-type: none"> <li>• Overalls</li> <li>• Steel tipped boots</li> </ul>	<ul style="list-style-type: none"> <li>• Overalls</li> <li>• Steel tipped boots</li> </ul>
Casual Fridays:	<ul style="list-style-type: none"> <li>• Denim jeans</li> <li>• Sneakers, converse shoes</li> <li>• Neat T-shirt with a respectful and minimalistic graphic</li> </ul>	<ul style="list-style-type: none"> <li>• Denim jeans</li> <li>• Sneakers, converse shoes</li> <li>• Neat T-shirt with a respectful and minimalistic graphic</li> </ul>

**Grooming:**

- Well-groomed hair, that doesn't obscure face
- Men must have an established, well defined beard, or be clean shaven

**Unacceptable Attire**

*(Note: This is by no means an exhaustive list, but rather examples of attire that is prohibited)*

- No T-shirts (except Fridays – minimal graphic accepted)
- No shorts, slip-slops or slippers
- No hoodies or beanies (except warehouse staff)
- Athletic or sportswear such as tracksuits
- Jeans that have holes or are torn considerably
- Spandex or lycra
- Tank tops, midriff shirts, tube tops,
- Visible underwear
- Beach wear such as board shorts
- Transparent clothing without another item underneath
- No cleavage may be visible
- Clothes must be clean, stain free
- Body odour should be acceptable
- No flamboyant jewellery (including lip, tongue or eyebrow rings)
- No visible tattoos for client facing staff

**7.6. Company Uniforms - Branded**
**7.6.1. Scope**

This involves staff whose position requires specific uniform, which is paid for by the company. The purchase of corporate clothing is optional for all other members of staff.

**7.6.2. Aim**

The purpose of this policy is threefold. It is to ensure that our receptionists and drivers, often being a first point of contact, visually represent the professional image of Lasec. Secondly we want to provide our NSU staff with the necessary Lasec attire so that they can perform their duties without damaging their own clothing and demonstrate a professional image when interacting with clients. Thirdly it is to provide an option for all employees to purchase Lasec branding clothing.

**7.6.3. Policy**

Receptionists

Receptionists at the relevant branches will be provided with:

- |   |   |                        |
|---|---|------------------------|
| <ul style="list-style-type: none"> <li>- crew neck tops</li> <li>- long sleeve shirts</li> <li>- short sleeve shirts</li> <li>- 1 X basic cardigan</li> </ul> | } | A selection of 3 items |
|---|---|------------------------|

These will be branded with a Lasec logo and will be required to be worn at all times during work hours. Each receptionist will need to wear their own black pants or skirt in conjunction with these. These pants and skirts will not be provided by the company.



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### Drivers

Drivers will be issued with the following items:

- Summer: 3x branded short sleeve brushed cotton twill shirts
- Winter: 1x studio jacket  
1x microfleece

### NSU

NSU staff will be issued with the following items:

- Summer: 3x branded short sleeve brushed cotton twill shirts (men)  
3x branded short sleeve brushed cotton twill blouse (ladies)
- Winter: 1x microfleece (sleeveless or removable sleeve)  
1x studio jacket
- Lab Coats: 3x branded lab coats per annum

### Other

Other employees can also purchase Lasec branded items

It will be the responsibility of the employee who receives these items to maintain them in a neat, clean and presentable fashion. The items that are given to the employee will be signed off and placed in the employee file. When that employee departs from the company, he/she will be obligated to return all items unless otherwise instructed.

Orders will need to be placed by the 7<sup>th</sup> of each month to the marketing department. They will be delivered by the 15<sup>th</sup> of each month and the cost of order will be split in half and deducted from your salary on the 25<sup>th</sup> of the current and following month. No returns or exchanges will be conducted unless authorised by management.



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## 8. CODE OF CONDUCT

### 8.1. Grievances

#### 8.1.1. Scope

The objective of this document is to outline the policy in the event of employee dissatisfaction or grievance.

#### 8.1.2. Aim

A grievance can be defined as any feeling of dissatisfaction experienced by an employee who is related to his/her work or work environment and which is brought to Management's attention. The objective of this policy is to ensure that any grievance either individual or group is resolved in an orderly, systematic and fair manner and in the shortest possible time.

#### 8.1.3. Policy

Lasec believes in the right of every employee to raise a grievance regarding any matter arising out of his/her work situation or relationships within the workforce, without fear of victimisation. The grievance process can supply management with valuable information regarding employee dissatisfaction, lack of communication and/or interpersonal problems, and employees are encouraged to make use of this procedure if they are experiencing any problems.

This policy and the procedure are based on the following principles:-

- The right of any employee to raise a grievance without fear of victimisation
- The right of an employee to seek guidance and assistance from HR or a representative at any time.
- The right of an employee to appeal to a higher authority, without prejudice.
- That an employee should normally raise the grievance with the immediate supervisor (that is the person he/she reports to directly) in the first instance. The immediate seniors have the responsibility to the aggrieved to create a climate in which this will occur and they must make every effort to resolve the issues realised.
- That all employees have the right to be informed of the contents of the policy and procedure.
- That all managerial and line personnel, responsible for ensuring the effective resolution of grievances, are trained in the correct application of the procedure.

#### 8.1.4. Procedure to Settle Grievances

In any business environment, differences of opinion occur. Such differences can become problems if they are not resolved quickly and constructively. We believe that the most productive and mutually beneficial employment relationship is one in which issues are resolved directly between management and staff. This is why we believe in an Open Door Policy.

In order to have open communication, there must be mutual trust. We encourage you to bring your concerns to your Supervisor. We, in turn, will listen to you with respect and do our best to help you resolve the issue at hand.

Please remember – it is important that you not keep a concern or a problem to yourself or deal with it via “the grapevine.” It is important for you to know that you may use this procedure in good faith without fear of reprisal.

We will attempt to treat all internal complaints and their investigations as confidential, recognizing, however, that in the course of investigating and resolving internal complaints some dissemination of information to others may be necessary or appropriate.

If issues are not resolved through Lasec's informal open door communications practice, a formal process exists for problem resolution. It is as follows:

**Step One:** Discussion of the problem with your immediate relevant supervisor/HR is encouraged as a first step. Please complete the Grievance form (step 1) along with your supervisor/HR.

**Step Two:** If the problem is not resolved after discussion with the relevant supervisor, or if you think a discussion with the other person's Supervisor is inappropriate, you are then encouraged to request a meeting with Senior Management/HR. They will conduct an investigation and consider the facts and may review the matter with your Supervisor. You will normally receive a response regarding the problem within five working days of submitting this form. After a full review of the facts (which may include a review of the written summary of the problem, interviews with the people involved, and further investigation if necessary, you will be informed of the final decision, usually within 15 working days. This decision will be final.

## 8.2. Whistleblowing

### 8.2.1. Scope

This policy governs all employees within the Lasec Group. A whistleblower is defined as an employee who reports an activity that he/she considers to be illegal or dishonest to one or more of the parties specified in this Policy. This policy is intended to cover concerns which are in the interest of the company and its employees and may at least initially be investigated which could lead to the invocation of other procedures such as disciplinary action. These concerns could include financial malpractice, fraud, non-compliance with a legal obligation, HSE issues, criminal activity of any kind, improper conduct, unethical behaviour or any attempts to conceal any of the aforementioned.

### 8.2.2. Aim

Lasec is committed to the highest standards of transparency, integrity and accountability. An important aspect of accountability and transparency is a mechanism to enable employees to voice concerns in a responsible and effective manner. In order to enforce this way of conducting our business we seek to provide guidelines and protection for employees who witness illegal and dishonest behaviour at work and choose to come forward to reveal it, without fear of reprisal. Additionally Lasec seeks to foster an environment whereby employees are invested into the wellbeing of the company and thus ensure they are aware of what happens around them.

### 8.2.3. Policy

The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; this will be handled by selected management representatives. The employee must exercise sound judgment to avoid baseless allegations, as it is not designed to question financial or business decisions taken by the Company. An employee who intentionally files a false report of wrongdoing based on malicious or vexatious allegations will be subject to disciplinary action. If there is evidence of

criminal activity then the company should inform the police. The company will ensure that any internal investigation does not hinder a formal police investigation.

Whistleblowers are protected under the following two pillars: confidentiality and retaliation. Firstly, insofar as possible, the confidentiality of the whistleblower will be maintained. Employees are welcome to, for example, send an anonymous letter to Human Resources. However, in some cases identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. Secondly the company will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of adverse employment conditions, unjustified disciplinary action or threats of any nature. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources department immediately.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the following guidelines are to be observed:

- Employees who witness colleagues within their department engaging in illegal/dishonest behaviour, are to approach their managers who will then ascertain if further investigation is required.
- Employees who witness either colleagues outside of their department or their own managers engaging in the above are to approach Human Resources directly. HR will then conduct an investigation into the validity and extent of the activity and take the necessary action in accordance with the disciplinary code and procedures of the company.

### **8.3. Absence from Work**

#### **8.3.1. Scope**

'Absence from work' is the time that an employee is not at work during the official working hours.

#### **8.3.2. Policy**

The employee must personally inform the employer before 08h00 on the day he/she was supposed to have reported for duty of such absence and expected date of returning to work. The employer must also be informed of an address where the employee could be found should he/she wish to visit the employee.

No verbal message through other employees (unless it is the spouse) will be accepted. A contact number is to be left if the Manager is not able to take your call. When you return to work a leave form is to be completed for the period you were absent.

The relevant manager must be notified where a person is absent for compassionate reasons on the day, unauthorized absence on the same day and where the individual is absent for more than one day of sick leave.

If more leave days are taken than are due, Lasec will deduct what number of absent days from your wage, unless prior arrangement (such as unpaid leave) is made. Refer to the Leave Policy in your employment contract.

Any employee taking, unauthorised leave will be subject to disciplinary action with eventual dismissal. The continued absence from work without notifying a manager or submitting a medical certificate will



be regarded as leave without authorisation or abscondment, and the employee will be subject to a disciplinary hearing in absentia in terms of the Disciplinary Code and Conduct.

Lasec expects staff to come to work on time and will only pay for time at work. Where (1) staff have control over the situation or (2) neither Lasec nor staff have control over the situation, Lasec will not pay for the period not at work within the official working hours. With regards to (1), any employee coming late without prior arrangements will be given a written warning with possibility of dismissal.

## **8.4. Workplace Violence**

### **8.4.1. Scope**

This policy includes all employees, permanent or temporary who are employed by any company within the Lasec group. For purposes of this policy, violence is defined as the deliberate and wrongful abuse or damage of other persons, self, or property. Intimidation is defined as an act towards another person, the result of which could reasonably cause the other person to fear for his/her safety and the safety of others. Threats of violence are defined as a communicated (verbal or non-verbal) intent to inflict physical or other harm to any person or property.

### **8.4.2. Aim**

The purpose of this policy is to address the issue of potential workplace violence on our work premises, prevent workplace violence from occurring to the fullest extent possible, and set forth procedures to be followed should such violence occur.

### **8.4.3. Policy**

Lasec is committed to supporting a workplace environment free from harassment, coercion, intimidation, threats and violence for all employees including but not limited to staff, interns, contracted employees, visitors, customers and guests of the company. The company strives to provide a safe and secure working environment for all employees. Toward this end, intimidation, threats and acts of violence, with or without the presence of a weapon, will not be tolerated. Workplace violence is not limited to intentional physical contact for causing harm, but also includes making verbal or written statements specifically intended to frighten, coerce, or threaten employees. It would be assessed by determining if a reasonable person would interpret such behaviour as constituting evidence of intent to cause harm to individuals.

Individuals found to engage in behaviour in violation of this policy may be removed from company property, suspended with pay and will be subject to disciplinary action up to and including termination. All employees are protected from retaliation for filing a complaint/grievance or assisting in an investigation under this policy. Employees, who are the victims of violence, believe they may be the recipients of violence, or who have knowledge of potential violence against others, are encouraged to promptly notify an appropriate Senior member of staff and/or Human Resources. This will assist the company in providing safe and violent free work environment for all employees.

## 8.5. Incarceration, Arrests and Criminal Records

### 8.5.1. Incarceration

The company operates under the principle of innocent until proven guilty. However this does not prohibit the company from taking action up to and including termination to address the absence of the employee.

Should an employee of the company be incarcerated either pre or post-conviction, various aspects will be considered before any action will be taken. How long will the incarceration be? Will this absence from work be permanent or temporary? Does the employee's position allow for a temporary worker to be utilized? Are there any alternatives, such as keeping the employee on unpaid leave until he/she returns? What condition is the trust relationship between the parties?

The company will in most cases follow the LRA Schedule 8 Code of Good Practice: Dismissal Section 10 Incapacity: Ill Health or Injury when dealing with incarcerated employees. During this the employee will be offered an opportunity to state his/her case (*Audi Alteram Partem*) either through a representative, in written or verbal form. After the above issues are taken into account a decision will be made by the elected chairperson regarding the employee's continued employment with the company.

### 8.5.2. Arrests

Employees who are arrested and are thus unable to attend work, will be placed on unpaid leave under the no work-no pay principle.

Employees are required to disclose arrests to the Human Resources department. They should submit the police report and supporting documentation concerning the arrest and related charges. Should an employee withhold information, this may be constituted as gross dishonesty and/or misrepresentation and disciplinary action may follow.

### 8.5.3. Criminal Records

The disciplinary code of the company states that conviction of a criminal offence is a dismissible offence. There are two situations to this component of the code:

- An employee is convicted of an offence whilst employed with the company. In this case two aspects will be focused on to determine the status of the employee in question's employment future. Firstly, the degree to which the criminal offence relates to employee's position (eg: convicted for a drunk driving offence and the position is a driver; convicted of fraud/misappropriation of funds and the position is in the finance department). Secondly, to what extent the employee has brought the company's name into disrepute. Should the employee have committed an offence
- On the other hand, it is discovered after an employee has been employed, that he/she possessed a criminal record prior to being employed. The company will look at whether the employee was dishonest or misrepresented him/herself during the interview stage, in which case a misconduct enquiry may result. The employee-employer relationship is built upon trust, and subsequently this aspect as well as the offences relation to the employee's position will be analysed.

Some arrests may not result in a criminal record such as shoplifting, possession of a small amount of illegal drugs for personal use, speeding etc. An employee may be charged, tried and convicted of a criminal offence but is not sent to prison (eg: required to pay a fine or perform community service). In this case, although the employee can return to work, the company will investigate the matter using the aforementioned principles.

## 8.6. Disciplinary Procedures

### 8.6.1. Scope

The first objective of this document is to outline Lasec's Disciplinary Code and procedures in terms of the actions and behaviour of our employees that are considered to be unacceptable, and accordingly offences. It is intentionally general, as each case is unique, and departures from the norms established herein may be justified in proper circumstances. Therefore, not all types of misconduct are covered in this code; however, this does not prevent the employer from taking disciplinary action with regard to such misconduct. The second objective is to outline principles and the company's approach when handling cases of Incapacity and Operational Requirements. Other relevant factors to be taken into account in determining the appropriate disciplinary action will include length of service, previous offences, period since last offence, employee status and any relevant mitigating or aggravating circumstances.

### 8.6.2. General Principles

In any organisation, disciplined behaviour is essential for the well-being of the individual and the achievement of the organisation's objectives and goals. Lasec specifies that one of its key values is that the employer and employees will treat one another with mutual respect.

There is equal importance placed on both employment justice and the efficient operation of business. While employees should be protected from arbitrary action, the employer is entitled to satisfactory conduct and work performance from the employees.

When an employee has committed an offence, such employee/s should be disciplined in accordance with this code. This means thorough investigation into the alleged offence, and careful consideration of the merits and circumstances of each case must be done before disciplinary action is taken. Such action should always be prompt, fair, consistent and firm. Since a code of this nature may not be applicable to every specific case that may occur, Management should use their discretion within the framework and in accordance with the spirit of the code.

One of the cornerstones of sound industrial relations practice (to which this Lasec subscribes), is the need to apply disciplinary procedures in a consistent manner. In other words, the same principles, norms and standards apply to all employees regardless of their respective positions, status or race in Lasec. However Lasec acknowledges that different sanctions may be handed out to employees who transgress in a similar manner, due to different associated aggravating and mitigating circumstances.

This document is not intended as a substitute for good management. It is an expression of Lasec's policy with regards to discipline and a guideline to Management. The disciplinary code must be brought to the attention of an employee at the time of employment with Lasec.

Lasec subscribes to the concept of corrective or progressive discipline, by ensuring that employees know and understand what standards are required of them. Efforts will therefore be made to correct employees' behaviour through a system of progressive disciplinary measures.

Formal procedures do not have to be invoked every time a rule is broken or a standard is not met. Informal advice and correction is a good and effective way for dealing with minor violations of work discipline. Repeated misconduct will warrant warnings, which in itself may be graded according to degrees of severity. More serious infringements or repeated misconduct may call for a final warning, or other action short of dismissal.

Dismissal should be reserved for cases of serious misconduct or repeated offences.

The Disciplinary Code shall remain applicable in instances of collective action, subject to the provisions of the Labour Relations Act 66 of 1995 and other relevant law, and procedure will be followed as may be reasonably possible in the prevailing circumstances. If during such collective action individual acts of misconduct occur, management reserves the right to take disciplinary action against such individuals in terms hereof.

Lasec will keep records for each employee specifying the nature of any disciplinary transgressions, the actions taken by Lasec and the reasons for the actions.

There are three grounds on which a termination of employment might be legitimate.

These are:

- Misconduct (unacceptable behaviour)
- Incapacity (the inability of a person to do his/her work due to poor performance or ill-health)
- Operational Requirements (retrenchment or redundancy)

### **8.6.3. Misconduct**

Disciplinary action can take a number of forms, depending on the seriousness of the offence and whether the employee has breached the particular rule before.

The following forms of discipline can be used:

- First written warning; (Valid for 6 months);
- Further written warning (Valid for 9 months);
- Final written warning (Valid for 12 months);
- Dismissal

The law does not specify that employees should receive any specific number of warnings, for example three written warnings. Therefore, dismissal could follow a first offence in the case of serious misconduct.

Furthermore, a warning for one type of contravention may not be applicable to another type of offence - in other words, a first written warning for late coming could not lead to a second written warning for insubordination).

Off Duty misconduct relates to misconduct that occurs outside of working hours on/off the work premises. If necessary the company would investigate whether it has a legitimate interest in the misconduct. This would be done by looking at whether the conduct is disruptive to the company or if it negatively affects the company's image and reputation. Disciplinary action may then be taken should either of these be evident.

### **8.6.4. Incapacity**

#### **8.6.4.1. Poor Work Performance**

An employee should not be dismissed for unsatisfactory work performance unless Lasec has:

- given the employee appropriate evaluation, instruction, training, guidance or counselling; and
- after a reasonable period of time for improvement, the employee continues to perform unsatisfactorily.

An investigation must be held to establish the reasons for the unsatisfactory performance and Lasec should consider other ways, short of dismissal to remedy the matter. The employee should have the right to be heard and to be assisted by a fellow employee.

When applying disciplinary measures in a case of poor work performance the following must be considered:

- whether or not the employee failed to meet a performance standard;
- and if the employee did not meet a required performance standard whether or not the employee was aware, or could reasonably be expected to have been aware, of the required performance standard. And if the employee was given a fair opportunity to meet the required performance standard.

#### **8.6.4.2. Ill Health and Injury**

Incapacity on the grounds of ill health or injury may be temporary or permanent. If an employee is temporarily unable to work in these circumstances, the employer should investigate the extent of the incapacity or the injury. If the employee is likely to be absent for a time that is unreasonably long in the circumstances, the employer should investigate all the possible alternatives short of dismissal. When alternatives are considered, relevant factors might include the nature of the job, the period of absence, the seriousness of the illness or injury and the possibility of securing a temporary replacement for the ill or injured employee. In cases of permanent incapacity, the employer should ascertain the possibility of securing alternative employment, or adapting the duties or work circumstances of the employee to accommodate the employee's disability.

In the process of the investigation referred to above, the employee should be allowed the opportunity to state a case in response and to be assisted by a fellow employee.

The degree of incapacity is relevant to the fairness of any dismissal. The cause of the incapacity may also be relevant. In the case of certain kinds of incapacity, for example alcoholism or drug abuse, counselling and rehabilitation may be appropriate steps for an employer to consider.

Particular consideration should be given to employees who are injured at work or who are incapacitated by work-related illness.

When considering the course of action to take i.e. to dismiss an employee due to ill health or injury it must be assessed whether or not the employee is capable of performing the work; and if the employee is not capable:

- the extent to which the employee is able to perform the work;
- the extent to which the employee's work circumstances might be adapted to accommodate disability, or, where this is not possible, the extent to which the employee's duties might be adapted; and
- the availability of any suitable alternative work

#### **8.6.5. Operational Requirements**

When Lasec contemplates terminating one or more employees for reasons based on Lasec's operational requirements, the process as stipulated in terms of Section 189 of the Labour Relations Act 66 of 1995 will be followed. This means that the employees affected can only be dismissed on grounds relating to economic, technological, structural or similar needs. The employer will seek to consult with the relevant parties affected by the possible retrenchments. Consensus will be sought on the items identified in Section 189 (2) (a-c). The employer will disclose in writing Section 189 (3) (a-h) to the parties affected. Finally, Section 196 relating to severance pay will also be observed.

#### **8.6.6. Disciplinary Appeals**



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Employees who receive disciplinary action against them have the option of appealing within 5 days of the outcome. To do this they are to complete the disciplinary appeal form, describing/submitting any additional documentation or reasons as to why they believe that the action taken was either substantively or procedurally unfair (or both). Appeals submitted out of this time frame will only be considered at the discretion of the HR department. The appeals chairman may not be the chairperson who oversaw the original case. The appeals chairperson does not have the authority to increase the sanction, but only recommend reduction, re-affirmation or removal of it.



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### 8.7. Disciplinary Code

Nature of Offence	1 <sup>st</sup> Offence	2 <sup>nd</sup> Offence	3 <sup>rd</sup> Offence	4 <sup>th</sup> Offence
<b>VERY SERIOUS</b>				
Theft	Dismissal			
Unauthorised installation or possession of company stock	Dismissal			
Fraud	Dismissal			
Unauthorised removal from the premises of hard copy, transmission by fax or email, storage & removal on electronic media of intellectual property, trade secrets, costs, product lists, client lists or prices	Dismissal			
Gross insubordination	Dismissal			
Serious disrespect, impudence or insolence	Dismissal			
Gross sexual harassment or offensive behaviour	Dismissal			
Unauthorised use of dangerous weapons in the work place	Dismissal			
Gross dereliction of duty	Dismissal			
Gross negligence	Dismissal			
Gross incompetence	Dismissal			
Any form of Corruption and/or Bribery	Dismissal			
Drunkenness at work	Dismissal			
Under the influence of and/or in possession of alcohol and/or illegal drugs	Dismissal			
Intentionally creating an ill-motivated disturbance in the workplace	Dismissal			
Unauthorised use of company property and/or equipment	Dismissal			
Breach of employee's duty of good faith	Dismissal			
Assault and/or threat of assault	Dismissal			
Willful conduct or gross negligence that endangers the safety of others	Dismissal			
Conviction of a criminal offence	Dismissal			
Willful damage to the employer's property	Dismissal			
Being grossly dishonest to the employer, fellow employee, supplier or customer	Dismissal			
Distributing, viewing or being in possession of any child pornography	Dismissal			
Improper divulging information about the company, its products or staff	Dismissal			
Refusal to work without a justified reason	Dismissal			
Deliberately supplying incorrect or falsified information	Dismissal			





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To bring, directly or permit to happen, the company, management or fellow employees into any disrepute, by any means, whether through verbal or written communication.	Dismissal			
Unauthorised and/or failure to communicate absence from work to supervisor for a period of 5 or more consecutive shifts	Dismissal			
Suspension of driver's license – if it is an employment requirement	Dismissal			
Breach of confidentiality – Divulging information that is confidential and/or personal relating to the company or any of its employees	Dismissal			
Any other reason recognised in law as being sufficient grounds for dismissal	Dismissal			
Making racist and/or derogatory remarks directly or indirectly towards another person or group of people	Dismissal			
<b>SERIOUS OFFENCES</b>				
Unauthorised and/or failure to communicate absence from work to supervisor for a period of 3-4 consecutive shifts	Final Written Warning	Dismissal		
Being in possession of liquor or dangerous weapons in the workplace	Final Written Warning	Dismissal		
Sleeping during working hours	Final Written Warning	Dismissal		
Incitement to unlawful or unprocedural strike	Final Written Warning	Dismissal		
Installation of unauthorised software	Final Written Warning	Dismissal		
Execution of unauthorised software	Final Written Warning	Dismissal		
Transmission of unauthorised software	Final Written Warning	Dismissal		
Unauthorised copying of data	Final Written Warning	Dismissal		
Negligence that endangers the safety of others	Final Written Warning	Dismissal		
Negligent damage to the employer's property	Final Written Warning	Dismissal		



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Being untruthful to the employer or a fellow employee	Final Written Warning	Dismissal		
Removal of hardware components from a computer	Final Written Warning	Dismissal		
Installation of hardware components	Final Written Warning	Dismissal		
Connection of any unauthorised device to the network	Final Written Warning	Dismissal		
Transmission of chain letters, jokes or distasteful messages across the network that contravene company policy	Final Written Warning	Dismissal		
Distributing, viewing or being in possession of pornographic material	Final Written Warning	Dismissal		
Dangerous horseplay which could cause injury or endanger life or property	Final Written Warning	Dismissal		
Abusive behaviour or language to a superior/colleague/customer/supplier	Final Written Warning	Dismissal		
Failure to carry out a lawful and reasonable instruction	Final Written Warning	Dismissal		
Driving a company vehicle or operating machinery without authority	Final Written Warning	Dismissal		
Insolence (moderate disrespect)	Final Written Warning	Dismissal		
<b>OTHER OFFENCES</b>				
Poor maintenance standards of a company vehicle, tool or equipment	Further Written Warning	Final Written Warning	Dismissal	
Use of abusive and/or derogatory and/or offensive language or signs	Further Written Warning	Final Written Warning	Dismissal	
Unauthorised and/or failure to communicate absence from work to supervisor for a period of 2 consecutive shifts	Further Written Warning	Final Written Warning	Dismissal	
Loss or damage of company property	Further Written Warning	Final Written Warning	Dismissal	



## HUMAN RESOURCES POLICIES AND PROCEDURES MANUAL

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**Compiled By:** HR Officer

**Approved By:** HR Manager

<b>Nature of Offence</b>	<b>1<sup>st</sup> Offence</b>	<b>2<sup>nd</sup> Offence</b>	<b>3<sup>rd</sup> Offence</b>	<b>4<sup>th</sup> Offence</b>
Failure to observe security and safety regulations	Further Written Warning	Final Written Warning	Dismissal	
Making false, malicious or vexatious allegations about a colleague	Further Written Warning	Final Written Warning	Dismissal	
Wasting of company time	Further Written Warning	Final Written Warning	Dismissal	
Habitual late coming	Further Written Warning	Final Written Warning	Dismissal	
Unauthorised absence from the work whilst on duty	Further Written Warning	Final Written Warning	Dismissal	
The promotion of any political party or political cause, in whatsoever manner, including the wearing of badges, politically sloganed clothing and/or the display and distribution of political posters, literature etc. on company premises	Further Written Warning	Final Written Warning	Dismissal	
Lending money to staff for financial gain without permission	Further Written Warning	Final Written Warning	Dismissal	
<b>MINOR OFFENCES</b>				
Low productivity or unsatisfactory performance	Written Warning	Further Written Warning	Final Written Warning	Dismissal
Loafing	Written Warning	Further Written Warning	Final Written Warning	Dismissal
Late for work or leaving early without good reason	Written Warning	Further Written Warning	Final Written Warning	Dismissal
Unauthorised and/or failure to communicate absence from work to supervisor for a period of 1 shift	Written Warning	Further Written Warning	Final Written Warning	Dismissal
Poor quality of work and/or not working to standards	Written Warning	Further Written Warning	Final Written Warning	Dismissal
Wastage of material	Written Warning	Further Written Warning	Final Written Warning	Dismissal
Smoking in non-smoking areas	Written Warning	Further Written Warning	Final Written Warning	Dismissal

