

Leave Policy

Policy Owner:
Policy Number: BCGP-7-52
Date: 2017-07-25
Revision Number: 12.0

1. INTRODUCTION

Our Human Resources strategy focuses on attracting, developing and retaining the best talent, as well as embedding a high-performance culture through integrated practices. These include sourcing of key skills, succession of long term talent and career growth through career related training and development, focusing on technical skills development, ensuring competitive rewards and fostering sound employee relations and cultural transformation. This enables the Group's ongoing growth and sustainability.

2. OBJECTIVE

The objective of this Policy is to regulate all forms of leave that are accrued and due to employees, and to outline procedures to be followed for the granting and taking of leave. The leave policy is to ensure effective monitoring of an employee's absence from duty within the framework and measures as set out in this policy.

3. POLICY STATEMENT

Business Connexion is committed to providing leave benefits that meet the needs of the employees but also being sensitive to operational efficiency and business needs.

4. JUSTIFICATION FOR POLICY AND POSSIBLE CONSEQUENCE OF NON ADHERENCE

- (i) To enable employees to maintain a healthy work life balance;
- (ii) To manage staff absences;
- (iii) In order to comply with the Basic Conditions of Employment Act; and
- (iv) Non-adherence will result in non-compliance with the Basic Conditions of Employment Act and/or abuse of this policy will results in a disciplinary action being taken against the employee.

5. LEAVE APPLICATION

The leave application and approval processes have been automated. Employees must use the SAP Employee Self Service (ESS) and Manager Self Service (MSS) Portal to apply for all types of leave, unless other arrangements have been approved by line regarding manual submission of leave forms. Leave is approved and granted by the relevant Line Manager, subject to Business Connexion's operational requirements.

Leave may be refused or deferred subject to operational requirements and applicable legislation. Line Managers must control the leave process and ensure a complete audit trail of **all absences from work**, together with the relevant supporting documentation, where applicable.

This will be achieved by recording all approved leave on SAP, via the web-based or the paper-based process, and by the Line Manager keeping supporting documents, where applicable.

6. INTERCHANGEABILITY OF LEAVE

If an Employee becomes ill whilst on annual leave, the Employee is entitled in terms of legislation to request conversion of the annual leave to sick leave, provided the sick leave is supported by a medical certificate, issued by a registered medical practitioner. The Line Manager will only approve the request if it meets this minimum requirement and the employee has sick leave due to him/her. Normal sick leave rules will apply.

7. **ANNUAL LEAVE**

The purpose of annual leave is to allow Employees to have a break from the pressures of work and annual leave must be taken in accordance with prescribed legislation.

Annual leave must be applied for utilising the SAP Employee Self Service (ESS) unless other arrangements have been approved by line regarding manual submission of leave forms. Management approval must be obtained prior to such leave being taken.

Annual Leave Entitlement and Accrual 7.1

7.1.1 Permanent Employees

Permanent Employees employed prior to 1 April 2009 are entitled to twenty three (23) working days leave per annum.

Leave accrues to all Permanent Employees, employed prior to 1 April 2009, at the rate of 1,91667 days per completed month of service.

Annual leave does not accrue during maternity leave and unpaid leave.

Annual leave, sick leave and family responsibility leave all accrue in an annual cycle linked to the Employee's service anniversary date.

With effect from 1 April 2009, all appointed Permanent Employees, will be entitled to annual leave as indicated in the leave entitlement table below:

Grade	First 24 months of employment	After 2 yrs service	After 5 yrs service
В	16	17	18
CL	17	18	20
CU	17	18	20
DL	18	20	22
DU	18	20	22
EL	20	21	23
EU	20	21	23
FL	21	23	23

Leave will therefore accrue to all Permanent Employees, employed after 1 April 2009, who have worked for Business Connexion for more than one month at the rate of:

- 1.333 days per completed month of service for the leave entitlement of 16 working days per (i) annum.
- (ii) 1.417 days per completed month of service for the leave entitlement of 17 working days per annum.

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(iii) 1.500 days per completed month of service for the leave entitlement of 18 working days per annum.

- (iv) 1.667 days per completed month of service for the leave entitlement of 20 working days per annum.
- (v) 1.750 days per completed month of service for the leave entitlement of 21 working days per annum.
- (vi) 1.833 days per completed month of service for the leave entitlement of 22 working days per annum
- (vii) 1.917 days per completed month of service for the leave entitlement of 23 working days per annum.

7.1.2 Project Consultants

A Project Consultant (PC) shall be entitled to 1 hour leave for every 16.4 hours worked, which is limited to a maximum of 15 (fifteen) working days annual leave on full remuneration after the completion of a leave cycle.

Annual leave entitlement for Project Consultants whose term of contract is less than one year shall be prorated in accordance to hours worked.

Leave may be accumulated in accordance with the company's policy on accumulated leave.

The annual leave entitlement, as stipulated in the Act, may not be substituted by payment in lieu thereof unless the Project Consultant's employment is terminated in accordance with this agreement and the Project Consultant has not utilised his full leave entitlement in which event he shall be entitled to payment, in accordance with the company's policy, in respect of the leave entitlement which has accrued but not yet been taken by him.

7.1.3 Temporary Employees

A Temporary Employee shall be entitled to 1 hour leave for every 16.4 hours worked, which is limited to a maximum of 15 (fifteen) working days annual leave on full remuneration after the completion of a leave cycle.

Annual leave entitlement for Temporary Employees whose term of contract is less than one year shall be prorated in accordance to hours worked.

Leave may be accumulated in accordance with the Company's policy on accumulated leave.

The annual leave entitlement, as stipulated in the Act, may not be substituted by payment in lieu thereof unless the Temporary Employee's employment is terminated in accordance with this agreement and the Temporary Employee has not utilised his/her full leave entitlement in which event he/she shall be entitled to payment, in accordance with the Company's policy, in respect of the leave entitlement which has accrued but not yet been taken by him.

7.2 Taking of Annual Leave

Employees are encouraged to take annual leave in one unbroken (continuous) period. Annual leave may however, be split, but Employees must take at least ten consecutive working days in one unbroken leave period, each year, to comply with legislation. Employees must provide their manager with at least five working days' notice of their intention to take annual leave, unless otherwise agreed. This allows the manager to plan operationally to cover the period of absence. The first period of annual leave may only be taken after three months' service.

All non-essential operations in Business Connexion close down during the December/January period every year. Based on operational requirements, all Employees involved in non-essential operations are required to take annual leave from 25 December to 1 January. This leave, which will be deducted

from the Employee's leave balance, must be applied for utilising the SAP Employee Self Service (ESS) and Manager Self Service (MSS) Portal unless other arrangements have been approved by line regarding manual submission of leave forms. The company will allow a negative leave balance of up to 5 days if insufficient annual leave is available at that time, thereafter unpaid leave will be deducted.

7.3 **Annual Leave: Shift Workers**

Employees who work shifts, in general, can work either an 8 hour or a 12 hour shift. Provision is made on the leave portal for indicating leave taken in hours as well, to accommodate half days taken, etc.

It is the responsibility of both the Employee and Line Manager to ensure that the Employee's leave is reflected correctly on the leave application.

The following is applicable to employees working 12 hour shifts:

- The 12 hour shift will be deemed to include 1 hour for a meal interval. This means that when applying for leave, only the equivalent of 1.375 days (11/8 days) will be charged to the leave accrual balance.
- (ii) Annual leave entitlement will be adjusted on the SAP system by a factor that will compensate the shift worker for any shortfall in leave accrual by virtue of fact that you work 12 hour shifts.

The table below sets out the various 12 hour shift worker leave entitlements:

Leave Type	Grade	Leave entitlement per annum
Annual Leave - PC/Temp Employees	N/A	15
Annual Leave - Permanent Employees	В	16
Annual Leave - Permanent Employees	CL	17
Annual Leave - Permanent Employees	CU	18.239
Annual Leave - Permanent Employees	DL	20.785
Annual Leave - Permanent Employees	DU	22.058
Annual Leave - Permanent Employees	EL	23.33
Annual Leave - Permanent Employees	EU	24.603

The leave entitlement indicated above will only occur while the employee is classified as a shift worker and will no longer be applied in the event that a shift worker reverts to a normal work hour environment.

Leave Encashment 7.4

Business Connexion will only pay out the cash value of annual leave accrued in the event of termination of employment. This calculation will be based on an employees' Total Cost to Company (TCC) value.

7.5 **Accumulation of Annual Leave**

Where operationally feasible, annual leave should be taken when due and all reasonable steps should be taken by Line Managers to ensure that employees take annual leave in accordance with the provisions of this Policy and applicable legislation.

All Employees who have not taken annual leave, for days in excess of 25 (twenty-five) days, will automatically forfeit these days in the following month. However, in exceptional circumstances, a

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moratorium on the forfeiture of leave may be applied for, e.g. due to operational requirements leave has been deferred. Refer to the Limits of Authority for the approval requirements.

The Company allows a maximum of 5 days negative annual leave balance at any time.

Upon termination of employment any amount in respect of annual leave accrued to the employee, but not taken, will be paid to the employee. Similarly, should the employee have taken more leave than has accrued to him/her the company will be entitled to make an appropriate deduction from his/her final salary.

8. RELOCATION LEAVE

Permanent Employees relocating at the request of Business Connexion are entitled to two days relocation leave. This leave will not be deducted from the employee's annual leave, but will be included in the value of the relocation budget. For further details regarding international relocation, please refer to the International Assignees Policy.

9. SICK LEAVE

During the first six months of employment all Employees are entitled to one day's paid sick leave for every twenty six (26) days worked. Thereafter, Permanent employees are entitled to thirty six working days paid sick leave per three year cycle.

Temporary and project consultant (PC) employees are entitled to thirty days sick leave per three year cycle.

If the employee requires to be absent from work for reasons of sickness or injury, he/she must either personally or through another person notify his/her manager by 09:00 am on the day of absence and also as to when the employee expects to be able to return to work.

Employees who are absent from work for a period of more than two (2) working days are required to provide a medical certificate, issued and signed by a medical practitioner (registered with the Medical & Dental Professional Council of South Africa) on the first day of their return to work.

In addition to this two-day absence stipulation the Line Manager may, in terms of legislation and at their discretion, request a medical certificate for shorter absence periods if they deem it necessary.

If the employee has been absent on more than 2 occasions during an 8-week period due to sickness or injury the employee will be required to present the company with a medical certificate for the absence, irrespective of the number of days taken off. Should the employee not present a medical certificate from a registered medical practitioner, this time off will be unpaid.

The company reserves the right to reasonably refuse to accept any medical certificate tendered by the employee and to check the authenticity of same.

The following is applicable to employees working 12 hour shifts:

- (i) The 12 hour shift will be deemed to include 1 hour for a meal interval. This means that when applying for leave, only the equivalent of 1.375 days (11/8 days) will be charged to the leave accrual balance.
- (ii) In addition, sick leave entitlement will be adjusted on the SAP system by a factor that will compensate the shift worker for any shortfall in leave accrual by virtue of fact that you work 12 hour shifts.

The table below sets out the various 12 hour shift worker leave entitlements:

Leave Type	Leave entitlement per annum
Sick leave – PC/Temp Employees	33.512
Sick leave – Permanent Employees	41.149

The leave entitlement indicated above will only occur while the employee is classified as a shift worker and will no longer be applied in the event that a shift worker reverts to a normal work hour environment. In such instances, pro-ratering will be applied if/where applicable.

10. **STUDY & EXAMINATION LEAVE**

Permanent Employees whose studies have been approved under the Training and Development Policy will be granted one (1) day's paid leave to prepare for each examination as well as the day that the examination is written.

Permanent Employees whose studies have not been approved under the Training and Development Policy but whose studies are pertinent to the company's business qualify for the same benefit as mentioned above.

All examination leave applications must be supported by verifiable proof such as the examination timetable.

Under normal circumstances examination leave will not apply to PC Employees. Connexion will only bear the costs for formal certification for Employees where it has become a business requirement with prior approval of the relevant Business Connexion EXCO Member.

11. STUDY LEAVE (COMPANY SPONSORED STUDIES)

In the event that compulsory attendance is required for the curriculum of Company sponsored studies and/or workshops for Permanent employees, study leave will be provided. This leave will be granted with the approval of the Line Manager. Such approval will be based on documentation provided by the Employee, confirming the compulsory nature of the study school and/or workshop.

Where employees are completing a dissertation, up to two weeks per annum study leave may be granted, subject to prior approval by the relevant Business Connexion Group Exco Member.

The compulsory curriculum requirements will determine the maximum days of study leave for each specific qualification.

Under normal circumstances study leave will not apply to PC Employees. Business Connexion will only bear the costs for formal certification for Employees where it has become a business requirement with prior approval by the relevant Business Connexion Group EXCO Member.

12. MATERNITY AND ADOPTION LEAVE

The Company is committed to fair employment practices and therefore the principles of parental rights. No employee shall be unfairly dismissed or disciplined on the grounds of pregnancy or any other reasons connected to pregnancy.

In accordance with the provisions of the Basic Conditions of Employment Act, female Employees will be entitled to four (4) consecutive months unpaid maternity leave, commencing no less than four (4) weeks before the expected date of birth, or such other date as a registered medical practitioner or midwife may deem necessary and ending 13 weeks after the confinement date.

Despite this, the employee may not return to work for six (6) weeks after the birth of the child, unless a medical practitioner certifies that the employee is fit to do so.

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Please refer to the Department Of Labour website www.labour.gov.za for further information on Unemployment Insurance Fund maternity benefits due and the claiming procedure.

Notwithstanding the provisions of the previous paragraphs, if a permanent Employee has completed more than twelve (12) months continuous service with Business Connexion at the commencement of maternity leave and she has undertaken to return to the company's full-time employ after maternity leave, Business Connexion will provide four (4) consecutive months paid maternity leave to the Permanent Employee.

To receive paid maternity or adoption leave from the Employer, the Permanent Employee must agree to work for Business Connexion in a full-time position for a period of one (1) year after her return from maternity leave.

Permanent Employees taking paid maternity/adoption leave will, prior to going on such maternity/adoption leave, be required to sign an undertaking to refund the four (4) months remuneration received on a pro-rated basis, if they leave Business Connexion' service within twelve months of commencing employment after paid maternity/adoption leave.

Should the permanent Employee leave the full-time employ of Business Connexion prior to working for a full year (12 months) on her return to work from maternity/adoption leave, the permanent Employee will be expected to repay the maternity/adoption benefits received from Business Connexion, pro-rated to the time already worked.

The Employee must notify her manager in writing of the date of expected commencement of maternity/adoption leave and the date of her expected return to full-time work after maternity/adoption leave, at least eight (8) weeks in advance by applying for maternity leave on the ESS portal, unless other arrangements have been approved by line regarding manual submission of leave forms, and submitting a doctor's certificate confirming the date of expected confinement.

The employee should give the Company not less than three (3) weeks written notice of her proposed date of return to work if the date varies from the one specified on the leave form.

Employment is guaranteed upon return to service.

Annual leave does not accrue during maternity leave.

If the Employee fails to return to work on the agreed return date without notification and without a valid reason, this unexplained absence might result in the termination of her services for desertion. The full value of the maternity benefit paid to the employee will then be due and payable to the Employer immediately.

In cases of unpaid maternity leave, contributions to the Company's compulsory benefits must continue during this time. The payment arrangements agreed to in writing, must be attached to the leave application form prior to going on unpaid leave.

The same arrangements will apply to the Company's voluntary benefit schemes.

Business Connexion will authorise paid and child adoption leave as stipulated in this policy for up to two (2) periods of such leave taken in any five-year work cycle, calculated from the date of commencement of the first period of such leave.

Should an Employee be allowed to take unpaid leave directly after the maternity/adoption leave, the period to work back will only start after completion of the unpaid leave.

Employees who adopt children of pre-school age, who have not previously resided with the adoptive parent(s), are entitled to child adoption leave for the "primary care giver". The rest of the above requirements for maternity leave apply equally to adoption leave.

13. FAMILY RESPONSIBILITY LEAVE (GENERAL AND RELIGIOUS LEAVE)

After an employee has been employed for four (4) months, Business Connexion grants an Employee three (3) days non-accumulative paid Family Responsibility Leave per annual leave cycle, subject to

the conditions listed below. This leave has no cash value and cannot be carried over from one (1) vear to the next or encashed.

Three days of the Family Responsibility Leave may be applied for when the Employee's:

- Child is born or adopted (paternity) (i)
- (ii) Child is sick

Five days of the Family Responsibility Leave may be applied for when the Employee's spouse or life partner, parent, adoptive parent, grandparent, child, adopted child, grandchild, sibling, or in-law passes away. This will only be permitted where employees have not already utilised the 2 days allocated religious leave (as outlined in 13.1 below). Where an employee has utilized 1 of the 2 religious leave days allocated, they may request the balance of the religious leave as family responsibility leave.

13.1 Religious Leave

Business Connexion strives to accommodate all sectors of our religious population within the workforce and to this end the company has enhanced legislated three (3) days Family Responsibility Leave with an additional two (2) paid days allocation.

Employees will be required to record their religion on SAP to be 'sable to apply for this leave.

Employees who have worked for the company for four (4) months or longer will be entitled to apply for two (2) days paid family responsibility religious leave per annual leave cycle, which can be utilised only for any of the days listed below:

Al-Hijra Hanuman Jayanti Rosh Hashanah Ascension Day Krishna Janmashthami Shavuot Maha Shivaratri Shmini Atzeret Ashura Chinese New Year Simhat Torah Navaratri Deepavali/Diwali Pesach Sukkot Eid-ul-Adha Raksha Bandhan Yom Kippur

Eid-ul-Fitr Ramadan

Legislated public holidays include religious, political and commercial holidays as determined by our Government. The Government therefore determines which religious observances will automatically be treated as paid leave.

The company strives to consistently apply leave allowances for religious observances. Religious observances not listed above will not be unreasonably withheld and Employees may apply for annual leave to attend any other religious observances, subject to operational requirements.

Family Responsibility Leave does not accrue from one leave cycle to the next.

14. **VOLUNTEERING LEAVE**

Each Business Connexion employee is afforded two (2) working days per annum to be used for employee volunteering days with one of the Business Connexion Corporate Social Responsibility programmes, or to assist with the programmes of one of the Business Connexion sponsored development organisations community programmes.

The relevant line manager must approve the volunteering leave prior to the employee participating in these activities in line with the Employee Volunteerism Policy.

15. **PUBLIC HOLIDAYS**

In accordance with the provisions of the South Africa Public Holidays Act, 1994, all Employees shall be entitled to paid time off for public holidays in accordance with the provisions of such legislation.

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16. **SPORT LEAVE**

Business Connexion does not consider sport to be part of its day-to-day business practices. Applications for such Special Sport Leave will be considered at management's discretion and will only be granted with the following provisos for permanent employees:

Participation in sport at either a Provincial or National team level will be considered up to a maximum of three (3) paid days per leave cycle, and then only with suitable documentary proof of team selection and competition dates.

Permanent Employees must apply for leave and receive authorisation prior to going on leave.

17. **UNPAID LEAVE**

Unpaid leave should only be granted in exceptional cases of extreme hardship, such as the need to nurse a sick relative, or for other similar extraordinary personal circumstances. Unpaid leave of absence will not be granted for periods exceeding four months and any approval is subject to operational requirements.

Annual leave does not accrue during any period of unpaid leave.

Contributions to the Company's compulsory benefits must continue during this time. The payment arrangements agreed to in writing, must be attached to the approved leave application form, and must be submitted prior to going on unpaid leave. The same arrangements should be applied to the Company's voluntary benefit schemes.

Employment with identical benefits is guaranteed upon return to service, but not necessarily in the same position or function.

18. **WORK STAY-AWAY**

It is illegal for Employees to participate in a work stay-away, unless the relevant legislation has been fully complied with. Business Connexion will not grant leave for any illegal stay-away and reserves the right to take disciplinary action against Employees who participate. In addition, at all times the principle of "no work, no pay" will apply.

EXCESS LEAVE & EXCEPTIONS 19.

Special and excess leave authorizations are to be referred to the General Manager: HR Centre of Excellence, who in turn may delegate authority for approval (e.g. to Group Executive Shared Services or EXCO). Any requests of this nature will require a line-management motivation before approval will be considered.

20. SUMMARY OF LEAVE TYPES

Type of Leave	Leave entitlement	Accrual per month	Leave Accrual Cap
Annual Leave for permanent employees in service prior to 1 April 2009	23 days per annum	1.91667 days	25 days
Annual leave for permanent employees in service after 1 April 2009	See table in section 7.1.1 of this policy	See table in section 7.1.1 of this policy	25 days
Annual leave for PC and Temporary Employees	15 days (1 hour for every 16.4 hours worked)	1.25 days (1 hour for every 16.4 hours worked)	25 days
Sick leave for Permanent Employees	36 days per 3 year cycle	First 6 months – 1 day per 26 days worked	36 days per 3 year cycle

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Type of Leave	Leave entitlement	Accrual per month	Leave Accrual Cap
		After 6 months – full entitlement	
Sick leave for PC and Temporary employees	30 days per 3 year cycle	First 6 months - 1 day for every 26 days worked. After 6 months, 1 day per month worked.	30 days per 3 year cycle
Study & Examination leave	1 day prior to the exam date and day off to write the exam	No accrual	Depending on course curriculum
Study leave (Company Sponsored)	Duration depends on curriculum	No accrual	Depending on course curriculum
Maternity / adoption leave for Permanent employees in employment less than 12 months and PC's and Temporary employees	4 months	No accrual	None
Maternity / adoption leave for Permanent employees in employment longer than 12 months	4 months	No accrual	2 confinements in a 5 year cycle
Family responsibility leave (includes 2 days religious leave)	5 days	No accrual	5 days per year

21. SHIFT WORKERS

Leave Type	Leave days entitlement per annum
Annual Leave - PC/Temp Employees	15
Annual Leave - Permanent Employees	16
Annual Leave - Permanent Employees	17
Annual Leave - Permanent Employees	18.239
Annual Leave - Permanent Employees	20.785
Annual Leave - Permanent Employees	22.058
Annual Leave - Permanent Employees	23.330
Annual Leave - Permanent Employees	24.603
Sick leave – PC/Temp Employees	33.512
Sick leave – Permanent Employees	41.149

22. APPLICABILITY

This Policy is applicable to all employees of Business Connexion Group. The consistent application of this Policy will promote fair and equitable Human Resource practices within Business Connexion Group.

22.1 Effective Date

The effective date of this Policy is 1st March 2015.

22.2 Associated/Related/Required Process, Standards and Other Policies

(i) Training and Development Policy

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22.3 Related Legislation and Standards

This Policy is guided by the following relevant legislation, standards and Business Connexion Policies:

- Basic Conditions of Employment Act (No. 75 of 1997) (i)
- Labour Relations Act (No. 66 0f 1995) (ii)
- (iii) Employment Equity Act (No. 55 of 1998)
- UIF Act (No. 63 of 2001) (iv)
- **Disability Policy** (v)
- (vi) Recruitment Policy
- Corporate Governance and related legislation. (vii)

22.4 Policy Authority

Any changes to this Policy must be approved by Group Manager HR: Centre of Excellence.

23. **GLOSSARY OF TERMS**

EXCO: **Executive Committee** BCX: **Business Connection**

Client Engagement Offices / Business Units Business Area:

Unemployment Insurance Fund UIF:

24. **REVISION HISTORY**

Policy Number	Policy Title	Creation Date	Revision number and date	Author
BCGP-7-52	Leave Policy		11.0	HR COE

24.1 Changes since last version

Applicable changes to the document since least published version				
Change requested by: HR COE Date of Request: 1 June 2017				
Summary of changes				
Version Number	Paragraph	Description of change		Effective Date
12.0	All	Alignment to new branding		14 July 2017

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