

# Human Resource (HR) Policy for the Cashew Nut Processing Plant

Prepared for



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## **ACRONYMS**

|     |                               |
|-----|-------------------------------|
| CEO | Chief Executive Officer       |
| DAI | Diaoune Agro-Industrie Sarl   |
| EHS | Environmental Health & Safety |
| HR  | Human Resource                |
| ID  | Identity Card                 |

# **HUMAN RESOURCE (HR) POLICY**

## DAI HR POLICY MANUAL

On behalf of the Management, I welcome you to Diaoune Agro-Industrie Sarl and wish you every success here. We are confident that you will find our company a dynamic and rewarding place in which to work, and we look forward to a productive and successful association.

At Diaoune Agro-Industrie Sarl, we believe that each employee contributes directly to the growth and success of the Company and we hope you will take pride in being a member of our team. We consider the employees of Diaoune Agro-Industrie to be one of its most valuable resources. We sincerely hope that your position with us is both rewarding and enjoyable.

This Human Resources Policy Manual is developed to outline the Company policies, programs, and benefits available to eligible employees and to describe the expectations of our employees in terms of rights and obligations. It is provided as a central reference and applies to all managers, supervisors and employees across all locations where the Company carries out its work.

The specific policies that follow seek to promote the philosophy of Diaoune Agro-Industrie Sarl (DAI) with regard to standards of excellence; terms of employment; employee development; and employee services.

It may be necessary to change these policies from time to time to reflect changes in the workforce, employment trends, economic conditions and Guinea legislation. Policy changes will be fully consulted on and communicated to all staff through normal communication channels. This Policy Manual will also be updated as necessary.

Signed: \_\_\_\_\_

**Managing Director / Chief Executive**

## **SECTION ONE**

### **1.0 INTRODUCTION**

#### **1.1 Purpose and Scope of the Policy**

The Diaoune Agro-Industrie Sarl Human Resources Policy document explains the policies, procedures, working environment and benefits that employees are entitled to in their contract of employment. The document is intended to outline an employee working relationship, employee's employment contract, Guinean Labour law, Guinean Civil Code, HR policy and strategies and other documents issued to an employee from time to time.

The DAI Human Resource Policy seeks to achieve the following:

- Sets out DAI policy-level commitments to good practice Human Resources Management;
- Sets out the standards with which DAI are required to align their own Human Resources policies, procedures and practices to ensure they reflect DAI's values and philosophy on employment relations;
- Ensure that DAI employment practices conform to local, national and international labour legislation and best practice.
- Provide DAI with a framework to guide the embedding of employment industry best practices over and above the achievement of minimum legal compliance in employment practices;
- Ensure that employment practices do not allow for discrimination or Human Rights violations;
- Ensure that Human Resource Management is prioritized, well-resourced and recognized as a critical sustainable business function in DAI;
- Ensure that employment practices support economically, environmentally and socially sustainable business practices within DAI; and
- Provide the DAI with a framework to identify risks and opportunities relating to employment and Human Resources Management.

The Human Resources Policy is applicable to the Diaoune Agro-Industrie Sarl and is considered a living document and will be updated iteratively as and when required.

## 1.2 Guiding Principles

DAI subscribes to driving growth and profitability through sustainable employment practices, which in turn generate economic benefits for the business, whilst simultaneously creating value for society and all stakeholders. DAI believes that employees are a key asset, and a sound employment relationship within its own business is a key driver of success. DAI is committed to ensuring that risks related to employment and Human Resources Management within its Company are mitigated to the greatest possible extent.

DAI respects the Guinean legislative framework in which its company operate and all employment and business practice legislation and this form the basis on which contractual and employment relations are managed. In addition, underpinning DAIs employment values include international sustainability standards and labour conventions. These include, but are not limited to:

- Guinean Labour Proclamation No.1156/2019;
- ILO Convention C158-Termination of Employment 1982;
- ILO Core Convention-Collective Bargaining;
- IFC Performance Standard 2: articles 18,19 & 20; and
- SDG 8: Promote Sustained, Inclusive, Sustainable Economic Growth, Full and Productive Employment and Decent Work for All.



## **SECTION TWO**

### **2.1 Rights and Obligations of the Company and the Employee**

#### **2.1.1 Obligations of the Company**

- I. Shall inform about the vision and strategic plan of the Company.
- II. Shall implement government directives, rules, and regulations pertaining to the rights and benefits of the employee.
- III. Shall pay the salary of the employees according to the Guinean Calendar between the 26th and 31st of each month.
- IV. Shall issue each employee a valid identity card (ID) at its own cost.
- V. Shall keep personnel files of all employees and make them available to the employee upon request of the employee in the presence and overseeing of the HR representative.
- VI. Shall issue a certificate of service to employees upon request of the employee and during termination of employment. All certificates should be issued by the HR department only.
- VII. Shall maintain the confidentiality of the personnel file of employees.
- VIII. Shall maintain a safe working environment for all employees.
- IX. The employer shall be responsible for looking after safety and health at the workplace and take appropriate measures accordingly to ensure the safety of the workplace and the employees.

#### **2.1.2 Obligations of Managers/Supervisors**

- I. Ensure that all employees in their departments/units are provided with all of the necessary training and equipment to ensure a safe work environment and minimize injuries and health hazards.
- II. Shall make a performance evaluation of each employee under his/her supervision.
- III. In consultation with the HR department, shall issue performance improvement plans as required for an underperforming employee.
- IV. Shall encourage open dialogue and listen to the issues and concerns of the employees and respond to the same in writing or verbally.
- V. Shall design and conduct job-related trainings as required.
- VI. Shall ensure that employees have the necessary equipment to fulfil their duty.

- VII. Shall provide job descriptions which show the duties and responsibilities of each employee.
- VIII. Shall provide specific, constructive feedback, balancing positive and negative to their subordinates through regular one-on-one meetings and performance evaluations.
- IX. Shall empower, not micro-manage employees by giving them the freedom to conduct their work according to work rules and labour laws, while still being available for advice as needed and holding them accountable for actions and results.
- X. Shall inform HR immediately when an employee is absent from work for more than one day without notice and make sure they leave form is submitted to HR, when on leave.
- XI. Shall be responsible for looking after the safety and health of the employees and take appropriate measures accordingly.
- XII. Shall strictly implement and follow up company's health and safety policies.

### **2.1.3 Obligations of the Employee**

- I. Shall work the number of hours stated in the contract of employment.
- II. DAI respects official public holidays, but for those jobs that require uninterrupted attention, DAI may require employees to work on holidays with holiday pay/overtime payment as per the Labour Code.
- III. No DAI employee, during or after the period of employment, may disclose to any person or body or organization confidential information.
- IV. Shall abide by the rules, regulations, protocol, policies and directives of the Company.
- V. Shall properly and efficiently conduct his/her duties detailed in the Job Description utilizing his/her full capability and energy.
- VI. Shall obey and respect all directives/assignments given by his/her supervisors.
- VII. Shall protect the property of the Company and the equipment for which he/she is responsible, utilise them economically in a manner that could make them long-lasting. Should report within 72 hours, if company property/equipment is damaged or lost.
- VIII. Shall return all received company property/money upon the termination of his/her employment.
- IX. As per articles VII & VIII, any company items that are not reported as damaged or lost shall be returned /replaced respectively upon termination.
- X. Shall not cause physical, psychological, or emotional harm to or quarrel or be responsible for a brawl against his/her colleagues at the workplace.

- XI. Shall not use Company property or monies or services for non-work-related purposes that can affect the business activity of the company.
- XII. While on duty, shall not be under the influence of drugs prohibited by law or alcohol causing impaired physical and mental status.
- XIII. Shall abide by all health and safety regulations of the Company.
- XIV. Shall not be late for work or depart early or leave his/her workplace during any working hours without permission.
- XV. Shall make every effort to eliminate theft and wastefulness; and report any theft or wastefulness of which the employee becomes aware.
- XVI. Shall not steal from the workplace property/money of colleagues.
- XVII. Shall accommodate physical screening and inspection of belongings by security guards when entering or leaving the factory premises.
- XVIII. Shall not carry out his/her personal activities during the working hours of the Company.
- XIX. Shall notify their supervisor or HR representative about any observed or suspected incidents of negligence, theft, damage or any other violation of Company policy, within 24 hours.
- XX. Shall reimburse the cost of lost or damaged equipment under his/her custody, when such loss or damage was a result of negligence or intentional abuse, by taking into consideration the replacement cost.
- XXI. Shall strictly comply with Company's health and safety policies.

## **2.2 General Employment Regulations**

### **2.2.1 Equal Employment Opportunity**

DAI is an equal-opportunity employer. The company extends equal opportunity to all individuals without regard to religion, ethnicity, sex, disability, age, or any other status protected under the labour law of the nation. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices. This policy applies to all terms and conditions of employment, including but not limited to, hiring, promotion, termination, layoff, recall, leaves of absence, benefits, compensation and training.

### **2.2.2 Child Labour Policy**

The Child Labour Policy provides DAIs standards and processes in promoting decent work for youth of legal working age. DAI prohibits the employment of any youth below the legal working age at its factory and ensures young people's rights at DAI are protected. The Policy requires the implementation of monitoring mechanisms to manage the minimum age guidelines at the DAIs cashew processing factory as well as farmers and suppliers providing raw cashew nuts to the factory. The Policy provides the process to ensure compliance with the ILO Conventions No. 138 and 182 which includes the identification of hazardous work prohibited to children under the age of 18 years of age.

### **2.2.3 Standard Requirements**

- Any DAI workplace shall not allow the use of child labour, either directly or through a third-party cashew farmer or supplier.
- Under no circumstances shall any DAI factory site employ an individual under the local legal minimum age for work determined by national laws or regulations or by the competent authority.
- The minimum age for admission to any type of employment or work which by its nature or the circumstances in which it is carried out is likely to jeopardize the health, safety or morals of the individual shall not be less than 18 years.
- Any DAI workplace shall not allow physical punishment, abuse, or involuntary servitude of any worker. Procedures are in place to ensure that workers enter into the employment of their own free will and they are never prevented from leaving if they so wish.
- All Managers, supervisors and worker representatives shall be trained on the applicable definitions of child labour.
- All DAI factory sites shall maintain a roster of approved casual workers and only approved and verified workers are allowed access to DAI premises for rendering any work. Information maintained for verified casual and full-time workers must contain Proof of age.

### **2.2.4 Third-Party Labour Policy**

The objective of the Third-Party Labour Policy is to define the protocols of procurement, engagement and management of all cashew farmers and suppliers aligned to the social

performance standards in DAI which include child labour, human rights and human resource practices. The Policy provides for all cashew farmers and suppliers to be trained on all company and community-related issues and to conform with all child labour and human rights practices. All cashew farmers and suppliers are to be considered within the company framework including consideration of the potential for identified social performance risks in the cashew supply chain. Contracts with cashew farmers and suppliers shall include clauses specifying actions to avoid, minimise or mitigate social impacts. In instances where DAI is linked to human rights or child labour infringement through a business relationship, it will exert either control or influence to bring about change or terminate the business relationship.

### **2.3 Anti-Harassment Policy (Workplace Conditions)**

DAI is committed to providing a work environment that promotes employee equality, respect and dignity. In keeping with this commitment, the Company has adopted a policy of “zero tolerance” with respect to employee harassment including sexual harassment.

#### **2.3.1 Harassment**

DAI strives to create and maintain a work environment in which people are treated with dignity, decency and respect. The environment of the company should be characterized by mutual trust and the absence of intimidation, oppression and exploitation. Employees should be able to work and learn in a safe, yet stimulating atmosphere. DAI will not tolerate unlawful discrimination or harassment of any kind.

All employees have the right to be comfortable in and satisfied with their working environment. Therefore, all employees of DAI always have a responsibility to treat others with dignity and respect. All employees are expected to exhibit conduct that reflects inclusion during work and at work functions (on or off the work site). In the case that something prevents this from happening; each employee is encouraged to communicate their concerns to his/her immediate supervisor or Human Resources.

Harassment based on religion, age, gender, marital status or any other characteristic is strictly prohibited. Harassment is verbal or physical conduct that insults or shows hostility or aversion toward an individual. Under this policy, harassment has the purpose or effect of (i) creating an uncomfortable, hostile or offensive work environment; (ii) unreasonably interfering with an individual’s work performance; or (iii) adversely affecting an individual’s employment opportunities.

Harassing conduct includes but is not limited to: insults, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that insults or shows hostility and aversion toward an individual or group and is placed on walls, in vehicles or elsewhere on the employer's premises.

### **2.3.2 Sexual Harassment and Violence**

DAI commits to ensuring that employees are not subjected to any form of sexual harassment. Any persistent, unsolicited and unwanted sexual advances or suggestions made by one employee to another, regardless of gender and/or sexual orientation will not be tolerated. Violations of this Policy will lead to disciplinary action, which will include dismissal, and/or criminal charges. All managers have a responsibility to promptly address all reports of harassment. In dealing with cases of sexual harassment, the company shall be guided by the ILO Convention 111 on Discrimination, Convention 190 on Violence and Harassment, IFC Performance Standard 2 (items 15,16 and 17), and the Labour Proclamation No. 1156/2019.

Sexual harassment and violence constitute discrimination and are expressly forbidden by DAI. Sexual harassment is defined as "Persuading or convincing another through utterance, signs or any other manner to submit for any sexual favour without his/her consent". It is also considered as unwelcome sexual advances, requests for sexual favours and other verbal or physical contacts of a sexual nature. Sexual harassment occurs when, for example, (1) agreeing to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment; (2) agreeing to or rejecting such conduct by an individual is used as the basis for employment decisions affecting the individual; or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an uncomfortable, hostile or offensive working environment.

Sexual harassment may include a range of behaviours and may involve both males and females. Depending on the circumstances, these behaviours may include, sexual harassment: unwanted sexual advances or requests for sexual favours; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; unwelcome notes, phone calls, messages or gifts of a sexually suggestive nature; insulting or obscene gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

### **2.3.3 Sexual Violence:**

Sexual violence means sexual harassment accompanied by force or an attempt thereof. It is a violation of the DAI's Productive Work Environment/Sexual Harassment and Violence Policy for any employee to be subjected to the conduct described in this definition. Violators of this policy will be subject to strong disciplinary actions, up to and including termination and criminal charges for their actions, where applicable. In cases where managers/supervisors are found to violate the sexual harassment and violence policy of the company, the management may take appropriate measures which may include termination.

## **2.4 Security at the Workplace**

The Company recognizes that secure operations are dependent upon employee participation, commitment, and accountability. All security activities must adhere to the general principles laid down in the company policies.

### **2.4.1 Conflict of Interest**

Conflict of interest arises whenever the personal, professional, or business interests of an employee are potentially at odds with the best interests of the Organization. All employees are required to act in good faith towards their employer.

Employees shall avoid any situation that might affect their independence of judgment with respect to any business dealings between the Company and any other organization or individual.

Where such a conflict occurs, (or is perceived to occur), the company's interests will be balanced against the interests of employees; and, unless exceptional circumstances exist, they should be resolved in favour of the company.

If a love relationship between two employees or supervisors develops within the working environment, the onus is on the senior employee concerned to bring this to the attention of his or her manager to confirm that there is no conflict of interest, nor will a conflict of interest arise. The Company reserves the right to move one of the employees concerned if it deems it necessary to do so.

The possibility that a conflict of interest may occur can be addressed and resolved before any actual conflict occurs. Therefore, if an employee understands or suspects that a conflict of

interest exists, they should bring this matter to the attention of an HR representative, so corrective actions may be taken. All conflicts of interest will be resolved as fairly as possible.



## **SECTION THREE**

### **3.0 RECRUITMENT AND SELECTION**

#### **3.1 Recruitment and Selection**

Effective recruitment and selection are central and crucial to the successful functioning of DAI. It depends on finding people with the necessary skills, expertise and qualifications to deliver the Company's strategic objectives and the ability to make a positive contribution to the values and aims of the organisation.

##### **3.1.1 Probation Period**

An employee is hired for a probation period of 60 working days from his/her starting date, during which his/her competence is evaluated. For Managers, the probation period shall be 90 working days.

The HR Department shall get the evaluation report from the new employee's immediate supervisor of the employee on probation at least 10 days before the end of the employee's probation period and for Managerial roles at least 15 days before the end of the probation period. An employee shall only be given a satisfactory mark if the supervisor believes that the candidate has a greater than 90% likelihood of achieving their responsibilities as per the initial Job Description.

##### **3.1.2 Employment of Expatriate Experts**

Expatriates are intended to fill a knowledge, skill, or managerial experience gap in the Company and transfer knowledge and train local employees. Expatriates can be employed at the discretion of the chairman/CEO and the board of directors. Expatriate employees are governed by this policy and the terms of their contracts.

##### **3.1.3 Casual/Fixed-Term Workers**

When necessary, DAI will hire an employee for a fixed term or on a casual basis for the following purposes.

- I. Performance of specified piece of work for which the employee is employed.
- II. Replacement of worker who is temporarily absent due to leave or sickness or other causes.

- III. Performance of urgent work to prevent damage or disaster to life or property, repair defects or breakdowns in works, materials or plants of the company.
- IV. Seasonal works relate to permanent parts of the works of the company performed only for a specified the year, but which are regularly repeated in the year.

Note: contract of employment under VIII and IX shall not exceed 45 (Forty-Five) working days and shall be done only once.

## **SECTION FOUR**

### **4.0 TRAINING AND DEVELOPMENT**

#### **4.1 Training and Development**

The company shall endeavour to provide formal training to as many employees each year as possible. The Company believes training is a two-way process and shall give employees adequate training to do their job safely and competently. Management encourages employees to participate and to highlight any gaps in their skills or knowledge they believe they have.

#### **4.2 Training & Developmental needs assessment**

All improvement areas pertaining to job responsibilities, soft skills and required training/development to overcome shortcomings in job execution should be discussed and agreed upon.

At the beginning of the year, the HR Department will develop an annual training & development plan with respect to the individual development plans of employees, policy, strategy and business requirements and submitted to the Management team for approval.

## **SECTION FIVE**

### **5.0 WORKING HOURS AND LEAVE**

#### **5.1 Hours of work**

The provision of regulated working hours forms part of the conditions of employment which also include leave provisions. The core hours of work applicable to employees are:

- Administrative/office employees: the working hour is from 8am to 5pm from Monday to Friday.
- Production employees: Hours of work vary based on each operational requirement. However, these hours will be a minimum of 40 hours per week undertaken for 8 hours per day with 1-hour break daily.

The hours applicable to each of the employees in the above-mentioned categories are specified in the employee's contract of employment and in terms of Labour Proclamation 1156/2019 Art 63 - Arrangement of Weekly Hours of Work.

##### **5.1.1 Overtime**

Overtime means the time that an employee may be required to work more than the daily or weekly ordinary hours of work due to operational requirements.

The company may not compel an employee to work overtime unless the circumstances detailed in Labour Proclamation 1156/2019 Art 67 are present:

- Where and when employees can with reason be expected to work overtime and where the Company is obliged from time to time to do the same, there will be an agreement with the relevant employees to work overtime
- Should an employee be required to work overtime, the employee will be entitled to compensation in terms of the Collective Bargaining Agreement
- All overtime to be worked must be pre-approved by the relevant Manager / Supervisor.

##### **5.1.2 Public holidays**

An employee is entitled to all public holidays which coincide with normal working days. Based on the nature of the work, an employee may be required to work on Public Holidays.

Payment for work performed on a Public Holiday will be paid in accordance with the Overtime compensation.

### **5.1.3 Leave**

All leaves should be applied using the HR leave request form before proceeding on leave. In case of an emergency when leave cannot be applied in advance, reporting should be done over the phone to the immediate line manager/supervisor and it must be regularized within 2 days of resuming duty.

All types of leave, with the exception of sick leave, personal emergency leave and compassionate/family leave must be requested 15 days in advance and authorized by the direct supervisor using the leave request form.

In case of prolonged illness or leave of absence from work an employee is required to inform the immediate line manager/supervisor at regular intervals about their condition and the anticipated date of return. In the absence of any communication from the absent employee without good cause, disciplinary action may be taken by the company. Leave without approval will be considered an absence.

### **5.1.4 Annual Leave**

None Managerial employees are entitled to 16 working days of annual leave per calendar year and shall get an additional 1-day leave day for every additional year of service. Managers who signed a managerial contract are allowed 20 days of leave for the year and 1 additional day every year. If a staff member did not work the full calendar year, the entitlement of leave days shall be calculated by prorating the annual entitlement against the number of completed months that she/he was employed during that respective year.

### **5.1.5 Sick Leave**

The total amount of sick leave shall not exceed 180 calendar days counted consecutively or separately in any continuous 12 months period starting from the first day of sickness. Days of sick leave shall be recorded and accumulate throughout a continuous 12 months period. Absence from work for the reason of sick leave must be supported by a certificate from a qualified medical practitioner stating the nature of the illness, the patient treated and the date of treatment and allowed sick leave.

Salary payment during periods of sick leave shall be granted in the following manner:

- First month: 100% of his/her monthly wage
- Following the second and third months; 2 months at 50% of his/her wage
- Following 3 months (4th, 5th and 6th): without pay

### **5.1.6 Maternity Leave**

Pregnant women employees are entitled to 30 working days of prenatal leave. Where the employee doesn't deliver within 30 working days of her prenatal leave, she is entitled to an additional leave with pay until her confinement. However, if birth takes place before the expiry of pre-natal leave, post-natal leave of the employee shall commence immediately.

Pregnant women employees are entitled to 90 consecutive days of post-natal leave. If the employee fails to take her maternity leave in connection with her delivery, the unused maternity leave period cannot be postponed to another time.

A pregnant employee facing complications due to the pregnancy, and on the recommendation of a medical doctor, may be eligible for sick leave. Maternity leave can be clubbed with annual leave subject to prior permission of the immediate supervisor/ line manager.

A pregnant employee must give a minimum of 1 month's notice of the expected starting date of prenatal leave and or maternity leave to her immediate supervisor/ line manager.

### **5.1.7 Nursing Period**

During the first six months after the delivery of her baby, a female staff member can request a reduction of two hours from the standard working hours per day by discussing with her supervisor (time can be disused and decided by the supervisor and the staff) to facilitate proper nursing of the infant.

## **SECTION SIX**

### **6.0 SALARY AND BENEFITS**

#### **6.1 Salary and Benefits Administration**

The salary of the employee is maintained according to the company salary scale/salary band to ensure fairness and consistency among all employees. The salary scale reflects the employee's position, qualification, seniority and performance.

The principle of equal remuneration/compensation for work of equal value guides the payment of wages and other benefits. However, this does not affect distinctions made based on such factors as qualifications and experience.

Wage is protected against deductions, attachment, and set-off by the employer. Only in exceptional cases, the wage of the employee can be deducted subject to authorisation under the law (e.g. for tax purposes), social security contributions, collective agreement or work rules, and written agreement of the worker.

#### **6.2 Bonus**

The company bonus plan is created based on the expected production target for each department/unit. Production department/individual that achieves or exceeds their expected production target for the specific production cycle are considered for the bonus. The company bonus plan may be adjusted annually as determined by the management, subject to the Company's overall budget.

## **SECTION SEVEN**

### **7.0 COMPLIANT AND GRIEVANCE**

#### **7.1 Complaint and Grievance Procedures**

Employees have a right to voice their complaints on any work-related issue. The company supports the right of every employee to lodge a grievance with his/her manager or supervisor if they believe a decision, behaviour, or action affecting their employment is unfair. An employee may raise a grievance about any performance improvement action taken against him/her.

DAI aims to resolve problems and grievances promptly and as close to the source as possible. When necessary, Managers/supervisors will escalate a grievance to the next higher level of authority for more discussion and resolution.

#### **7.2 Disciplinary Code**

The Disciplinary Code describes the standards of conduct expected of employees at work. This code intends to cover acts of behaviour in the workplace that are not acceptable whether these acts are of a deliberate or negligent nature. Any type of behaviour or conduct of an employee which has a negative and/or risk impact on the employment relationship may be regarded as a transgression in terms of this code.

#### **7.3 Disciplinary Procedure**

The Company shall communicate its intention to initiate disciplinary action within five (5) days of it becoming clear to Management that an offence, which does not grant immediate termination may have been committed.

##### **7.3.1 Types of Disciplinary Action**

Disciplinary action may comprise any one of the following, depending on the seriousness of the offence and circumstances of each case:

- Counselling
- Verbal warning
- Written warning
- Final written warning



- Suspension with pay
- Dismissal

Where an employee's performance or conduct has been identified as requiring attention, a meeting may be initiated by the line manager. It is an opportunity for face-to-face communication between the line manager/supervisor and the employee, conducted in private, and is intended to have the constructive goal of providing feedback to the employee to correct the problem.

### **7.3.2 Verbal Warning**

A verbal warning is an informal warning, of which no formal record is kept. A note of the discussion may, however, be made in the employee's file signed by the employee and his/her supervisor.

### **7.3.3 Written Warning**

A written warning may be given where a verbal warning has failed or where a verbal warning is considered inadequate because of the seriousness of the offence. The employee shall be given a copy of the written warning and should sign in acknowledgement of receipt thereof. A written warning shall remain valid for six (6) months.

### **7.3.4 Suspension with pay**

In exceptional cases, an employee may be suspended from work until the Company investigates an offence committed by him and gives a final decision as to the action it needs to take. The duration of suspension, in this case, will not exceed 30 days.

Demotion to a lower position can be used as an alternative sanction where the act of an employee justifies termination. Such decision shall be passed with the full discretion of the Company within 20 days from the commission of the offence by the Employee justifying termination. The decision shall be effective if the Employee accepts it.

### **7.3.5 Dismissal**

In the event, a final written warning has failed or in the event of serious misconduct, the employee's contract of employment may be terminated. Termination will usually be in the form of an appropriate dismissal notice.

## **7.4 Grievance Procedure**

### *Stage 1 (Line Manager/Supervisor)*

The employee shall first raise the grievance with his/her immediate line manager/supervisor utilising the Grievance Procedure form, which shall be submitted to the Line Manager/supervisor.

The Line Manager/supervisor shall meet with the employee to obtain a clear understanding of the issue involved in an attempt to resolve the grievance. Further meetings, possibly involving more persons, may be held.

Should the grievance be resolved, the Line Manager/supervisor shall record the outcome on the grievance form. The employee and the Line Manager/supervisor shall thereafter sign the grievance form indicating acceptance of the solution as set out. A copy of this document shall be given to the employee and a copy shall be submitted to HR.

Should feedback not be provided within five (5) working days of the grievance having been referred to the Line Manager/supervisor, the employee may proceed to Stage 2.

### *Stage 2 (HR representative)*

Should the grievance remain unresolved, the employee shall complete Grievance Procedure Form and submit it to the HR department.

The HR shall convene a meeting and attempt to resolve the grievance. Should the grievance be resolved, HR shall record the outcome on the grievance form. The employee and the HR representative shall sign the grievance form indicating acceptance of the solution as set out.

Should the grievance not be resolved within five (5) working days of the grievance having been referred to HR, the employee may proceed to Stage 3.

### *Stage 3 (CEO)*

Should the grievance remain unresolved, the employee should complete the Grievance Procedure Form attaching copies of previous Forms and submit it to the (CEO).

The CEO shall convene a meeting and attempt to resolve the grievance. At this meeting, the employee, the co-worker and/or any relevant witnesses may make representations, as agreed to or deemed appropriate by the CEO. The meeting shall also be attended by HR.

Should the grievance be resolved, the CEO shall record the outcome on the grievance form. The employee, the CEO and the HR Head shall sign the grievance form indicating acceptance of the solution as set out.

Should the grievance not be resolved within ten (10) working days of the grievance having been referred to the CEO, the CEO shall record this on the grievance form. The employee, the CEO and the HR Head shall sign the grievance form indicating the grievance remains unresolved. A copy of the form shall be submitted to HR.

## **SECTION EIGHT**

### **8.0 OCCUPATIONAL SAFETY AND HEALTH**

#### **8.1 Occupational Safety and Health**

DAI will as far as practicable, provide a safe work environment for the health, safety and welfare of its employees, customers, visitors and members of the public who may be affected by its work. DAI is also committed to regular health and safety consultation with staff to ensure that occupational health and safety management is of the highest standard.

Ultimately, everyone at the workplace is responsible for ensuring health and safety in the workplace.

#### **8.2 Accident Reports**

- Accidents occurring within the company premises must be promptly reported by employees to the line manager, supervisor, EHS or HR Department. Employees must not complete their shift and leave the company premises without reporting any accident which might have occurred during the shift.
- Employees should complete the Occupational Accident Report Form as soon as all injured persons have been attended to and the consequences of the accident ably managed.
- The accident report is used to facilitate investigations, enable data on safety issues to be maintained and ensure the effectiveness of future safety audits if any.

#### **8.3 Environment Protection**

DAI will consistently pursue environment-friendly, open and consultative practices and encourage all stakeholders associated with them to help protect the environment through appropriate and best operational practices.

#### **8.4 Alcohol and Drug Abuse Policy**

DAI has a zero-tolerance policy on the use of illicit drugs on the Company's premises. The use of controlled substances is inconsistent with the behaviour expected of employees. The non-prescriptive use, possession, distribution or transfer of controlled substances within the company premises or work sites where employees may be assigned during work hours (or

elsewhere) is strictly prohibited. Persons violating this policy will be subject to disciplinary action.

### **8.5 Non-Smoking Policy**

DAI has a non-smoking policy. DAI offices are public places and therefore are non-smoking environments. An office-wide “No-smoking policy” is always in effect. The company does not permit employees to smoke or ignite items that issue smoke in any company office and all factories. These no-smoking rules shall also apply to the company guests. DAI also prohibits employees holding driver’s positions to smoke in a company vehicle.