

POLICY: LEAVE

BACKGROUND

The corporate Leave policy is established to facilitate the development of controls that will ensure that roles and responsibilities are clearly defined and understood in order to secure both corporate and individual compliance for Reverside regarding Leave. It is the intent of Reverside to promote consistent organisational behaviour by providing guidelines and assigning responsibility for the development of controls where Leave is concerned. It should be noted that failure to comply with conduct and procedures relating to Leave falls under Misconduct in the Disciplinary Code.

The objective of this policy is to regulate all forms of leave that are accrued and due to the employee as a benefit, and to outline procedures to be followed for the granting and taking of such leave.

For further information on leave please refer to Section 20 of the Basic Conditions of Employment Act.

SCOPE OF POLICY

This policy applies to any irregularity, or suspected irregularity, involving employees as well as shareholders, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with Reverside. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to Reverside.

APPLICATION FOR LEAVE

All forms of leave are to be applied for on the ESS Portal (Employee Self Service Portal). Before applying for leave, it is the employee's responsibility to submit a written approval for the number of days required from the relevant Client Manager to the Human Resources Department to finalize the approval for the number of days.

Written approval can be submitted in the following ways:

1. Client approval email forward through to the Human Resources Department.
2. Client approval email attached to the request of annual leave on the Sage Portal

All leave is subject to manager approval.

Submission of Leave on ESS

- Select Leave
- Select appropriate leave
- Select start date to end date
- In the event where the employee is only taking one (1) day of leave:
 - Start date : 02 May to
 - End date : 02 May
- Reason for leave: Leave blank
- Enter relevant Comment including a contactable number in case of an emergency
- Attach relevant document (such as approval email from client)
- Leave approvals on ESS are only approved every Wednesday/Friday (1-3 weeks of the month and on Fridays in the final week of the month due to payroll processing).

ANNUAL LEAVE

Permanent employees are entitled to 15 working days leave per completed year of employment (1.25 days per month worked).

The employee's leave cycle is the 12 month period of continuous employment from the date of commencement of employment or on completion of the prior leave cycle. Annual leave will not be approved if the number of days exceed the number of annual leave days available.

The following leave notice period must be adhered to:

1 day requested: one (1) week prior approval notice

Up to one week requested: two (2) weeks prior approval notice

In excess of one week requested: four (4) weeks prior approval notice

Should the above timescales not be adhered to, there is no guarantee that annual leave requests for specific dates will be met. The basis on which annual leave will be allocated if

the above timescales are adhered to, will be based on the business needs of the organisation and their clients.

1. If for any reason an employee wishes to carry annual leave forward from one period to the next, within the normal leave year, this will be at the discretion of management.
2. Should an employee be unable to take his/her leave during his/her leave cycle due to client operational requirements, the employee will be granted with a 6 months grace period. Should the employee not take the annual leave other than due to client operational requirements, his/her annual leave will be forfeited.
3. In the event of termination, the employee will only be paid the number of accumulated leave days carried forward from the completed 1 year cycle and the grace period of the completed 6 months leave cycle due at that time (Refer to the Basic Conditions of Employment Act).
4. According to Section 20 of the Basic Conditions of Employment Act, no leave may be taken during an employee's notice period.
5. Leave applied for will be approved on the basis that the leave will not operationally affect the client and approval has to be received from the Human Resources Department, in order for the Human Resources Department to further advise the employee.
6. Annual leave may only be taken by agreement between the employer and employee (Basic Conditions of Employment Act Section 20 (10) (a)).
7. In the absence of any such agreement, annual leave must be taken at a time to suit the employer (Basic Conditions of Employment Act Section 20 (10) (b)).
8. Employees are responsible for capturing their leave correctly on the ESS Portal. The Human Resources Department will not be held responsible should an employee's leave be incorrectly captured.
9. All leave approvals need to be submitted electronically by the employee's Line Manager (Office Bound or Client Bound) before the employee takes the leave.
10. In the event where the employee takes the leave prior to the submission of the approved written consent, it will be under the discretion of the Human Resources Department to allow the leave to be deducted as annual leave or unpaid leave, and disciplinary action may follow based on failure to submit leave timeously according to this policy.

11. In the event that a leave form is used, the leave form must be submitted via email to leave@reverside.co.za (and not the timesheet department).
12. Should it come to the company's attention through the timesheet department that an employee has indicated on his/her timesheet "no work due to leave taken", and where the employee failed to submit his/her leave prior to taking the leave as per the leave process, then the leave taken will be considered as unpaid leave based on not following the leave process. This will also be deemed as Misconduct as per the Disciplinary Code as well.
13. **Consultants based on client projects** – Depending on the client operational requirements, employees may be given advance notice that the client will be closed (for example over the December public holidays). This is known as a Shut Down Period. In this case, employees will be required to take annual leave, and the leave will be deducted from the employee's annual allocation and submitted in the normal way. In the event where no paid annual leave is applicable, the leave will be taken as unpaid leave. **No exceptions will be made.**
14. **Support** - Depending on back-office support requirements, employees may be given advance notice that Reverside back-office will be closed (for example over the December public holidays). This is known as a Shut Down Period. In this case, employees will be required to take annual leave, and the leave will be deducted from the employee's annual allocation and submitted in the normal way. In the event where no paid annual leave is applicable, the leave will be taken as unpaid leave. **No exceptions will be made.**
15. It is the employee's responsibility to ensure that he/she has enough leave kept available for the Shut Down Period.
16. Employees who join Reverside after 1st September will be allowed to run into a negative leave balance of 2 days due to the forced leave shut down period every year. The employee would not have completed his/her full 12 month cycle to accumulate enough leave to be utilized for the Shut Down Period.
17. Reverside does take into consideration that National strikes may affect an employee's safety, and as such employees who are affected by such circumstances and cannot safely report for duty should apply for annual leave in retrospect on their return. Should the employee be unable to report for duty and there is no annual leave available, unpaid leave will be utilized.
18. No leave will be paid out or commuted to cash, except on termination of service.

FAMILY RESPONSIBILITY LEAVE

Employees who have been in permanent employment of Reverside for more than **4 months** and who work for at least 4 days per week are entitled to 3 days of paid family responsibility leave during each annual leave cycle (12 month period from date of employment or previous annual leave cycle).

Family Responsibility Leave can only be utilized in the following events:

- When the Employee's child is ill
- In the event of the death of the Employee's spouse or life partner
- In the event of the death of the Employee's parent or adoptive parent
- In the event of the death of the Employee's grandparent or grandchild
- In the event of the death of the Employee's child or adoptive child
- In the event of the death of the Employee's siblings (brother or sister)

It is required that the employee provides reasonable proof of the illness or death for which an employee requests leave, if requested by Reverside.

Family responsibility leave is in addition to any other leave entitlement and any unused portion of Family Responsibility Leave lapses at the end of each year and is not accumulative.

Note that the illness of an Employee's spouse/life partner, parent, grandparent or sibling does not qualify for Family responsibility leave

UNPAID LEAVE

Unpaid leave will only be granted in exceptional cases.

STUDY AND EXAMINATION LEAVE

Employees undertaking courses of study privately and on a part-time basis, which are business related in the opinion of Reverside, may be granted paid study leave to attend such courses, and examinations related thereto, subject to the operational requirements of the client and Reverside.

Three (3) days only paid examination leave, as per the above, is granted per annum and will not accumulate or be carried over to the next year. Assignments, semester tests, projects and practicals will not be considered as examination leave.

Annual leave should be utilized for non-business related studies or time off to study.

Study leave is NOT statutory leave. It is at Reverside's discretion to grant or decline study leave without a reason.

RELIGIOUS LEAVE

The large number of different religions among the various population groups in South Africa renders it impossible, in the interest of the smooth and efficient running of Reverside's business, to allow for special paid religious holidays applicable to members of the various religious groups. Religious holidays, which are not recognized as public holidays, are therefore regarded as normal working days. However, members of various religious groups will be entitled to take one (1) day of their annual leave entitlement for any religious holiday of their religious group. In exceptional circumstances, unpaid leave may be granted.

SICK LEAVE

Definitions:

Permanent Employee : Refers to those employees who are not employed on a contract basis (no end date).

Sick leave cycle: Refers to a period of three (3) years or thirty six (36) months from start date of employment with Reverside, or the completion of that employee's prior sick leave cycle.

Manager: Refers to those employees employed as a Manager, Head of Department or Director.

Basic Conditions of Employment: Means a provision of the Basic Conditions of Employment Act (BCEA) or sectorial determination that stipulates a minimum term or condition of employment.

Medical Practitioner: means a person registered with the Health Professions Council of South Africa and entitled to practice as a medical practitioner.

Employees are entitled to sick leave based on the following:

1. Sick leave will be given to an employee who is incapable to work due to ill health. Thus the employee will remain absent from work and still be paid.

2. In terms of the BCEA, the company will permit 30 working days of sick leave during any cycle of 36 consecutive months of employment. In the first 6 months of employment the company will grant 1 working day's sick leave for every 26 days worked.
3. The sick leave processions do not apply to inability to work caused by an accident or occupational disease defined in the Compensation of Occupational Injuries and Disease Act, 1993, except for any period during which no compensation is payable.
4. According to the BCEA Chapter 3, paragraph 23, an employer is not required to pay an employee if the employee has been absent from work for more than two consecutive days or on more than two occasions during an 8 week period and, on request by the employer, does not produce a medical certificate by a registered Medical Practitioner stating that the employee was unable to work for the duration of the employee's absence on account of the sickness or injury. The medical certification must state the following:
 - The name, address and qualification of the practitioner
 - The name of the patient
 - Date and time of the examination
 - A description of the illness, disorder in layman's language
 - Whether the patient is totally indisposed for duty or whether the patient will be able to perform less strenuous duties in the work situation
 - The date of issue of the certificate
 - A clear indication of the identity of the practitioner who issued the certificate
5. The company may at its discretion at any time request that the employee provide a medical certificate issued and signed by a registered Medical Practitioner even though the period of absence did not exceed 2 working days.
6. Leave taken on a Monday, Friday, before or after a public holiday, should be accompanied by a valid doctor's certificate in order to qualify for paid leave.
7. Any medical certificate, which is issued and signed in retrospect or on the advice of the employee's illness, shall not be accepted.
8. The company reserves the right to, at their own cost, refer an employee to a Medical Practitioner assigned by the company in order to verify medical certificate or to clarify any uncertainty.
9. Reverside does not pay sick leave if the certificate is issued by a Traditional Healer. Reverside may refuse to accept a medical certificate if it is not issued and signed by a registered medical practitioner or another person who is certified to diagnose and treat

patients who is registered with the Health Professionals Councils of South Africa (HPCSA) or similar body established by an Act of Parliament.

10. In the event that an employee exceeds the sick leave entitlement that is due to him/her, the number of working days that exceeds the entitlement shall be converted to annual leave. Should the accrued annual leave entitlement be exhausted as well, the working days exceeding the sick leave entitlement shall be converted to unpaid leave.
11. On termination of employment, Reverside will be entitled to deduct any sick leave taken in excess of the days allowed from the final payment due to the employee.
12. In cases where an employee is forced to be absent from work for a long period of time due to surgery or any other major condition, then these cases may be referred to the Human Resources Department for condonation.
13. Sick leave will only be granted in periods of ½ and full working days and not hours. Employees who leave the office premises due to illness before 10:00am are to submit a full day's leave; employees who leave the office premises due to illness after working a consecutive 5 hours should submit a ½ day's leave.
14. It is the responsibility of the employee to inform his/her direct line manager and Human Resources by no later than 09:00am on the day of his/her absence from work due to illness, to avoid Disciplinary Actions.
15. In cases of prolonged illness, employees are expected to keep the direct Line Manager and Human Resources at regular intervals of their condition and their anticipated date of return to the office, so that work may be properly scheduled or reassigned. An agreement should be made as to when the next contact between the Line Manager and employee will be, should the absence last more than 1 day.
16. It is the employee's responsibility to determine whether they are too ill to report to work. In the case of infectious illnesses, employees should not report to work as their illness could adversely affect other employees. Reverside reserves the right to send an employee home on Sick Leave if they report to work with an illness that is suspected to be infectious.

Suspected abuse of Sick Leave will lead to disciplinary actions.

MATERNITY LEAVE

All female employees are entitled to 16 weeks (4 consecutive months) of unpaid maternity leave. 8 weeks before the employee's expected week of childbirth the employee should notify the Human Resources Department in writing that she is pregnant, the week her child is expected to be born and the date on which she intends to start maternity leave.

Upon confirmation of pregnancy the employee shall be entitled to ½ day's paid leave per month preceding the maternity leave, subject to a maximum of 3 days for the purpose of attending a pre-natal clinic. This provided that authorization for such leave is obtained at least 3 working days before the intended absence, and that proof of the attendance at the pre-natal appointment is provided on the employee's return to work.

Working is prohibited any time during the 4 weeks prior to the date of birth of the child or 6 weeks immediately after the child is born. If the employee voluntarily decides to work during the 4 weeks prior to the birth date or return to work 6 weeks after the birth of the child, the employee must request in to return to work to the Human Resources Department as well as a Medical Practitioner certificate confirming that the employee is fit to work.

An employee who has a miscarriage during the 3rd trimester of the pregnancy or gives birth to a still born child is entitled to 6 weeks maternity leave thereafter.

The employee is entitled to collect the maternity leave forms from the Human Resources Department for submission to the UIF before/after taking maternity leave.

There may be occasions where it would be beneficial for the line manager to make contact with the employee during her maternity leave. The reason for this communication will be in the form of telephone call or writing to her to update her on changes in Reverside or general company communication.

The employee has to send an email to the Human Resources Department a week before her return to the office after her maternity leave in order to inform the relevant manager to make the necessary arrangements. The employee's manager will keep a close eye on the employee a few weeks after her return from maternity leave in order not to put her at risk immediately after her pregnancy.

During the employee's maternity leave, her contract of employment will still continue as well as all the terms and conditions. The following applies:

- Employees may apply to have their maternity leave extended by a period of not more than 1 month. The approach to approved extended maternity leave is the same as that of unpaid leave.
- Annual leave will accrue to the employee's leave credit during maternity leave.
- The employee remains a member of the medical aid scheme, if applicable, but will be responsible for 100% of the medical aid contributions.
- As per the general rules of the recognized Retirement & Death & Disability Fund and Medical Aid Scheme, the employee will be responsible for the payment of the full monthly contributions.

PARENTAL AND ADOPTIVE PARENTAL LEAVE

In terms of the Labour Laws Amendment Act an employee is entitled to 10 days parental leave upon the birth of the employee's child. Parental leave may also be applicable in circumstances where an employee legally adopts a child or when a child is placed by a court in the care of a prospective adoptive parent. In this regard one must consider the definitions of adoptive and prospective adoptive parents. A "prospective adoptive" parent means a person that complies with the requirements set out in the in the Children's Act of 2005.

A prospective adoptive parent therefore means:

- a person that is fit and proper to be entrusted with full parental responsibilities;
- that is willing and able to undertake, exercise and maintain those responsibilities;
- that is older than 18 years;
- and that has been properly assessed by an adoption social worker.

"Adoptive parent" means a person who has adopted a child in terms of any law.

Based on the aforementioned it is evident that both male and female employees may qualify for parental leave depending on the circumstances. However, if the employee gave birth to the child, she will not qualify for parental leave. Such employee is entitled to 4 months unpaid maternity leave. Female employees may however qualify for parental leave in circumstances where such employee is one of the adoptive parents or a prospective adoptive parent as per the definitions above. For the purposes of adoption leave, the child must be younger than two years of age.

Adoptive parental leave entitles one of the parents to 10 weeks consecutive unpaid adoption leave. If an adoption order is made in respect of two adoptive parents, only one may apply for adoption leave and the other for parental leave. Parental leave entitles an employee to 10 consecutive days leave (not 10 working days):

- after the employee's child has been born
- an adoption order has been granted by a competent court, or
- a child has been placed in the care of the prospective adoptive parent.

As indicated, such leave will be unpaid, and employees will therefore have to submit claims to the Unemployment Insurance Fund to qualify for payment during the periods of absence from work. In terms of the Labour Laws Amendment Act, an employee is entitled to 66% of his or her regular earnings subject to the maximum income threshold as per the Unemployment Insurance Act.

Contributors will not be entitled to be paid from the Unemployment Insurance Fund for parental leave if they were not employed and contributing to the fund during the 13 weeks prior to applying for such benefit. The same will be applicable for adoption leave. It is important to note that in order to qualify for the payment of parental leave benefits from the Unemployment Insurance Fund, a male employee will have to produce proof of him being the father of the child by virtue of a birth certificate with his name and surname appearing on it.

A further requirement in terms of the Amendment Act is that an employee must notify his or her employer in writing of the date that such leave is to commence and when the employee will return to work. Such notice must be given one month before:

- the child is expected to be born,
- or the date that the adoption order will be granted, or
- when the child is placed in the care of a prospective adoptive parent.

IRREGULARITIES

The Leave policy should be taken extremely seriously by all employees. Any employee who fails to comply with the Leave Policy, will be subject to disciplinary action.

Irregularities concerning an employee's conduct with regard to the Leave policy should be resolved by departmental management and the Director: Human Resources before concerning the Chief Executive Officer.

If there is any question as to whether an action constitutes an irregularity, contact the Director: Human Resources for guidance. The Director: Human Resources must coordinate all investigations with all affected areas, both internal and external.

INVESTIGATION RESPONSIBILITIES

The Director: Human Resources has the primary responsibility for the investigation of all suspected misconduct with regard to the Leave policy. If the investigation substantiates that misconduct has occurred, the Director: Human Resources together with the Chief Executive Officer will institute the appropriate disciplinary action against the employee.

CONFIDENTIALITY

The responsible parties must treat all information received confidentially. Any employee who suspects irregular conduct with regard to the Leave policy will notify the Director: Human Resources immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected misconduct (see REPORTING PROCEDURE section below).

Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect Reverside from potential civil liability.

AUTHORIZATION FOR INVESTIGATING SUSPECTED MISCONDUCT RELATING TO THE LEAVE POLICY

The Director: Human Resources and his/her designated responsible parties will have:

- Free and unrestricted access to all Reverside records and premises, whether owned or rented; and

- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation. Such activity will be thoroughly documented and recorded.

REPORTING PROCEDURES

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects irregular conduct with regard to the Leave policy will contact the Director: Human Resources immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Director: Human Resources. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," or any other specific reference.

The reporting individual should take cognisance of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution;
- Do not discuss the case, facts, suspicions, or allegations with anyone who is not directly involved with the investigation or the outcome of the investigation and who have no legitimate need to know. This includes any family member and/or friend.

OUTCOME

If an investigation results in a finding that irregular conduct with regard to the Leave policy has occurred, then the appropriate disciplinary action for Misconduct must occur. The Director: Human Resources is responsible for this procedure and, if necessary, outside counsel may be sought in order to take the necessary disciplinary action.

ADMINISTRATION

The Director: Human Resources is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

APPROVAL

(Chief Executive Officer) Date