

Employee Relations Policy

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Employee Relations Policy

1 PURPOSE, OBJECTIVES AND SCOPE

This is the Employee Relations (ER) policy for Telkom SA SOC Limited (hereinafter referred to as “Telkom”). This Policy is applicable to Telkom employees and aims to:

- I. Ensure fair Labour practices in the employment relationship aimed at improving efficiency and productivity.
- II. Engender a climate based on trust, good governance, honesty and transparency.
- III. Promote and maintain harmonious relationships between Telkom, its employees, recognised trade unions and external stakeholders.
- IV. Establish policies and procedures that have built-in flexibility which are cost effective and to monitor the implementation thereof.
- V. Apply effective dispute resolution mechanisms, mediation and conflict resolution.

2 POLICY

- I. Telkom respects its employees’ right to be heard especially where decisions made could have an effect on them from an employee and/or employer relations perspective. Telkom must ensure that its employees have access to Telkom’s policies, procedures, and relevant labour legislation.
- II. Employees are subject to Telkom’s disciplinary, grievance and incapacity procedures as underpinned by the respective policy and procedures. Telkom adopts the concept of progressive discipline rather than punitive discipline in response to unacceptable employee behaviour.
- III. The employee is entitled to be represented by a co-worker, or a shop-steward from the same employer work address to which the employee is linked. Proceedings that are conducted virtually, such as grievance and discipline, shall allow representation which does not need to be from the same employer work address.
- IV. The employee may waive the right to representation and elect to represent himself/herself. No legal and or external representation will be permitted.
- V. Management must inform employees of their rights in terms of the relevant Labour legislation once internal dispute mechanisms have been exhausted.
- VI. Strategic dealings with trade unions rest solely within the authority of the Head of Employee Relations whilst the operational employee relations related matters are executed and carried out within the business units and/or functional areas.
- VII. Employee Relations will lead negotiations on policies and procedures supported by the relevant stakeholders and Human Resources (HR) will train, inform and/or advise line management on the application and implementation of policies and procedures.

3 CONTEXTUAL BACKGROUND

Employee Relations Policies aim at ensuring that there are consistent and similar processes which Telkom employees are subjected to irrespective of whether or not they fall in the bargaining unit level except where there is a Collective Agreement that specifically defines the process. ER policies must be in line with the code of good practise as contained in the LRA (Labour Relations Act 66 of 195) as amended from time to time. The subsidiaries of Telkom

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will use the Employee Relations Policy as a framework in their separate legal entities. Telkom endorses the freedom of association as defined by the Constitution of the Republic of South Africa 1996 to belong or not to belong.

4 COLLECTIVE BARGAINING

4.1 Collective Bargaining

- I. Recognition of a trade union will be granted where such trade union represents a minimum of 30% of employees falling within the recognised bargaining unit levels on a national basis. Telkom recognises the union/alliance meeting the minimum of 30% threshold as the collective bargaining representative of its members falling within the recognised bargaining unit level/s at a particular time at Telkom.
- II. Unions may act alone or jointly in achieving the minimum of 30% threshold for recognition by Telkom. Currently, Telkom recognises the Alliance two trade unions for purposes of collective bargaining processes. Each union of the Alliance retains its own identity, constitution and independence for other purposes except collective bargaining.
- III. Recognised union/s and or alliance will be afforded organisational rights in terms of the provisions of the respective Collective Recognition Agreements. Organisational rights are subject to any conditions as to time and place that are reasonable and necessary to safeguard life or property and to prevent the undue disruption of work.
- IV. Disputes between the company and the recognised union/alliance must be dealt with in terms of the Dispute procedure as contained in the Collective Recognition Agreement.

4.2 Union Membership

Telkom endorses the principle of freedom of association and accordingly, recognises the right of any employee, as defined in the Labour Relations Act, to belong or not to belong to a union/alliance of their choice. Although employees are free to join a union/alliance of their choice, Telkom will only provide stop-order facilities in terms of the provisions of the Collective Recognition Agreement and Telkom will limit payment of membership fees to one recognised trade union/alliance.

4.3 Recognition Collective Agreements

- I. Collective Agreements between Telkom and/or the recognised union/alliance must be in writing and signed by the respective parties to ensure accurate and effective implementation thereof and agreements must comply with relevant Labour legislation.
- II. Agreements shall be applicable to the respective parties until such time legislation supersedes the agreement and/or the parties amend the agreement in writing and/or a new agreement is signed by the respective parties.
- III. The rights and obligations of the recognised union/alliance are as set out in the respective Collective Recognition Agreements, including the election and appointment of shop stewards.

5 GRIEVANCE PRINCIPLES

- 5.1 Grievances must be dealt with in terms of the Grievance Procedure as provided for in Grievance Policy and procedure. The grievance procedure provides employees with a channel

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of communication regarding any dissatisfaction or feeling of injustice affecting an employee, which arises out of his/her conditions of work, employment or the employment relationship, to give management an opportunity to address or alleviate such grievance or feeling of dissatisfaction/discontent.

- 5.2 Employees have the right to follow the grievance procedure where their rights have been violated and/or infringed and the grievance procedure shall not be used by an employee for processing or negating any other procedure, which has its own dispute resolution procedure.
- 5.3 No employee or union representative shall suffer any prejudice and/or victimisation in the course of their employment as a consequence of lodging a grievance or attending to one and all Grievance proceedings shall be treated with confidentiality.
- 5.4 Effective management of conflict and employee dissatisfaction requires a systematic and orderly mechanism to control conflict and to ensure the trust of employees in Management and the application of company policies.
- 5.5 Employee/s may be represented by a co-worker, a shop steward from his/her place of work or a union official at no cost to the company.
- 5.6 Only (1) one observer maybe allowed to observe the proceedings subject to the chairperson's approval in consultation with HR. Should any party require an interpreter during the proceedings prior arrangements must be made with the chairperson two (2) days prior to the sitting of the proceedings.
- 5.7 Human Resources is responsible to facilitate, advise and support the mechanisms in the resolution of grievances as close as possible to the point of origin and as soon as is in accordance with the grievance policy and procedure timelines.

6 DISCIPLINARY PRINCIPLES

- 6.1 Disciplinary actions must be dealt with in terms of the Disciplinary Policy and Procedure. The disciplinary process is intended as a guideline to ensure that employees understand what kind of behaviour is viewed as misconduct, the consequences of such misconduct and the procedure to be followed to address any misconduct in the company.
- 6.2 Disciplinary action must be both in terms of the company's policies and procedures and applicable legislation. Telkom, represented by its Management, has the responsibility of ensuring discipline in the workplace and, where necessary, to duly authorize a competent employee or external chairperson or initiator to carry out the mandate to initiate and/or to chair the disciplinary enquiry.
- 6.3 The disciplinary process is aimed at finding ways of correcting unacceptable behaviour by ensuring the existence of sound relationships between management, employees and recognised unions and contributing in the realisation of the vision and strategic objectives.
- 6.4 The disciplinary process enables management to manage in a way commensurate with their responsibilities, with equity and integrity and to initiate corrective action in instances of unacceptable behaviour. Disciplinary action will not be utilised to victimise employees.
- 6.5 Discipline must be applied privately and confidentially between the employee and the Company and Chairpersons in, and initiators of the disciplinary processes must be delegated and authorised company representatives.

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- 6.6 In disciplinary processes there shall be a provision for an appeal process, the details of which are provided for in the Disciplinary Code and Procedure. Discipline against a Union shop steward or an employee who is an office bearer of the union, shall not be instituted without first informing and consulting with the union/alliance.
- 6.7 The employee may waive his/her right to a formal enquiry however, where the disciplinary code and procedure, makes reference to a dismissal as a potential outcome of the misconduct, the waiver will not be applicable.
- 6.8 Disciplinary action should provide for clarification of the alleged offence to the employee concerned, an opportunity for the employee to state his/her case, and for a shop steward to be represented by a union official. No legal and/or external representation will be permitted.
- 6.9 Forms of disciplinary sanctions: Depending on the circumstances and the seriousness of the matter in question, disciplinary sanctions may be invoked progressively or independently and may include: counselling/verbal warning, written warning, final written warning or dismissal.
- 6.10 Presumption of innocence applies, indicating that every employee whose conduct is being investigated and who is the subject of disciplinary process will be presumed innocent until proven guilty on a balance of probabilities.
- 6.11 Burden of proof requires that the initiator must prove the charges against the employee as it is not for the employee to prove his/her innocence. Where the employee brings a defence that requires the employee to prove his/her innocence, the employee bears the onus of proof.

7 INCAPACITY PRINCIPLES

Incapacity matters, whether due to Poor Work Performance or due to Ill Health/Injury, must be dealt with in terms of the Incapacity Policy and Procedure. An employee who is unable to perform his/her duties due to incarceration shall be dealt with in terms of the Incapacity Policy and Procedure relating to an imprisoned employee.

8 DISPUTES

Where a union/alliance or the company has formally declared a dispute in writing, such dispute must be dealt with as per the dispute resolution procedure contained in the Collective Recognition Agreement. The Head of Employee Relations, in consultation with the relevant line management, will attend to internal disputes. Disputes that have been referred to external tribunals shall be attended to by the Head of Employee Relations working with the relevant line management and HR of the functional area.

9 INDUSTRIAL ACTION

- 9.1 Any industrial action will be dealt with as per the Company Policies, Collective Recognition Agreement and in line with relevant legislation, in particular the LRA. Industrial action (i.e. strikes, lock-outs, secondary strikes, boycotts, picketing, go-slow, etc.), whether protected or unprotected, must be reported to the Head of Employee Relations Office and industrial action must be dealt with in consultation with the relevant HR and line management as led by the Head of Employee Relations or his/her designate.

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- 9.2 Should union members embark on an unprotected strike; the union/Alliance shall immediately take all reasonable steps to restrain its members from continuing with such action and shall endeavour to bring the unprotected strike to an end within 24 hours of becoming aware of such unprotected strike or being requested to do so, whichever occurs first. Similar timelines shall apply in the case of the non-unionised employees.
- 9.3 Telkom shall apply the principles of “no work, no pay” for any time or days spent by employees on such industrial action whether the industrial action is in compliance with legislation or not.

10 REFERRAL OF DISPUTES TO EXTERNAL STRUCTURES

10.1 Absence from work for external disputes

The employee (applicant) or any group of employees who have referred their dispute to an external institution for resolution must take normal vacation leave to attend to such dispute. The granting of such vacation leave will be dependent on the operational requirements of Telkom. However, such permission will not be unreasonably withheld. Should the final outcome of the dispute be in favor of the employee/s, the leave taken will be converted to special paid leave. The union representative, employed by Telkom, who is requested to represent an employee will apply for normal vacation leave to attend to this matter.

10.2 Witnesses

Witnesses employed by Telkom, who are subpoenaed in terms of the labour legislation to give evidence on behalf of the employee (applicant) or dismissed employee, must inform the relevant HR Head of the subpoena and special paid leave will be granted to attend. Employees not being subpoenaed will initially have to apply for normal vacation leave. Should the employee be called to give evidence and the final outcome is in favour of the employee (applicant), the leave taken will be converted to special paid leave.

10.3 Observers

Any employee who wishes to be involved in an external dispute resolution exercise as an observer must take normal vacation leave to do so. The granting of such leave will solely be based on the operational requirements and requests are to be sent to the relevant HR Head.

10.4 Travelling and other costs

Employees involved in external dispute resolution processes are not allowed to utilise any Telkom transport or vehicles.

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11 APPENDIX A: DEFINITIONS, ACRONYMS, REFERENCE DOCUMENTS, LAWS & REGULATIONS

11.1 Definitions

Definitions	Description
Employee Relations	Employee relations refers to the relationship between or among an employer and its employees

11.2 Acronyms

Acronyms and Abbreviations	Description
ER	Employee Relations
HR	Human Resources
LRA	Labour Relations Act

11.3 Reference Documents

- I. Grievance Policy
- II. Disciplinary Policy
- III. Incapacity Policy

11.4 Laws and Regulations

- I. Labour Relations Act 66 of 1995
- II. Employment Equity Act 55 of 1998
- III. Basic Conditions of Employment Act 75 of 1997
- IV. Occupational Health and safety Act 85 of 1993
- V. Constitution of the Republic of South Africa 1996