



EMPLOYEE RELATIONS AND DISCIPLINARY GUIDELINES POLICY

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1. PURPOSE

This policy outlines Montego Pet Nutrition's process for managing employee relations, misconduct, incapacity, performance, and grievances. It ensures that all employee conduct matters are handled fairly, lawfully, and consistently, in line with company values, relevant policies, and South African labour legislation. It also incorporates behavioural expectations and is intended to safeguard both the company and its employees.

2. SCOPE OF APPLICATION

This policy applies to all employees across all Montego operations, including depots, manufacturing plants, and remote workers. It must be read in conjunction with the following applicable Montego policies and procedures:

- Work Time Policy
- Sick Leave Policy
- Sick Absence Procedure
- Whistleblowing, Harassment & Discrimination Policy
- Probation Procedure
- Employee Manual
- Employment Contracts (COE)

3. DEFINITIONS

TERM	DEFINITION
Common Law	The basis of South African law includes legal principles outlined in the BCEA and LRA.
Contract of Employment / COE	A mutual agreement between the employee and the employer, with conditions outlined as per the BCEA.
Corrective Discipline	The process of taking disciplinary action to correct unacceptable behaviour or performance.
Disciplinary Action	Any corrective measure or reprimand taken in response to misconduct.
Disciplinary Code	The guidelines are set for addressing and correcting unacceptable employee conduct.
Grievance	Formal complaint by an employee about treatment or conditions.
Incapacity	Inability to perform duties due to illness, injury, or underperformance.
Misconduct	Behaviour that violates policy, law, or contractual obligations.
Poor Work Performance / Incapacity	The failure to meet work performance standards was not caused by misconduct or illness.
Progressive Discipline	A step-by-step approach aimed at correcting behaviour.
Workplace Harassment	Unwelcome conduct, including physical or verbal abuse, that creates a hostile work environment.

4. LEGAL FRAMEWORK

This policy aligns with the following legislation and regulatory codes:

- Labour Relations Act 66 of 1995
- Basic Conditions of Employment Act 75 of 1997
- Employment Equity Act 55 of 1998
- Code of Good Practice on Dismissal, 2025
- Code of Good Practice: Managing Incapacity
- Code of Good Practice: Harassment in the Workplace
- Protection of Personal Information Act (POPIA)

5. EMPLOYEE RESPONSIBILITIES

All employees are expected to:

- Abide by the Montego Code of Conduct and COE.
 - Follow all lawful instructions from management.
 - Adhere to the Work Time and Sick Absence Policies.
 - Report to work in a fit condition (not under the influence of drugs/alcohol).
 - Maintain confidentiality and protect company property.
 - Act with respect and professionalism toward colleagues and customers.
 - Report misconduct, fraud, or safety concerns in line with the Whistleblowing Policy.
 - Comply with all HR and operational procedures.
 - Uphold confidentiality obligations and comply with POPIA.
- Breach of data privacy, including unauthorised disclosure of personal or company information, may lead to disciplinary action.

6. MANAGER AND SUPERVISOR RESPONSIBILITIES

Managers and supervisors are expected to:

- Lead by example and uphold the company's values.
- Monitor team behaviour and performance proactively.
- Enforce rules consistently and fairly.
- Address issues informally before escalating where appropriate.
- Apply discipline progressively but firmly where warranted.
- Ensure new employees are briefed on this policy.
- Refer concerns to HR for support, especially regarding incapacity, formal hearings, or high-risk grievances.
- Comply with Sick Absence and Work Time procedures.
- Keep accurate records of all interventions and decisions.

7. DISCIPLINARY PRINCIPLES AND APPROACH

Montego is committed to fair labour practice, procedural fairness, and rehabilitation where possible.

The following principles apply:

- Progressive discipline must be followed unless the conduct is gross.
- No sanction may be issued without due process.
- Employees must be given the right to representation and explanation.
- Dismissals may only occur after a fair enquiry has been conducted

- All warnings, notices, and outcomes issued must be acknowledged in writing by the employee. Where an employee refuses to sign, the refusal must be recorded on the document and countersigned by a witness.

Disciplinary Levels (Progressive):

- Verbal Warning: valid for 3 months
 - Written Warning: valid for 6 months
 - Final Written Warning: valid for 12 – 24 months
 - Disciplinary Enquiry → Dismissal (if warranted)
- These timeframes serve as a guideline. HR may consider mitigating or aggravating circumstances when determining final action.

Bonus Forfeiture Rule: Where a written or final written warning is issued, the employee may forfeit eligibility for the June annual bonus, in line with Montego Pet Nutrition's Bonus Forfeiture rule.

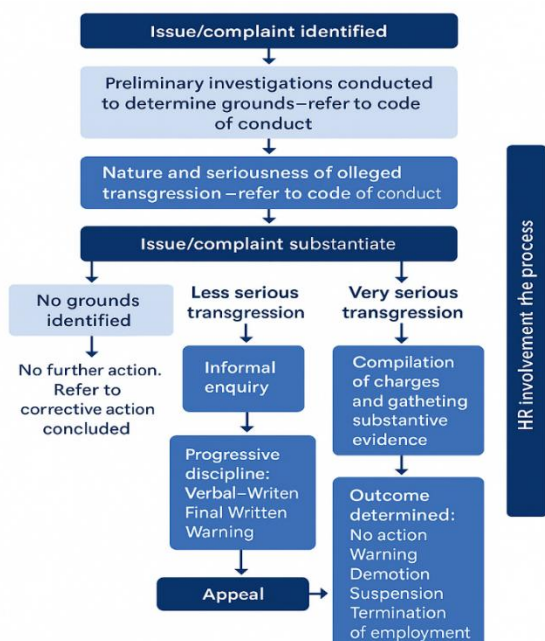
8. CATEGORIES OF MISCONDUCT

Type	Examples	Typical Sanction Range
Minor	Late arrival, extended breaks	Verbal to Written Warning
Serious	Insubordination, repeated offences	Final Warning to Dismissal
Gross	Fraud, theft, assault, harassment	Dismissal

Employment Equity Compliance:

Any conduct undermining Montego Pet Nutrition's Employment Equity Plan or reporting obligations (e.g., discriminatory practices, refusal to cooperate with EE data collection, or misrepresentation of workforce information) may result in disciplinary action up to and including dismissal.

See Annexure A for a full table of offences and sanctions, and also refer to the Code of Conduct, Confidentiality Policy, and Work Time Policy for guidance on related employee obligations.



9. DISCIPLINARY PROCESS

Step-by-step procedure:

1. Incident is reported or observed.
2. The line manager investigates facts.
3. If warranted, HR is consulted and a decision is taken on warning or hearing.
4. Employee receives written notice of enquiry (48+ hours).
5. A hearing is held with an impartial chairperson.
6. Outcome is recorded; the employee has the right to appeal internally.

10. PRECAUTIONARY SUSPENSION

In cases where an employee's presence may jeopardise the investigation or workplace safety:

- Paid suspension may be instituted.
- Maximum period: 30 calendar days. Where investigations exceed 30 days, suspension may be extended only upon good cause being shown, with the approval of HR and EXCO.
- Suspension is not a presumption of guilt.

Applicable to:

- Long-term illness or medical incapacity (with reference to the Sick Leave Policy)
- Chronic absenteeism (in line with the Sick Absence Procedure)
- Underperformance despite clear targets and coaching

Note: Refer also to the Sick Leave Policy and Sick Absence Procedure for medical reporting requirements and incapacity management

According to the 2025 Code of Good Practice on Dismissal, dismissal for poor performance or incapacity will be conducted fairly and transparently.

The Employee will be:

- provided with notice of concerns.
- An opportunity to respond.
- Provided with reasonable support and accommodation.

Steps include:

- 1) Notification and counselling
- 2) Performance improvement plan
- 3) Reasonable accommodation
- 4) Referral to EAP or medical evaluation (if necessary)
- 5) Formal incapacity hearing before termination

11. GRIEVANCE PROCEDURE

All grievances and outcomes must be recorded in HR systems. Employees and managers must sign an acknowledgement of receipt and outcome to ensure compliance with CCMA evidentiary requirements. Employees may submit grievances using the official Grievance Submission Form.

No person may be victimised for lodging a grievance in good faith.

Steps:

- 1) The employee completes and submits the form to the line manager or HR.
- 2) Category 1 grievances (urgent): Resolved within two working days.
- 3) Category 2 grievances (standard): Resolved within three working days.
- 4) If unresolved, escalation to HR/EXCO.
- 5) External referral (e.g. CCMA) remains an option.

Grievance categories include:

- Harassment, discrimination, or abuse
- Unsafe work conditions
- Victimisation or unfair treatment
- Policy violations or procedural flaws

Note: Refer also to the Whistleblowing, Harassment and Discrimination Policy for cases involving harassment, unfair treatment, or retaliation

12. Grievance Table:

Category 1:	
Requires Immediate Attention	What to Do at Montego Pet Nutrition
Harassment or Bullying (Factory): A colleague makes offensive comments or threats on the factory floor, creating a hostile work environment.	Action: Report immediately to your supervisor or HR using the Grievance Form (click here). Montego Pet Nutrition will conduct an urgent investigation and take actions such as mediation or disciplinary measures, including suspension if necessary.
Physical Altercation (Depot): Two employees engage in a physical altercation during working hours.	Action: Report to HR or management as soon as possible. HR will investigate the situation and decide on immediate actions, such as suspension or involving law enforcement if necessary. Fill in the Grievance Form
Unsafe Practices (Factory): A colleague disregards safety protocols (e.g., failing to wear protective gear), thereby endangering themselves and others.	Action: Immediately notify your supervisor and HR through the Grievance Form. Montego Pet Nutrition will conduct a safety investigation and may require disciplinary measures, retraining, or immediate intervention to address any issues identified.
Sexual Harassment (Office): An employee faces unwanted sexual advances or inappropriate behaviour.	Action: Report immediately to HR or a trusted manager. Montego Pet Nutrition will handle the complaint discreetly, thoroughly investigate it, and take corrective action. Complete the Grievance Form
Category 2: Other Grievances	What to Do at Montego Pet Nutrition
Inappropriate Personal Conduct (Office): A colleague engages in unprofessional behaviour, like using offensive language or sending inappropriate emails.	Action: Report the issue via the Grievance Form. Montego Pet Nutrition will investigate and may act, such as issuing a warning or holding a mediation meeting.
Workplace Conflict (Depot): Two employees have ongoing disagreements regarding task responsibilities, resulting in operational disruptions.	Action: Use the Grievance Form to raise the issue with your direct supervisor or HR. Montego Pet Nutrition will arrange a mediation meeting to clarify responsibilities.
Undermining Colleague's Work (General): An administrative colleague consistently criticises another's work, making them look bad in front of management.	Action: Submit a formal grievance using the Grievance Form. Montego Pet Nutrition will conduct an inquiry and may recommend mediation or issue warnings to the offending party.
Excessive Criticism or Unfair Feedback (Office): A manager continuously provides overly harsh or unfair feedback that feels personal rather than constructive.	Action: Report the issue through the Grievance Form. Montego Pet Nutrition will arrange a meeting between HR, the employee, and the manager to address concerns and find solutions.

13. TERMINATION & NOTICE PERIODS

Standard notice periods:

- 1 week for <6 months
- 2 weeks for 6–12 months
- 4 weeks for >12 months

If an employee resigns or is dismissed without serving the required notice, Montego reserves the right to recover the equivalent value from the final payment.

14. NON-COMPLIANCE

This policy forms part of the rules and procedures of Montego Pet Nutrition. Non-compliance may result in disciplinary action, including:

- Labour Relations Act.
- Montego's Code of Conduct.
- Montego Sick Leave, Work Time, and Safety Policies.
- Employment contract (COE)

15. QUERIES

All queries should be referred to the Human Resources Department for clarification and guidance.

16. ANNEXURE A: ACTS OF MISCONDUCT

Types of Sanctions and Misconduct Examples

Below is the table of misconduct, along with corresponding sanctions for each transgression. This section aligns with the company's Code of Conduct and applicable labour laws.

Category of Misconduct	1st Offence	2nd Offence	3rd Offence	4th Offence
Employees are required to provide a service.				
Late Coming	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Leaving Work Early Without Permission	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Loitering or Deliberate Time-Wasting	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Sleeping While On Duty	Written Warning	Final Written Warning	Dismissal	
Taking Extended Meals or Tea Breaks	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Unauthorised Absence (1 day)	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Unauthorised Absence (2 days)	Written Warning	Final Written Warning	Dismissal	
Unauthorised Absence (3 days)	Final Written Warning	Dismissal		
Failing to Report Absence or Late Arrival	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Failing to Report Overtime	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Employees are required to be obedient and show respect.				
Failure to Provide a High Level of Service	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Insolent or Insubordinate Behaviour Toward Senior Employees	Final Written Warning	Dismissal		
Gross Insolence	Dismissal			
Failing to Abide by Company Policies	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Employees are required to act with integrity.				
Data Privacy Breaches	Dismissal			

Category of Misconduct	1st Offence	2nd Offence	3rd Offence	4th Offence
Unauthorised sharing or disclosure of employee or company personal information: Dismissal.	Dismissal			
Attempting to access or distribute confidential information without permission: Dismissal.	Dismissal			
Theft or Attempted Theft	Dismissal			
Fraud or Attempted Fraud	Dismissal			
Falsifying or Altering Records	Dismissal			
Employees are required to be diligent and competent.				
Poor Work Performance	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Careless or Incomplete Work	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Employees are required to demonstrate acceptable conduct and behaviour.				
Assault or Attempted Assault	Dismissal			
Spreading False or Malicious Rumours	Dismissal			
Safety				
Failing to Comply with Safety Rules	Final Written Warning	Dismissal		
Failure to Wear Protective Clothing	Verbal Warning	Written Warning	Final Written Warning	Dismissal
Hygiene, Morals				
Committing Unhygienic or Immoral Acts	Dismissal			
Polygraph, Breathalyser, and Drug/Substance Testing				
Test Type	Condition	Action		
Polygraph	If requested by the employer, at any time during employment	The employee consents to testing as a condition of service.		
Breathalyser	If requested by the employer, at any time during employment	Refusal to undergo testing may result in disciplinary action.		
Drug/Substance Testing	If requested by the employer, at any time during employment	Failure to undergo testing may result in termination if the trust is compromised.		