

GRIEVANCE PROCEDURE

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PURPOSE

This Grievance Procedure is intended to facilitate the effective handling of grievance that may from time to time present themselves in the working environment. The purpose is to foster acceptable communication between employee and management team by providing a process for handling employee Grievances and a fair and equitable process for the handling of employee misconduct.

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REVIEW AND APPROVAL SIGNATURES

| ROLE | RESPONSIBILITY | SIGNATURE | REVIEW DATE |
|-------------|------------------------------|------------------|--------------------|
| ORIGINATOR | HR & SED Manager | | |
| REVIEWER | CFO - Southern Africa | | |
| APPROVED BY | Executive Management Officer | | |

SCOPE

The principles of this procedure apply to all employees. It is not possible to set out in detail every possible contingency which may arise in the workplace. However, this procedure can help to resolve a wide of variety of problems faced by employees in the workplace, namely: lack of proper implementation of terms and conditions of employment, health and safety, new working practices, organisational change, equal opportunities and sexual or moral harassment. Management may deal with exceptional cases not contemplated by this procedure in such a manner as may be deemed fair and appropriate.

This procedure may not be used for purposes of amending any substantive condition of employment and/or any provision of any agreement between Acwa Power Solar Reserve Redstone Solar Thermal Power Plant (Pty) Ltd and Employee(s) Representative(s).

OBJECTIVES

- To provide a platform for employees to raise complaints or grievances.
- To provide a process for handling work related grievances of individual Employees or groups of employees pertaining to (i) work-related interaction with fellow Employees or (ii) the Employee's physical work-place or (iii) and work practices/behaviour.
- To ensure that grievances are resolved timeously and as close to the point of origin as possible.
- To ensure that the duty to resolve grievances amongst employees is vested in Management.
- To facilitate submission of grievances without fear of prejudice or undue detriment to Employee(s) employment conditions.
- To initiate corrective action where behaviour or performance of an employee and/or employees is unacceptable.
- To ensure that corrective action is taken timeously when there are deviations from acceptable norms, rules and standards.
- To ensure that all employees have access to sufficient information on this procedure.
- To ensure uniformity, fairness and consistency in the interpretation and application of this procedure.

RESPONSIBILITIES

| POSITION TITLE | ROLE | DESCRIPTION OF TASK |
|-----------------------|---|--|
| HR & SED Manager | Develop and provide training on this document | The HR & SED Manager is responsible for procedure development and for ensuring that all employees understand the contents of this Procedure. |

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| HR & SED Manager | Review, amend and implement the content of this document | The HR & SED Manager is responsible for procedure review, amendment and for ensuring full implementation of its content across all departments. |
| Head of Departments | Implement | Implementation of this procedure in areas of responsibility. |
| EMO | Document Approval | The General Manager is responsible to approve this policy and to ensure compliance of its content within Acwa Power Solar Reserve Redstone Solar Thermal Power Plant(Pty) Ltd. |
| All Employees | Adherence | All employees are responsible to adhere to this procedure. |
| | | |

PROCEDURE STATEMENTS

The grievance procedure comprises of formal and informal processes. Depending on the severity of the complaint, it is advisable to always use the informal process before adopting the formal process.

1.1 INFORMAL GRIEVANCE

1.1.1 Formula for Discussion

An Employee may lodge a grievance by completing the grievance statement form and submit it to their immediate Supervisor. The supervisor must investigate the alleged grievance and set up a meeting to discuss the grievance with the aggrieved employee and the allegedly accused employee with the intention to resolve the grievance soonest.

If the grievance concerns the Employee's immediate supervisor, the Employee should discuss the grievance with his/her next level of Management. Every endeavour should be made to resolve the grievance at this stage.

1.1.2 Time to Resolve

The immediate Supervisor shall endeavour to resolve the grievance within three (3) working days of referral of the grievance to him/her and inform the Employee of the outcome.

At this stage the Supervisor or the Head of Department should involve the aggrieved employee in the process of resolution.

1.1.3 Unresolved Grievance

If the informal grievance has not been resolved to the satisfaction of the aggrieved Employee, the a formal grievance process must be adopted. The grievance statement form must be submitted to the next level of management.

1.2 FORMAL GRIEVANCE

1.2.1 Procedure for Formal Grievance

If a formal grievance has been lodged, a grievance enquiry shall be convened, which could lead to the amicable resolution of the grievance. As part of the enquiry, investigations should be conducted as to the nature of the grievance and the details pertaining to the case shall be recorded and contained in the preliminary investigation report.

The Department Manager should then investigate the matter thoroughly, generally by speaking with any possible witnesses and taking statements from anyone else who may have been involved. The Department Manager should respond to the aggrieved employee within 10 calendar days.

At this stage it is useful for the Department Manager to really listen to the employees. Grievance that reach this stage are unlikely to just go away, and if they can be dealt with relatively early there is likely to be less disruption and bad publicity than if the grievance carries on to the next stage.

If the grievance is contested, the employee should be invited to attend a meeting to discuss the grievance. This meeting might involve appearing before a joint committee or panel made up of representation of employees, managers and independent union representatives.

Due to the multilingual nature of our employee complement, it is important that an interpreter is involved in this meeting, where necessary. The interpreter service may be arranged by HR Department.

1.2.2 Grievance Enquiry Attendance

Chairperson.

The Aggrieved Employee.

The Employee against whom the grievance is lodged.

Human Resources Representative.

Employee Representative.

Witness (es).

Any other person, who in the opinion of the Chairperson should attend.

1.2.3 Finality

The grievance enquiry shall be convened and a decision arrived at within five (5) working days from the date on which the grievance was lodged, unless this cannot be reasonably expected of the Chairperson in the circumstances.

1.3 DISPUTE

Should the employee still feel aggrieved after the outcome of the grievance enquiry (FM0015), he/she may follow the dispute resolution process detailed in the Labour Law such as mediation and/or arbitration.

1.4 GROUP GRIEVANCE

In the case of a grievance affecting a group of Employees, the group will nominate a spokesperson(s) (maximum of 3) who will act on the group's behalf. Group grievances shall otherwise follow the same steps as outlined in this procedure.

1.5 CONDUCTING FORMAL GRIEVANCE ENQUIRIES

Formal grievance enquiries shall be conducted in the form of a meeting as per the guidelines outlined in this procedure (paragraph 4.5.6). Documentation pertaining the outcome of grievance enquiries shall be placed on personal file of the employee against whom the grievance is lodged.

1.5.1 Formal Grievance Enquiries

This document is to be used as a guideline for grievance enquiries. It must be noted that is not a disciplinary procedure and that its main purpose therefore, should be to foster communication and resolution of grievances which would otherwise result in conflict.

1.5.2 Pre-Enquiry Investigation

The Human Resources Representative must investigate the grievance and ensure that all relevant statements and documentation are obtained from the aggrieved and the Employee against whom the grievance is lodged

Subsequent to the preliminary investigation, the Human Resources Representative must be able to provide the Chairperson with a brief overview of the grievance, set up a venue and inform all participants thereof.

The Employee against whom the grievance is lodged must be given notification of the grievance enquiry, at least twenty-four hours prior to the time of the enquiry, unless circumstances as determined by the Chairperson do not permit.

1.5.3 General

Cautionary Note: The chairperson may not be a person who has been involved in the incident leading to the enquiry. Minutes and a tape recording if possible, should be kept of the whole enquiry. If the grievance is against the company the Departmental Manager shall represent Acwa Power Solar Reserve Redstone Solar Thermal Power Plant Pty) Ltd at all times.

1.5.4 Introduction of Officials and Record of Witnesses

The chairperson must explain the purpose of the grievance enquiry and the process to be followed during the enquiry.

The Chairperson records detail and introduces all present at the enquiry.

The Chairperson to request the witnesses to leave the enquiry and explain that they will be recalled as required in order to give evidence, statements and for cross-questioning.

1.5.5 Adequate Preparation

Ask the employee against whom the grievance is lodged if he/she has had sufficient time to prepare for the enquiry. Should the employee state that he/she has not had enough time, ask how much more time is required.

Provided the time requested is reasonable and/or reason(s) for the extension is valid, adjourn to a later date.

Send out a new notice to attend the enquiry.

1.5.6 Guide for Enquiry

Putting the Allegation(s) to the Employee against whom the Grievance is lodged (if applicable).

The Chairperson must request the aggrieved to provide details pertaining to the grievance. The chairperson requests the Employee against whom the grievance is lodged, to respond to the grievance being lodged by the aggrieved.

The participants of the enquiry may question the other party to clarify statements made. The Chairperson decides which witnesses may be called to substantiate the statements of the aggrieved and the Employee against whom the grievance is lodged.

The participants of the enquiry may question the witnesses to clarify the statements made by the witnesses.

The Chairperson facilitates the process and endeavours to find an amicable solution or refer it to be dealt with through the disciplinary process.

Proposed Settlement.

The Chairperson shall, after considering all related evidence from both sides, propose a settlement of the grievance and/or record the decision reached. Should the parties accept the settlement, recording this fact on the Outcome Form (FM0015) shall make confirmation.

In the event of the parties being unwilling to accept the proposed settlement as proposed by the Chairperson, record of this fact shall be made on the Outcome Form.

The party not accepting the outcome of the grievance enquiry may declare a dispute with the Company in terms of the Dispute Settlement Provision of the Company Agreement or Individual Contract.

1.6 APPLICATION OF DISCIPLINE ARISING OUT OF THE GRIEVANCE

Management reserves the right to take appropriate remedial action against employees or a group of employees in cases of misconduct and breach of rules and standards arising out of the formal Grievance Procedure.

Discipline must be applied consistently with due regard to precedent. Decisions must be based on, inter alia:

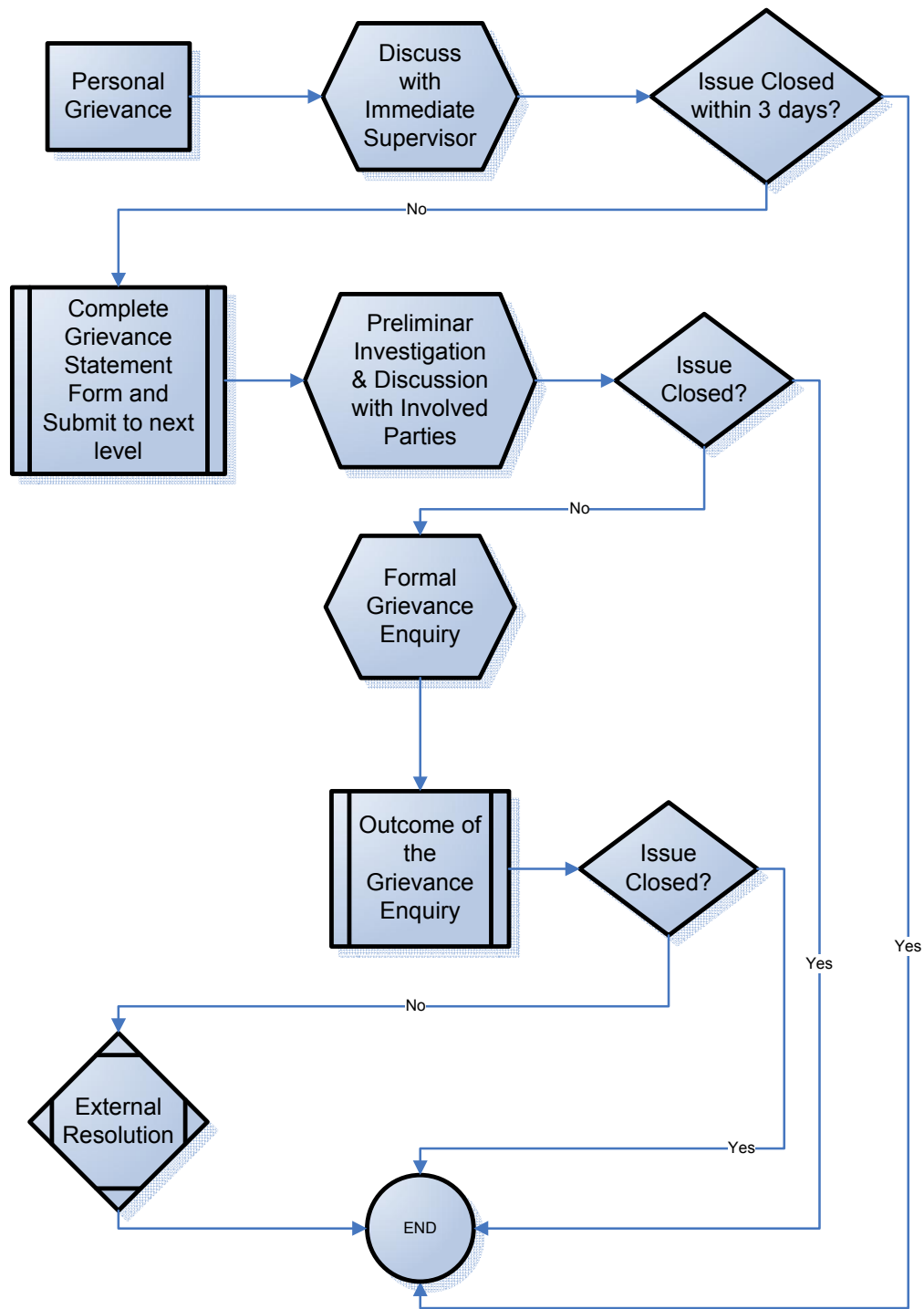
- the way in which other employees have been disciplined in the past for similar acts of misconduct;
- the way in which discipline has been applied to the same employee in the past;
- sanctions determined with regard to mitigating and aggravating factors.

Each case shall be considered on its own merits.

In any circumstances, Acwa Power Solar Reserve Redstone Solar Thermal Power Plant(Pty) Ltd Disciplinary Procedure shall apply.

FLOWCHART

GRIEVANCE PROCESS FLOW



DEFINITIONS AND ABBREVIATIONS

| TERM | DESCRIPTION |
|--------------------------------|---|
| Mediation | Process of conciliation whereby parties to a dispute agree to refer to issue to an independent and impartial third party to reconcile the parties. |
| Arbitration | Process of dispute resolution whereby parties to a dispute agree to refer to issue to an independent and impartial third party to decide the matter and to make an award which they accept as final and binding upon them. |
| Award | Final and binding decision emanating from the arbitration process. |
| Chairperson | An Employee employed as a Manager of the Company or another competent person appointed by Management. |
| Company | Shall mean Acwa Power Solar Reserve Redstone Solar Thermal Power Plant(Pty) Ltd Moma Mine and Processing |
| Employee Representative | An Acwa Power Solar Reserve Redstone Solar Thermal Power Plant(Pty) Ltd employee chosen by another employee for representation and assistance during the grievance or dispute process. |
| Human Resources Representative | An Acwa Power Solar Reserve Redstone Solar Thermal Power Plant(Pty) Ltd employee within the Human Resources department and/or designated by the HR & SED Manager to render facilitation, co-ordination or advisory functions during grievance or dispute process. |
| Misconduct | Situation where an employee has acted or fails to act against an established and know set of rules. |
| Offence | Any transgression or misconduct including unacceptable behaviour or unsatisfactory performance. |
| Procedural Fairness | Compliance to provisions of this procedure and labour statutes. |
| Substantive Fairness | Consistent, equitable and lawful application of disciplinary measures also in relation to sanctions imposed whilst taking cognisance of relevant circumstances. |
| Union Representative | An Acwa Power Solar Reserve Redstone Solar Thermal Power Plant(Pty) Ltd employee elected as union representative by fellow employees who are union members. |
| Grievance | A Grievance is any dissatisfaction or sense of injustice, or unfairness felt by a staff member in connection with his/her work or employment situation that is brought to the attention of the person(s) in charge of |

| TERM | DESCRIPTION |
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| | the staff member, other than in terms of the Conditions of Employment and other than arising from disciplinary action. |
| | |

REFERENCES

| REFERENCE | AUTHOR | TITLE |
|-----------|--------|------------------------|
| | ILO | Good Practice Guide |
| | HR | Human Resources Policy |

APPENDICES

- Appendix I - Grievance Statement Form
- Appendix II - Outcome of Grievance Enquiry