

EMPLOYEE GRIEVANCE MECHANISM

This Policy Document is produced and aimed at addressing all grievances of employees of Labianca Company Limited in line with the company's code of conduct. It also seeks to address grievances of nonemployees of the Company.

This document has received the approval of the Board of Directors of Labianca Company Limited

What is a grievance?

A grievance refers to problems and issues that employees experience over the course of their

employment. Grievances can cover a broad range of concerns, from potentially illegal actions such as unethical recruitment, workplace discrimination, sexual harassment or victimisation, to concerns about wages, how a poor relationship between two employees has been managed, a complaint about the quality of food in the canteen or a disagreement over holiday arrangements.

LABIANCA COMPANY LIMITED requirements on employee grievance mechanisms

In providing an effective grievance mechanism for workers, the employer here in known as Labianca will inform the worker(s) of the grievance mechanism at the time of hiring and make it easily accessible to them. The mechanism will involve appropriate level of management and address the concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism will also allow for confidential complaints to be raised and addressed. The mechanism will not impede access to other judicial or administrative remedies that might be available under law or through existing arbitration or mediation procedures, nor should it substitute for grievance mechanisms provided through workers' unions or collective agreements." This grievance mechanism will be in accordance with the rules of Natural Justice. This mechanism is consistent with the provisions of sections eight (8), nine (9), ten (10) and eleven (11) of the Labor Act 2003, Act 651.

OUTLINE OF GRIEVANCE POLICY AND PROCEDURE FOR LABIANCA COMPANY LIMITED

At Labianca, we are committed to a transparent process for workers to express their concerns and file grievances, including anonymous complaints. We will ensure that there will be no retaliation or discrimination against those who express grievances, and that any grievances will be treated confidentially.

Management will treat grievances seriously and take prompt and appropriate action in response. Our grievance mechanism does not replace other channels for grievance resolution as defined by law or collective agreements.

Below is a systematic outline of the grievance procedure adopted by Labianca Company;

Limited in addressing Employee Grievance;

Step 1- Informal Discussion

Step 2- Formal Grievance

Step 3- Grievance Hearing

Step 4- Appeal

Step 1: Dealing with grievances informally

Managers and workers are encouraged to use informal methods of resolving disagreements or disputes. If employees have a reasonable grievance or complaint regarding their work or the people they work with, they should, wherever possible, start by talking it over with their manager. It may be possible to agree on a solution informally between worker and manager. This makes it more likely that disputes can be resolved faster and closer to the source of the problem and less likely that they will escalate into intractable problems. If discussions with line managers fail to resolve the issue, it is still possible to pursue an informal approach without triggering a formal procedure. For example, a human resources (HR) manager could host an informal meeting or discussion. Grievances from new employees about recruitment practices will typically need to be made to the HR manager.

Step 2: Formal grievance

If the issue is a serious and/or the employee wishes to raise the issue formally, the employee should set out the grievance in writing to his or her manager. This submission should be factual and avoid language that is insulting or abusive. Where the grievance is against the employee's manager and the employee feels unable to approach him or her, the employee should address the grievance to another

manager or the HR department. If there is a trade union at the workplace, the employee may wish to ask a union representative for advice and support.

Step 3: Grievance hearing

A designated manager (normally from the HR department and hereafter called the 'grievance manager') will call the employee to a meeting to discuss the employee's grievance within a predetermined period of time after receiving the complaint. The employee should have the right to be accompanied by a colleague or trade union representative at this meeting on request. After the meeting, the grievance manager will give the employee minutes of the meeting signed by both parties and a decision in writing, within a predetermined period of time.

Step 4: Appeal

If the employee is unhappy with the decision about a grievance and wishes to appeal, he or she should let the grievance manager know about his decision. The employee will be invited to an appeal meeting within a defined period of time and the appeal will be heard by a senior mmanager. This is to help ensure an objective

and transparent appeal process. The employee will normally have the right, on request, to be accompanied by a colleague or trade union representative at this meeting and minutes should be taken. Every effort should be made to secure a resolution in the best interests of the worker(s) and the company. After the meeting the senior manager, or grievance committee will give the employee a decision within a predetermined period. This decision is final within the terms of the company's internal grievance mechanism; however, the employee is at liberty to apply to the court in accordance with the relevant law(s).

Special case: Grievance mechanism for sexual harassment

In Ghana, Section 175 of the Labor Act, 2003, Act 651 defines sexual harassment as an unwelcome, offensive or importunate sexual advances or request made by an employer or Superior officer or co-worker, whether the worker is a man or woman. Labianca does not have a standalone policy on sexual harassment but has comprehensively dealt with these issues when they arise at work place in this policy document.

Confidentiality, discretion and non-retribution are particularly important for these cases, and the ability to lodge grievances anonymously is also encouraged. This is because, victims of sexual harassment may feel too intimidated to lodge a grievance in person. Gender inclusion is taken into consideration since it is

good practice to have a male and a female staff member available to receive and process grievances, so that employees can choose to whom they wish to speak.

An effective sexual harassment complaints procedure in Labianca is as follows:

- Conveys the message that the employer takes all cases of harassment seriously and is able to prevent harassment.
- Enables the complainant to report harassment to the most appropriate point of contact – preferably anonymously – from a choice of management liaison points and, wherever possible, to enable the complainant to report harassment to a female supervisor or manager.
- Ensures that complaints are dealt with consistently and within a specified period of time.
- alerts an employer to patterns of unacceptable conduct.
- Highlights the need for prevention strategies in particular areas.

Guidance on implementing the grievance procedure

<p>The process is transparent, impartial and confidential</p>	<p>Every complaint should be treated seriously and dealt with consistently, in an impartial, confidential and transparent manner. This helps to establish the legitimacy of the mechanism among workers and ensures that it will be used.</p> <p>While the procedure may specify that a grievance should first be made to the employees' line manager, there should also be the option of first raising a grievance with an alternative manager, for example, an HR manager. The ultimate oversight of grievance resolution procedures should rest with a single senior manager of staff (not with junior staff).</p> <p>The name of this individual should be communicated to workers. Having the appropriate level of management involved makes it clear that the organisation takes worker grievances seriously.</p>
<p>Staff and management are informed and aware</p>	<p>All staff should be made aware of the grievance mechanism at the time that they are hired. Details of how it operates – including an up-to-date list of contact points – should be readily accessible (for example, in staff handbooks and on notice boards).</p>

	<p>All communications about the grievance mechanism should be in a language that workers understand.</p>
<p>Concerns are addressed promptly</p>	<p>Procedures should allow for time to investigate grievances fully, but should aim for swift resolutions. The longer a grievance is allowed to continue, the harder it can be for both sides to get back to normal afterwards. Time limits should be set for each stage of the process, for example, a maximum time between a grievance being raised and the setting up of a meeting to investigate it.</p>
<p>Records are kept</p>	<p>Once a grievance has been raised formally, it is important that proper written records are kept, to aid transparency and allow for any review of the process or decision to be undertaken. If possible, the original complaint should be in writing.</p> <p>The employer's response should also be recorded. Any actions taken, along with the reasons for these, should also be recorded, for example, a grievance hearing and finding. Minutes of all meetings should be taken and signed by both parties. Documentation</p>

	<p>should respect workers' rights to privacy and data protection.</p>
<p>The mechanism is sensitive to the needs of all workers, including vulnerable groups</p>	<p>Employees that may feel particularly vulnerable (such as ethnic or religious minorities, migrant workers, younger workers, employees with disabilities) should not be deterred from lodging a grievance. Therefore, the process for lodging grievances should be confidential in order to allow employees to raise a grievance without anyone else knowing.</p> <p>It is also good practice to have both a male and a female staff member available for receiving and processing grievances so that employees can choose whom to speak to. Where there are language barriers, it may be necessary to provide written materials in different languages and also to engage interpreters.</p> <p>Interpreters should be perceived by both sides as being impartial.</p>
<p>Role of worker representatives</p>	<p>Normally, collective grievances and disputes should be handled using the same approach as that used for individual complaints and grievances; where there are</p>

	<p>existing arrangements for collective grievances or dispute resolution, any new procedures should build on this agreed framework. If there is a worker organisation (normally a trade union) that files the grievance or represents the worker filing the grievance, that organisation should have the right to be notified and be present at all steps of the procedure. Where the procedure has been agreed with trade unions, it may be possible to commit to measures to avoid industrial action until the procedure has been completed.</p>
<p>Access to judicial remedy</p>	<p>The employee should understand that he or she has a right to recourse to judicial or administrative channels (such as an employment tribunal, labour court or labour inspectorate).</p>

Grievance mechanism for non-employee workers

Labianca ensures that the employees of subcontractors though not ours, have access to a grievance mechanism. This grievance mechanisms of subcontractors are based on the same principles as those set out in this policy document and should be made available to all workers, even those who are employed on a short-term or temporary part-time basis. To comply with the terms of the relevant laws, Labianca is obliged to “ensure that non-employee workers have access to an effective grievance mechanism that meets the requirements of the laws supra. In cases where the third party is unable to provide a grievance mechanism, Labianca will provide an effective grievance mechanism to serve workers engaged by the third party”.

Based on this principle, Clients of Labianca Company Limited have adopted the following measures:

- Take steps to ensure that grievance mechanisms are provided by contractors.

This may include placing contractual obligations on contractors to introduce and operate grievance mechanisms, and also regular monitoring of the functioning and outcomes of such mechanisms.

- Consider establishing a mechanism that extends to contract workers. In circumstances where the client thinks that contractors are either unable to

provide grievance mechanisms or that the procedures established are inadequate, the client must establish a means to receive grievances directly from workers. Where such a mechanism is established, the client should ensure that the responsibility for responding to the grievance, and dealing with the issues underlying it, rests with the contractor, who has ultimate responsibility as the direct employer of the workers in question.

DISCIPLINARY PROCEDURE

Where a Line Manager or any authorized Person is of the view or has reason to suspect that an Employee has committed an act in violation of the terms of his employment, that Manager or Person in authority shall adopt the following disciplinary procedure:

VERBAL WARNING

The employee shall be asked by his or her line manager in the presence of a disciplinary committee member to explain his or her conduct verbally;

- A. If the line manager decides that the employee has exculpated himself, no further action will be taken.
- B. If the line manager decides that the employee has not exculpated himself, then he shall warn the employee verbally. He shall decide to prepare in duplicate a filing memo on the incident, which shall be signed by all persons present. One copy shall be forwarded to the Head of Department and a copy kept at the local level.

ALL OTHER PENALTIES

- I. The Line Manager shall issue a query in writing to the Employee requesting him to explain his conduct.
- II. The date and time by which the Employee shall make an explanation shall be five (5) days from the date on which the Employee receives the letter.

On receipt of the explanation, the Line Manager shall forward all the correspondence together with his recommendations to the Disciplinary Committee for their records.

III. If it is an offence for which a written warning may be issued, the case shall be dealt with by the Disciplinary Committee as follows;

(a) If the Line Manager considers that the Employee has exculpated himself, he shall so inform the Employee in writing and no other action is required.

(b) If the Line Manager considers that the Employee has not exculpated himself, he shall issue him with written warning and forward copies of the correspondence together with a copy of the

written warning to Head of Department. Copies of the written warning shall be forwarded to the Human Resource Manager.

IV. If it is an offence for which a penalty other than a written warning may be issued, the Line Manager shall, if necessary, further investigate the incident and forward all the correspondence together with his recommendations to the Head of Department.

V. If the Head of Department decides that the Employee has exculpated himself or has no case to answer, he shall inform him or her and no other action will be required.

- VI. If the Head of Department decides that the employee has not exculpated himself, he may carry out further investigations into the case, and upon satisfying himself on the guilt of the Employee, decide on the appropriate penalty to be inflicted, and shall make a summary of the case together with the penalty decided upon and
- VII. forward these to the Human Resource Manager who will then inform the employee concerned of the decision taken on the matter. Copies of the decision shall be forwarded to the Disciplinary Committee.